INTRODUCTION

This annual Appropriations Report provides a single source document for obtaining summary and detailed information on appropriations for Fiscal Year 1989, as provided in the General Appropriation Act (H.B. 2142, Chapter 260, Laws of 1988) and other legislative acts. Also included is the economic and state revenue forecast upon which the budget was based. The summary section (pink pages at the front of the report) incorporates the use of graphics to visually display the structure and direction of the Arizona state budget for Fiscal Year 1989.

This report provides information relative to the legislative intent of appropriations. We have attempted to describe both the legal limitations or conditions ("footnotes") as well as that which was made apparent as "legislative intent" through the budget hearings.

The many state agencies are encouraged to review the contents of this Appropriations Report, and to contact the Joint Legislative Budget Committee Staff with any concerns regarding "legislative intent."

Additional information on appropriations and revenue can be obtained from the staff of the Joint Legislative Budget Committee.

Theodore A. Ferris,
Staff Director and
Legislative Budget Analyst
The Joint Legislative Budget Committee was first established on April 25, 1966, pursuant to Laws 1966, Ch. 96. Thereafter, Laws 1979, Ch. 187 expanded and altered the Committee membership. The Committee members are:

Representative John Wettaw, Chairman - 1987
Representative Carmen Cajero
Representative Bev Hermon
Representative Chris Herstam
Representative Leslie Whiting Johnson
Representative James Ratliff
Representative Betty Rockwell
Representative Polly Rosenbaum

Senator Jack Taylor, Chairman - 1988
Senator Jaime Gutierrez
Senator A. V. "Bill" Hardt
Senator Jeffrey Hill
Senator Peter Kay
Senator John Mawhinney
Senator Robert Usdane
Senator Pat Wright

The primary powers and duties of the Joint Legislative Budget Committee relate to ascertaining facts and making recommendations to the legislature regarding all facets of the state budget, state revenues and expenditures, future fiscal needs, and the organization and functions of state government.

The Joint Legislative Budget Committee appoints a Staff Director and Chief Executive Officer who is responsible for providing staff support and sound technical analysis to the Committee. The objectives and major products of the staff of the Joint Legislative Budget Committee are:

- Analysis and Recommendations for the Annual State Budget, which are presented in January of each year;
- Technical, analytical, and preparatory support in the development of appropriations bills considered by the legislature;
- An annual Appropriations Report, which is published shortly after the budget is completed and provides detail on the budget along with a further explanation of legislative intent;
- Support to the Joint Committee on Capital Review with respect to all capital outlay issues including land acquisition, new construction, and building renewal projects.
- Preparation of fiscal notes or those bills considered by the legislature having a fiscal impact on the state or any of its political subdivisions;
- Management and Fiscal Research Reports related to state programs and state agency operations;
- Periodic economic and state revenue forecasts;
- Periodic analysis of economic activity, state budget conditions, and the relationship of one to the other.

Joint Legislative Budget Committee
1716 West Adams
Phoenix, Arizona 85007
Ph: (602) 255-5491

Theodore A. Ferris,
Staff Director
STAFF OF THE
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- Assistant Staff Director............... Don Sockrider
- Associate Staff Director............... Dick Morris
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  ........................................ Dana Naimark
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- Assistant Analyst........................ John Wilcox
- Word Processing and Production...... Ann Gile
  ........................................ Linda Hogan
  ........................................ Linda Oddo
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Thirty-eighth Legislature  
Second Regular Session  
1988

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Henry Evans  
Gary Giordano  
Larry Hawke  
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Tony Gabaldon  
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John U. Hays  
Peter Kay  
Greg Lunn  
John T. Mawhinney  
Jacque Steiner  
Doug Todd  
Carolyn Walker  
Pat Wright
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STATE OF ARIZONA
GENERAL FUND
STATEMENT OF PROJECTED REVENUES AND EXPENDITURES
LEGISLATIVE STAFF ESTIMATE 1/
($ Thousands)

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1/ Legislative staff revenue estimate as of June 1988.
2/ Reflects enhancements brought about by new legislation as shown on Exhibit VI.
3/ Includes $56,276,000 for Department of Education to repay $56,100,000 deferred from FY 1988, with interest (Sec. 5, Ch. 9, Laws of 1988).
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<td>H.B. 2083</td>
<td>Chronic Disease Surveillance System</td>
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<td>260</td>
<td>H.B. 2142</td>
<td>General Appropriation Act</td>
<td>2,795,472,400</td>
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<td>H.B. 2227</td>
<td>Secretary of State; Appropriation</td>
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<td>271</td>
<td>S.B. 1261</td>
<td>Tax Computations and Revisions</td>
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<td>292</td>
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<td>308</td>
<td>H.B. 2217</td>
<td>Annual Report; Special Academic Assistance Program</td>
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(Continued)
SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1988 and Fiscal Year 1989 1/
(Continued)

Thirty-Eighth Legislature - Second Regular Session:

<table>
<thead>
<tr>
<th>Chapter Number</th>
<th>Bill Number</th>
<th>REFERENCE TITLE</th>
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<th>FISCAL YEAR 1989</th>
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<tr>
<td></td>
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<td>GENERAL FUND</td>
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<td>311</td>
<td>H.B. 2241</td>
<td>Conditions of Probation; Shock Incarceration; Home Arrest</td>
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<td>315</td>
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<td>H.B. 2350</td>
<td>Appropriation; Certification of Day Care Group Homes</td>
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<td>317</td>
<td>H.B. 2379</td>
<td>Appropriation; State Agricultural Laboratory East Annex Building</td>
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<td>321</td>
<td>H.B. 2418</td>
<td>Appropriations For Named Claimants</td>
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<td>332</td>
<td>S.B. 1199</td>
<td>Vehicles; Special Permit; Tax Exceptions</td>
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<td>339</td>
<td>S.B. 1286</td>
<td>Fair Housing</td>
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<tr>
<td>342</td>
<td>S.B. 1449</td>
<td>Appropriation; Senate Impeachment Expenses</td>
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SUB-TOTAL APPROPRIATIONS - 2nd REGULAR SESSION

<table>
<thead>
<tr>
<th></th>
<th>FISCAL YEAR 1988</th>
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<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
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<tr>
<td></td>
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<td>$1,027,700</td>
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<td>$2,906,408,765 9/</td>
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Other Appropriations

Thirty-Eighth Legislature - First Regular Session:

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<thead>
<tr>
<th>Chapter Number</th>
<th>Bill Number</th>
<th>REFERENCE TITLE</th>
<th>FISCAL YEAR 1988</th>
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<tr>
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<td>335</td>
<td>S.B. 1182</td>
<td>Capital Outlay Appropriations</td>
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TOTAL APPROPRIATIONS

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<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tr>
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<td>GENERAL FUND</td>
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<td>$720,629</td>
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<tr>
<td></td>
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<td>$2,908,408,765</td>
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</table>

1/ For Fiscal Year 1988, this table summarizes all appropriations enacted during the Second Regular Session of the 38th Legislature. For Fiscal Year 1989, the table summarizes appropriations from the 38th Second Regular Session and all previous sessions.

2/ Includes $55,519,100 in reductions and $49,201,400 in supplementals. For further detail, see the "Revisions to FY 1988 Spending Authority Enacted By S.B. 1119 " chart at the end of the Appropriations Report.

3/ To be repaid to the General Fund by June 30, 1989 from the proceeds of lease-purchase financing certificates. (Footnotes Continued on the Following Page)
SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1988 and Fiscal Year 1989 1/
(Continued)

(Footnotes Continued From the Previous Page)

4/ To be repaid to the General Fund through an assessment against the consortiums operating commercial nuclear power generating stations in Arizona.

5/ In addition, $80,250,000 is appropriated from the General Fund in Fiscal Year 1990 to the Department of Education.

6/ Includes $3,096,000 that is to be repaid to the General Fund from the proceeds of lease-purchase financing certificates.

7/ In addition, $18,513,000 is appropriated from the Corrections Fund in Fiscal Year 1990 to the Department of Administration.

8/ In addition, $5,500,000 is appropriated from the General Fund in Fiscal Year 1990 to the State Treasurer.

9/ In addition, $50,000 is appropriated from the General Fund in Fiscal Year 1990 to the Board of Behavioral Health Examiners. This appropriation shall be repaid to the General Fund.
DISTRIBUTION OF TOTAL APPROPRIATED FUNDS
GENERAL AND NON-GENERAL FUNDS
BY FUNCTION OF GOVERNMENT

INSPECTION & REGULATION 1.6%

HEALTH & WELFARE 27.2%

GENERAL GOVT. 5.8%

OTHER EDUCATION 29.7%

NAT. RESOURCES 1.2%

TRANSPORTATION 9.1%

PROTECTION & SAFETY 8.4%

HIGHER EDUCATION 16.9%

FISCAL YEAR 1989

NOTE: INCLUDES ALL ENACTED BILLS WITH APPROPRIATIONS
## GENERAL GOVERNMENT

<table>
<thead>
<tr>
<th>Agency/Department</th>
<th>Fiscal Year 1989</th>
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</thead>
<tbody>
<tr>
<td>Administration, Department of</td>
<td>$36,143,779</td>
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<tr>
<td>Affirmative Action, Governor's Office</td>
<td>$22,877,080</td>
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<tr>
<td>Attorney General</td>
<td>$198,500</td>
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<tr>
<td>Coliseum and Exposition Center</td>
<td>18,396,450</td>
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<tr>
<td>Commerce, Department of Courts</td>
<td>$3,159,100</td>
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<tr>
<td>Law Enforcement Merit System Council</td>
<td>5,677,200</td>
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<tr>
<td>Governor, Office of the Legislature</td>
<td>2,872,100</td>
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<tr>
<td>Auditor General</td>
<td>6,782,000</td>
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<tr>
<td>House of Representatives</td>
<td>5,839,700</td>
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<tr>
<td>Joint Legislative Budget Committee</td>
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<tr>
<td>Legislative Council</td>
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<td>Library, Archives, and Public Records</td>
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<tr>
<td>Senate</td>
<td>5,441,000</td>
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<tr>
<td><strong>SUBTOTAL - Legislature</strong></td>
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<td>Personnel Board</td>
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<td>Retirement System</td>
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<td>Revenue, Department of</td>
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<td>Secretary of State</td>
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<td>Tourism, Office of</td>
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<td>Treasurer</td>
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<td>Uniform State Laws, Commission on</td>
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<td><strong>TOTAL - GENERAL GOVERNMENT</strong></td>
<td>$190,648,429</td>
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<td>$38,303,780</td>
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<td>$228,952,209</td>
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(Continued)
<table>
<thead>
<tr>
<th>Agency/Mission</th>
<th>GENERAL FUND</th>
<th>NON-GENERAL FUND</th>
<th>TOTAL FUNDS</th>
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<tbody>
<tr>
<td><strong>HEALTH AND WELFARE</strong></td>
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<td>AHCCS Administration</td>
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<td>Economic Security, Department of</td>
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<td>Environmental Quality, Department of</td>
<td>$16,351,100</td>
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<td>Health Services, Department of</td>
<td>$118,967,000</td>
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<td>$121,272,000</td>
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<td>Hearing Impaired, Council for the</td>
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<td>Indian Affairs, Commission on</td>
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<td>Pioneers' Home</td>
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<tr>
<td>Rangers' Pension</td>
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<td>Veterans' Services Commission</td>
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<td><strong>TOTAL - HEALTH AND WELFARE</strong></td>
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<td><strong>INSPECTION AND REGULATION</strong></td>
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<td>Agricultural Employment Relations Board</td>
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<td>Agriculture and Horticulture, Commission</td>
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<td>Contractors, Registrar of</td>
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<td>Corporation Commission</td>
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(Continued)
### SUMMARY OF APPROPRIATED FUNDS\(^1/\)

By Agency
For Fiscal Year 1989
(Continued)

#### INSPECTION AND REGULATION (Continued)

<table>
<thead>
<tr>
<th>Ninety-Ten Agencies</th>
<th>GENERAL FUND</th>
<th>NON-GENERAL FUND</th>
<th>TOTAL FUNDS</th>
</tr>
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<tbody>
<tr>
<td>Accountancy, Board of</td>
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<td>Cosmetology, Board of</td>
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<td>Dental Examiners Board</td>
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<td>Egg Inspection Board</td>
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<td>Funeral Directors and Embalmers Board</td>
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<td>Homeopathic Medical Examiners Board</td>
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<td>134,400</td>
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<tr>
<td><strong>SUBTOTAL - Ninety-Ten Agencies</strong></td>
<td><strong>37,400</strong></td>
<td><strong>7,551,300</strong></td>
<td><strong>7,588,700</strong></td>
</tr>
<tr>
<td><strong>TOTAL - INSPECTION AND REGULATION</strong></td>
<td><strong>38,508,300</strong></td>
<td><strong>26,302,300</strong></td>
<td><strong>64,810,600</strong></td>
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</tbody>
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(Continued)
### SUMMARY OF APPROPRIATED FUNDS

By Agency
For Fiscal Year 1989
(Continued)

<table>
<thead>
<tr>
<th>Education</th>
<th>Fiscal Year 1989</th>
<th>Protection and Safety</th>
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<tbody>
<tr>
<td><strong>General Fund</strong></td>
<td><strong>Non-General Fund</strong></td>
<td><strong>Total Funds</strong></td>
</tr>
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<td>$0</td>
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<tr>
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<tr>
<td>1,157,673,400</td>
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<td>1,157,673,400</td>
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<tr>
<td>1,893,000</td>
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<tr>
<td>502,000</td>
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<tr>
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<tr>
<td><strong>Subtotal - Universities/Board of Regents</strong></td>
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<td><strong>Total - Education</strong></td>
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<td><strong>$1,842,168,400</strong></td>
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<td><strong>Correction, Department of</strong></td>
<td><strong>240,302,236</strong></td>
<td><strong>$331,946,536</strong></td>
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<tr>
<td><strong>Criminal Justice Commission</strong></td>
<td><strong>2,862,600</strong></td>
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<td><strong>Emergency and Military Affairs, Department of</strong></td>
<td><strong>4,244,100</strong></td>
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<td><strong>Pardons and Paroles, Board of</strong></td>
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<td><strong>Public Safety, Department of</strong></td>
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<td><strong>TOTAL - Protection and Safety</strong></td>
<td><strong>$327,261,936</strong></td>
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### SUMMARY OF APPROPRIATED FUNDS 1/
By Agency
For Fiscal Year 1989
(Continued)

<table>
<thead>
<tr>
<th>TRANSPORTATION</th>
<th>GENERAL FUND</th>
<th>NON-GENERAL FUND</th>
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<tr>
<td>Transportation, Department of</td>
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<td>$ 284,700</td>
<td>$ 358,404,650</td>
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<th>NATURAL RESOURCES</th>
<th>GENERAL FUND</th>
<th>NON-GENERAL FUND</th>
<th>TOTAL FUNDS</th>
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<tr>
<td>Environment, Commission on the</td>
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<tr>
<td>Game and Fish Department</td>
<td>$ 114,800</td>
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<td>Geological Survey</td>
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<td>Land Department</td>
<td>$ 7,498,100</td>
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<td>Mines and Mineral Resources, Department of</td>
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<tr>
<td>Oil and Gas Conservation Commission</td>
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<td>Parks Board</td>
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<td>Water Resources, Department of</td>
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<tr>
<td></td>
<td>$ 2,241,800</td>
<td>$ 200,000</td>
<td>$ 2,441,800</td>
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<table>
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<th>UNALLOCATED SALARY ADJUSTMENTS</th>
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<th>NON-GENERAL FUND</th>
<th>TOTAL FUNDS</th>
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<td>$ 153,800</td>
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<table>
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<th>UNALLOCATED PROVIDER ADJUSTMENTS</th>
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<th>NON-GENERAL FUND</th>
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<th>TOTAL-SUMMARY-APPROPRIATED FUNDS</th>
<th>GENERAL FUND</th>
<th>NON-GENERAL FUND</th>
<th>TOTAL FUNDS</th>
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<td></td>
<td>$2,908,408,765</td>
<td>$1,039,828,830</td>
<td>$3,948,237,595</td>
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</table>

(See Footnotes on the Following Page)
SUMMARY OF APPROPRIATED FUNDS

By Agency
For Fiscal Year 1989
(Continued)

1/ The table summarizes all FY 1989 appropriations from the Second Regular Session of the 38th Legislature and all previous sessions.

2/ This amount includes $677,600 above the appropriations listed in the "Summary of the General Appropriation Act" and the "Summary of Additional Appropriations." Of this amount, $373,600 is part of the cost of the pay package and $304,000 is the matching contribution for Chapter 302, Laws of 1988.

3/ This amount includes $571,000 above the appropriations listed in the "Summary of the General Appropriation Act." This amount is part of the cost of the pay package.

4/ This amount includes $2 million appropriated during the 1987 Legislative Session (Chapter 335, Laws of 1987). This amount was subsequently reverted to the General Fund by Chapter 275, Laws of 1988.
DISTRIBUTION OF APPROPRIATED FUNDS
GENERAL FUND
BY FUNCTION OF GOVERNMENT

INSPECTION & REGULATION 1.3%

Higher Education

Health & Welfare

20.3%

General Govt. 6.6%

Natural Resources .9%

Protection & Safety 11.3%

Other Education

40.4%

FISCAL YEAR 1989

NOTES: 1) Includes all enacted bills with appropriations. 2) Does not include Transportation.
### SUMMARY OF THE GENERAL APPROPRIATION ACT

For Fiscal Years 1988 and 1989

<table>
<thead>
<tr>
<th>GENERAL GOVERNMENT</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tbody>
<tr>
<td>Administration, Department of</td>
<td>$25,142,300</td>
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<td>Attorney General</td>
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<td>Coliseum and Exposition Center</td>
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<td>9,723,000</td>
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<tr>
<td>Commerce, Department of</td>
<td>3,114,400/</td>
<td>3,159,100</td>
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<tr>
<td>Courts</td>
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<tr>
<td>Court of Appeals</td>
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<td>5,677,200</td>
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<tr>
<td>Comm. on Appellate and Trial Ct. Apptments.</td>
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<td>4,000</td>
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<tr>
<td>Comm. on Judicial Qualifications</td>
<td>58,000</td>
<td>60,000</td>
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<tr>
<td>Superior Courts</td>
<td>30,919,100</td>
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<td>Supreme Court</td>
<td>4,920,600</td>
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<td>SUBTOTAL - Courts</td>
<td>41,597,200</td>
<td>49,978,600</td>
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<td>Governor, Office of the</td>
<td>2,772,900</td>
<td>2,872,100</td>
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<td>Law Enforcement Merit System Council</td>
<td>43,400</td>
<td>48,200</td>
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<td>Legislature</td>
<td></td>
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<tr>
<td>Auditor General</td>
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<td>6,542,000</td>
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<td>House of Representatives</td>
<td>5,393,200</td>
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<td>Joint Legislative Budget Committee</td>
<td>1,450,800</td>
<td>1,447,300</td>
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<td>Legislative Council</td>
<td>1,311,700</td>
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<td>Library, Archives, and Public Records</td>
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<td>4,631,700</td>
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<td>Senate</td>
<td>4,116,100</td>
<td>5,441,000</td>
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<td>SUBTOTAL - Legislature</td>
<td>22,742,100</td>
<td>26,063,400</td>
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<td>Personnel Board</td>
<td>213,500</td>
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<td>Retirement System</td>
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<td>-0-</td>
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<td>Revenue, Department of</td>
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<td>3,201,200</td>
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<td>TOTAL - GENERAL GOVERNMENT</td>
<td>$153,049,400</td>
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(Continued)
### SUMMARY OF THE GENERAL APPROPRIATION ACT

For Fiscal Years 1988 and 1989  
(Continued)

#### HEALTH AND WELFARE

<table>
<thead>
<tr>
<th>Agency/Commission</th>
<th>Fiscal Year 1988</th>
<th>Fiscal Year 1989</th>
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<tr>
<td>AHCCCS Administration</td>
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<td>$242,873,800</td>
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<td>16,051,100</td>
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<td>Health Services, Department of</td>
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<td>102,274,000</td>
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<td>Hearing Impaired, Council for the</td>
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<td>127,400</td>
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<td>Indian Affairs, Commission on</td>
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<td>147,800</td>
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<tr>
<td>Pioneers' Home</td>
<td>2,676,100</td>
<td>2,780,900</td>
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<td>Veterans' Services Commission</td>
<td>19,600</td>
<td>16,200</td>
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<td><strong>TOTAL - HEALTH AND WELFARE</strong></td>
<td>$522,025,800</td>
<td>$571,297,700</td>
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<td><strong>INSPECTION AND REGULATION</strong></td>
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<td>Agricultural Employment Relations Board</td>
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<td>$191,100</td>
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<td>Agriculture and Horticulture, Commission</td>
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<td>Banking Department</td>
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<td>2,469,200</td>
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<td>Liquor Licenses &amp; Control, Department of</td>
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<td>Livestock Board</td>
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<td>Occupational Safety and Health Review</td>
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<td>Racing, Department of</td>
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<td>Radiation Regulatory Agency</td>
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<td>Real Estate Department</td>
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<td>Residential Utility Consumer Office</td>
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<tr>
<td>Weights and Measures, Department of</td>
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(Continued)
### SUMMARY OF THE GENERAL APPROPRIATION ACT

**For Fiscal Years 1988 and 1989**

(Continued)

<table>
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<tr>
<th>INSPECTION AND REGULATION (Continued)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>Ninety-Ten Agencies</td>
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<tr>
<td>Accountancy, Board of</td>
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<tr>
<td>Barber Examiners Board</td>
<td>36,800</td>
<td>8,200</td>
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<td>Boxing Commission</td>
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<td>Chiropractic Examiners Board</td>
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<tr>
<td>Cosmetology, Board of</td>
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<td>Dental Examiners Board</td>
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<td>Egg Inspection Board</td>
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<td>Funeral Directors and Embalmers Board</td>
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<tr>
<td>Medical Examiners, Board of</td>
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<tr>
<td>Naturopathic Physicians Examiners Board</td>
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<td>Nursing Board</td>
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<tr>
<td>Nursing Care Institution Administrators Board</td>
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<td>Opticians, Board of Dispensing</td>
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<td>Optometry, Board of</td>
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<td>Osteopathic Examiners Board</td>
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<tr>
<td>Pharmacy Board</td>
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<td>Podiatry Examiners Board</td>
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<td>Private Postsecondary Education, Board of</td>
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<td>Psychologist Examiners Board</td>
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<td>Structural Pest Control Board</td>
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<td>Technical Registration, Board of</td>
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<td>Veterinary Medical Examining Board</td>
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<td><strong>SUBTOTAL - Ninety-Ten Agencies</strong></td>
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<td>6,752,100</td>
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**TOTAL - INSPECTION AND REGULATION**

$35,311,100 $23,765,000 $37,835,300 $26,302,300

(Continued)

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<th>EDUCATION</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<td></td>
<td>GENERAL Fund</td>
<td>NON-GENERAL Fund</td>
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<tr>
<td>Arts, Commission on the Community Colleges</td>
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<td>Deaf and the Blind, School for Education, Department of Historical Society, Arizona</td>
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<tr>
<td>Historical Society, Prescott</td>
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<tr>
<td>Medical Student Loans Board</td>
<td>$1,029,468,200</td>
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<tr>
<td>Universities/Board of Regents</td>
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<tr>
<td>Board of Regents</td>
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<td>Arizona State University - Main</td>
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<tr>
<td>Arizona State University - West</td>
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<tr>
<td>Northern Arizona University</td>
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<td>University of Arizona - Main</td>
<td>$7,463,700</td>
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<td>University of Arizona - College of Medicine</td>
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<thead>
<tr>
<th>PROTECTION AND SAFETY</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tbody>
<tr>
<td></td>
<td>GENERAL Fund</td>
<td>NON-GENERAL Fund</td>
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<tr>
<td>Corrections, Department of Criminal Justice Commission</td>
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<tr>
<td>Emergency and Military Affairs, Department of Pardons and Paroles, Board of Public Safety, Department of</td>
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<tr>
<td></td>
<td>$1,540,613,300</td>
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<td>TOTAL - PROTECTION AND SAFETY</td>
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<td>$1,865,400</td>
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(Continued)
### SUMMARY OF THE GENERAL APPROPRIATION ACT

For Fiscal Years 1988 and 1989

(Continued)

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<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
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<tr>
<td>Transportation, Department of</td>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>Environment, Commission on the Game and Fish Department</td>
<td>$125,500</td>
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<tr>
<td>Geological Survey</td>
<td>$7,762,500</td>
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<tr>
<td>Mines and Mineral Resources, Department of Oil and Gas Conservation Commission</td>
<td>$452,600</td>
<td>$468,100</td>
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<tr>
<td>Parks Board</td>
<td>$187,000</td>
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<tr>
<td>Water Resources, Department of</td>
<td>$5,293,700</td>
<td>$5,698,000</td>
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<tr>
<td>TOTAL - NATURAL RESOURCES</td>
<td>$25,010,200</td>
<td>$16,294,600</td>
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<tr>
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<tbody>
<tr>
<td></td>
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<td>NON-GENERAL FUND</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
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<tr>
<td></td>
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<td>$114,300</td>
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<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
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<tr>
<td></td>
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<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>$2,564,368,700</td>
<td>$492,534,900</td>
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</table>

(Continued)
SUMMARY OF THE GENERAL APPROPRIATION ACT 1/2
For Fiscal Years 1988 and 1989
(Continued)

1/ See agency detail pages and Summary of Additional Appropriations for other fiscal actions affecting the monies as appropriated in the General Appropriation Act.
2/ The amounts shown include the allocation of salary adjustments.
5/ Chapter 314, Laws of 1987 made the Division of Weights and Measures into a separate agency beginning in FY 1988, and appropriated funds for its operation. With the passage of that bill, $987,700 appropriated to the Department of Administration in the General Appropriation Act reverted to the General Fund and is not included here. The $3,600 shown for the Department of Weights and Measures represents the FY 1988 pay package and adjustments to Employee Related Expenditures.
6/ Chapter 9, Laws of 1988 transferred the original FY 1988 appropriation of the Solar Energy Commission to the Department of Commerce, since the two agencies have been consolidated.
7/ Chapter 334, Laws of 1987, transferred $200,000 for statewide planning from the University of Arizona to the Board of Regents.
8/ Geological Survey was created as a separate agency by Chapter 158, Laws of 1987. Prior to FY 1989, these resources were included in the University of Arizona--Main.
DISTRIBUTION OF THE GENERAL APPROPRIATION ACT
GENERAL FUND
BY FUNCTION OF GOVERNMENT

INSPECTION & REGULATION 1.4%

HEALTH & WELFARE

GENERAL GOVT. 6.2%

OTHER EDUCATION

NATURAL RESOURCES .9%

PROTECTION & SAFETY

HIGHER EDUCATION

FISCAL YEAR 1989

NOTE: DOES NOT INCLUDE TRANSPORTATION
THE GENERAL APPROPRIATION ACT—GENERAL FUND
DOLLAR CHANGE FROM REVISED FY88 TO FY89
BY FUNCTION OF GOVERNMENT

LEGEND

- GENERAL GOVERNMENT
- HEALTH & WELFARE
- INSPECTION & REGULATION
- OTHER EDUCATION
- HIGHER EDUCATION
- PROTECTION & SAFETY
- NATURAL RESOURCES

NOTES:
1) Excludes a $600 decrease in Transportation and a $2.4 million increase in unallocated adjustments.
2) General Fund appropriations increased by $231 million from revised FY 1988 to FY 1989.
THE GENERAL APPROPRIATION ACT--GENERAL FUND PERCENT CHANGE FROM REVISED FY88 TO FY89 BY FUNCTION OF GOVERNMENT

LEGEND
- GENERAL GOVERNMENT
- HEALTH & WELFARE
- INSPECTION & REGULATION
- OTHER EDUCATION
- HIGHER EDUCATION
- PROTECTION & SAFETY
- NATURAL RESOURCES

NOTES:
1) Excludes a 0.7% decrease in Transportation and an increase in unallocated adjustments.
2) General Fund appropriations increased by 9% from revised FY 1988 to FY 1989.
SUMMARY OF THE OMNIBUS LAND, BUILDINGS AND IMPROVEMENT BILL (H.B. 2442) AND OTHER CAPITAL OUTLAY APPROPRIATIONS

Enacted by the 38th Legislature - 2nd Regular Session

<table>
<thead>
<tr>
<th>General Government</th>
<th>Fiscal Year 1988</th>
<th>Fiscal Year 1989</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Non-General Fund</td>
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<tr>
<td>Administration, Department of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Renewal 4/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$3,096,600 2/</td>
<td>$21,500,000 3/</td>
</tr>
<tr>
<td>Game and Fish Fund</td>
<td>3,002,000</td>
<td>85,000</td>
</tr>
<tr>
<td>State Highway Fund</td>
<td>866,000</td>
<td>377,000</td>
</tr>
<tr>
<td>Coliseum and Exposition Center Fund</td>
<td>18,080</td>
<td>20,000</td>
</tr>
<tr>
<td>State Aeronautics Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Commission Special Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement System Administration Fund</td>
<td>3,200,000 2/</td>
<td></td>
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<tr>
<td>S.B. 1123 (Ch. 10) - Lease-Purchase Financing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H.B. 2379 (Ch. 317) - Agriculture Laboratory</td>
<td>450,000</td>
<td></td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>$0-</td>
<td>$0-</td>
</tr>
<tr>
<td><strong>TOTAL - GENERAL GOVERNMENT</strong></td>
<td>$0-</td>
<td>$0-</td>
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</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Fiscal Year 1988</th>
<th>Fiscal Year 1989</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Non-General Fund</td>
</tr>
<tr>
<td>Deaf and Blind, School for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Historical Society, Arizona</td>
<td>$892,500</td>
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<tr>
<td>Historical Society, Prescott</td>
<td>10,000</td>
<td></td>
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<tr>
<td>Universities/Board of Regents</td>
<td>32,600</td>
<td></td>
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<tr>
<td>Board of Regents</td>
<td></td>
<td>5,187,700 4/</td>
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<tr>
<td><strong>TOTAL - EDUCATION</strong></td>
<td>$0-</td>
<td>$0-</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Transportation</th>
<th>Fiscal Year 1988</th>
<th>Fiscal Year 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Non-General Fund</td>
</tr>
<tr>
<td>Transportation, Department of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Highway Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Aviation Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H.B. 2077 (Ch. 284) - County Highway Improvement</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL - TRANSPORTATION</strong></td>
<td>$0-</td>
<td>$0-</td>
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</tbody>
</table>

(Continued)
### Summary of the Omnibus Land, Buildings and Improvement Bill (H.B. 2442) and Other Capital Outlay Appropriations

Enacted by the 38th Legislature - 2nd Regular Session

#### (Continued)

**Natural Resources**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fiscal Year 1988 General Fund</th>
<th>Fiscal Year 1988 Non-General Fund</th>
<th>Fiscal Year 1989 General Fund</th>
<th>Fiscal Year 1989 Non-General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Game and Fish Department:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Game and Fish Fund</td>
<td>$0</td>
<td>$0</td>
<td>$115,000</td>
<td>$430,000</td>
</tr>
<tr>
<td>Game and Fish Capital Improvement Fund</td>
<td>$0</td>
<td>$0</td>
<td>675,000</td>
<td>$0</td>
</tr>
<tr>
<td>Game and Fish Waterfowl Conservation Fund</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$0</td>
<td>$0</td>
<td>$1,240,000</td>
<td></td>
</tr>
<tr>
<td>Water Resources, Department of</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.B. 1157 (Ch. 287) - Lyman Dam Repair</td>
<td>$0</td>
<td>$0</td>
<td>150,000</td>
<td>$0</td>
</tr>
<tr>
<td>H.B. 2151 (Ch. 291) - Santa Cruz Flood Control</td>
<td>$0</td>
<td>$0</td>
<td>$1,000,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$0</td>
<td>$0</td>
<td>$1,150,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Natural Resources</strong></td>
<td>$0</td>
<td>$0</td>
<td>$1,150,000</td>
<td>$1,240,000</td>
</tr>
</tbody>
</table>

**Total Appropriations - Capital Outlay Bills**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fiscal Year 1988 General Fund</th>
<th>Fiscal Year 1988 Non-General Fund</th>
<th>Fiscal Year 1989 General Fund</th>
<th>Fiscal Year 1989 Non-General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$17,221,400</td>
<td>$215,690,830</td>
</tr>
</tbody>
</table>

1/ Unless otherwise noted, source of appropriation is H.B. 2442 (Chapter 275).

2/ The appropriation shall be repaid to the General Fund by June 30, 1989, from the proceeds of lease-purchase financing certificates.

3/ Appropriated from the Corrections Fund for adult male medium security facilities in Winslow and Florence. In addition, $18,513,000 is appropriated from the Corrections Fund in fiscal year 1990 to the Department of Administration for the facilities in Winslow and Florence.

4/ For major maintenance and repair of state buildings, pursuant to Title 41, Chapter 4, Article 7, Arizona Revised Statutes.

(Footnotes Continued on the Following Page)
(Footnotes Continued From the Previous Page)

H.B. 2442 also provides for the following reversions to the General Fund:

<table>
<thead>
<tr>
<th>Law</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>L'87, Ch. 335, Sec. 1</td>
<td>State Compensation Fund Building Acquisition</td>
<td>$347,024</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 3</td>
<td>Phoenix Museum Building Fund</td>
<td>600,000</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 4</td>
<td>ASU West Campus</td>
<td>2,000,000 (reverts on 12/31/88)</td>
</tr>
</tbody>
</table>

In addition, the following amounts shall revert to the Capital Outlay Stabilization Account (COSA), and then shall revert from the COSA to the General Fund:

<table>
<thead>
<tr>
<th>Law</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>L'86, Ch. 373, Sec. 1</td>
<td>Architectural and engineering fees - ARCOR</td>
<td>$349,974</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 1</td>
<td>Land acquisition</td>
<td>500,000</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 1</td>
<td>Planning</td>
<td>480,573</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 1</td>
<td>Land acquisition</td>
<td>155,530</td>
</tr>
<tr>
<td>L'87, Ch. 335, Sec. 3</td>
<td>Asbestos abatement</td>
<td>1,000,000</td>
</tr>
</tbody>
</table>
DISTRIBUTION OF CAPITAL OUTLAY BILLS
BY FUNCTION OF GOVERNMENT

- Transportation: 82.3%
- General Government: 14%
- Natural Resources: 1%
- Higher Education: 2.2%
- Other Education: 0.4%

FISCAL YEAR 1989

NOTE: INCLUDES HB's 2077, 2151, 2379, 2442 & SB's 1123, 1157
## SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989

<table>
<thead>
<tr>
<th>General Government</th>
<th>Fiscal Year 1988 General Fund</th>
<th>Fiscal Year 1988 Non-General Fund</th>
<th>Fiscal Year 1989 General Fund</th>
<th>Fiscal Year 1989 Non-General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration, Department of</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H.B. 2418 - Named Claimants</td>
<td>$1,371,379</td>
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<tr>
<td>Attorney General - Department of Law</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>S.B. 1286 - Fair Housing</td>
<td>$59,250</td>
<td></td>
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<tr>
<td>Commerce, Department of</td>
<td></td>
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<tr>
<td>H.B. 2036 - Super Collider</td>
<td>$479,300</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Legislature</td>
<td></td>
<td></td>
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<tr>
<td>Auditor General</td>
<td></td>
<td></td>
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<tr>
<td>S.B. 1486 - Omnibus AHCCCS</td>
<td>$240,000</td>
<td></td>
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<tr>
<td>House of Representatives</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>H.B. 2149 - Impeachment Expenses</td>
<td>$824,229</td>
<td></td>
<td></td>
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<tr>
<td>Legislative Council</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.B. 1261 - Tax Computations and Revisions</td>
<td>600,000</td>
<td></td>
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</tr>
<tr>
<td>H.B. 2036 - Super Collider</td>
<td>421,000</td>
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<tr>
<td>Senate</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>S.B. 1449 - Impeachment Expenses</td>
<td>235,649</td>
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<tr>
<td>SUB-TOTAL - Legislature</td>
<td>$1,480,878</td>
<td>$0</td>
<td>$840,000</td>
<td>$0</td>
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</table>

(Continued)
SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989
(Continued)

<table>
<thead>
<tr>
<th>GENERAL GOVERNMENT (Cont'd)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>Revenue, Department of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.B. 1261 - Tax Computations and Revisions</td>
<td>$ 75,000</td>
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<tr>
<td>Secretary of State - Department of State</td>
<td></td>
<td>$1,590,051</td>
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<tr>
<td>H.B. 2227 - Election Expenses</td>
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<td></td>
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<tr>
<td>Tourism, Office of</td>
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<tr>
<td>S.B. 1261 - Tax Computations and Revisions</td>
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<td></td>
</tr>
<tr>
<td>Treasurer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.B. 1486 - Omnibus AHCCCS</td>
<td>$ 6,500,000</td>
<td></td>
</tr>
<tr>
<td>H.B. 2047 - Nuclear Emergency Management</td>
<td>$ 107,400</td>
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</tr>
<tr>
<td>SUB-TOTAL</td>
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<tr>
<td>TOTAL - GENERAL GOVERNMENT</td>
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</table>

HEALTH AND WELFARE

AHCCCS Administration

S.B. 1486 - Omnibus AHCCCS

$ 303,000¹/
### SUMMARY OF ADDITIONAL APPROPRIATIONS

(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989
(Continued)

<table>
<thead>
<tr>
<th>HEALTH AND WELFARE (Cont'd)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>Economic Security, Department of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H.B. 2049 - Alzheimer's Advisory Committee</td>
<td>$15,000</td>
<td></td>
</tr>
<tr>
<td>H.B. 2098 - Veterans' Housing Assistance</td>
<td></td>
<td>$1,257,000</td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>0-</td>
<td>0-</td>
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<tr>
<td>Environmental Quality, Department of</td>
<td></td>
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</tr>
<tr>
<td>S.B. 1154 - Mine Tailings Removal</td>
<td>$300,000</td>
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<tr>
<td>H.B. 2206 - Clean Burning Use Fuel Tax</td>
<td>$-0-</td>
<td>$-0-</td>
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<tr>
<td>SUB-TOTAL</td>
<td>0-</td>
<td>0-</td>
</tr>
<tr>
<td>Health Services, Department of</td>
<td></td>
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<tr>
<td>H.B. 2083 - Chronic Disease Surveillance</td>
<td>$192,500</td>
<td>$16,600,000</td>
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<tr>
<td>H.B. 2338 - Behavioral Health Services</td>
<td></td>
<td>93,000</td>
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<tr>
<td>H.B. 2350 - Day Care Certification</td>
<td>$192,500</td>
<td>$-0-</td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>0-</td>
<td>0-</td>
</tr>
<tr>
<td>TOTAL - HEALTH AND WELFARE</td>
<td>$192,500</td>
<td>$-0-</td>
</tr>
</tbody>
</table>

### INSPECTION AND REGULATION

Radiation Regulatory Agency

| H.B. 2047 - Nuclear Emergency Management | $307,800 |

(Continued)
SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989
(Continued)

INSPECTION AND REGULATION (Cont'd)
Weights and Measures, Department of

H.B. 2206 - Clean Burning Use Fuel Tax

TOTAL - INSPECTION AND REGULATION

FISCAL YEAR 1988
FISCAL YEAR 1989

<table>
<thead>
<tr>
<th>GENERAL</th>
<th>NON-GENERAL</th>
<th>GENERAL</th>
<th>NON-GENERAL</th>
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<tbody>
<tr>
<td>FUND</td>
<td>FUND</td>
<td>FUND</td>
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</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$ 365,200</td>
<td>$</td>
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<tr>
<td>-0-</td>
<td>-0-</td>
<td>673,000</td>
<td>-0-</td>
</tr>
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</table>

EDUCATION
Education, Department of

S.B. 1119 - Appropriations and Budget Reductions
H.B. 2217 - Special Academic Assistance Program

SUB-TOTAL

Universities/Board of Regents
Board of Regents
H.B. 2108 - Minority Recruitment $ 100,000
Arizona State University - Main Campus
H.B. 2108 - Minority Recruitment 1,144,300
Northern Arizona University
H.B. 2108 - Minority Recruitment 386,400

(Continued)
### SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989
(Continued)

<table>
<thead>
<tr>
<th>EDUCATION (Cont'd)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>University of Arizona - Main Campus</td>
<td>$ -0-</td>
<td>$ -0-</td>
</tr>
<tr>
<td>H.B. 2108 - Minority Recruitment</td>
<td>$ 563,826</td>
<td>$ 563,826</td>
</tr>
<tr>
<td>SUB-TOTAL - Universities/Board of Regents</td>
<td>$ 563,826</td>
<td>$ 563,826</td>
</tr>
<tr>
<td>TOTAL - EDUCATION</td>
<td>$ -0-</td>
<td>$ -0-</td>
</tr>
</tbody>
</table>

| PROTECTION AND SAFETY                           |                  |                  |
|                                                 |                  |                  |
| Corrections, Department of                      |                  |                  |
|                                                 |                  |                  |
| H.B. 2241 - Shock Incarceration and Home Arrest | $ 185,900        | $ 185,900        |
| H.B. 2393 - County Jails                       | $ 120,000        | $ 120,000        |
| SUB-TOTAL                                      | $ 305,900        | $ 305,900        |
| Emergency and Military Affairs, Department of   | $ -0-            | $ -0-            | $ 2,019,936  | $ -0-            |
|                                                 |                  |                  |
| H.B. 2047 - Nuclear Emergency Management       |                  |                  |
| H.B. 2305 - Emergency Response Commission      |                  |                  |
| SUB-TOTAL                                      |                  |                  |
| TOTAL - PROTECTION AND SAFETY                   | $ 305,900        | $ 305,900        | $ 2,019,936  | $ -0-            |

(Continued)
SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 38th Legislature - 2nd Regular Session
For Fiscal Years 1988 and 1989
(Continued)

<table>
<thead>
<tr>
<th>TRANSPORTATION</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GENERAL FUND</td>
<td>NON-GENERAL FUND</td>
</tr>
<tr>
<td>Transportation, Department of</td>
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<tr>
<td>S.B. 1199 - Vehicles; Special Permit</td>
<td>$658,500</td>
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<tr>
<td>H.B. 2206 - Clean Burning Use Fuel Tax</td>
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<td><strong>TOTAL - TRANSPORTATION</strong></td>
<td>$0</td>
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<table>
<thead>
<tr>
<th>NATURAL RESOURCES</th>
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<tr>
<td>Land Department</td>
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<tr>
<td>S.B. 1126 - Coyote Creek Watershed</td>
<td>$75,000</td>
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<tr>
<td>Water Resources, Department of</td>
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<tr>
<td>S.B. 1244 - Office Completion</td>
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<td><strong>TOTAL - NATURAL RESOURCES</strong></td>
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</table>

**GRAND TOTAL**
$7,038,329 | $658,500 | $93,714,965 | $2,897,000

\[1/\] Federal government will provide another $304,000 in matching funds.
DISTRIBUTION OF ADDITIONAL APPROPRIATIONS BY FUNCTION OF GOVERNMENT

- HEALTH & WELFARE
- PROTECTION & SAFETY 2.1%
- INSPECTION & REG'N .7%
- GENERAL GOVERNMENT 11.3%
- TRANSPORTATION .2%
- HIGHER EDUCATION 2.7%
- OTHER EDUCATION 63%
- FISCAL YEAR 1989
## SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES

For the Fiscal Years 1988 and 1989

<table>
<thead>
<tr>
<th>GENERAL GOVERNMENT</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration, Department of</td>
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<tr>
<td>Automation Revolving Fund</td>
<td>$8,996,100</td>
<td>$9,394,300</td>
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<tr>
<td>Telecommunications &quot;911&quot; Emergency</td>
<td>$3,332,100</td>
<td>$4,632,500</td>
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<tr>
<td>Risk Management Revolving Fund</td>
<td>$3,623,500</td>
<td>$3,067,700</td>
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<tr>
<td>Motor Pool Revolving Fund</td>
<td>$27,088,600</td>
<td>$36,345,900</td>
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<tr>
<td>Special Services Revolving Fund</td>
<td>$2,246,800</td>
<td>$2,301,300</td>
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<tr>
<td>Surplus Property Revolving Fund</td>
<td>$1,219,900</td>
<td>$1,224,100</td>
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<tr>
<td>Telecommunications Revolving Fund</td>
<td>$7,123,400</td>
<td>$8,598,000</td>
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<tr>
<td>Workmen's Compensation Liability Loss Revolving Fund</td>
<td>$12,683,100</td>
<td>$14,852,300</td>
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<td><strong>TOTAL - OTHER FUNDS</strong></td>
<td><strong>$66,515,500</strong></td>
<td><strong>$80,416,100</strong></td>
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</table>

| Attorney General                   |                  |                  |
| Anti-Racketeering Revolving Fund    | $223,200         | $234,400         |
| Antitrust Enforcement Revolving Fund| $377,400         | $280,500         |
| Colorado Land Claims Revolving Fund | $2,700           | $2,900           |
| Collection Enforcement Revolving Fund| $258,200         | $274,200         |
| Consumer Protection Revolving Funds | $225,700         | $236,900         |
| Criminal Justice Enhancement Fund   | $1,400,600       | $1,569,100       |
| Prosecuting Attorneys Council      | $1,263,800       | $1,327,000       |
| Special Printing Fund              | $25,200          | $26,800          |
| **SUB-TOTAL - OTHER FUNDS**         | **$3,776,800**   | **$3,951,800**   |
| Federal Funds                      | $1,176,000       | $1,233,900       |
| **TOTAL - NON-APPROPRIATED**        | **$4,952,800**   | **$5,185,700**   |

| Commerce, Department of             |                  |                  |
| Oil Overcharge Fund                 | $6,677,500       | $5,274,500       |
| Special Revenue Funds               | $162,000         | $60,000          |
| Solar Energy                        | $26,500          | $18,500          |
| **SUB-TOTAL - OTHER FUNDS**         | **$6,866,000**   | **$5,353,000**   |
| Federal Funds                       | $7,104,700       | $6,107,700       |
| **TOTAL - NON-APPROPRIATED**        | **$13,970,700**  | **$11,460,700**  |

| Compensation Fund¹/                 |                  |                  |
| State Comp Fund Administration Expenses | $33,183,000     | $34,338,600      |

(Continued)
### SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES

For the Fiscal Years 1988 and 1989

(Continued)

<table>
<thead>
<tr>
<th><strong>GENERAL GOVERNMENT (Cont'd)</strong></th>
<th><strong>FISCAL YEAR 1988</strong></th>
<th><strong>FISCAL YEAR 1989</strong></th>
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<tbody>
<tr>
<td>Courts - Supreme Court</td>
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<tr>
<td>Case Processing Assistance Fund</td>
<td>$1,203,500</td>
<td>$1,203,500</td>
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<td>Juvenile Crime Reduction Fund</td>
<td>$1,038,700</td>
<td>$1,188,700</td>
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<td>TOTAL - OTHER FUNDS</td>
<td>$2,242,200</td>
<td>$2,392,200</td>
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<td>Legislature</td>
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<td>Auditor General - Audit Services</td>
<td>$54,500</td>
<td>$272,000</td>
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<tr>
<td>Library, Archives, and Public Records</td>
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<tr>
<td>Gift Shop Revolving Fund</td>
<td>$35,000</td>
<td>$75,000</td>
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<tr>
<td>Miscellaneous Fund</td>
<td>$25,800</td>
<td>$12,000</td>
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<td>SUB-TOTAL - OTHER FUNDS</td>
<td>$115,300</td>
<td>$359,000</td>
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<tr>
<td>Federal Funds - Library and Archives</td>
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<td></td>
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<tr>
<td>TOTAL - NON-APPROPRIATED</td>
<td>$1,993,800</td>
<td>$359,000</td>
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<tr>
<td>Lottery</td>
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<tr>
<td>Lottery Fund</td>
<td>$151,044,000</td>
<td>$158,730,300</td>
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<td>Revenue, Department of</td>
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<td>Bingo Administration Fund</td>
<td>$473,400</td>
<td>$490,700</td>
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<td>Liability Set Off Fund</td>
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<td>Revenue Revolving Publications Fund</td>
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<td>TOTAL - OTHER FUNDS</td>
<td>$580,100</td>
<td>$600,500</td>
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<td>Secretary of State</td>
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<tr>
<td>Arizona Blue Book</td>
<td>$8,900</td>
<td>$-0-</td>
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<td>Tourism, Office of</td>
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<tr>
<td>Workshop Fund</td>
<td>$23,000</td>
<td>$25,000</td>
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<tr>
<td>RECAP - GENERAL GOVERNMENT</td>
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<tr>
<td>Federal Funds</td>
<td>$10,159,200</td>
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<td>Other Funds</td>
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<td>$293,508,100</td>
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(Continued)
### SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES

For the Fiscal Years 1988 and 1989

(Continued)

<table>
<thead>
<tr>
<th>HEALTH AND WELFARE</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
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<tbody>
<tr>
<td></td>
<td>1988</td>
<td>1989</td>
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<tr>
<td>Economic Security, Department of Capital Investment Fund</td>
<td>$128,300</td>
<td>$61,200</td>
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<tr>
<td>Child Abuse Prevention and Treatment Fund</td>
<td>$950,000</td>
<td>$950,000</td>
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<td>Child Support Administration</td>
<td>$1,726,000</td>
<td>$1,781,000</td>
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<td>Industries for the Blind</td>
<td>$4,676,100</td>
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<tr>
<td>Special Administration Fund for Unemployment Compensation</td>
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<td>$1,675,600</td>
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<tr>
<td>Unemployment Compensation Funds</td>
<td>$116,815,300</td>
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<td>Donations</td>
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<tr>
<td>Client Trust Fund</td>
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<tr>
<td>Government Service Use Fee Revenue</td>
<td>$3,283,000</td>
<td>$3,052,600</td>
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<tr>
<td>Mesa Land Fund</td>
<td>$377,600</td>
<td>$379,900</td>
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<tr>
<td>All Other DES Funds</td>
<td>$11,224,700</td>
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<tr>
<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
<td>$144,342,700</td>
<td>$182,916,600</td>
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<td>Federal Funds</td>
<td>$266,949,100</td>
<td>$277,070,000</td>
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<tr>
<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$411,291,800</td>
<td>$459,986,600</td>
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Environmental Quality, Department of

<table>
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<tr>
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<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1988</td>
<td>1989</td>
</tr>
<tr>
<td>Air Quality</td>
<td>$2,253,200</td>
<td>$3,588,500</td>
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<tr>
<td>Vehicle Emissions</td>
<td>$12,071,600</td>
<td>$12,433,200</td>
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<tr>
<td>Water Quality</td>
<td>$6,045,100</td>
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<tr>
<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
<td>$20,369,900</td>
<td>$24,686,000</td>
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<td>Federal Funds</td>
<td>$5,572,000</td>
<td>$5,794,900</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$25,941,900</td>
<td>$30,480,900</td>
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Health Services, Department of

<table>
<thead>
<tr>
<th></th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>1988</td>
<td>1989</td>
</tr>
<tr>
<td>Domestic Violence Shelter Funds</td>
<td>$850,000</td>
<td>$800,000</td>
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<tr>
<td>Donations</td>
<td>$239,000</td>
<td>$239,000</td>
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<tr>
<td>Alcohol/Drug Fines</td>
<td>$600,000</td>
<td>$500,000</td>
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<tr>
<td>EMS Operating Fund</td>
<td>$2,237,100</td>
<td>$2,237,100</td>
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<tr>
<td>SAMHC Patients Benefit</td>
<td>$2,500</td>
<td>$2,500</td>
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<tr>
<td>Sanitarians Fund</td>
<td>$9,200</td>
<td>$9,200</td>
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<tr>
<td>State Hospital Donations</td>
<td>$5,700</td>
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(Continued)
SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For the Fiscal Years 1988 and 1989
(Continued)

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal Year 1988</th>
<th>Fiscal Year 1989</th>
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<tbody>
<tr>
<td>HEALTH AND WELFARE (Cont'd)</td>
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<tr>
<td>Health Services, Department of (Cont'd)</td>
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<tr>
<td>ASH Patient Benefit</td>
<td>102,200</td>
<td>102,200</td>
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<tr>
<td>ASH State Hospital Land</td>
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<tr>
<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
<td><strong>$ 4,494,200</strong></td>
<td><strong>$ 4,338,500</strong></td>
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<td>Federal Funds</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td><strong>$ 42,486,400</strong></td>
<td><strong>$ 41,837,300</strong></td>
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<td>Hearing Impaired, Council for the Telecommunication Devices</td>
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<td>Pioneers' Home</td>
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<td>Pioneers' Endowment</td>
<td>$ 568,200</td>
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<td>Special Donations</td>
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<td><strong>TOTAL - OTHER FUNDS</strong></td>
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<td><strong>$ 619,300</strong></td>
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<td>Veterans' Services Commission</td>
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<tr>
<td>AVSC Veterans' Education &amp; Training</td>
<td>123,800</td>
<td>125,800</td>
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<tr>
<td>AVSC Veterans' Conserv/Guardian</td>
<td>313,000</td>
<td>335,900</td>
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<tr>
<td>Memorial Cemetery</td>
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<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
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<td><strong>$ 715,300</strong></td>
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<tr>
<td>Federal Funds</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td><strong>$ 612,200</strong></td>
<td><strong>$ 715,300</strong></td>
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<tr>
<td>RECAP - HEALTH AND WELFARE -</td>
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<tr>
<td>Federal Funds</td>
<td>$ 310,513,300</td>
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<td>Other Funds</td>
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<td>213,275,700</td>
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<td><strong>TOTAL - HEALTH AND WELFARE</strong></td>
<td><strong>$ 481,749,300</strong></td>
<td><strong>$ 533,639,400</strong></td>
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<td>INSPECTION AND REGULATION</td>
<td></td>
<td></td>
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<tr>
<td>Agriculture and Horticulture, Commission of Abatement Revolving Fund</td>
<td>$ 4,098,500</td>
<td>$ 4,099,100</td>
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<tr>
<td>Agriculture and Horticulture Fund - Native Plant Law</td>
<td>73,900</td>
<td>79,200</td>
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</table>

(Continued)
<table>
<thead>
<tr>
<th>INSPECTION AND REGULATION (Cont'd)</th>
<th>FISCAL YEAR</th>
<th>FISCAL YEAR</th>
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</thead>
<tbody>
<tr>
<td>Agriculture and Horticulture, Commission of (Cont'd)</td>
<td></td>
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<tr>
<td>Dangerous Plants, Pests and Diseases Fund</td>
<td>$ 9,700</td>
<td>$ 10,000</td>
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<tr>
<td>Grain Council</td>
<td>99,100</td>
<td>99,100</td>
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<tr>
<td>Seed Law Fund</td>
<td>14,000</td>
<td>16,300</td>
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<tr>
<td>Yuma County Citrus Pest Control Fund</td>
<td>4,500</td>
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<td>SUB-TOTAL - OTHER FUNDS</td>
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<td>Federal Funds</td>
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<td>TOTAL - NON-APPROPRIATED</td>
<td>$ 4,523,200</td>
<td>$ 4,527,200</td>
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<tr>
<td>Banking, Department of</td>
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<tr>
<td>Revolving Fund</td>
<td>$ 191,300</td>
<td>$ 210,800</td>
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<tr>
<td>Corporation Commission</td>
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<tr>
<td>Pipeline Safety</td>
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<td>Federal Funds</td>
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<td>TOTAL - NON-APPROPRIATED</td>
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<td>$ 166,300</td>
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<td>Dairy Commissioner</td>
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<td>Federal Funds</td>
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<td>Industrial Commission</td>
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<td>Donations</td>
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<td>TOTAL - NON-APPROPRIATED</td>
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<td>Insurance, Department of</td>
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<tr>
<td>Computer System Fund</td>
<td>$ 320,200</td>
<td>$ 129,800</td>
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<tr>
<td>Insurance Examiners Revolving Fund</td>
<td>1,416,200</td>
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<tr>
<td>Life and Disability Insurance Guaranty Fund</td>
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<tr>
<td>Property and Casualty Insurance Guaranty Fund</td>
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<tr>
<td>TOTAL - OTHER FUNDS</td>
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<td>$ 10,645,600</td>
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(Continued)
## SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For the Fiscal Years 1988 and 1989
(Continued)

### INSPECTION AND REGULATION (Cont'd)

<table>
<thead>
<tr>
<th></th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tbody>
<tr>
<td>Livestock Board</td>
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<tr>
<td>Beef Council Fund</td>
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<tr>
<td>Collection &amp; Administration Cost Fund</td>
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<td>Horse Maintenance Fund</td>
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<td>Seizure Fund</td>
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<td>Stray Fund</td>
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<td><strong>TOTAL - OTHER FUNDS</strong></td>
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<td><strong>$93,400</strong></td>
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<td>State Mine Inspector</td>
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<td>Federal Funds</td>
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<td>Racing, Department of</td>
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<td>Administration of Award Fund</td>
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<td>Bond Deposit</td>
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<td>Breeders Award Fund</td>
<td>$1,730,400</td>
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<td>County Fair Racing Betterment Fund</td>
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<td><strong>TOTAL - OTHER FUNDS</strong></td>
<td><strong>$2,737,700</strong></td>
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<td>Radiation Regulatory Agency</td>
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<td><strong>NINETY-TEN AGENCIES</strong></td>
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<td>Egg Inspection Board</td>
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<td>Structural Pest Control Board</td>
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<td>Federal Funds</td>
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<td><strong>SUB-TOTAL - NINETY-TEN AGENCIES</strong></td>
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<td><strong>RECAP - INSPECTION AND REGULATION</strong></td>
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<td><strong>TOTAL - INSPECTION AND REGULATION</strong></td>
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<td>Fiscal Year 1988</td>
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<tr>
<td>Arts, Commission on the Federal Funds</td>
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<td>State Community Colleges Board Federal Funds</td>
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<td>Deaf and Blind, School for the Land Earnings Trust Funds</td>
<td>$ 269,300</td>
<td>$ 245,800</td>
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<td>Education, Department of Arizona Youth Farm Loan Interest Commodity Suspension Fund</td>
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<td>Education Evaluation and Review Fund</td>
<td>$ 46,343,800</td>
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<td>$ 377,900</td>
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<td>Printing Revolving Fund</td>
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<td>Permanent Common School Fund</td>
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<td>Sub-Total - Other Funds</td>
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<td>Total - Non-Appropriated</td>
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<tr>
<td>Historical Society, Prescott Sharlot Hall Historical Society</td>
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<td>$ 93,000</td>
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(Continued)
### SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For the Fiscal Years 1988 and 1989
(Continued)

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<tr>
<th>EDUCATION (Cont'd)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tr>
<td>UNIVERSITYS/BOARD OF REGENTS</td>
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<tr>
<td>Medical Student Loans Board</td>
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<td>Arizona State University - Main Campus</td>
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<td>Other Funds</td>
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<td>Federal Funds</td>
<td>$161,945,100</td>
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<td>Northern Arizona University</td>
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<td>Federal Funds</td>
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<td>University of Arizona - Main Campus</td>
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<td>$263,400</td>
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<td>Agricultural &amp; Mechanical Colleges Land Fund</td>
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<td>$197,000</td>
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<td>Military Institutes Land Fund</td>
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<td>$22,000</td>
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<td>School of Mines Land Fund</td>
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<td>$83,000</td>
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<td>Universities Land Fund</td>
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<td>$344,000</td>
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<td>Normal Schools Land Fund</td>
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<td>$65,000</td>
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<td>Interest on Land Grant Funds</td>
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<td>$289,000</td>
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<td>Other Funds</td>
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<td>$137,963,200</td>
<td>$143,654,700</td>
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<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
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<td>$144,928,700</td>
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<td>$74,100,800</td>
<td>$77,164,400</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$213,327,400</td>
<td>$222,093,100</td>
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(Continued)
### SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For the Fiscal Years 1988 and 1989
(Continued)

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<thead>
<tr>
<th></th>
<th>Fiscal Year</th>
<th>Fiscal Year</th>
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<tbody>
<tr>
<td><strong>EDUCATION (Cont'd)</strong></td>
<td>1988</td>
<td>1989</td>
</tr>
<tr>
<td>University of Arizona - College of Medicine</td>
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<tr>
<td>Other Funds</td>
<td>$ 40,064,300</td>
<td>$ 42,296,800</td>
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<td>Federal Funds</td>
<td>$ 23,604,700</td>
<td>$ 24,610,200</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$ 63,669,000</td>
<td>$ 66,907,000</td>
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<td>UNIVERSITIES/BOARD OF REGENTS - SUBTOTAL</td>
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<td>Federal Funds</td>
<td>$ 127,781,100</td>
<td>$ 132,188,600</td>
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<td>Other Funds</td>
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<td>$ 380,536,000</td>
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<td><strong>TOTAL</strong></td>
<td>$ 488,526,800</td>
<td>$ 512,724,600</td>
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<td>RECAP - EDUCATION</td>
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<td>Federal Funds</td>
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<td>$ 290,649,100</td>
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<td>Other Funds</td>
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<td><strong>TOTAL - EDUCATION</strong></td>
<td>$ 686,701,000</td>
<td>$ 718,118,300</td>
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### PROTECTION AND SAFETY

<table>
<thead>
<tr>
<th>Corrective, Department of</th>
<th>1988</th>
<th>1989</th>
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<tbody>
<tr>
<td>Alcohol Abuse Treatment Fund</td>
<td>$ 124,000</td>
<td>$ 124,000</td>
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<tr>
<td>Correctional Industries Revolving Fund</td>
<td>$ 6,016,300</td>
<td>$ 7,445,000</td>
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<tr>
<td>Criminal Justice Enhancement Fund</td>
<td>$ 1,512,500</td>
<td>$ 1,468,000</td>
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<tr>
<td>Corrections Donations</td>
<td>$ 4,900</td>
<td>$ 3,400</td>
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<tr>
<td>Inmate Care Revolving Fund</td>
<td>$ 22,100</td>
<td>$ 20,200</td>
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<tr>
<td>Land Endowment Earnings</td>
<td>$ 625,000</td>
<td>$ 609,700</td>
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<tr>
<td>Parental Assessment/ Juvenile Restitution</td>
<td>$ 198,400</td>
<td>$ 153,600</td>
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<tr>
<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
<td>$ 8,503,200</td>
<td>$ 9,823,900</td>
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<td>Federal Funds</td>
<td>$ 1,189,300</td>
<td>$ 940,500</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$ 9,692,500</td>
<td>$ 10,764,400</td>
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<table>
<thead>
<tr>
<th>Criminal Justice Commission</th>
<th>1988</th>
<th>1989</th>
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<tbody>
<tr>
<td>Drug Enforcement Account</td>
<td>$ 10,306,900</td>
<td>$ 5,588,000</td>
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<tr>
<td>Victim's Assistance Fund</td>
<td>$ 432,000</td>
<td>$ 480,000</td>
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<tr>
<td>Victim's Compensation Fund</td>
<td>$ 515,000</td>
<td>$ 528,600</td>
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<td><strong>TOTAL - OTHER FUNDS</strong></td>
<td>$ 11,253,900</td>
<td>$ 6,596,600</td>
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(Continued)
<table>
<thead>
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<th>PROTECTION AND SAFETY (Cont'd)</th>
<th>FISCAL YEAR 1988</th>
<th>FISCAL YEAR 1989</th>
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<tr>
<td>Emergency and Military Affairs, Department of Federal Funds</td>
<td>$14,877,900</td>
<td>$12,783,300</td>
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<td>Public Safety, Department of</td>
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<tr>
<td>Criminal Justice Enhancement Fund</td>
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<tr>
<td>Donations</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
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<tr>
<td>Fingerprint Fund</td>
<td>29,900</td>
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<tr>
<td>Peace Officer Training Fund</td>
<td>3,569,000</td>
<td>553,300</td>
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<td><strong>SUB-TOTAL - OTHER FUNDS</strong></td>
<td>$5,477,800</td>
<td>$5,664,500</td>
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<td>Federal Funds</td>
<td>$1,158,200</td>
<td>$1,048,400</td>
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<td><strong>TOTAL - NON-APPROPRIATED</strong></td>
<td>$6,636,000</td>
<td>$6,712,900</td>
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| RECAP - PROTECTION AND SAFETY - | | |
| Federal Funds | | |
| Other Funds | | |
| **TOTAL - PROTECTION AND SAFETY** | $42,460,300 | $36,857,200 |

| TRANSPORTATION | | |
| Transportation, Department of | | |
| County Auto License/ADOT Special Fund | $5,322,000 | $5,451,400 |
| Arizona Highways Magazine Fund | 8,984,700 | 9,362,300 |
| Revolving Funds | 22,973,400 | 25,249,800 |
| **SUB-TOTAL - OTHER FUNDS** | $37,280,100 | $40,063,500 |
| Federal Funds | 220,345,400 | 187,821,600 |
| **TOTAL - NON-APPROPRIATED** | $257,625,500 | $227,885,100 |

| RECAP - TRANSPORTATION | | |
| Federal Funds | $220,345,400 | $187,821,600 |
| Other Funds | 37,280,100 | 40,063,500 |
| **TOTAL - TRANSPORTATION** | $257,625,500 | $227,885,100 |

(Continued)
### SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES

For the Fiscal Years 1988 and 1989

(Continued)

#### NATURAL RESOURCES

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<th></th>
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<th>Fiscal Year 1989</th>
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<tr>
<td>Environment, Commission on the Revolving Fund</td>
<td>$ 25,700</td>
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<td>Game and Fish Department</td>
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<tr>
<td>Big Game Permits</td>
<td>$ 7,580,100</td>
<td>$ 7,500,000</td>
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<tr>
<td>Conservation Development Fund</td>
<td>555,000</td>
<td>455,000</td>
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<tr>
<td>Donations</td>
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<tr>
<td>Publications Revolving Fund</td>
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<tr>
<td>Petty Cash Revolving Fund</td>
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<td>520,000</td>
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<td>Stamp Funds</td>
<td>269,600</td>
<td>277,000</td>
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<tr>
<td>Trust Fund</td>
<td>143,000</td>
<td>146,000</td>
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<tr>
<td>Wildlife Theft Prevention Fund</td>
<td>102,000</td>
<td>107,000</td>
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<tr>
<td>SUB-TOTAL - OTHER FUNDS</td>
<td>$ 9,291,700</td>
<td>$ 9,147,000</td>
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<td>Federal Funds</td>
<td>7,529,400</td>
<td>6,872,400</td>
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<td>TOTAL - NON-APPROPRIATED</td>
<td>$ 16,821,100</td>
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#### Geological Survey


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<td></td>
<td>$ -0-</td>
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#### State Land Department

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<tr>
<td>Cooperative Fire Control Fund</td>
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<td>Resource Analysis Revolving Fund</td>
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<tr>
<td>Universities Timber Land Fund</td>
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<td>SUB-TOTAL - OTHER FUNDS</td>
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<td>Federal Funds</td>
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<td>TOTAL - NON-APPROPRIATED</td>
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#### Mines and Mineral Resources, Department of Other Funds

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<td></td>
<td>$ 44,700</td>
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**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES**

For the Fiscal Years 1988 and 1989

(Continued)

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<th>Natural Resources (Cont'd)</th>
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<td>State Parks Board</td>
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<td>Donations</td>
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<td>Federal Funds</td>
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<tr>
<td>Total - Non-Appropriated</td>
<td>$1,258,900</td>
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**RECAP - Natural Resources**

- Federal Funds: $8,617,000
- Other Funds: $10,179,100
- Total - Natural Resources: $18,796,100

**RECAP - Federal and Other Non-Appropriated Fund Expenditures**

- Total - Federal Funds: $846,317,900
- Total - Other Funds: $938,567,500
- Total - Federal and Other Non-Appropriated Fund Expenditures: $1,784,885,400

$1,846,740,000

---

1/ Estimates represent calendar year 1987 and 1988 spending, respectively. The Joint Legislative Budget Committee approves the State Compensation Fund budget.

2/ Represents Department of Education's original estimate. The General Appropriations Bill assumes the Permanent Common School Fund contribution will be $43,000,000.

3/ Some Federal Funds are included within the Other Funds totals for the Universities.
DISTRIBUTION OF FEDERAL AND OTHER NON—APPROPRIATED FUNDS
BY FUNCTION OF GOVERNMENT

- HEALTH & WELFARE: 28.9%
- GENERAL GOVERNMENT: 15.9%
- NATURAL RESOURCES: 1%
- TRANSPORTATION: 12.3%
- PROTECTION & SAFETY: 2%
- OTHER EDUCATION: 11%
- INSPECTION & REGULATION: 1%

FISCAL YEAR 1989
<table>
<thead>
<tr>
<th>Category</th>
<th>Appropriated General &amp; Non-General</th>
<th>Appropriated Federal and Other Funds</th>
<th>Total</th>
<th>Non-Appropriated General &amp; Non-General</th>
<th>Appropriated Federal and Other Funds</th>
<th>Total</th>
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<td><strong>GENERAL GOVERNMENT</strong></td>
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<td>Affirmative Action, Governor's Office</td>
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<td>Coliseum and Exposition Center</td>
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<td><strong>HEALTH AND WELFARE</strong></td>
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(Continued)
# STATE OF ARIZONA

## SUMMARY OF TOTAL STATE SPENDING AUTHORITY

### (APPROPRIATED AND NON-APPROPRIATED FUNDS)

For Fiscal Years 1988 and 1989

(Continued)

<table>
<thead>
<tr>
<th>Fiscal 1988</th>
<th>Fiscal 1989</th>
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<tr>
<td>Appropriated</td>
<td>Appropriated</td>
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<td>General &amp; Non-General</td>
<td>General &amp; Non-General</td>
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<table>
<thead>
<tr>
<th>HEALTH AND WELFARE (Cont'd)</th>
<th>Fiscal 1988</th>
<th>Fiscal 1989</th>
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<tbody>
<tr>
<td>Health Services, Department of</td>
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<td>Indian Affairs, Commission on Pioneers' Home</td>
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<td>147,800</td>
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<tr>
<td>Rangers' Pension</td>
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<tr>
<td>Veterans' Services Commission</td>
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<td>16,200</td>
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<tr>
<td><strong>TOTAL - HEALTH AND WELFARE</strong></td>
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<td>$1,071,360,700</td>
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<table>
<thead>
<tr>
<th>INSPECTION AND REGULATION</th>
<th>Fiscal 1988</th>
<th>Fiscal 1989</th>
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<tbody>
<tr>
<td>Agricultural Employment Relations Board</td>
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<td>Agriculture and Horticulture, Commission of Banking Department</td>
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<tr>
<td>Building and Fire Safety, Department of Contractors, Registrar of Corporation</td>
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<td>2,049,800</td>
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<tr>
<td>Dairy Commission</td>
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<td>3,366,000</td>
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<tr>
<td>Industrial Commission</td>
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<td>Insurance, Department of</td>
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<td>466,900</td>
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<tr>
<td>Liquor Licenses and Control, Department of Livestock Board</td>
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<td>Mine Inspector</td>
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<td>Occupational Safety and Health Review Board</td>
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<td>Racing, Department of</td>
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<td>7,132,700</td>
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<td>Residential Utility Consumer Office</td>
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<td>Boxing Commission</td>
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<td>Chiropractic Examiners Board</td>
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<tr>
<td>Cosmetology, Board of</td>
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<td>Dental Examiners Board</td>
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<td>Egg Inspection Board</td>
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<tr>
<td>Funeral Directors and Embalmers Board</td>
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<td>Homeopathic Medical Examiners Board</td>
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<td>Medical Examiners, Board of</td>
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<td>Naturopathic Physician Examiners</td>
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<td><strong>TOTAL - INSPECTION AND REGULATION</strong></td>
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<td>$1,071,360,700</td>
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(Continued)
<table>
<thead>
<tr>
<th>INSPECTION AND REGULATION (Cont'd)</th>
<th>Appropriated General &amp; Non-General</th>
<th>Federal and Other Funds</th>
<th>Total</th>
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<tr>
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| TOTAL - INSPECTION AND REGULATION | $60,827,100 | $23,039,200 | $83,866,300 |

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| TOTAL - EDUCATION | $1,667,739,200 | $686,701,000 | $2,354,435,200 |

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<th>PROTECTION AND SAFETY</th>
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<th>Federal and Other Funds</th>
<th>Total</th>
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| TOTAL - PROTECTION AND SAFETY | $301,398,800 | $42,460,300 | $343,859,100 |
### STATE OF ARIZONA

#### SUMMARY OF TOTAL STATE SPENDING AUTHORITY

( APPROPRIATED AND NON-APPROPRIATED FUNDS )

For Fiscal Years 1988 and 1989

(Continued)

<table>
<thead>
<tr>
<th>TRANSPORTATION</th>
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<td><strong>Transportation, Department of</strong></td>
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<tr>
<td>Environment, Commission on the</td>
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<tr>
<td>General &amp; Federal and Other Funds</td>
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<td>Land Department</td>
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<td>Mines and Mineral Resources, Department of</td>
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<td>Oil and Gas Conservation Commission</td>
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<tr>
<td>Unallocated Salary Adjustments</td>
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<td><strong>TOTAL SPENDING AUTHORITY</strong></td>
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1/ The amounts shown include all appropriations from past sessions, current year supplementals, and carry-forward balances of some FY 1987 appropriations.
2/ The FY 1988 amounts include appropriations as revised by Chapter 9, Laws of 1988 (S.B. 1119), and include appropriations in the "Summary of the General Appropriation Act." Of this amount, $337,600 is part of the cost of the pay package and $304,000 is the matching contribution for Chapter 302, Laws of 1988.
3/ The amounts shown are based on agency information as of January 1988, however, some updated information has been included.
4/ The amounts shown are based on agency information as of January 1988, however, some updated information has been included.
5/ This amount includes $677,600 in "other funds" spending authority above the appropriations listed in the "Summary of the General Appropriation Act." Of this amount, $337,600 is part of the cost of the pay package and $304,000 is the matching contribution for Chapter 302, Laws of 1988.
6/ This amount includes $571,000 in "other funds" spending authority above the appropriations listed in the "Summary of the General Appropriation Act." Of this amount, $337,600 is part of the cost of the pay package and $304,000 is the matching contribution for Chapter 302, Laws of 1988.
7/ The amounts shown include all appropriations from past sessions, current year supplementals, and carry-forward balances of some FY 1987 appropriations.
8/ The amounts shown are based on agency information as of January 1988, however, some updated information has been included.
9/ This amount includes $2 million appropriated during the 1986 Legislative Session (Chapter 373, Laws of 1986).
10/ This amount includes $300,000 that was appropriated for FY 1987, but carried forward to FY 1988. See Chapter 292, Laws of 1987.
DISTRIBUTION OF TOTAL STATE SPENDING AUTHORITY APPROPRIATED AND NON-APPROPRIATED FUNDS BY SOURCE OF FUND

GEN. FUND APPROPRIATION

FEDERAL FUNDS

STATE & LOCAL NON-APPROPRIATED FUNDS

NON-GEN. FUND APPROPRIATION

FISCAL YEAR 1989

50.2% 14.3% 17.5%

17.9%
APPROPRIATED AND NON-APPROPRIATED SHARES OF TOTAL FY89 SPENDING AUTHORITY FOR EACH FUNCTION OF GOVERNMENT

LEGEND

- APPROP -
- NONAPPROP -

GG = General Government
HW = Health and Welfare
IR = Inspection and Regulation
HE = Higher Education
OE = Other Education
PS = Protection and Safety
TR = Transportation
NR = Natural Resources
DISTRIBUTION OF TOTAL STATE SPENDING AUTHORITY BY FUNCTION OF GOVERNMENT

- HEALTH & WELFARE: 27.7%
- INSPECTION & REGULATION: 1.4%
- OTHER EDUCATION: 23.8%
- GENERAL GOVT.: 9%
- NAT. RESOURCES: 1.1%
- TRANSPORTATION: 10.1%
- PROTECTION & SAFETY: 6.4%

FISCAL YEAR 1989

NOTE: INCLUDES BOTH APPROPRIATED AND NON APPROPRIATED FUNDS.
<table>
<thead>
<tr>
<th>AGENCY</th>
<th>FY 1988 FTE's</th>
<th>FY 1989 FTE's</th>
<th>Difference</th>
</tr>
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<td></td>
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<tr>
<td>Administration, Department of</td>
<td>534.8</td>
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<td>Attorney General--Department of Law</td>
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<td>314.0</td>
<td>4.0</td>
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<td>Uniform State Laws, Commission on</td>
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<td>Rangers' Pensions</td>
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<td>Veterans' Service Commission</td>
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<td>4,987.3</td>
<td>5,362.2</td>
<td>374.9</td>
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### STATE PERSONNEL SUMMARY

**BY Full-time Equivalent Positions**

(Continued)

<table>
<thead>
<tr>
<th>AGENCY</th>
<th>FY 1988 FTE's</th>
<th>FY 1989 FTE's</th>
<th>Difference FTE's</th>
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<tr>
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<td>Corporation Commission</td>
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<td>Dairy Commissioner</td>
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<td>Occupational Safety &amp; Health Review Board</td>
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<td>NINETY/TEN AGENCIES</td>
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<td>Accountancy, Board of</td>
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<td>Barber Examiners Board</td>
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<td>Boxing Commission</td>
<td>1.0</td>
<td>1.5</td>
<td>0.5</td>
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<td>Chiropractic Examiners Board</td>
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<td>4.0</td>
<td>1.0</td>
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<td>Cosmetology, Board of</td>
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<td>14.5</td>
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<td>Dental Examiners Board</td>
<td>7.0</td>
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<td>Dispensing Opticians, Board of</td>
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<td>Egg Inspection Board</td>
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<td>Funeral Directors &amp; Embalmers Board</td>
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<td>1.5</td>
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<td>Homeopathic Medical Examiners Board</td>
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<tr>
<td>Medical Examiners, Board of</td>
<td>30.0</td>
<td>31.0</td>
<td>1.0</td>
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STATE PERSONNEL SUMMARY
By Full-time Equivalent Positions
(Continued)

<table>
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<tr>
<th>AGENCY</th>
<th>FY 1988</th>
<th>FY 1989</th>
<th>Difference</th>
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<tr>
<td>Ninety/Ten Agencies (Cont'd)</td>
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<td></td>
<td></td>
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<td>Naturopathic Physicians Examiners Board</td>
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<td>Nursing, Board of</td>
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<td>Nursing Care Inst. Admin. Board</td>
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<td>Optometry, Board of</td>
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<td>Osteopathic Examiners Board</td>
<td>4.5</td>
<td>4.5</td>
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<td>Pharmacy, Board of</td>
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</tr>
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<td>Physical Therapy Examiners Board</td>
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</tr>
<tr>
<td>Podiatry Examiners Board</td>
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<td>Private Postsecondary Educ., Board for</td>
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<td>Psychologist Examiners Board</td>
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<td>Structural Pest Control Board</td>
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<td>Technical Registration, Board of</td>
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<td>1.0</td>
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<td>Veterinary Medical Examiners Board</td>
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<td><strong>Sub-Total - Ninety/Ten Agencies</strong></td>
<td>143.0</td>
<td>150.2</td>
<td>7.2</td>
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<td><strong>Total - Inspection and Regulation</strong></td>
<td>1,504.9</td>
<td>1,536.2</td>
<td>31.3</td>
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<p>| Education                                   |         |         |            |
| Arts, Commission on the                     | 11.5    | 11.5    | 0.0        |
| Community Colleges                          | 8.0     | 9.0     | 1.0        |
| Deaf and Blind, School for                  | 427.4   | 431.9   | 4.5        |
| Education, Department of                    | 179.8   | 180.8   | 1.0        |
| Historical Society, Arizona                 | 46.3    | 46.3    | 0.0        |
| Historical Society, Prescott                | 14.5    | 14.5    | 0.0        |
| Medical Student Loans Board                 | 0.0     | 0.0     | 0.0        |
| Universities/Board of Regents               |         |         |            |
| Board of Regents                            | 34.8    | 39.8    | 5.0        |
| Arizona State Univ.--Main Campus            | 4,471.4 | 4,613.4 | 142.0      |</p>
<table>
<thead>
<tr>
<th>AGENCY</th>
<th>FY 1988 FTE's</th>
<th>FY 1989 FTE's</th>
<th>Difference</th>
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<td>EDUCATION (Cont'd)</td>
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<td>255.9</td>
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<td>1,530.0</td>
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<td>NATURAL RESOURCES</td>
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</table>
STATE PERSONNEL SUMMARY 1/
By Full-time Equivalent Positions
(Continued)

<table>
<thead>
<tr>
<th>AGENCY</th>
<th>FY 1988 FTE's</th>
<th>FY 1989 FTE's</th>
<th>Difference</th>
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<td>NATURAL RESOURCES (Cont'd)</td>
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<tr>
<td>Oil &amp; Gas Conservation Commission</td>
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<td>Water Resources, Department of</td>
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<td>TOTAL - NATURAL RESOURCES</td>
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<td>GRAND TOTAL</td>
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1/ Excludes FTE positions supported with special line items and non-appropriated funds. Also excludes FTEs from Office of the Governor and the Legislature.
STATE PERSONNEL SUMMARY
BY FUNCTION OF GOVERNMENT

INSPECTION & REGULATION 1536.2
HEALTH & WELFARE

HIGHER EDUCATION
12112

GENERAL GOVERNMENT 3230.6
OTHER EDUCATION 685
NATURAL RESOURCES 840.8
TRANSPORTATION 3199.5

PROTECTION & SAFETY

7779.2

FISCAL YEAR 1989
GENERAL PROVISIONS OF THE APPROPRIATION ACT

In addition to the specific appropriations to agencies, departments and institutions, the General Appropriation Act (Chapter 260, Laws of 1988) provides funding for adjustments to salaries, benefits, and payments to providers. Pursuant to Subdivisions 97 and 98 of Chapter 260, the Joint Legislative Budget Committee Staff has determined the appropriate dollar amounts to be allocated to each agency for these adjustments. The amounts shown for each agency in this report include the allocations of the adjustments described below, with the exception of the inequity salary adjustments.

1. General Salary Adjustments for State Officers and Employees

Subdivision 97 of the General Appropriation Act appropriates $34,557,500, of which no more than $30,556,600 can be from the General Fund, for salary adjustments for state officers and employees. Sufficient amounts have been allocated to each agency or department to provide a general salary increase of three and one-half percent, effective July 1, 1988, for all State officers and employees except board and commission members who are paid on a per diem basis, and agency heads who are appointed for a fixed term of office.

2. Insurance Premium and Retirement Contribution Increase

Subdivision 97 of the General Appropriation Act appropriates $21,484,800, of which no more than $19,504,500 can be from the General Fund, for the payment of increased insurance premiums and retirement contributions for State officers and employees. Of this total amount, $7,316,800 has been allocated for increased State retirement contributions. The Employee Related Expenditure amounts appropriated to individual agencies in the General Appropriation Act include retirement contributions equal to 4.75 percent of employee salaries; the amount appropriated here provides an increase of 0.34 percent to bring the total FY 1989 retirement contribution to 5.09 percent, as recommended by the State Retirement Board.

3. Inequity Salary Adjustments for State Officers and Employees

Subdivision 97 of the General Appropriation Act appropriates $2,441,800, of which no more than $2,241,800 can be from the General Fund for inequity Salary adjustments.

4. Judicial Salary Adjustments

Subdivision 97 of the General Appropriation Act appropriates $388,200 from the General Fund to the Supreme Court, the Court of Appeals, and the Superior Courts for judicial salary adjustments. This appropriation was made contingent on the enactment of S.B. 1368. S.B. 1368 was enacted as Chapter 289, Laws of 1988, and established new judicial salaries beginning January 1, 1989.
5. Special Cost Adjustment for Providers

Subdivision 98 of the General Appropriation Act appropriates $1,165,800 from the State General Fund for payment of a special cost adjustment to certain providers of services. These adjustments apply to the following special line items:

(a) Department of Corrections: $59,300
   Purchase of Care - Community Placement and Treatment and Purchase of Care - Secure Female Beds.

(b) Department of Economic Security: $548,300
   Information and Referral Services, Homeless Shelter, Food Distribution Information, Rural Food Bank, Purchase of Care, Foster Care, Vocational Rehabilitation Contracts, Stipends and Allowances, Out of District Placement, Emergency Relief, Children's Services, Adult Services, Day Care, Adoption Services, Child Severance Project, Vocational Rehabilitation Services, Comprehensive Services for Independent Living, Manpower Services, Job Search Stipends and Work Incentive Demonstration Project.

(c) Department of Health Services: $378,600
   Non-OIM Services, OIM Non-Pilot Program, Child Rehabilitative Services, Behavioral Health Subventions and Newborn Intensive Care.

(d) Arizona Judiciary: $105,200
   Juvenile Probation Services.

(e) Unallocated: $74,400
The cost factors shown below are included in the FY 1989 appropriations to State agencies. In general, these percentage increases were added to the amounts originally appropriated in FY 1988 for each category. The cost factors added to the other fund agencies represent projected inflationary increases; lower cost factors have been added to the General Fund agencies in order to reduce General Fund appropriations and help balance the State General Fund budget. In most cases, the cost factors originally recommended by the Joint Legislative Budget Committee Staff in January were reduced by 3.5 percent. The cost factors may vary for some agencies, due to special circumstances.

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 1989 Increase</th>
<th>General Fund</th>
<th>Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>1.0%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>3.5%</td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>Natural Gas</td>
<td>1.5%</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>Public Transportation</td>
<td>1.5%</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>Private Car Mileage</td>
<td>3.6%</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>Postage</td>
<td>10.1%</td>
<td>13.6%</td>
<td></td>
</tr>
<tr>
<td>Providers</td>
<td>2.8%</td>
<td>2.8%</td>
<td></td>
</tr>
<tr>
<td>State Employee Salaries</td>
<td>3.5%</td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>All Other</td>
<td>0.0%</td>
<td>3.5%</td>
<td></td>
</tr>
</tbody>
</table>

The FY 1989 appropriations include a retirement contribution of 5.09% for the General Fund and other funds.

The FY 1989 appropriations for other fund agencies and divisions include amounts of $13.50 per square foot for rent in State-owned buildings; the General Fund agencies and divisions were not appropriated money for rent in State-owned buildings.
Ben Froehlich, Acting Director (Tel. 255-1500)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Summary</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Office of the Director</td>
<td>1,247,400</td>
<td>1,392,800</td>
<td>528,600</td>
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<tr>
<td>Executive Budget Office</td>
<td>-0-</td>
<td>-0-</td>
<td>827,300</td>
</tr>
<tr>
<td>Data Management</td>
<td>3,503,100</td>
<td>3,876,400</td>
<td>3,758,000</td>
</tr>
<tr>
<td>Finance</td>
<td>4,212,297</td>
<td>4,981,400</td>
<td>5,681,579</td>
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<tr>
<td>Personnel Administration</td>
<td>3,672,400</td>
<td>3,595,800</td>
<td>4,123,100</td>
</tr>
<tr>
<td>Facilities Management</td>
<td>8,767,400</td>
<td>10,374,300</td>
<td>11,476,600</td>
</tr>
<tr>
<td>Corrections Facilities and Construction</td>
<td>1,182,800</td>
<td>1,021,600</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>22,585,397</strong></td>
<td><strong>25,242,300</strong></td>
<td><strong>26,395,179</strong></td>
</tr>
</tbody>
</table>

| **Expenditure Detail** |                  |                    |                    |
| **FTE Positions**      | 513.50           | 539.75             | 516.25             |
| Personal Services      | 11,487,644       | 11,417,200         | 11,865,700         |
| Employee Related Exp.  | 2,489,886        | 2,433,000          | 2,982,200          |
| Prof. & Outside Services | 2,071,265      | 2,679,500          | 2,390,300          |
| Travel - State        | 149,695          | 137,700            | 124,400            |
| Travel - Out of State | 15,357           | 14,100             | 13,000             |
| Other Operating Exp.  | 1,694,553        | 1,830,800          | 1,909,600          |
| Equipment             | 112,057          | 224,500            | 221,100            |
| **All Other Operating Exp.** | **4,042,927** | **4,886,600** | **4,658,400** |
| **OPERATION SUB-TOTAL** | **18,020,457** | **18,736,800** | **19,906,300** |
| Special Line Items\(^1\) | 4,564,940       | 6,505,500          | 5,517,500          |
| **TOTAL**             | **22,585,397**  | **25,242,300**     | **25,023,800**     |
| Additional Appropriations | --              | --                | 1,371,379          |
| **TOTAL APPROPRIATIONS** | **22,585,397** | **25,242,300**     | **26,395,179**     |

The approved amount includes $413,800 in Personal Services and $241,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $41,700 in Employee Related Expenditures for the increased retirement contribution.

\(^1\) Details for the Special Line Items are included in the individual program pages.

(Footnotes Continued On Following Page)
LAND, BUILDING AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - Provides funding to the Department of Administration for the following purposes:

Section 1.(A) - $3,096,600 is appropriated for fiscal year 1988-89 from the State General Fund for architectural and engineering fees for the following projects:

1. Tucson State Office Building $1,166,600
2. Legislative Archives & Office Building 800,000
3. Department of Economic Security West Building 1,130,000

Total $3,096,600

These monies may be used by the Director of the Department of Administration subject to prior review by the Joint Committee on Capital Review.

Section 1.(B) - Requires the Director of the Department of Administration to repay to the State General Fund whatever is expended from the above appropriation on or before June 30, 1989. Repayment will be from the proceeds of the lease purchase financing for the projects shown in Section 1(A).

Section 2.(C) - $4,379,080 is appropriated for building renewal from the following funds for allocation to state agencies:

1. State General Fund $3,002,000
2. Game and Fish Fund 85,000
3. State Highway Fund 866,000
4. Coliseum and Exposition Center Fund 377,000
5. State Aeronautics Fund 18,080
6. Industrial Commission Special Fund 20,000
7. Retirement System Administration Fund 11,000

TOTAL $4,379,080

(Footnotes Continued From Previous Page)

2/ The amounts shown include actual expenditures of $107,800 from the Capital Outlay Stabilization Account for the line-item "Capital Planning and Review."

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.
The allocations may be modified by the Director of the Department of Administration, subject to review by the Joint Committee on Capital Review, if building systems are established in accordance with Arizona Revised Statutes § 41-793.01. The amount appropriated for facilities occupied by the Department of Economic Security is contingent on a matching contribution of $122,678 from federal or other monies available to the Department of Economic Security.

Section 3.(C) - $21,500,000 is appropriated for FY 1988-89 from the Corrections Fund to the Department of Administration for the following:

1. Adult Male Medium Unit - Winslow (400 beds) $8,830,000
2. Adult Male Medium Unit - Florence (800 beds) 12,670,000

TOTAL $21,500,000

Section 4.- $18,531,000 is appropriated for FY 1989-90 from the Correction fund to the Department of Administration for the following:

1. Adult Male Medium Unit - Winslow (400 beds) $4,610,000
2. Adult Male Medium Unit - Florence (800 beds) 13,903,300

TOTAL $18,513,300

Section 5.(B) - Reverts $347,024 from the Department of Administration to the State General Fund on the effective day of the act.

Section 5.(C) - Reverts $2,486,077 from the Department of Administration to the Capital Outlay Stabilization Account on the effective day of the act. The projects are shown below:

- Architectural and Engineering fees - ARCIR $349,974
- Land Acquisition 500,000
- Planning 480,573
- Land Acquisition 155,530
- Asbestos Abatement 1,000,000

TOTAL $2,486,077

Section 5.(D) - Reverts $2,486,077 from the Capital Outlay Stabilization Account to the State General Fund on the effective date of the act.

S.B. 1123 (Chapter 10) - Appropriates $3,200,000 for FY 1988-89 from the General Fund to the Department of Administration for the purpose of providing interim funding for the construction of the Sixteenth Avenue parking structure. The act also requires the Director of the Department of Administration to repay to the State General Fund whatever is expended from the above appropriation on or before June 30, 1989. Repayment will be from the proceeds of lease purchase financing for the project.

H.B. 2379 (Chapter 317) - Appropriates $450,000 from the State General Fund to the Department of Administration for the costs of refurbishing the East Annex Building for the State Agriculture Laboratory.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>26.0</td>
<td>25.0</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>861,600</td>
<td>854,300</td>
<td>281,200</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>145,600</td>
<td>138,800</td>
<td>56,200</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>17,800</td>
<td>46,300</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - State</td>
<td>3,100</td>
<td>3,600</td>
<td>700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,500</td>
<td>1,100</td>
<td>500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>69,300</td>
<td>39,700</td>
<td>11,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>800</td>
<td>1,900</td>
<td>6,500</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>95,500</td>
<td>92,600</td>
<td>19,000</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,102,700</td>
<td>1,085,700</td>
<td>356,400</td>
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<tr>
<td>Mobile Homes/Parks Hearings</td>
<td>-0-</td>
<td>100,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Water Quality Appeals</td>
<td>-0-</td>
<td>115,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Water Quality Appeals Bd.</td>
<td>-0-</td>
<td>33,300</td>
<td>-0-</td>
</tr>
<tr>
<td>Pesticide Appeals</td>
<td>-0-</td>
<td>19,300</td>
<td>-0-</td>
</tr>
<tr>
<td>EBO Water Quality</td>
<td>12,500</td>
<td>24,700</td>
<td>-0-</td>
</tr>
<tr>
<td>Governor's Reg. Rev. Council</td>
<td>-0-</td>
<td>14,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Governor's Management and Audit Team</td>
<td>132,200</td>
<td>-0-</td>
<td>172,200</td>
</tr>
<tr>
<td>Hearing Office</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>1,247,400</td>
<td>1,392,800</td>
<td>528,600</td>
</tr>
</tbody>
</table>

The approved amount includes $9,500 in Personal Services and $5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-out of 16 positions, $569,300, to create a new Executive Budget Office division and the transfer-in of an Administrative Assistant, $19,500, for Water Quality, a special line item. In addition, three positions and $94,900 were deleted. The deleted positions were Personnel Analyst, Controller, and Executive Staff Assistant.

(Continued)

1/ Transferred to Executive Budget Office.
2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditures are shown for informational purposes only.
All Other Operating - The approved amount reflects a transfer-out of $79,800 to create a new Executive Budget Office division.

Hearing Office - The approved amount consolidates all of the separate appeals functions. This provides for a more efficient hearing process for the Department. The approved amount includes $900 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.
**DEPARTMENT OF ADMINISTRATION - EXECUTIVE BUDGET OFFICE**

A.R.S. 41-702

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>16.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>-0-</td>
<td>589,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>117,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>-0-</td>
<td>46,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>-0-</td>
<td>3,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>-0-</td>
<td>600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>55,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>106,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>-0-</td>
<td>-0-</td>
<td>812,900</td>
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<tr>
<td>Governor's Reg. Rev. Council</td>
<td>-0-</td>
<td>-0-</td>
<td>14,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>-0-</td>
<td>-0-</td>
<td>827,300</td>
</tr>
</tbody>
</table>

The approved amount includes $19,900 in Personal Services and $11,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount was transferred from the Director's Office to create a new Executive Budget Office Division.

**All Other Operating** - The approved amount provides for an increase of $26,200 over the amount transferred from the Director's office. The increase provides for printing costs.

\[1\] Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditures are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>39.0</td>
<td>39.0</td>
<td>39.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>1,235,600</td>
<td>1,228,300</td>
<td>1,311,200</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>233,900</td>
<td>223,200</td>
<td>263,400</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>1,842,100</td>
<td>2,297,700</td>
<td>2,056,200</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>700</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>2,600</td>
<td>2,800</td>
<td>-2,800</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>159,300</td>
<td>124,400</td>
<td>124,400</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>28,900</td>
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<td>-0-</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>2,033,600</td>
<td>2,424,900</td>
<td>2,183,400</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,503,100</td>
<td>3,876,400</td>
<td>3,758,000</td>
</tr>
</tbody>
</table>

The approved amount includes $44,300 in Personal Services and $25,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount provides for a net increase of $38,600 which includes an adjustment to the base and a three percent vacancy factor. The vacancy factor was reduced from 7.5 percent in FY 1988.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,068,444</td>
<td>2,002,700</td>
<td>2,150,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>425,886</td>
<td>409,800</td>
<td>499,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>195,165</td>
<td>279,000</td>
<td>231,300</td>
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<tr>
<td>Travel - State</td>
<td>10,695</td>
<td>8,600</td>
<td>8,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>3,457</td>
<td>4,500</td>
<td>3,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>473,033</td>
<td>495,700</td>
<td>517,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>21,437</td>
<td>20,600</td>
<td>27,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>703,827</td>
<td>808,400</td>
<td>788,200</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>3,198,157</strong></td>
<td><strong>3,220,900</strong></td>
<td><strong>3,438,000</strong></td>
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<tr>
<td>SLIAG Reimbursement</td>
<td>-0-</td>
<td>-0-</td>
<td>98,300</td>
</tr>
<tr>
<td>State Motor Vehicles</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Rental of Facilities</td>
<td>947,535</td>
<td>967,000</td>
<td>88,800</td>
</tr>
<tr>
<td>Hearing Officers</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Statewide Single Audit</td>
<td>66,605</td>
<td>181,500</td>
<td>685,100</td>
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<tr>
<td>Capital Centre - Rental/Buildout</td>
<td>-0-</td>
<td>612,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>4,212,297</td>
<td>4,981,400</td>
<td>4,310,200</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

Ch. 321, Named Claimants | -- | -- | 1,371,379 |

**TOTAL APPROPRIATIONS** | 4,212,297 | 4,981,400 | 5,681,579 |

The approved amount includes $72,700 in Personal Services and $42,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $7,300 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ The 20 FTE positions for the SLIAG and Statewide Single Audit are not included.

2/ These funds shall be available to the extent that the general fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by Section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is Legislative intent that the general fund be fully reimbursed for this appropriation.

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount provides for the transfer-out of a Personnel Analyst, $36,200, to the Personnel Division. In addition, the amount provides for a net increase of $61,100 which includes an adjustment to the base and a 5.6 percent vacancy factor. The vacancy factor was reduced from 10.3 percent in FY 1988.

SLIAG - The SLIAG program requires an administrative entity and single point of contact. The approved amount will be used for expenses associated with statewide administrative duties of the Department in implementing the program. The approved amount includes $1,200 in Personal Services and $700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

Statewide Single Audit - The approved amount will be used by the Department's General Accounting Office to prepare statewide financial statements in accordance with generally accepted governmental accounting principals, as required by Arizona Revised Statutes § 35-131. The appropriation provides for 18 positions which are not included within the operating budget expenditure categories. The approved amount includes $10,500 in Personal Services and $6,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,100 in Employee Related Expenditures for the increased retirement contribution.

Rental of Facilities - The approved amount provides for rental of non-State owned buildings. The amount previously included rent for state owned office facilities which was not funded in FY 1989.

ADDITIONAL APPROPRIATIONS

Named Claimants - H.B. 2418 (Chapter 321) - Appropriates $1,371,379 from the State General Fund to the Department of Administration for payment of various claims against the state.
DEPARTMENT OF ADMINISTRATION - PERSONNEL ADMINISTRATION  

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>109.0</td>
<td>109.0</td>
<td>110.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,766,800</td>
<td>2,668,500</td>
<td>2,983,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>532,800</td>
<td>498,900</td>
<td>667,800</td>
</tr>
<tr>
<td>Pro. &amp; Outside Services</td>
<td>14,000</td>
<td>37,000</td>
<td>37,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>10,000</td>
<td>16,800</td>
<td>16,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,100</td>
<td>4,200</td>
<td>4,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>322,900</td>
<td>345,400</td>
<td>345,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>18,100</td>
<td>-0-</td>
<td>29,500</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>366,100</td>
<td>403,400</td>
<td>433,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>3,665,700</td>
<td>3,570,800</td>
<td>4,084,600</td>
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<tr>
<td>Special Recruitment</td>
<td>6,700</td>
<td>25,000</td>
<td>38,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>3,672,400</td>
<td>3,595,800</td>
<td>4,123,100</td>
</tr>
</tbody>
</table>

The approved amount includes $100,900 in Personal Services and $58,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of a Personnel Analyst, $36,200, from the Finance Division. In addition, the approved amount provides for a net increase of $172,200 which includes an upward adjustment to the base and a three percent vacancy factor. The vacancy factor was reduced from over ten percent in FY 1988.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.
### DEPARTMENT OF ADMINISTRATION - FACILITIES MANAGEMENT

Ben Froehlich, Acting Director (Tel. 255-1500)

<table>
<thead>
<tr>
<th>GENERAL FUND/CAPITAL OUTLAY STABILIZATION ACCOUNT</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>207.5</td>
<td>243.75</td>
<td>252.25</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,698,200</td>
<td>3,915,900</td>
<td>4,550,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>972,900</td>
<td>1,008,300</td>
<td>1,377,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>700</td>
<td>12,100</td>
<td>19,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>68,800</td>
<td>76,000</td>
<td>95,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,700</td>
<td>600</td>
<td>1,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>595,500</td>
<td>746,500</td>
<td>854,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>30,200</td>
<td>202,000</td>
<td>158,100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>696,900</td>
<td>1,037,200</td>
<td>1,128,800</td>
</tr>
<tr>
<td>Operation Sub-TOTAL</td>
<td>5,368,000</td>
<td>5,961,400</td>
<td>7,056,400</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,248,100</td>
<td>4,194,800</td>
<td>4,227,700</td>
</tr>
<tr>
<td>Relocate State Agencies</td>
<td>43,500</td>
<td>92,500</td>
<td>192,500</td>
</tr>
<tr>
<td>Capital Planning &amp; Review</td>
<td>107,800 1/</td>
<td>125,600</td>
<td>0-</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td><strong>8,767,400</strong></td>
<td><strong>10,374,300</strong></td>
<td><strong>11,476,600</strong> 2/3/4/</td>
</tr>
</tbody>
</table>

The approved amount includes $133,900 in Personal Services and $89,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $15,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine positions ($233,800) from the Correctional Facilities division. A half-time Consultant position ($29,700) was deleted. Also, the approved amount provides for a net increase of $277,100 which includes an upward adjustment to the base and a three percent vacancy factor. The FY 1989 vacancy factor was reduced from 7.5 percent in FY 1988.

(Continued)

1/ Appropriated from the Capital Outlay Stabilization account.

2/ Not later than September 1, 1988, the Department shall provide a report to the Joint Legislative Budget Committee describing the organization of the Facilities Planning and Construction function. The plan shall include: 1) functional objectives; 2) organization charts by function and position; and, 3) position descriptions.

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.

4/ An additional nine positions and $344,400 was released by the Joint Committee on Capital Review from the Corrections fund. These funds are for construction management activities related to prison construction.
The approved amount includes $81,400 that was transferred from the Correctional Facilities division and an increase of $57,800 for annualization of expenditures for the Revenue building. Also, included is $9,500 for the Department to acquire safety shoes for facilities field personnel.

Utilities - The approved amount includes a net increase of $32,900 over the fiscal year 1988 estimated expenditure level. Although the increase may be greater, the Department intends to reduce costs as a result of implementing energy efficiency measures.
Ben Froehlich, Acting Director (Tel. 255-1500)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>39.0</td>
<td>30.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>837,000</td>
<td>747,500</td>
<td>-0-</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>178,800</td>
<td>154,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,500</td>
<td>7,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - State</td>
<td>56,400</td>
<td>32,700</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,000</td>
<td>900</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>74,500</td>
<td>79,100</td>
<td>-0-</td>
</tr>
<tr>
<td>Equipment</td>
<td>12,600</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>147,000</td>
<td>120,100</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,182,800</strong></td>
<td><strong>1,021,600</strong></td>
<td><strong>-0-</strong></td>
</tr>
</tbody>
</table>

Funding for this Division has not been approved for FY 1989. A total of nine positions and $383,300 was transferred to Facilities Management. It is intended that the Planning and Construction function, within Facilities Management, operate as a single unit.
**Governor - Office of Affirmative Action**  
Executive Order 87-9  

JLBC Analyst: Naimark  

Kala Pearson, Acting Director (Tel. 255-3711)  

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>124,400</td>
<td>132,300</td>
<td>149,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>19,600</td>
<td>21,800</td>
<td>34,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,700</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>23,000</td>
<td>45,000</td>
<td>11,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>24,900</td>
<td>50,000</td>
<td>14,700</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td><strong>168,900</strong></td>
<td><strong>204,100</strong></td>
<td><strong>198,500</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $5,000 in Personal Services and $2,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services and Employee Related Expenditures - The approved amount includes a $2,600 reduction to remove Personal Services and Employee Related Expenditures funding in excess of the current five-position base.

Other Operating Expenditures - The approved amount includes a reduction of $10,000 for printing costs since the State Affirmative Action Guidelines and Plans are now updated every two years, instead of every year. Other reductions include $4,500 for computer programming and $15,700 for State rent.

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1/ In addition to this amount, the Governor's Office will spend approximately $13,000 to help support the five Affirmative Action FTE positions.

2/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
# ATTORNEY GENERAL - DEPARTMENT OF LAW - SUMMARY

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>4,085,300</td>
<td>3,694,100</td>
<td>3,504,100</td>
</tr>
<tr>
<td>Antitrust</td>
<td>276,600</td>
<td>290,400</td>
<td>312,500</td>
</tr>
<tr>
<td>Civil</td>
<td>3,025,900</td>
<td>3,406,400</td>
<td>4,146,000</td>
</tr>
<tr>
<td>Civil Rights</td>
<td>464,900</td>
<td>462,600</td>
<td>565,450</td>
</tr>
<tr>
<td>Criminal</td>
<td>1,585,800</td>
<td>1,631,400</td>
<td>1,768,700</td>
</tr>
<tr>
<td>Financial Fraud</td>
<td>1,399,200</td>
<td>1,478,500</td>
<td>2,097,300</td>
</tr>
<tr>
<td>Organized Crime</td>
<td>2,526,800</td>
<td>2,627,200</td>
<td>2,357,200</td>
</tr>
<tr>
<td>Solicitor General</td>
<td>219,500</td>
<td>245,100</td>
<td>269,800</td>
</tr>
<tr>
<td>Special Investigations</td>
<td>1,717,000</td>
<td>1,984,300</td>
<td>2,107,300</td>
</tr>
<tr>
<td>Tax</td>
<td>825,300</td>
<td>942,700</td>
<td>1,268,100</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>16,126,300</strong></td>
<td><strong>16,762,700</strong></td>
<td><strong>18,396,450</strong></td>
</tr>
</tbody>
</table>

**Expenditure Detail**

| FTE Positions | 306.0 | 310.0 | 314.0 |

| Personal Services | 10,392,000 | 10,992,500 | 11,934,900 |
| Employee Related Exp. | 1,828,200 | 1,926,600 | 2,349,200 |
| Prof. & Outside Services | 188,800 | 71,700 | 66,800 |
| Travel - State | 141,900 | 127,300 | 127,300 |
| Travel - Out of State | 38,700 | 38,400 | 38,300 |
| Other Operating Exp. | 1,977,000 | 2,018,100 | 1,338,600 |
| Equipment | 296,300 | 153,900 | 389,900 |
| All Other Operating Exp. | 2,642,700 | 2,409,400 | 1,960,900 |
| **OPERATION SUB-TOTAL** | **14,862,900** | **15,328,500** | **16,245,000** |
| Special Line Items | 1,263,400 | 1,434,200 | 2,092,200 |
| Additional Appropriations | -- | -- | 59,250 |
| **TOTAL APPROPRIATIONS** | **16,126,300** | **16,762,700** | **18,396,450** |

1/ It is Legislative intent that the monies appropriated to the Attorney General - Department of Law be expended in accordance with the line item detail, by program, as shown in the Fiscal Year 1988-89 Appropriations Report prepared by the Joint Legislative Budget Committee Staff. Deviations shall be reported monthly by the agency to the Appropriations Committee Chairmen and the appropriate subcommittees.

2/ The number shown does not include the FTE positions authorized in the special line items.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>43.0</td>
<td>43.0</td>
<td>43.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,475,700</td>
<td>1,394,300</td>
<td>1,547,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>253,300</td>
<td>246,000</td>
<td>291,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>78,900</td>
<td>6,200</td>
<td>6,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>8,300</td>
<td>2,800</td>
<td>2,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>7,700</td>
<td>5,200</td>
<td>5,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,448,300</td>
<td>1,509,300</td>
<td>774,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>206,900</td>
<td>80,200</td>
<td>187,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,750,100</td>
<td>1,603,700</td>
<td>976,100</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>3,479,100</td>
<td>3,244,000</td>
<td>2,815,700</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>72,000</td>
<td>67,500</td>
<td>75,800</td>
</tr>
<tr>
<td>Outside Litigation</td>
<td>2,400</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>AHCCCS Lawsuit</td>
<td>531,800</td>
<td>280,600</td>
<td>-</td>
</tr>
<tr>
<td>Special Litigation</td>
<td>-0-</td>
<td>42,000</td>
<td>510,400</td>
</tr>
<tr>
<td>Elderly Abuse Project</td>
<td>-0-</td>
<td>-0-</td>
<td>42,200</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>4,085,300</td>
<td>3,694,100</td>
<td>3,504,100</td>
</tr>
</tbody>
</table>

The approved amount includes $50,000 in Personal Services and $30,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a .5 percent vacancy factor for a savings of $6,800 and contains $59,600 to be transferred to the Economic Security and Transportation Divisions for attorney salary increases.

(Continued)

1/ The AHCCCS lawsuit was settled in November 1987 leaving approximately $250,000 available from the AHCCCS Lawsuit appropriations. S.B. 1119 (Chapter 9, Laws of 1988) reverted $208,000 back to the General Fund and the Attorney General retained $42,000 for use in the Lakeview litigation.

2/ The number shown does not include five FTE positions authorized for the Lakeview case in Special Litigation or three FTE positions authorized for the Elderly Abuse Project.

3/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Other Operating Expenditures - The approved amount includes a $63,700 increase to cover the repair/maintenance contract and the lease/purchase payment on the computer system. The appropriation includes $436,400 for the lease/purchase payment on the Capitol Center Building. The remaining lease/purchase amount will be paid by other divisions and/or funds: $24,500 by the Antitrust Revolving Fund, $14,800 by the Collection Enforcement Revolving Fund, $106,600 by the Liability Defense Division, and $191,300 by the Economic Security Division.

Equipment - The approved amount includes $80,000 to purchase back-up power supply and data storage equipment for the computer system.

Library Acquisitions - The approved amount includes an $8,300 increase to cover the cost of updates to legal materials.

Special Litigation - The approved amount includes $385,400 for the Lakeview litigation and $125,000 for other major litigation cases. The Lakeview litigation appropriation includes $6,200 in Personal Services and $3,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $600 in Employee Related Expenditures for the increased retirement contribution.

Elderly Abuse Project - The approved amount replaces federal funds which will lapse in November 1988; the amount includes $1,100 in Personal Services and $600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.
The approved amount includes $8,900 in Personal Services and $5,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a $6,100 increase to remove the vacancy factor.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>61.0</td>
<td>61.0</td>
<td>61.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,094,300</td>
<td>2,220,700</td>
<td>2,417,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>353,400</td>
<td>374,000</td>
<td>461,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>29,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,600</td>
<td>4,100</td>
<td>4,100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>3,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>102,500</td>
<td>121,000</td>
<td>126,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,300</td>
<td>12,000</td>
<td>44,900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>149,400</td>
<td>150,500</td>
<td>188,800</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>2,597,100</td>
<td>2,745,200</td>
<td>3,067,000</td>
</tr>
<tr>
<td>Environmental Quality</td>
<td>140,200</td>
<td>241,200</td>
<td>261,300</td>
</tr>
<tr>
<td>Water Litigation Expenses</td>
<td>288,600</td>
<td>420,000</td>
<td>817,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,025,900</td>
<td>3,406,400</td>
<td>4,146,000</td>
</tr>
</tbody>
</table>

The approved amount includes $81,700 in Personal Services and $47,700 in Employee Related Expeditures for salary increases and higher health insurance premiums, and an increase of $8,200 in Employee Related Expeditures for the increased retirement contribution.

**Personal Services** - The amount approved incorporates a 1.5 percent vacancy factor for a savings of $34,500 and includes $72,200 for attorney salary increases.

**Equipment** - The approved amount includes $15,200 for a replacement copy machine and $29,700 for replacement computer equipment.

**Environmental Quality** - The approved amount includes an $8,300 increase in Personal Services and Employee Related Expeditures to remove the vacancy factor. The amount also includes $6,800 in Personal Services and $4,000 in Employee Related Expeditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expeditures for the increased retirement contribution.

(Continued)

1/ The number shown does not include the 23 FTE positions authorized for Water Litigation Expenses or the seven FTE positions authorized for Environmental Quality.

2/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Water Litigation Expenses - The approved amount includes a $10,100 increase in Personal Services and Employee Related Expenditures to remove the vacancy factor. The appropriation also includes the transfer of ten FTE positions and $352,200 from the State Land Department. In FY 1988 the State Land Department had 14 FTE positions in the Water Litigation program. For FY 1989, two positions will remain, two vacant positions will be eliminated (for a savings of $56,400), and ten positions - which already report to the Attorney General under the terms of an inter-agency agreement - will be transferred to the Civil Division budget. The approved amount includes $21,000 in Personal Services and $12,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,100 in Employee Related Expenditures for the increased retirement contribution.
Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>361,900</td>
<td>370,200</td>
<td>398,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>63,300</td>
<td>64,400</td>
<td>78,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>900</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,300</td>
<td>6,900</td>
<td>6,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>400</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>33,100</td>
<td>19,100</td>
<td>20,500</td>
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<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>39,700</td>
<td>28,000</td>
<td>29,400</td>
</tr>
<tr>
<td>TOTAL</td>
<td>464,900</td>
<td>462,600</td>
<td>506,200</td>
</tr>
</tbody>
</table>

Additional Appropriations - 38th Leg., 2nd Reg. Session

| Ch. 339, Fair Housing | --             | --                | 59,250             |
| TOTAL APPROPRIATIONS | 464,900        | 462,600           | 565,450            |

The approved amount includes $13,400 in Personal Services and $7,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a $7,500 increase to remove the vacancy factor and $7,300 for attorney salary increases.

Other Operating Expenditures - The approved amount maintains the Tucson Civil Rights office at the FY 1988 level of funding.

ADDITIONAL APPROPRIATIONS

Fair Housing - S.B. 1286 (Chapter 339) - This law prohibits discrimination in the sale and rental of housing and gives the Department of Law enforcement responsibility. In addition to the $59,250 General Fund appropriation, the Civil Rights Division will receive an estimated $30,000 from the federal government in FY 1989 to investigate and resolve housing discrimination charges. The law becomes effective January 1, 1989.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
ATTORNEY GENERAL - DEPARTMENT OF LAW - CRIMINAL  

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)  

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>32.0</td>
<td>32.0</td>
<td>32.0</td>
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<tr>
<td>Personal Services</td>
<td>1,274,300</td>
<td>1,300,900</td>
<td>1,375,900</td>
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<tr>
<td>Employee Related Exp.</td>
<td>220,600</td>
<td>219,800</td>
<td>275,100</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>4,200</td>
<td>13,300</td>
<td>8,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>3,100</td>
<td>8,900</td>
<td>8,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,600</td>
<td>9,100</td>
<td>9,200</td>
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<tr>
<td>Other Operating Exp.</td>
<td>77,800</td>
<td>56,900</td>
<td>63,500</td>
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<tr>
<td>Equipment</td>
<td>1,200</td>
<td>22,500</td>
<td>25,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>90,900</td>
<td>110,700</td>
<td>117,700</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,585,800</td>
<td>1,631,400</td>
<td>1,768,700</td>
</tr>
</tbody>
</table>

The approved amount includes $46,500 in Personal Services and $27,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes $18,800 for attorney salary increases and incorporates a 1.5 percent vacancy factor for a savings of $20,000.

Professional and Outside Services - The approved amount includes a decrease of $4,900 for reduced legal expenses.

Equipment - The approved amount includes $15,000 for a replacement copy machine and $10,700 for replacement computer equipment.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>PART</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>34.0</td>
<td>34.0</td>
<td>42.0</td>
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<tr>
<td>Personal Services</td>
<td>1,086,200</td>
<td>1,168,700</td>
<td>1,619,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>194,600</td>
<td>203,700</td>
<td>325,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>15,500</td>
<td>11,200</td>
<td>11,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,500</td>
<td>1,600</td>
<td>1,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,000</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>82,000</td>
<td>90,900</td>
<td>121,700</td>
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<tr>
<td>Equipment</td>
<td>17,400</td>
<td>0</td>
<td>15,500</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>118,400</td>
<td>106,100</td>
<td>152,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,399,200</td>
<td>1,478,500</td>
<td>2,097,300</td>
</tr>
</tbody>
</table>

The approved amount includes $54,800 in Personal Services and $31,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved incorporates a two percent vacancy factor for a savings of $24,100 and includes $56,700 for attorney salary increases. The appropriation also includes the transfer of eight FTE positions and $328,800 from the Organized Crime Division.

Other Operating Expenditures - The approved amount includes the transfer of $19,200 to support the positions shifted from the Organized Crime Division.

Equipment - The approved funding is for the purchase of replacement computer equipment.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### General Fund

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>47.0</td>
<td>47.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>1,815,900</td>
<td>1,874,200</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>309,300</td>
<td>319,500</td>
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<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>47,600</td>
<td>16,600</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>7,800</td>
<td>4,400</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>12,000</td>
<td>8,300</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>104,900</td>
<td>81,300</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>900</td>
<td>-900</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>173,200</td>
<td>110,600</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>2,298,400</td>
<td>2,304,300</td>
</tr>
<tr>
<td><strong>Environmental Quality</strong></td>
<td>228,400</td>
<td>322,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,526,800</td>
<td>2,627,200</td>
</tr>
</tbody>
</table>

The approved amount includes $54,700 in Personal Services and $31,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes a transfer of eight FTE positions and $328,800 to the Financial Fraud Division, and incorporates a vacancy factor of two percent for a savings of $38,100. The appropriation also includes $23,700 for attorney salary increases.

**Other Operating Expenditures** - The approved amount includes a shift of $19,200 to the Financial Fraud Division to support the shifted FTE positions.

**Environmental Quality** - The amount approved includes a $28,200 reduction for one-time equipment purchases and a $16,100 increase in Personal Services and Employee Related Expenditures to remove the vacancy factor. The approved amount includes $8,300 in Personal Services and $4,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $800 in Employee Related Expenditures for the increased retirement contribution.

1/ The number shown does not include the eight FTE positions authorized for the Environmental Quality line item.

2/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>175,000</td>
<td>200,500</td>
<td>215,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>28,900</td>
<td>31,500</td>
<td>37,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>3,800</td>
<td>700</td>
<td>700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>300</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,100</td>
<td>3,300</td>
<td>3,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>9,200</td>
<td>8,800</td>
<td>10,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>15,600</td>
<td>13,100</td>
<td>16,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>219,500</td>
<td>245,100</td>
<td>269,800</td>
</tr>
</tbody>
</table>

The approved amount includes $7,300 in Personal Services and $4,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes a $7,700 increase to remove the vacancy factor.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Honorabe Robert K. Corbin, Attorney General (Tel. 255-4266)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>48.0</td>
<td>52.0</td>
<td>52.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,211,100</td>
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<td>1,531,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>251,800</td>
<td>300,500</td>
<td>346,400</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>500</td>
<td>700</td>
<td>700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>109,300</td>
<td>97,600</td>
<td>97,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>5,300</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>87,400</td>
<td>94,100</td>
<td>97,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>51,600</td>
<td>33,200</td>
<td>30,900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>254,100</td>
<td>228,000</td>
<td>229,300</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,717,000</td>
<td>1,984,300</td>
<td>2,107,300</td>
</tr>
</tbody>
</table>

The approved amount includes $51,800 in Personal Services and $30,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 1.5 percent vacancy factor for savings of $22,600.

Equipment - The approved amount includes $13,100 for computer equipment, $2,400 for office equipment, $600 for Investigator support items, and $14,800 for improvements to the mobile radio system.

\[\text{1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.}\]
Honorable Robert K. Corbin, Attorney General (Tel. 255-4265)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>20.0</td>
<td>20.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>660,100</td>
<td>757,600</td>
<td>946,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>113,900</td>
<td>126,400</td>
<td>183,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>8,400</td>
<td>13,000</td>
<td>13,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>500</td>
<td>700</td>
<td>700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,600</td>
<td>2,700</td>
<td>2,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>31,800</td>
<td>36,300</td>
<td>50,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,000</td>
<td>6,000</td>
<td>70,900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>51,300</td>
<td>58,700</td>
<td>138,100</td>
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<tr>
<td>Total Appropriations</td>
<td>825,300</td>
<td>942,700</td>
<td>1,268,100</td>
</tr>
</tbody>
</table>

The approved amount includes $32,000 in Personal Services and $18,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,200 in Employee Related Expenditures for the increased retirement contribution.

Revenue Collection Unit - The approved amounts include $219,700 for four new FTE positions to work on revenue collection. The additional two Attorneys, one Paralegal, and one Legal Secretary will work on the collection of undisputed, unpaid taxes that are owed to the State, and will supplement the current Tax Division staff in working to settle cases of disputed tax liability. It is expected that this new unit will collect over $512,500 for the General Fund in FY 1989, and that the Tax Division staff supported by the General Fund will generate approximately $16.8 million for the State in disputed taxes that are paid and refunds that are avoided.

The activities of the four new positions in the Tax Division shall be accounted for separately and the Attorney General shall submit quarterly reports to the Joint Legislative Budget Committee showing the expenditures and revenue associated with all Tax Division positions. If, after reviewing a quarterly report, the Joint Legislative Budget Committee determines that the four new positions will not add $512,500 to the General Fund, the Committee may request that the Attorney General suspend operations of the new four-person unit. It is expected that this appropriation will generate at least $16,800,000 for the State in disputed taxes that are paid and refunds that are avoided.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ (Continued)
Personal Services - The amount approved incorporates a one percent vacancy factor for a savings of $7,900, and includes $12,000 for attorney salary increases.

Equipment - The approved amount includes $8,300 in replacement computer equipment.
Section 3-1005, Arizona Revised Statutes, states "'Monies received by the Board ... shall be under full control and jurisdiction of the Board.' The appropriation for the Coliseum and Exposition Center is, then, 100 percent of its collections, and the amounts shown are estimates which are shown for informational purposes only.

**LAND, BUILDINGS AND IMPROVEMENTS**

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates $377,000 from the Coliseum and Exposition Center Fund to the Department of Administration for the maintenance and repair of state buildings.

1/ All collections paid into the state treasury are appropriated for Personal Services, Employee Related Expenditures, and All Other Operating Expenditures.

2/ Of the above appropriation, an amount not to exceed $1,200,000 shall be from state tax revenues.
**DEPARTMENT OF COMMERCE**  
Lois C. Yates, C.I.D., Acting Director  
(Tel. 255-5371)

<table>
<thead>
<tr>
<th>GENERAL FUND AND BOND FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>42.0</td>
<td>42.0</td>
<td>43.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,154,600</td>
<td>1,294,400</td>
<td>1,294,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>214,600</td>
<td>231,200</td>
<td>281,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>6,500</td>
<td>14,700</td>
<td>14,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>64,100</td>
<td>75,400</td>
<td>72,000</td>
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<tr>
<td>Travel - Out of State</td>
<td>37,900</td>
<td>45,500</td>
<td>45,800</td>
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<tr>
<td>Other Operating Exp.</td>
<td>354,800</td>
<td>417,400</td>
<td>289,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>44,600</td>
<td>-0-</td>
<td>25,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>507,900</td>
<td>553,000</td>
<td>446,700</td>
</tr>
</tbody>
</table>

**OPERATION SUB-TOTAL**  
1,877,100  
2,078,600  
2,022,300

| ADOT Mapping Service       | 10,000           | 10,000             | -0-                |
| Advertising & Promotion    | 188,500          | 212,400            | 184,900 1/         |
| Development Matching Funds | 100,000          | 100,000            | 100,000 2/         |
| Motion Picture Board       | 18,400           | 25,000             | 25,000             |
| Pacific Rim Demonstration Office | -0-   | 100,700             | 142,900 3/         |
| Rural Community Development| 398,800          | 537,200            | 639,500 4/         |
| Solar Energy Projects      | 72,300           | 98,500             | 98,500             |
| Super Collider (Desertron) | 586,900          | -0-                | -0-                |

**TOTAL**  
3,252,000  
3,162,400  
3,213,100 5/6/7 /

**Additional Appropriations**  
- 38th Leg., 1st Reg. Session  
  Ch. 331, Rural Development and Cooperative Advertising  
  -- 150,000 --

- 38th Leg., 2nd Reg. Session  
  Ch. 1, Super Collider  
  -- 479,300 --

**TOTAL APPROPRIATIONS**  
3,252,000  
3,791,700  
3,213,100

**Fund Summary**  
| General Fund   | 3,206,700 | 3,743,700 | 3,159,100 |
| Bond Fund      | 45,300    | 48,000    | 54,000    |

**TOTAL APPROPRIATIONS**  
3,252,000  
3,791,700  
3,213,100

(Continued)

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1/ The Media Advertising and Promotion line-items were combined to create the Advertising and Promotion line-item.

(Footnotes Continued on Following Page)
The approved amount includes $43,800 in Personal Services, $25,500 in Employee Related Expenditures, $16,500 in Rural Community Development and $2,700 in the Pacific Rim Demonstration Office for salary increases and higher health insurance premiums, and an increase of $4,400 in Employee Related Expenditures, $1,000 in Rural Community Development and $200 in the Pacific Rim Demonstration Office for the increased retirement contribution.

Personal Services - The amount approved includes funding for one new FTE position, an Administrative Assistant, for the Motion Picture section. In addition, the amount approved includes a 4.7 percent vacancy factor.

Equipment - The amount approved includes funding for a replacement vehicle for the Motion Picture section.

ADOT Mapping Service - The amount approved eliminates the contribution from the Department of Commerce for mapping services provided by the Arizona Department of Transportation.

Advertising and Promotion - The amount approved represents a reduction in Advertising and Promotion funds allocated for the Motion Picture section in order to offset increases associated with the authorization of a new FTE position for the Motion Picture section.

Pacific Rim Demonstration Office - The amount approved includes an increase in funding for office operating costs, as well as an amount not to exceed $20,000 for a foreign office study.

Rural Community Development - The amount approved includes $75,000 for the continuation of the Rural Economic Development program initiated through S.B. 1275 (Chapter 331) in FY 1988. In addition, funding for an architectural services contract is eliminated in order to provide funding for one new FTE position, an architect, for the Main Street Program.

Additional Appropriations - Chapter 1 provides a supplemental appropriation of $479,300 for geotechnical studies relating to the Superconducting Super Collider project.

(Footnotes Continued From Previous Page)

2/ No less than an equal amount shall be matched by federal and local funds to promote economic development projects throughout the state.

3/ An amount not to exceed $20,000 may be expended on a foreign office study. Any unexpended amounts of the funds designated for the study shall revert to the General Fund.

4/ The sum of $639,500 includes funding for 10.5 FTE positions, of which 2 FTE and related costs are for the Main Street program.

5/ Of this amount, the sum of $290,800 plus any related salary adjustments, is for the primary use of Solar Energy.

6/ Of this amount, the sum of $314,700 plus any related salary adjustments, is for the exclusive use of the Motion Picture section and shall be matched in an equal amount by industry.

7/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
## GENERAL FUND

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division I</td>
<td>3,721,300</td>
<td>3,914,100</td>
<td>3,895,500</td>
</tr>
<tr>
<td>Division II</td>
<td>1,670,300</td>
<td>1,781,600</td>
<td>1,781,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>5,391,600</strong></td>
<td><strong>5,695,700</strong></td>
<td><strong>5,677,200</strong></td>
</tr>
</tbody>
</table>

| FTE Positions                        | 112.5            | 112.5              | 112.5              |

| Personal Services                    | 4,012,600        | 4,281,000          | 4,479,400          |

| Employee Related Exp.                | 496,300          | 529,600            | 676,500            |

| Prof. & Outside Services             | -0-              | 3,000              | 3,000              |
| Travel - State                       | 47,600           | 58,000             | 58,000             |
| Travel - Out Of State                | 16,300           | 11,500             | 11,500             |
| Other Operating Exp.                 | 780,300          | 796,200            | 430,300            |
| Equipment                             | 38,500           | 16,400             | 18,500             |
| All Other Operating Exp.             | 882,700          | 885,100            | 521,300            |

| **TOTAL APPROPRIATIONS**             | **5,391,600**    | **5,695,700**      | **5,677,200**      |

The approved amount includes $103,200 in Personal Services and $80,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $14,900 in Employee Related Expenditures for the increased retirement contribution. Also included is $93,500 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

**ADDITIONAL LEGISLATION**

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribes salaries for Judges of the Court of Appeals.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
<tbody>
<tr>
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<td>80.5</td>
<td>80.5</td>
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<td>3,019,500</td>
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<td>459,600</td>
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<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>1,000</td>
<td>1,000</td>
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<td>Travel - State</td>
<td>25,400</td>
<td>34,100</td>
<td>34,100</td>
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<td>Travel - Out Of State</td>
<td>9,200</td>
<td>4,500</td>
<td>4,500</td>
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<tr>
<td>Other Operating Exp.</td>
<td>479,800</td>
<td>477,400</td>
<td>233,000</td>
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<tr>
<td>Equipment</td>
<td>13,800</td>
<td>4,000</td>
<td>6,000</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>528,200</td>
<td>521,000</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
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<td><strong>3,914,100</strong></td>
<td><strong>3,895,500</strong></td>
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</tbody>
</table>

The approved amount includes $74,200 in Personal Services and $57,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,500 in Employee Related Expenditures for the increased retirement contribution. Also included is $62,200 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

### ADDITIONAL LEGISLATION

Additional Department - S.B. 1002 (Chapter 38) - This act amends Arizona Revised Statutes, Section 12-120(B) to allow for an additional Department for Division I with three additional Judges. The effective date of this act is July 1, 1989.

**1/** Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Michael Lacagnina, Chief Judge (Tel. 844-1255)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
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<td>32.0</td>
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<tr>
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<td>1,168,600</td>
<td>1,261,500</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
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<td>216,900</td>
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<td><strong>Prof. &amp; Outside Services</strong></td>
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<td>2,000</td>
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<tr>
<td><strong>Travel - State</strong></td>
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<td>23,900</td>
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<tr>
<td><strong>Travel - Out of State</strong></td>
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<td>7,000</td>
<td>7,000</td>
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<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>300,500</td>
<td>318,800</td>
<td>197,300</td>
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<td><strong>Equipment</strong></td>
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<td>12,400</td>
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<td><strong>All Other Operating Exp.</strong></td>
<td>354,500</td>
<td>364,100</td>
<td>242,700</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>1,670,300</td>
<td>1,781,600</td>
<td>1,781,700</td>
</tr>
</tbody>
</table>

The approved amount includes $29,000 in Personal Services and $23,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,400 in Employee Related Expenditures for the increased retirement contribution. Also included is $31,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Arizona Constitution
Article VI Section 36, 37, 38

JLBC Analyst: Miller

Chief Justice Frank X. Gordon, Jr., Chairman (Tel. 255-4531)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,456</td>
<td>4,000</td>
<td>4,000 1/</td>
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</tbody>
</table>

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program.
The approved amount will provide for continued commission services and will cover the cost of preparing and publishing an annual report.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program.
<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>3,255,462</td>
<td>3,578,900</td>
<td>3,900,000</td>
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<tr>
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<tr>
<td>All Other Operating Exp.</td>
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<td>57,100</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
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<td>3,845,000</td>
<td>4,315,200</td>
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<tr>
<td>Juvenile Prob. Svs.</td>
<td>11,161,826</td>
<td>12,568,500</td>
<td>13,333,300</td>
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<tr>
<td>CASA</td>
<td>-0-</td>
<td>70,000</td>
<td>75,000</td>
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<tr>
<td>Medical Malpractice</td>
<td>5,218</td>
<td>13,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Family Counseling</td>
<td>247,800</td>
<td>289,600</td>
<td>312,800</td>
</tr>
<tr>
<td>Probation - State Aid</td>
<td>733,000</td>
<td>1,371,000</td>
<td>1,727,300</td>
</tr>
<tr>
<td>Intensive Probation - Juvenile</td>
<td>1,413,404</td>
<td>3,759,700</td>
<td>5,092,700</td>
</tr>
<tr>
<td>Probation Enhancement</td>
<td>2,624,843</td>
<td>4,232,400</td>
<td>7,519,300</td>
</tr>
<tr>
<td>Intensive Probation - Adult</td>
<td>3,636,523</td>
<td>4,769,900</td>
<td>6,703,600</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>23,243,633</td>
<td>30,919,100</td>
<td>39,114,200</td>
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</tbody>
</table>

The approved amount includes $56,000 in Employee Related Expenditures for higher health insurance premiums. Also included is $268,400 for Personal Services and Employee Related Expenditures for Judges salary increases effective January 1, 1989.

Juvenile Probation Services - The appropriation provides funding for the Juvenile Courts System to meet the requirements of Arizona Revised Statutes 8-230.01 and Arizona Revised Statutes 8-243, and to provide services to children referred for incorrigible or delinquent offenses and placed in foster care, day treatment programs, residential treatment centers, counseling, shelter care and other programs. It is the legislative intent that the courts shall grant providers an average increase of 2.8 percent.

(Continued)

1/ Up to 4.6 percent of the Juvenile Probation Services line item may be retained and expended by the Supreme Court to administer the programs established by Section 8-230.02, Arizona Revised Statutes and to conduct evaluations as needed. The remaining portion of the Juvenile Probation Services line item shall be deposited to the Juvenile Probation Fund established by Arizona Revised Statutes 8-230.02.

2/ It is anticipated that an additional $1,517,600 will be expended from the Juvenile Probation Fund.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Court Appointed Special Advocate (CASA) - The legislature approved an appropriation of $75,000 for the CASA program. Any federal funds received by the Superior Courts may be used to augment this appropriation.

Medical Malpractice - The amount of $15,000 provides funding for medical malpractice review panels.

Family Counseling - The appropriation provides funding to the Juvenile Division of the Superior Courts for prevention of delinquency and incorrigibility and to strengthen family relationships of juvenile offenders. The amount shown reflects an increase of $23,200 over the FY 1988 expenditure level. The increase has been provided due to the growing number of families attending these programs.

Probation - State Aid - State Aid to Probation provides funding for probation services to adults and juveniles. Legislation requires that the funds be used primarily for the salaries of the supervising probation officers. The appropriation includes an increase of $277,100 to continue existing services. In addition, the approved amount includes $47,100 in Personal Services and $27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,700 in Employee Related Expenditures for the increased retirement contribution.

Juvenile Intensive Probation - Juvenile Intensive Probation Supervision was created by the 1986 Legislature to divert serious, non-violent juvenile offenders from the Department of Corrections and to provide intensive supervision for high risk offenders already on probation. Additional funds were provided to increase the program capacity from 680 to 860. The approved amount includes $72,300 in Personal Services and $42,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $7,300 in Employee Related Expenditures for the increased retirement contribution.

Probation Enhancement - The approved amount includes funding for an additional 51 probation officers to maintain the statutory requirement of one supervising probation officer for each 60 probationers. The approved amount includes $201,800 in Personal Services and $117,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $20,300 in Employee Related Expenditures for the increased retirement contribution.

Adult Intensive Probation - The Adult Intensive Probation Supervision program was created to divert serious, non-violent adult offenders from overcrowded prisons. The appropriation provides funds for Adult Intensive Probation Supervision programs in all counties. Additional funds were provided to increase the program capacity from 1,140 to 1,445. In addition, the approved amount includes $141,600 in Personal Services and $82,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $14,200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)
ADDITIONAL LEGISLATION

Intensive Probation S.B. 1032 (Chapter 324) - This act amends Arizona Revised Statutes Section 12-292 to allow intensive probation for class 2 and 3 felony offenders provided the Court finds they would have been granted regular probation.

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribes salaries for Judges of the Superior Court.
GENERAL FUND/ CORRECTIONS FUND

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supreme Court</td>
<td>3,591,658</td>
<td>4,275,900</td>
<td>4,322,100</td>
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<tr>
<td>Foster Care Review Board</td>
<td>626,057</td>
<td>769,300</td>
<td>801,100</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>4,217,715</strong></td>
<td><strong>5,045,400</strong></td>
<td><strong>5,123,200</strong></td>
</tr>
</tbody>
</table>

Expenditure Detail

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>86.3</th>
<th>99.3</th>
<th>101.3</th>
</tr>
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<tbody>
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<td>Personal Services</td>
<td>2,605,094</td>
<td>3,023,600</td>
<td>3,238,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>411,263</td>
<td>469,200</td>
<td>625,900</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>33,187</td>
<td>34,500</td>
<td>34,500</td>
</tr>
<tr>
<td>Travel</td>
<td>84,335</td>
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<td>129,600</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>799,600</td>
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<tr>
<td>Equipment</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td><strong>OPERATION SUB-TOTAL</strong></td>
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<td><strong>4,648,200</strong></td>
<td><strong>4,849,000</strong></td>
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<tr>
<td>Judicial Education</td>
<td>147,968</td>
<td>231,400</td>
<td>233,400</td>
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<tr>
<td>Judicial Assistance</td>
<td>36,739</td>
<td>40,800</td>
<td>40,800</td>
</tr>
<tr>
<td>Drug Testing</td>
<td>-0-</td>
<td>125,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>4,217,715</strong></td>
<td><strong>5,045,400</strong></td>
<td><strong>5,123,200</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $96,000 in Personal Services and $61,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,900 in Employee Related Expenditures for the increased retirement contribution. Also included is $26,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

ADDITIONAL LEGISLATION

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribed salaries for Judges of the Supreme Court and the Chief Justice.
<table>
<thead>
<tr>
<th>General Fund/Corrections Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>FTE Positions</td>
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<td>78.3</td>
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<td>Personal Services</td>
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<td>Employee Related Exp.</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>21,277</td>
<td>30,000</td>
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<tr>
<td>Travel</td>
<td>49,682</td>
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<td>77,800</td>
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<tr>
<td>Other Operating Exp.</td>
<td>727,808</td>
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<td>Equipment</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td><strong>OPERATION SUB-TOTAL</strong></td>
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<tr>
<td>Judicial Education</td>
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<td>231,400</td>
<td>233,400</td>
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<tr>
<td>Judicial Assistance</td>
<td>36,739</td>
<td>40,800</td>
<td>40,800</td>
</tr>
<tr>
<td>Drug Testing</td>
<td>-0-</td>
<td>125,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>3,591,658</strong></td>
<td><strong>4,275,900</strong></td>
<td><strong>4,322,100</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $80,200 in Personal Services and $52,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $9,300 in Employee Related Expenditures for the increased retirement contribution. Also included is $26,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

Personal Services - The approved amount provides funding for a Computer Services Coordinator, $42,000, and $30,200 for salary adjustments for staff attorneys. In addition, a Building Coordinator position was authorized without funding.

1/ Appropriated from the Corrections Fund for a plan to provide for drug testing.
2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>21.0</td>
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<tr>
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<tr>
<td>Employee Related Exp.</td>
<td>80,033</td>
<td>93,000</td>
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<td>Prof. &amp; Outside Services</td>
<td>11,910</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>155,600</td>
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<tr>
<td>Equipment</td>
<td>7,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>181,202</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
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<td>769,500</td>
<td>801,100</td>
</tr>
</tbody>
</table>

The approved amount includes $15,800 in Personal Services and $9,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,600 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Reduction &amp; Efficiency</td>
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<tr>
<td>Study Commission</td>
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<td>-0-</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
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<td>4,272,900</td>
<td>2,872,100</td>
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</tbody>
</table>

The approved amount includes $59,500 in Personal Services and $34,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $6,000 in Employee Related Expenditures for the increased retirement contribution.

The lump sum appropriation of $2,872,100 includes funding for the Office of the Governor, the Governor's Office for Children, the Office of Planning and Policy Development, and the Arizona Women's Commission.
<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>25,000</td>
<td>25,800</td>
<td>27,200</td>
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<tr>
<td>Employee Related Exp.</td>
<td>5,700</td>
<td>6,000</td>
<td>6,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>4,700</td>
<td>5,300</td>
<td>5,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,700</td>
<td>2,100</td>
<td>4,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,800</td>
<td>4,200</td>
<td>4,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>4,100</td>
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<td>-0-</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>13,300</td>
<td>11,600</td>
<td>14,200</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>44,000</td>
<td>43,400</td>
<td>48,200 I/</td>
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</table>

The approved amount includes $900 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

Travel - State - The approved amount includes a $1,900 addition to cover the expenses of the new Council member.

I/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND/LEGISLATIVE, EXECUTIVE, AND JUDICIAL BUILDING LAND FUND

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate</td>
<td>3,739,100</td>
<td>4,116,100</td>
<td>5,441,000</td>
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<tr>
<td>House of Representatives</td>
<td>4,663,100</td>
<td>5,393,200</td>
<td>5,839,700</td>
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<td>Legislative Council</td>
<td>1,028,300</td>
<td>1,311,700</td>
<td>3,198,600</td>
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<td>Joint Legislative Budget Committee</td>
<td>1,178,700</td>
<td>1,450,800</td>
<td>1,447,300</td>
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<tr>
<td>Auditor General</td>
<td>5,989,377</td>
<td>6,138,300</td>
<td>6,542,000</td>
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<tr>
<td>Dept. of Library, Archives and Public Records</td>
<td>4,434,200</td>
<td>4,332,000</td>
<td>4,631,700</td>
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<tr>
<td>Joint Legislative Council Committee (Ch. 332, Laws of 1987)</td>
<td>-0-</td>
<td>45,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Legislative Consultants (Ch. 332, Laws of 1987)</td>
<td>-0-</td>
<td>100,000</td>
<td>-0-</td>
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<tr>
<td>Joint Committee on Ground Water and Surface Water Exportation (Ch. 386, Laws of 1986)</td>
<td>-0-</td>
<td>189,500</td>
<td>-0-</td>
</tr>
</tbody>
</table>

**TOTAL** 21,222,277 22,887,100 27,100,300

### Additional Legislation - 38th Leg., 2nd Reg. Session

| Chapter 1, Super Collider                            | -0-              | -0-                | -0-                |
| Chapter 271, Taxation Revisions                      | 421,000          | -0-                | 600,000            |
| Chapter 302, Omnibus ARKOCs                          | -0-              | -0-                | 240,000            |
| Chapter 342, Impeachment Exp.                        | 235,649          | 824,229            | -0-                |

**TOTAL APPROPRIATIONS** 21,222,277 24,367,978 27,940,300

### Fund Summary

| General Fund                                         | 21,222,277       | 24,367,978         | 26,905,400         |
| Legislative, Executive, And Judicial Building Land Fund | -0-              | -0-                | 1,034,900          |

**TOTAL APPROPRIATIONS** 21,222,277 24,367,978 27,940,300

(Continued)

1/ Appropriation exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

2/ These monies equal one-time implementation costs for legislative computer equipment and services.
LEGISLATURE - SUMMARY (Cont'd)

GENERAL FUND/LEGISLATIVE, EXECUTIVE, AND JUDICIAL BUILDING LAND FUND

<table>
<thead>
<tr>
<th>Amounts</th>
<th>Description</th>
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<td>$21,071,650</td>
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<td>$660,000</td>
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</tr>
<tr>
<td>$781,900</td>
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<tr>
<td>$2,163,700</td>
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<tr>
<td>$1,034,900</td>
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<tr>
<td>$37,400</td>
<td></td>
</tr>
<tr>
<td>$21,800</td>
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<td>$47,800</td>
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<td>$3,800</td>
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<td>$80,200</td>
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<tr>
<td>$46,700</td>
<td></td>
</tr>
<tr>
<td>$8,100</td>
<td></td>
</tr>
</tbody>
</table>

Senate - The approved amount includes $80,200 in Personal Services and $46,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $8,100 in Employee Related Expenditures for the increased retirement contribution.

House of Representatives - The approved amount includes $81,900 in Personal Services and $47,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $8,200 in Employee Related Expenditures for the increased retirement contribution.

Legislative Council - The approved amount includes appropriations of $2,163,700 from the General Fund and $1,034,900 from Legislative, Executive, and Judicial Building Land Fund. The approved amount includes $37,400 in Personal Services and $21,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,800 in Employee Related Expenditures for the increased retirement contribution.

Joint Legislative Budget Committee - The approved amount includes $15,000 in Personal Services and $17,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,600 in Employee Related Expenditures for the increased retirement contribution.

Auditor General - The approved amount includes $156,100 in Personal Services and $91,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $15,700 in Employee Related Expenditures for the increased retirement contribution.

Department of Library, Archives and Public Records - See individual program reports.

Super Collider - H.B. 2036 (Chapter 1) - This act appropriates $421,000 from the State General Fund to the Legislative Council to employ a contractor to advocate the selection of the state of Arizona for the Superconducting Super Collider Cyclotron.

Taxation Computations and Revisions - S.B. 1261 (Chapter 271) - This act appropriates $600,000 from the General Fund to the Legislative Council for disbursement to the Joint Select Committee on State Revenues and Expenditures.

Omnibus AHCCCS - S.B. 1486 (Chapter 302) - This act appropriates $240,000 from the State General Fund to the Auditor General for the purpose of conducting audits pursuant to section 68 of the Act.

Impeachment Expenses - S.B. 1449 (Chapter 342) - This act appropriates $235,649 from the General Fund to the Senate for expenses relating to impeachment.

Impeachment Expenses - H.B. 2149 (Chapter 115) - This act appropriates $824,229 from the State General Fund to the House of Representatives for expenses relating to impeachment.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>113.0</td>
<td>113.0</td>
<td>113.0</td>
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<tr>
<td>Personal Services</td>
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<td>2,090,100</td>
<td>2,213,800</td>
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<td>Employee Related Exp.</td>
<td>423,400</td>
<td>499,300</td>
<td>577,500</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>115,600</td>
<td>98,700</td>
<td>102,100</td>
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<tr>
<td>Travel - State</td>
<td>9,600</td>
<td>13,400</td>
<td>13,300</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>10,500</td>
<td>10,100</td>
<td>10,200</td>
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<tr>
<td>Other Operating Exp.</td>
<td>624,100</td>
<td>681,500</td>
<td>681,500</td>
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<tr>
<td>Equipment</td>
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<td>39,300</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>828,100</td>
<td>848,600</td>
<td>846,400</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>3,264,400</td>
<td>3,438,000</td>
<td>3,637,700</td>
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<tr>
<td>Acquisitions</td>
<td>280,000</td>
<td>275,000</td>
<td>320,000</td>
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<tr>
<td>Carnegie Restoration</td>
<td>279,800</td>
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<td>-0-</td>
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<tr>
<td>State Grants-in-Aid</td>
<td>550,000</td>
<td>540,000</td>
<td>595,000</td>
</tr>
<tr>
<td>State Museum - Furnishings</td>
<td>15,000</td>
<td>34,000</td>
<td>34,000</td>
</tr>
<tr>
<td>Statewide Radio Reading Service for the Blind</td>
<td>45,000</td>
<td>45,000</td>
<td>45,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>4,434,200</td>
<td>4,332,000</td>
<td>4,631,700</td>
</tr>
</tbody>
</table>

The approved amount includes $74,900 in Personal Services and $43,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $7,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a two percent vacancy factor.

**Acquisitions** - The amount approved includes an increase commensurate with the increased cost of publications.

**State Grants-In-Aid** - The amount approved includes an increase commensurate with the increased cost of publications.

**LAND, BUILDINGS AND IMPROVEMENTS**

**H.B. 2442 (Chapter 275)** - The Capital Outlay Bill, Sec. 1, appropriates $800,000 to the Department of Administration for architectural and engineering fees for a legislative archives and office building.

1/ This appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

2/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency, with detailed special line items. The objects of expenditure are shown for informational purposes only.
PERSONNEL BOARD

Patricia Crawford, Executive Director (Tel. 255-3888)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
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<tr>
<td>Personal Services</td>
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<td>77,700</td>
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<td>Employee Related Exp.</td>
<td>15,100</td>
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<td>17,200</td>
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<td>Prof. &amp; Outside Services</td>
<td>57,700</td>
<td>77,800</td>
<td>77,800</td>
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<td>Travel - State</td>
<td>300</td>
<td>2,200</td>
<td>2,200</td>
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<tr>
<td>Other Operating Exp.</td>
<td>29,700</td>
<td>41,000</td>
<td>43,000</td>
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<tr>
<td>Equipment</td>
<td>1,000</td>
<td>1,200</td>
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<td>All Other Operating Exp.</td>
<td>88,700</td>
<td>122,200</td>
<td>123,000</td>
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<td>TOTAL APPROPRIATIONS</td>
<td>174,200</td>
<td>213,500</td>
<td>217,900 (1/1)</td>
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</table>

The approved amount includes $2,600 in Personal Services and $1,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The approved amount retains the FY 1988 reduction of $1,200 to reflect the decreased rate of appeals and the reduced need for hearing officers and legal counsel.

Other Operating Expenses - The amount approved includes $20,200 for rent in private office space.

(1) Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

48
STATE RETIREMENT SYSTEM

Edward Gallison, Director (Tel. 255-5131)

STATE RETIREMENT FUND
ADMINISTRATION ACCOUNT

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>53.0</td>
<td>57.0</td>
<td>62.0</td>
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<td>Personal Services</td>
<td>1,074,093</td>
<td>1,248,900</td>
<td>1,380,700</td>
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<td>Employee Related Exp.</td>
<td>215,300</td>
<td>269,000</td>
<td>307,400</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>163,600</td>
<td>174,500</td>
<td>319,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>18,600</td>
<td>27,400</td>
<td>26,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>6,900</td>
<td>8,100</td>
<td>9,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
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<td>308,600</td>
<td>370,300</td>
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<tr>
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<td>71,700</td>
<td>155,800</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td>OPERATION SUB-TOTAL</td>
<td>1,824,893</td>
<td>2,108,200</td>
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<tr>
<td>Long-Term Disability</td>
<td></td>
<td></td>
<td>300,000</td>
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<tr>
<td>Investment Management Fees</td>
<td>6,273,200</td>
<td>9,000,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>8,098,093</td>
<td>11,108,200</td>
<td>2,869,400</td>
</tr>
</tbody>
</table>

The approved amount includes $46,700 in Personal Services and $27,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,700 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Professional and Outside Services includes $45,000 intended for a performance audit of the State Retirement System. Any monies not expended for that purpose shall revert to the State Retirement System Fund.

2/ A special line item of $300,000 is specifically designated to pay for the costs of administering a Long-Term Disability Program. Any monies not expended for the purpose specified shall revert to the State Retirement System Fund.

3/ This appropriation is exclusively for investment management fees and related consulting services. This line item is not needed after FY 1988 because Arizona Revised Statutes 38-756 was amended and now authorizes the investment advisory council, with the approval of the board, to make expenditures for investment management fees and related consulting fees in the amounts that they deem necessary.

4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
STATE RETIREMENT SYSTEM (Cont'd)
STATE RETIREMENT FUND
ADMINISTRATION ACCOUNT

Personal Services - The approved amount includes funding for nine additional positions to keep up with workload growth:

1. Administrative Assistant III
2. Clerical Assistants
3. Retirement Officer I's
4. Computer Operator II
5. Fiscal Services Specialist III
6. Secretary

The amount also eliminates funding for 4.0 FTE positions as the agency phases out its Social Security oversight function.

Professional and Outside Services - The approved amount includes $70,000 to design an expanded account statement.

Equipment - The approved amount includes funding for a new mailing machine, expanded computer memory capacity, and furnishings and equipment for the new employees.

ADDITIONAL LEGISLATION

S.B. 1235 (Chapter 277) - Requires the State Retirement System to make partial payment of group health and accident insurance premiums for certain retired and disabled members of the State Retirement Plan, and their dependents. The financial impact of this legislation for the six-month period from January through June 1989 is estimated to be $900,000. Payments will be made from the assets of the State Retirement System Fund. Similar legislation was passed by the Legislature and signed by the Governor as H.B. 2143, Chapter 307.
The approved amount includes $659,200 in Personal Services and $384,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $66,200 in Employee Related Expenditures for the increased retirement contribution.

1/ Included in the Department's budget is a total of $849,500 and 21 FTE positions. These positions combined with the new positions authorized in FY 88, will provide increased compliance, auditing and collections activities in order to generate $15,500,000. The Department has pledged to generate an additional $3,500,000 of General Fund revenue and will provide a comprehensive tracking and report system to support that pledge.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>11.0</td>
<td>11.0</td>
<td>11.0</td>
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<td>Personal Services</td>
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<td>434,700</td>
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<tr>
<td>Employee Related Exp.</td>
<td>39,800</td>
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<td>Prof. &amp; Outside Services</td>
<td>3,500</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,200</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>3,400</td>
<td>4,500</td>
<td>4,600</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>36,700</td>
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<td>Equipment</td>
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<td>-0-</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td>43,800</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>412,900</strong></td>
<td><strong>525,600</strong></td>
<td><strong>568,800</strong></td>
</tr>
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</table>

The approved amount includes $14,700 in Personal Services and $8,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount provides for the transfer-out of a Typist, $12,500, to the Revenue Enforcement Division and the transfer-in of an Audit Administrator, $49,800. The Audit Administrator will be reclassified to an Internal Auditor, $26,500 was deleted due to reclassification of positions.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $58,100 in Personal Services and $33,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine FTE positions and $134,400 from the Tax compliance Division.

All Other Operating Expenditures - The approved amount provides $43,200 for quarterly billing notices to be sent to taxpayers for accounts under $200 and less than two years old. This amount is a component of the Revenue Enhancement program for FY 1989.

ADDITIONAL APPROPRIATIONS

Taxation Computation and Revisions - S.B. 1261 (Chapter 271) - This act appropriates $75,000 to the Department of Revenue for disbursement to the Property Tax Oversight Commission.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
DEPARTMENT OF REVENUE - PROPERTY VALUATION

Paul Waddell, Acting Director (Tel. 255-3572)

JLBC Analyst: Miller

GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>71.0</td>
<td>68.0</td>
</tr>
<tr>
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<td>1,808,400</td>
<td>1,896,200</td>
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<tr>
<td>Employee Related Exp.</td>
<td>353,700</td>
<td>358,100</td>
<td>437,300</td>
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<td>Prof. &amp; Outside Services</td>
<td>196,900</td>
<td>321,600</td>
<td>324,800</td>
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<tr>
<td>Travel - State</td>
<td>76,800</td>
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<td>Travel - Out of State</td>
<td>13,200</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>55,900</td>
<td>58,100</td>
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<tr>
<td>Equipment</td>
<td>25,500</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>381,400</td>
<td>492,100</td>
<td>486,400</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>2,439,400</td>
<td>2,658,600</td>
<td>2,819,900</td>
</tr>
<tr>
<td>Litigation Expenses</td>
<td>162,100</td>
<td>335,000</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,601,500</td>
<td>2,993,600</td>
<td>2,819,900</td>
</tr>
</tbody>
</table>

The approved amount includes $64,100 in Personal Services and $37,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $6,400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-out of two Field Auditors, $60,000, to the Tax Compliance Division and a Property Appraiser, $18,400, to the Tax Policy Division.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
## GENERAL FUND

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>227.0</td>
<td>251.0</td>
<td>273.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,487,200</td>
<td>3,798,800</td>
<td>4,592,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>807,700</td>
<td>878,700</td>
<td>1,187,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>16,900</td>
<td>10,000</td>
<td>10,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>72,500</td>
<td>91,200</td>
<td>136,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>9,100</td>
<td>2,000</td>
<td>2,100</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>110,700</td>
<td>133,500</td>
<td>188,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>17,500</td>
<td>96,400</td>
<td>27,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>226,700</td>
<td>333,100</td>
<td>364,700</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>4,521,600</td>
<td>5,010,600</td>
<td>6,145,200</td>
</tr>
<tr>
<td>Automated Collections System</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>4,771,600</td>
<td>5,260,600</td>
<td>6,395,200</td>
</tr>
</tbody>
</table>

The approved amount includes $155,300 in Personal Services and $90,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $15,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of 14 FTE positions, $210,000, from the Tax Compliance Division and a Typist, $12,500, from the Director's Office. In addition, the approved amount provides for seven new FTE positions, $106,400, and salary adjustment funds, $104,500, to provide for a special ten percent adjustment for 63 Collectors. The new FTE positions and the special salary adjustment funds are a component of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes $41,900 for operating expenses and $27,700 for equipment for the new FTE positions.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ Quarterly and annual progress reports shall be provided to the Staff Director of the Joint Legislative Budget Committee as to the effectiveness of this program.
**DEPARTMENT OF REVENUE - TAX COMPLIANCE**

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>200.0</td>
<td>223.0</td>
<td>192.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>4,201,400</td>
<td>4,659,500</td>
<td>4,639,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>889,500</td>
<td>946,500</td>
<td>1,065,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>32,100</td>
<td>16,000</td>
<td>16,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>64,900</td>
<td>74,400</td>
<td>107,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>336,300</td>
<td>433,500</td>
<td>571,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>106,900</td>
<td>102,600</td>
<td>122,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>24,500</td>
<td>123,000</td>
<td>10,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>564,700</td>
<td>749,500</td>
<td>827,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>5,655,600</strong></td>
<td><strong>6,355,500</strong></td>
<td><strong>6,532,300</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $156,900 in Personal Services and $91,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $15,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of two FTE positions, $51,500, from the Property Valuation Division and the transfer-out of 35 FTE positions, $581,500, to other Divisions - 14 FTE positions to Revenue Enforcement, nine FTE positions to Administrative Services, nine FTE positions to Data Management, one FTE position to the Director's Office, and two FTE positions to Tax Policy. In addition, the approved amount provides for two new FTE positions (Revenue Field Auditors - $52,000) as a part of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes $15,800 for operating expenses and $10,200 for equipment for the new FTE positions.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Paul Waddell, Acting Director (Tel. 255-3572)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>48.0</td>
<td>48.0</td>
<td>51.0</td>
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<tr>
<td>Personal Services</td>
<td>846,000</td>
<td>963,000</td>
<td>1,205,600</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>195,800</td>
<td>181,400</td>
<td>265,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>102,300</td>
<td>66,400</td>
<td>68,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,700</td>
<td>17,700</td>
<td>16,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,700</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>50,000</td>
<td>60,900</td>
<td>63,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>25,400</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>193,100</td>
<td>148,000</td>
<td>151,600</td>
</tr>
<tr>
<td>Operation Sub-Total</td>
<td>1,234,900</td>
<td>1,294,400</td>
<td>1,622,400</td>
</tr>
<tr>
<td>Bingo Administration</td>
<td>-0-</td>
<td>-0-</td>
<td>490,700</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,234,900</td>
<td>1,294,400</td>
<td>2,113,100</td>
</tr>
</tbody>
</table>

The approved amount includes $40,800 in Personal Services and $23,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of a Property Appraiser, $18,400, from the Property Valuation Division and the transfer-in of two FTE positions (Administrative Assistant - $19,800 and Typist - $14,100) from the Tax Compliance Division. In addition, the approved amount includes $47,700 for ten percent special salary adjustments for 35 Taxpayer Technician I's. The salary adjustment funds are a component of the Revenue Enhancement Program for FY 1989.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Bingo Administration - S.B. 1055 (Chapter 108) - This act requires Bingo administrative receipts to be deposited to the State General Fund. Once the Act is effective, the Department can no longer fund existing positions from the Bingo Administration Revolving Fund. The appropriation is based upon the following:

<table>
<thead>
<tr>
<th>FTE</th>
<th>$490,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$269,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>69,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>68,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>7,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>75,600</td>
</tr>
</tbody>
</table>
Paul Waddell, Acting Director (Tel. 255-3572)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>214.0</td>
<td>225.0</td>
<td>246.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,962,900</td>
<td>4,369,700</td>
<td>5,006,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>821,200</td>
<td>905,900</td>
<td>1,168,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,008,500</td>
<td>983,800</td>
<td>1,044,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,300</td>
<td>10,400</td>
<td>10,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,800</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,567,600</td>
<td>2,041,500</td>
<td>2,086,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>298,400</td>
<td>-0-</td>
<td>21,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>3,881,600</td>
<td>3,035,700</td>
<td>3,162,300</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>8,665,700</td>
<td>8,311,300</td>
<td>9,336,500</td>
</tr>
<tr>
<td>Construction Cost</td>
<td>211,800</td>
<td>97,800</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>8,877,500</td>
<td>8,409,100</td>
<td>9,336,500</td>
</tr>
</tbody>
</table>

The approved amount includes $169,300 in Personal Services and $98,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $17,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine FTE positions, $169,000, from the Tax Compliance Division. In addition, the approved amount provides funding for eight new FTE positions, $223,800. Also, four new FTE positions were authorized without funding. The new FTE positions are a component of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes $42,000 for operating expenses and $21,200 for equipment for the new FTE positions.

\(1^*\) Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Honorable Jim Shumway, Secretary of State (Tel. 255-4285)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>30.0</td>
<td>30.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>530,616</td>
<td>568,900</td>
<td>588,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>107,073</td>
<td>141,500</td>
<td>156,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>139,964</td>
<td>191,900</td>
<td>101,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,569</td>
<td>9,600</td>
<td>13,100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,145</td>
<td>3,700</td>
<td>3,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>348,062</td>
<td>474,100</td>
<td>462,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>14,694</td>
<td>3,300</td>
<td>9,900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>516,434</td>
<td>682,600</td>
<td>590,200</td>
</tr>
<tr>
<td>Operation Sub-Total</td>
<td>1,154,123</td>
<td>1,393,000</td>
<td>1,335,500</td>
</tr>
<tr>
<td>Pima-Election Expense</td>
<td>422,771</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Election Expense</td>
<td>874,804</td>
<td>68,800</td>
<td>1,248,600</td>
</tr>
<tr>
<td>Rules and Regulations</td>
<td>92,117</td>
<td>121,600</td>
<td>242,200</td>
</tr>
<tr>
<td>Proposition 200</td>
<td>-0-</td>
<td>332,000</td>
<td>150,400</td>
</tr>
<tr>
<td>Total</td>
<td>2,543,815</td>
<td>1,915,400</td>
<td>2,976,700</td>
</tr>
</tbody>
</table>

Additional Appropriations - 38th Leg., 2nd Reg. Session

| Ch. 262, Election Expenses | -- | 1,590,031 | -- |
| Total Appropriations        | 2,543,815 | 3,505,451 | 2,976,700 |

The approved amount includes $18,200 in Personal Services and $11,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes $7,700 for reclassification of a staff position.

All Other Operating - Included in the approved amount for Other Operating is $100,700 for printing. The cost of printing increased as a result of a change in statute which requires that an "Arizona Mobile Home Park Residential Landlord and Tenant Act" booklet be provided for each mobile home tenant.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
Election Expenses - The approved amount provides for 1988 election expenses for items such as publicity pamphlets, initiatives, referendums, constitutional amendments, candidate filings, sample ballot reimbursement, monitoring and dissemination of election returns and other expenses.

ADDITIONAL APPROPRIATIONS

Election Expenses - H.B. 2227 (Chapter 262) - Appropriates $1,590,051 for FY 1988 from the State General Fund to the Secretary of State for reimbursement for expenses of the Rio Salado Election and preparation for the recall election.
The approved amount includes $7,600 in Personal Services and $5,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes the addition of a full-time Hearing Officer and the deletion of a half-time Legal Clerk in Division II. Division I's FTE position count for temporary help was reduced from 1.0 to 0.5 to more accurately reflect the clerical time required. This adjustment did not affect the funding level.

Equipment - The approved amount includes $16,600 for conversion of computer equipment.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND AND TOURISM FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
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<tr>
<td>Personal Services</td>
<td>420,200</td>
<td>432,300</td>
<td>437,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>77,400</td>
<td>84,600</td>
<td>97,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>48,500</td>
<td>32,000</td>
<td>47,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>24,100</td>
<td>25,000</td>
<td>22,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>32,700</td>
<td>34,000</td>
<td>38,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>499,300</td>
<td>443,600</td>
<td>498,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>605,600</td>
<td>534,600</td>
<td>606,200</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,103,200</td>
<td>1,051,500</td>
<td>1,140,600</td>
</tr>
<tr>
<td>Media Advertising</td>
<td>2,051,000</td>
<td>2,310,600</td>
<td>2,310,600</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,154,200</td>
<td>3,362,100</td>
<td>3,451,200</td>
</tr>
<tr>
<td>Additional Appropriations - 38th Leg., 2nd Reg. Session</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ch. 271, Tourism Promotion</td>
<td>--</td>
<td>--</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,154,200</td>
<td>3,362,100</td>
<td>5,451,200</td>
</tr>
<tr>
<td>Fund Summary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>3,154,200</td>
<td>3,362,100</td>
<td>3,451,200</td>
</tr>
<tr>
<td>Tourism Fund</td>
<td>-0-</td>
<td>-0-</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,154,200</td>
<td>3,362,100</td>
<td>5,451,200</td>
</tr>
</tbody>
</table>

The approved amount includes $14,800 in Personal Services and $8,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum, with detailed special line items. The objects of expenditure are shown for informational purposes only.

2/ This appropriation is exempt from the provision of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.
OFFICE OF TOURISM (Cont'd)
GENERAL FUND AND TOURISM FUND

ADDITIONAL APPROPRIATIONS

Tourism Promotion - S.B. 1261 (Chapter 271) - Provides for the establishment of a Tourism Fund, consisting of revenues generated from the increased tax on hotels and motels. From these revenues, $2 million shall be annually appropriated to the Office of Tourism to promote tourism in Arizona.

LAND, BUILDINGS AND IMPROVEMENTS

S.B. 1123 (Chapter 10) - Authorizes the Office of Tourism to proceed immediately with planning for the construction of a welcome center. Architectural and engineering monies appropriated to the Department of Administration are to be used to allow for construction to begin by November 1, 1989.
<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>28.0</td>
<td>28.0</td>
<td>30.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>641,600</td>
<td>749,400</td>
<td>815,600</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>127,000</td>
<td>151,500</td>
<td>166,500</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>86,900</td>
<td>101,200</td>
<td>124,200</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>500</td>
<td>1,600</td>
<td>2,200</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>2,400</td>
<td>5,900</td>
<td>5,900</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>130,000</td>
<td>128,300</td>
<td>59,300</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>18,900</td>
<td>500</td>
<td>25,100</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>219,800</td>
<td>255,900</td>
<td>216,700</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>988,400</td>
<td>1,156,800</td>
<td>1,198,800</td>
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<tr>
<td><strong>State Grand Jury Fund</strong></td>
<td>522,700</td>
<td>537,500</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Justice of Peace Salaries</strong></td>
<td>1,322,200</td>
<td>1,506,900</td>
<td>1,575,000</td>
</tr>
<tr>
<td><strong>Local Narcotics Enforcement Fund</strong></td>
<td>-0-</td>
<td>500,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Nuclear Emergency Management - Maricopa County</strong></td>
<td>87,500</td>
<td>103,500</td>
<td>--</td>
</tr>
<tr>
<td><strong>Long-Term Care - Counties</strong></td>
<td>5,500,000</td>
<td>5,500,000</td>
<td>--</td>
</tr>
<tr>
<td><strong>Peace Officer Memorial</strong></td>
<td>5,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>8,425,800</td>
<td>9,304,700</td>
<td>3,473,800</td>
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</tbody>
</table>

Additional Appropriation - 38th Leg., 3rd Special Session

Ch. 1, Community College Reimbursements -0- 716,799 -0-

Additional Appropriations - 38th Leg., 2nd Reg. Session

Ch. 59, Nuclear Emergency Management - Maricopa County -- -- 107,400
Ch. 302, Long-Term Care - Counties -- -- 6,500,000

TOTAL APPROPRIATIONS 8,425,800 10,021,499 10,081,200

(Continued)

1/ Appropriated $500,000 from the Corrections Fund to the Local Narcotics Enforcement Fund. This appropriation is exempt from Arizona Revised Statutes 35-190, regarding lapsing of appropriations.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.
The approved amount includes $25,900 in Personal Services and $15,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,800 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes funding for 2.0 additional positions: a Fiscal Services Specialist IV to help oversee investment and revenue distribution functions; and a Fiscal Services Specialist V to act as a liaison between state agencies and the federal government, and fulfill arbitrage rebate reporting requirements.

**Professional and Outside Services** - The approved amount includes $20,000 for the costs associated with moving to a new custodial bank.

**Equipment** - The approved amount includes funding for computer network and power save equipment, plus furnishings for the agency's office expansion.

**State Grand Jury Fund** - The approved amount provides funding for the county and Attorney General expenses of the State Grand Jury.

**Justice of the Peace Salaries** - These funds will be remitted to the counties for 40 percent of Justices of the Peace salaries and Employee Related Expenditures, as prescribed in Arizona Revised Statutes 22-117.

**Local Narcotics Enforcement Fund** - Pursuant to Arizona Revised Statutes 41-2409, the State Treasurer shall use the monies in the Local Narcotics Enforcement Fund to reimburse counties and municipalities for costs incurred in enforcing illegal drug statutes. This appropriation is exempt from Arizona Revised Statutes 35-190, regarding lapsing of appropriations.

### ADDITIONAL APPROPRIATIONS

**Community College Reimbursements** - S.B. 1001 (Laws of 1987, 3rd S.S., Ch. 1) specifies an apportionment formula which the State Treasurer shall use to distribute monies in the Transaction Privilege and Severance Tax Clearing Account. The legislation also appropriates monies from the General Fund to the State Treasurer, to pay community college nonresident state student costs in accordance with Arizona Revised Statutes 15-1469.01, subsection B.

**Nuclear Emergency Management, Maricopa County** - H.B. 2047 (Chapter 59) Appropriates $61,100 from the General Fund to the Nuclear Emergency Management Fund, of which $107,900 is to be paid by the Treasurer to Maricopa County for expenses incurred during nuclear emergency planning exercises. In addition, $307,800 is allocated to the Radiation Regulatory Agency, and $185,900 to the Department of Emergency and Military Affairs.

**Long-Term Care, Counties** - S.B. 1486 (Chapter 302) - Appropriates $6,500,000 from the General Fund to the County Long-Term Care Fund. Pursuant to Section 11-293.02, Arizona Revised Statutes, the State Treasurer shall distribute the monies in this fund to counties for institutional and alternative long-term health care services.
<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>100</td>
<td>1,200</td>
<td>1,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>200</td>
<td>400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,700</td>
<td>4,600</td>
<td>4,300</td>
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<tr>
<td>Other Operating Exp.</td>
<td>8,000</td>
<td>8,700</td>
<td>9,500</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td>13,500</td>
<td>14,200</td>
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<td><strong>Total Appropriations</strong></td>
<td><strong>10,800</strong></td>
<td><strong>14,800</strong></td>
<td><strong>16,000</strong></td>
</tr>
</tbody>
</table>

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>ITEM</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL FUND, FEDERAL FUNDS,</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>COUNTY FUNDS, AND OTHER FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AHCCCS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>56,092,800</td>
</tr>
<tr>
<td>Acute Care</td>
<td>266,617,500</td>
<td>329,605,300</td>
<td>397,973,200</td>
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<tr>
<td>Long Term Care</td>
<td>-0-</td>
<td>10,309,000</td>
<td>188,904,600</td>
</tr>
<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td>287,171,700</td>
<td>376,102,500</td>
<td>642,970,600</td>
</tr>
<tr>
<td><strong>FTE Positions</strong></td>
<td>350.5</td>
<td>464.5</td>
<td>717.25</td>
</tr>
<tr>
<td>Personal Services</td>
<td>7,223,200</td>
<td>9,943,300</td>
<td>15,566,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>1,419,500</td>
<td>1,981,300</td>
<td>3,200,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>7,393,400</td>
<td>16,031,400</td>
<td>18,967,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>81,300</td>
<td>194,100</td>
<td>391,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>28,100</td>
<td>53,700</td>
<td>46,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,482,200</td>
<td>4,240,500</td>
<td>5,190,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,926,500</td>
<td>3,743,900</td>
<td>3,340,500</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>11,911,500</td>
<td>24,263,600</td>
<td>27,936,100</td>
</tr>
<tr>
<td><strong>OPERATIONS SUB-TOTAL</strong></td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>46,702,800</td>
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<tr>
<td>Special Line Items</td>
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<td>595,660,800</td>
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<td>-0-</td>
<td>-0-</td>
<td>607,000</td>
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<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td>287,171,700</td>
<td>376,102,500</td>
<td>642,970,600</td>
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<tr>
<td>Federal Contribution</td>
<td>(87,147,800)</td>
<td>(111,982,800)</td>
<td>(312,038,200)</td>
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<tr>
<td>County Contribution</td>
<td>(58,432,600)</td>
<td>(58,432,600)</td>
<td>(119,254,300)</td>
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<tr>
<td>Miscellaneous</td>
<td>(13,769,000)</td>
<td>(18,493,800)</td>
<td>(5,070,000)</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>127,822,300</td>
<td>187,193,300</td>
<td>206,608,100</td>
</tr>
</tbody>
</table>

1/ Subject to approval by the Joint Legislative Budget Committee, all collections received by AHCCCS during the fiscal year when paid into the state treasury are appropriated for acute or long term care programmatic expenses as appropriate.

2/ A monthly report comparing actual expenditures for the month and year to date shall be forwarded to the president of the senate, the speaker of the house of representatives and the staff director of the Joint Legislative Budget Committee by the twenty-fifth of the following month.

3/ General Fund Appropriation.
Omnibus AHCCCS Bill - S.B. 1486 (Chapter 302) - Appropriates $303,000 from the General Fund to provide: $228,000 for Liver transplants for children and $75,000 for the purpose of conducting the eligibility study pursuant to section 63 of the act. Based upon this General Fund appropriation, federal financial participation for the liver transplants of $304,000 is anticipated and has been included in the total expenditure authority.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Estimate</td>
<td>Approved</td>
</tr>
<tr>
<td>FTE Positions</td>
<td>350.5</td>
<td>464.5</td>
<td>717.25</td>
</tr>
<tr>
<td>Personal Services</td>
<td>7,223,200</td>
<td>9,943,300</td>
<td>15,566,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>1,419,500</td>
<td>1,981,300</td>
<td>3,200,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>7,393,400</td>
<td>16,031,400</td>
<td>18,967,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>81,300</td>
<td>194,100</td>
<td>391,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>28,100</td>
<td>53,700</td>
<td>46,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,482,200</td>
<td>4,240,500</td>
<td>5,190,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,926,500</td>
<td>3,743,900</td>
<td>3,340,500</td>
</tr>
<tr>
<td></td>
<td>11,911,500</td>
<td>24,263,600</td>
<td>27,936,100</td>
</tr>
<tr>
<td>OPERATIONS SUB-TOTAL</td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>46,702,800</td>
</tr>
<tr>
<td>DES Eligibility</td>
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<td>-0-</td>
<td>9,315,000</td>
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<tr>
<td>Additional Exp. Authority</td>
<td></td>
<td></td>
<td>75,000</td>
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<tr>
<td>Ch. 302, Omnibus AHCOCs Bill</td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>56,092,800</td>
</tr>
<tr>
<td>TOTAL EXP. AUTHORITY</td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>56,092,800</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Summary</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
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<tr>
<td>Other Fund</td>
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<td>19,336,500</td>
<td>26,533,200</td>
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<tr>
<td>TOTAL EXP. AUTHORITY</td>
<td>20,554,200</td>
<td>36,188,200</td>
<td>56,092,800</td>
</tr>
</tbody>
</table>

The approved amount includes $526,400 in Personal Services and $306,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $52,900 in Employee Related Expenditures for the increased retirement contribution. Of this amount $512,600 is from the State General Fund.

(Continued)
Personal Services - The amount approved includes a 3.89 percent vacancy factor, funding for the annualization of 171.75 FTE positions associated with long term care administration and funding for 81.0 new FTE positions of which 71 are provided to accomplish the pre admission screening of long term care clients as required by the federal government and 10 for administrative duties associated with acute care: two Administrative Services Officer III's; one Administrative Services Officer II; two Health Program Manager III's; 28 Medical Services Program Review Specialists; 22 Human Services Specialist II's; eight Secretaries; four EDP Programmer Analyst II's; three Fiscal Services Specialist V's; one Medical Payments Recovery Supervisor III; three Hearing Officer II's; one Administrative Assistant III; one Clerk Typist III; one EDP Auditor III; two Budget Control Development Specialist II's; one EDP Technical Support Specialist II; and one EDP Technical Support Specialist I.
The general fund appropriation for acute care has been affected by:

- Year six rate adjustment. The federal financial participation increased for year six resulting in additional federal funds and, thus, reducing the requirement for state funds.

- Adding children ages 6-13 to existing coverage. Increasing the age for coverage resulted in an increased requirement for state funds.

- Increased categorical participation. It is anticipated that the categorical member months will be increased by approximately 30 percent due in part to increased AFDC and SSI caseloads.

(Continued)

1/ If AHCCCS enters into an agreement with the federal government for federal financial participation for eligible medically needy and medically indigents in the medical assistance only program, representatives of the Joint Legislative Budget Committee, the Executive branch and AHCCCS Administration will determine an adjustment to the Acute Care expenditure authority and all reductions applicable to the state General Fund shall immediately be reverted.

2/ Represents General Appropriation Act funds. Appropriated by detailed line item for the program.

3/ Comprised of $228,000 appropriated from the state General Fund and $304,000 matching federal financial participation.
Capitation Payments - The increase reflects the anticipated increased population and a rate increase of approximately 7.5 percent.

Fee for Services - The increase reflects the anticipated cost of services for a larger number of patients brought about by greater usage of services by the medically indigent and medically needy populace, Native Americans referred off-reservation, deferred liability and inflation.

Medicare Premium - The increase reflects the anticipated 26 percent increase per member per month and the increased number of patients being covered.

Reinsurance - The increase reflects costs associated with an increased population served and the establishment of a long term care reinsurance fund as required by section 36-2950, Arizona Revised Statutes.
On January 1, 1989, the AHCCCS program will provide long term care to eligible Arizona Long Term Care System (ALTCS) members in an institutional setting, or under the conditions of a federally approved waiver, in a Home and Community Based setting. Anticipating a population of about 15,000, the Arizona LTC system will bring dignity and support to individuals who are unable to care for themselves, or who need assistance in personal care.

Persons who pass the pre-admission screening test, administered through the Office of the Medical Director, AHCCCS, will be simultaneously assessed for potential eligibility up to 300 percent of SSI under Title XIX of the Social Security Act, through either AFDC or S.S.I. and related requirements. AHCCCS' Division of Long Term Care Eligibility will be responsible for coordinating this process, and for determining ALTCS eligibility.

Those persons who meet U.S. citizenship, state residency and other financial requirements of the federal Title XIX programs will become ALTCS eligible for health care. Some examples of eligibility categories for ALTCS are:

- Persons who meet AFDC requirements, including pregnant women, children under 18, persons receiving continued coverage under work status transition, foster care or adoption subsidy recipients.

- Persons who meet the criteria of AFDC-related groups, including children under 2, and pregnant women whose income is less than 100% of Federal Poverty Limit.

- Persons who meet SSI requirements, including persons who meet criteria of SSI-related groups, including disabled widows and widowers, and adult disabled children.

(Continued)
The AHCCCS program will provide services to this population in a prepaid, capitated setting. Under the guidance of a case management system, ALTCS members will receive covered services through qualified county program contractors and other licensed and registered providers of care. Subject to limitations and exclusions, ALTCS covered services will include, as necessary,

- Institutional Services
- Skilled Nursing Facility Services
- Intermediate Care Facility Services
- Home and Community Based Services

The programmatic costs associated with this program are to be borne by the counties and federal financial participation.
**DEPARTMENT OF ECONOMIC SECURITY - SUMMARY**

A.R.S. 41-1951

Edd F. Brown, Director (Tel. 255-5678)

**JLBC Analyst: Stavneak**

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
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<td>-0-</td>
<td>15,076,300</td>
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<td>Business and Finance</td>
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<td>Management Review</td>
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<td>Planning &amp; Policy Development</td>
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<td>Developmental Disabilities</td>
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<td>48,157,200</td>
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<td>Long Term Care System Fund</td>
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<td>66,773,800</td>
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<tr>
<td>Family Support</td>
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<td>-0-</td>
<td>68,431,100</td>
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<tr>
<td>Social Services</td>
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<td>-0-</td>
<td>82,108,200</td>
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<td>Child Protective Svcs. Training</td>
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<tr>
<td>Employment and Rehab. Services</td>
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<td>-0-</td>
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<td>Rehabilitation Services Admin.</td>
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</table>

**TOTAL EXP. AUTHORITY** 212,887,900 231,523,400 286,113,200

**Expenditure Detail**

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<thead>
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<th>FTE Positions</th>
<th>2,672.8</th>
<th>2,664.3</th>
<th>2,781.9</th>
</tr>
</thead>
<tbody>
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<td>Personal Services</td>
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<td>65,624,100</td>
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<td>Employee Related Exp.</td>
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<td>16,034,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>2,107,300</td>
<td>1,950,300</td>
<td>2,318,700</td>
</tr>
<tr>
<td>Travel - State</td>
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<td>908,200</td>
<td>1,282,400</td>
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<td>Travel - Out of State</td>
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<td>Other Operating Exp.</td>
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<tr>
<td>Food</td>
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<td>Equipment</td>
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<td>All Other Operating Exp.</td>
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**OPERATION SUB-TOTAL** 84,044,500 86,109,500 103,151,300

<table>
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<tr>
<th>Assistance Payments and Services</th>
<th>128,843,400</th>
<th>145,413,900</th>
<th>181,689,900</th>
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<tr>
<td>Additional Appropriations</td>
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<td>1,272,000</td>
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</tbody>
</table>

**TOTAL EXP. AUTHORITY** 212,887,900 231,523,400 286,113,200

(Continued)
DEPARTMENT OF ECONOMIC SECURITY (Cont'd)
SUMMARY OF GENERAL FUND
AND CHILDREN/FAMILY SERVICES
TRAINING PROGRAM FUND

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th>General Fund</th>
<th>Other Appropriated Funds</th>
<th>Title XIX and Other Funds</th>
<th>TOTAL EXP. AUTHORITY</th>
<th>Title XIX Funds</th>
<th>TOTAL APPROPRIATIONS</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>212,708,300</td>
<td>231,038,500</td>
<td>244,145,800</td>
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<td>-0-</td>
<td>212,887,900</td>
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<tr>
<td></td>
<td>179,600</td>
<td>484,900</td>
<td>502,100</td>
<td></td>
<td>-0-</td>
<td>231,523,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>41,465,300</td>
<td></td>
</tr>
</tbody>
</table>

At the suggestion of the Department of Economic Security, the DES budget structure has been revised. The first element of the reorganization is a reduced number of budget programs. The FY 1989 General Appropriations Act:

-- creates an Administration budget program by combining the current Office of the Director, Business and Finance, Management Review, Data Administration, and Planning and Policy Development programs.

-- splits the existing Aging, Family and Children Services program into two new cost centers, Family Support and Social Services.

-- creates an Employment and Rehabilitative Services program by combining the current Employment and Training and Rehabilitation Services Administration programs.

A second element of the reorganization is designed to give each program greater authority over its own expenses. Prior to FY 1989, several "all other operating" expense items were consolidated in one program. All Out-of-State Travel and replacement equipment funds were located in the Office of the Director while risk management and occupancy costs (rent and utilities) were controlled by Business and Finance. To provide each program with greater incentive to control these costs, the FY 1989 appropriation allocates these expenses to each cost center.

1/ The above appropriation is in addition to funds granted to the state by the federal government for the same purposes, but shall be deemed to include the sums deposited in the state treasury to the credit of the Department of Economic Security, pursuant to the provisions of section 42-1341, Arizona Revised Statutes.

2/ It is legislative intent that the department increase its fee schedule collections as a means of obtaining additional revenue. With added resources, the department can expand services to those most in need. By December 1, 1988, the department shall report to the chairman of the Appropriations Committees its progress in updating the current fee schedules, developing new fee schedules for services that currently do not have schedules and increasing the rate and level of collections. The report shall include a progress report on the department's success in meeting past legislative directives on fee schedules.
Edd F. Brown, Director (Tel. 255-5678)

<table>
<thead>
<tr>
<th>General Fund and Other Funds</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>319.7</td>
</tr>
<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>-0-</td>
<td>8,587,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>1,962,700</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>-0-</td>
<td>635,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>-0-</td>
<td>163,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>-0-</td>
<td>16,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>2,388,300</td>
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<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>1,231,500</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>4,434,400</td>
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<tr>
<td>Operation Sub-Total</td>
<td>-0-</td>
<td>-0-</td>
<td>14,984,700</td>
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<tr>
<td>Public Assistance Collections</td>
<td>-0-</td>
<td>-0-</td>
<td>91,600</td>
</tr>
<tr>
<td>Total Appropriations</td>
<td>-0-</td>
<td>-0-</td>
<td>15,076,300</td>
</tr>
</tbody>
</table>

The approved amount includes $292,100 in Personal Services and $170,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $29,400 in Employee Related Expenditures for the increased retirement contribution. Of these amounts, $488,600 is from the general fund and $3,200 is from the Public Assistance Collections Fund.

(Continued)

1/ As authorized by chapter 55, Laws of 1987, this amount is available for deposit into the Public Assistance Collections Fund. (Personal Services, $57,300; Employee Related Expenditures, $14,900; and All Other Operating, $19,400.)

2/ Represents General Appropriation Act Funds. Appropriated by modified lump sum for the program. The objects of expenditures are shown for informational purposes only.
This new budget program combines parts of five programs in the previous budget structure:

-- the Office of the Director,
-- the Division of Business and Finance,
-- the Division of Management Review,
-- the Office of Data Administration and
-- the Division of Planning and Policy Development.

These offices are being combined only for purposes of the appropriations format. The staffs will continue to function as separate entities in the department.

FTE Positions - The approved amount includes a downward adjustment of 23.5 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount also includes new FTE positions as detailed below.

Early Fraud Detection - The approved amount includes $63,000 and two FTE positions to expand the Early Fraud Detection program in the Division of Management Review. Under this program, eligibility workers refer potentially fraudulent AFDC and Food Stamp applications to special investigators for further review. To maximize State savings, these additional positions will investigate potential AFDC fraud cases in Phoenix and/or Tucson. The federal government will match these funds at least dollar for dollar, thereby creating another two positions.

In-House Automation Staff - The approved amount reflects an additional five FTE positions to complete the system development or enhancement of numerous projects. Federal revenues will fund another five positions for this purpose. Hiring in-house personnel is expected to save $41,600 when compared to the current cost of contracted services.

Other Operating Expenses - The approved amount includes $10,400 for annualization of the DES Attorney General rent expenses. The FY 1988 base amount for rent was $79,000.

Equipment - The approved amount includes $696,000 for the lease-purchase of the FY 1987 and FY 1988 equipment acquisitions. The FY 1987 lease-purchase funded part of the automated welfare eligibility system, the Arizona Technical Eligibility Computer System (AZTECS) and the FY 1988 acquisition upgraded the mainframe computer processing unit.

Public Assistance Collections Fund - Chapter 55, Laws of 1987, requires 25 percent of repaid erroneous public assistance benefits to be deposited into the Public Assistance Collections Fund. These monies may finance the hiring of additional debt collection staff.

(Continued)
LAND, BUILDING AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - Section 2 of the Capital Outlay Bill appropriates funds to the Department of Administration for each state agency's building renewal. Any DES allocation is contingent upon a matching contribution by the Department of $122,678 from federal or other funds. The Department shall establish a major maintenance and repair account for deposit of its matching contribution and any DOA allocation. Amounts deposited in the account shall only be used for major maintenance and repair activities.
The Office of the Director FTE positions and resources have been transferred to the new Administration budget program.
### DEPARTMENT OF ECONOMIC SECURITY - DIVISION OF BUSINESS AND FINANCE

**A.R.S. 41-1951**

**Edd F. Brown, Director (Tel. 255-5678)**

**JLBC Analyst: Stavneak**

**GENERAL FUND AND PUBLIC ASSISTANCE COLLECTIONS FUND**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>160.0</td>
<td>132.5</td>
<td>0.0</td>
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<tr>
<td>Personal Services</td>
<td>3,297,700</td>
<td>2,728,100</td>
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<tr>
<td>Employee Related Exp.</td>
<td>815,800</td>
<td>605,500</td>
<td>-0-</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>87,100</td>
<td>115,800</td>
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<td>Travel - State</td>
<td>46,100</td>
<td>45,200</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>5,937,300</td>
<td>6,261,500</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating</td>
<td>6,070,900</td>
<td>6,422,500</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>10,184,000</td>
<td>9,756,100</td>
<td>-0-</td>
</tr>
<tr>
<td>Public Assistance Collections</td>
<td>-0-</td>
<td>93,100</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>10,184,000</td>
<td>9,849,200</td>
<td>-0-</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>10,184,000</td>
<td>9,756,100</td>
<td>-0-</td>
</tr>
<tr>
<td>Public Assistance Collections</td>
<td>-0-</td>
<td>93,100</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>10,184,000</td>
<td>9,849,200</td>
<td>-0-</td>
</tr>
</tbody>
</table>

Business and Finance FTE positions and resources have been transferred to the new Administration budget program.
Management Review FTE positions and resources have been transferred to the new Administration budget program.
Office of Data Administration FTE positions and resources have been transferred to the new Administration budget program.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>36.0</td>
<td>36.0</td>
<td>0.0</td>
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<tr>
<td>Personal Services</td>
<td>932,600</td>
<td>1,051,900</td>
<td>-0-</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>215,100</td>
<td>215,300</td>
<td>-0-</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,100</td>
<td>1,000</td>
<td>-0-</td>
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<tr>
<td>Travel - State</td>
<td>15,100</td>
<td>17,100</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>61,400</td>
<td>90,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>78,800</td>
<td>108,500</td>
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</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,226,500</td>
<td>1,375,700</td>
<td>-0-</td>
</tr>
<tr>
<td>Information &amp; Referral Services</td>
<td>78,000</td>
<td>84,100</td>
<td>-0-</td>
</tr>
<tr>
<td>Homeless Shelter</td>
<td>163,700</td>
<td>253,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Food Distribution Information</td>
<td>25,200</td>
<td>22,300</td>
<td>-0-</td>
</tr>
<tr>
<td>Food Bank Assistance</td>
<td>-0-</td>
<td>60,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>1,493,400</td>
<td>1,795,500</td>
<td>-0-</td>
</tr>
</tbody>
</table>

Planning and Policy Development FTE positions and resources have been transferred to other budget programs.
### DEPARTMENT OF ECONOMIC SECURITY - DEVELOPMENTAL DISABILITIES

**A.R.S. 41-1951**

**JLBC Analyst:** Stavneak

**Edd F. Brown, Director (Tel. 255-5678)**

#### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>1,133.4</td>
<td>1,151.9</td>
<td>562.1</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>21,035,800</td>
<td>22,388,300</td>
<td>13,183,500</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>5,479,400</td>
<td>5,586,900</td>
<td>3,508,000</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>621,200</td>
<td>564,800</td>
<td>260,000</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>170,300</td>
<td>173,200</td>
<td>142,300</td>
</tr>
<tr>
<td><strong>Travel - Out-of-State</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>3,700</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>1,631,300</td>
<td>1,846,100</td>
<td>2,087,900</td>
</tr>
<tr>
<td><strong>Food</strong></td>
<td>815,600</td>
<td>753,200</td>
<td>288,100</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>201,100</td>
<td>-0-</td>
<td>92,500</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>3,439,300</td>
<td>3,337,300</td>
<td>2,874,500</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>29,954,500</td>
<td>31,312,300</td>
<td>19,566,000</td>
</tr>
</tbody>
</table>

| **Purchase of Care**  | 28,002,700       | 30,716,100         | 21,971,600 1/  |
| **Foster Care**       | 5,664,500        | 6,155,700          | 4,761,900 1/  |
| **Vocational Rehab. Contracts** | 105,200   | 113,400             | 117,400 1/  |
| **Stipends & Allowances** | 12,500    | 10,000              | 10,400 1/  |
| **Out of District Placement** | 469,100   | 598,500             | 800,800 1/  |
| **Assistance to Families** | 216,300   | 275,000             | 375,000 1/  |
| **Housekeeping Payment** | -0-       | -0-                 | 404,100 1/2/ |
| **ASH Community Placement** | -0-       | -0-                 | 150,000 1/2/ |
| **Long Term Care**    | -0-             | 300,000            | -0-               |
| **TOTAL APPROPRIATIONS** | 64,420,800 | 69,481,200         | 48,157,200 3/4/ |

The approved amount includes $445,800 in Personal Services and $259,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $44,800 in Employee Related Expenditures for the increased retirement contribution.

With the implementation of the Title XIX federal long term care program, developmental disability resources will be split into two budget programs. Approximately 40 percent of the current 5,100 DD clients will qualify for long term care. The resources to fund their programs will be in a new budget cost center, the Long Term Care System Fund. All other clients will continue to receive assistance through this existing program, Developmental Disabilities.

(Continued)

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ It is legislative intent that these funds shall be spent in accordance with H.B. 2334, as introduced in the thirty-eighth legislature, second regular session.

3/ Represents General Appropriations Act funds. Appropriated by modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

4/ When combined with the Long Term Care System Fund, total FY 1989 DD resources equal $115 million.
The long term care program is scheduled to take effect on October 1, 1988. For FY 1989, the Developmental Disabilities program will fund all clients for the period of July through September 1988 and will fund non-long term care clients for the remainder of the fiscal year.

With the implementation of Long Term Care, total DD resources will increase by $45.5 million:

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY 1988</th>
<th>FY 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State</td>
<td>Federal</td>
</tr>
<tr>
<td>Developmental Disabilities</td>
<td>69.5</td>
<td>-0-</td>
</tr>
<tr>
<td>Long Term Care System Fund</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>69.5</td>
<td>-0-</td>
</tr>
</tbody>
</table>

FTE Positions - The approved amount includes a downward adjustment to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

ATPP Annualization - The approved amount reflects annualization savings of $235,500 and 6.2 FTE positions from closing the Arizona Training Program at Phoenix (ATPP). Senate Bill 1072 (Chapter 313, Laws of 1985) mandated the ATPP closing.

The approved amount also includes a) $47,600 to fund the rent payments for the group homes replacing the ATPP and b) $94,900 to replace office space lost with the ATPP closing.

Both the savings and the added cost are spread through this program as well as the Long Term Care System Fund.

Purchase of Care for Developmental Disabilities - The approved amount funds contracts with providers of community services, which include residential care, adult services, child services, support services, case management and other related services. The expenditures detail is as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Services</td>
<td>$7,768,900</td>
</tr>
<tr>
<td>Adult Day Services</td>
<td>$3,915,500</td>
</tr>
<tr>
<td>Family Support</td>
<td>$5,630,300</td>
</tr>
<tr>
<td>Children Services</td>
<td>$4,656,900</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$21,971,600</strong></td>
</tr>
</tbody>
</table>

The approved amount includes the following:

Aging-out residential services - The FY 1988 appropriation included $345,000 to fund part-year residential services for 18 year-olds no longer receiving foster care. The approved amount includes a) an additional $486,000 to annualize that cost for 57 clients and b) $335,500 for six months of care of 39 foster care children turning 18 during FY 1989. The non-Title XIX share of these aging-out costs is $374,500.
Aging-out adult day programs - The FY 1988 appropriation included $115,000 to fund part-year adult day services for 22 year-olds no longer receiving a public education. The approved amount includes a) $40,600 to annualize the cost for 30 clients and b) $121,900 for six months of care of 47 newly-eligible FY 1989 recipients.

Children Services - The approved amount reflects an additional $750,100 for children services in FY 1989. This amount includes:

- $112,000 to annualize the cost of services provided to 81 children in FY 1988.
- $401,600 to fund 226 children for an average of six months of family and preschool-based developmental day training in FY 1989. This amount is intended to fund the full waiting list for these services, as outlined in the DES budget submission.
- $236,500 to fund at least part of the waiting list for therapy and transportation services.

The Appropriations Committees also have an on-going interest in DES' plans to expend the state's federal grant for education of the handicapped. It is legislative intent that these funds complement the state general fund appropriation and be channeled toward direct services and away from administrative expenses.

Foster Care - The approved amount provides services for 437 developmentally disabled children, adjudicated dependent by the courts, including an additional ten children who are projected to enter the system by court order during fiscal year 1989.

The approved amount also includes the cost of diapers and other medical supplies. This cost was previously funded in the Comprehensive Medical and Dental Program. This transfer will enhance the DD case managers' ability to monitor the expenditure of these funds.

The non-Title XIX share of these additional costs is $368,300.

Vocational Rehabilitation Contracts - The approved amount provides vocational rehabilitation services to developmentally disabled persons.

Stipends and Allowances - The approved amount provides allowances to the residents of the Arizona Training Programs at Coolidge and Tucson.

Residential Services - Out of School District Placement - Arizona Revised Statutes Section 25-765 provides that the non-medical and non-educational expenses of trainable mentally and educable mentally handicapped children are payable by the Department when a school district cannot provide satisfactory education services within the district. The approved amount will provide services to at least 23 children in FY 1989, an increase of five from FY 1988. This amount is intended to fund the waiting list for these services, as outlined in the DES budget submission.
Assistance to Families - This program provides payments to a parent, guardian, or individual on behalf of a developmentally disabled individual. The payment is designed to maintain that child in his or her own home or in a semi-independent environment. A maximum of $400 per month is available for any one individual. Given the program's success during its first two years of operation, the approved amount includes a $100,000 increase over FY 1988.

Housekeeping Payments - The approved amount reflects the transfer of DD Housekeeping Payments from the Adult Services line of the Aging, Family and Children Services program. Arizona Revised Statutes Section 46-252 requires DES to make a $70 monthly payment to any person who requires housekeeping services and receives Supplemental Security Income (SSI). This transfer will permit a more accurate display of DD expenditures.

ASH Community Placement - The approved amount will permit 15 "dually-diagnosed" clients in the Arizona State Hospital to be placed in community settings. These clients need a joint service plan to address both their mental health needs and their developmental disabilities. Title XIX will fund the clients' residential costs. This appropriation will provide non-Title XIX services such as psychiatric care. It is legislative intent that these funds are to be expended in accordance with H.B. 2394, as introduced in the second regular session of the 38th Legislature.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL LEGISLATION

Omnibus AHOCCS Revisions - S.B. 1486 (Chapter 302) - This legislation permits the start of the Long Term Care program to be delayed to no later than January 1, 1989. If the program is delayed beyond the original October 1, 1988 starting date, the funding levels of the Developmental Disabilities and Long Care System Fund programs will need to be adjusted. S.B. 1486 provides that the Department may transfer money from the Long Term Care System Fund to the Developmental Disabilities program with prior approval of the Joint Legislative Budget Committee.
### General Appropriation Act Funds

The approved amount includes $546,200 in Personal Services and $318,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $54,900 in Employee Related Expenditures for the increased retirement contribution. Of these amounts, $348,500 is from the General Fund.

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ This reserve is intended primarily for the costs of renovating the Arizona training programs, installing an automated accounting and reporting system for the Division of Developmental Disabilities and providing for the acute care of long term care clients. Title XIX automation funds shall be available from the reserve if matched by the federal government. Quarterly status reports shall be made to the Joint Legislative Budget Committee on the planned expenditure of these funds.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditures are shown for informational purposes only.
Chapter 332, Laws of 1987, establishes a long term care program for the elderly, physically disabled and developmentally disabled (DD). While the elderly and physically disabled are a county responsibility, DES will administer the DD program.

With the implementation of this program, the state will become eligible for federal Title XIX Medicaid funding. While DES currently pays almost 100 percent of the cost of DD services, the federal government will begin to share 62 percent of this expense for certain individuals.

To qualify for federal funding, an individual must have an income below 300 percent of the Supplemental Security Income eligibility limit and have functional needs that require institutionalization. Whenever possible, DES is required to provide care in home-based settings rather than in nursing homes.

Title XIX is an entitlement program -- any individual meeting the financial and functional requirements must receive assistance. The current state program does not serve all Title XIX eligible clients. As a result, the new federal program will increase participation and reduce the waiting list for services by approximately 1,000 persons.

Budget Format - Chapter 332 establishes a long term care system fund. Subject to legislative appropriation, this fund consists of all Arizona Health Care Cost Containment System (AHCCCS) monies, state appropriations and other grants used to finance developmentally disabled long term care.

With the implementation of Title XIX, developmental disability resources will be split into two budget programs. This program, the Long Term Care System Fund, will finance the care of DD clients who will qualify for federal aid. All other clients will continue to receive assistance through the existing Developmental Disabilities budget program.

With the introduction of federal long term care funding, total DD resources will increase by $45.5 million:

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY 1988</th>
<th>FY 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State</td>
<td>Federal</td>
</tr>
<tr>
<td></td>
<td>(dollars in millions)</td>
<td>(dollars in millions)</td>
</tr>
<tr>
<td>Developmental Disabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Term Care System Fund</td>
<td>69.5</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>69.5</td>
<td>-0-</td>
</tr>
</tbody>
</table>

Under the provisions of Chapter 332, the long term care program is scheduled to take effect on October 1, 1988. On that date, all federally eligible clients will have their care financed from the Long Term Care System Fund. Before that date, they will continue to be covered in the existing Developmental Disabilities budget.

(Continued)
FTE Positions - The approved amount includes:

-- an additional 118 FTE positions at the Arizona Training Programs at Coolidge and Tucson. The two Training Programs are currently authorized approximately 800 FTE positions. Of the new positions, 64 FTE positions are Habilitation Technician II's -- the staff in direct contact with residents. The increase will permit a three-to-one ratio of residents to Habilitation Technicians. All additional positions are necessary to meet federal staffing requirements.

-- an additional 52.7 administrative FTE positions. The extra staff will perform new administrative functions required by Title XIX, such as on-going service assessments, medical audits, utilization review and inspection of care.

-- a downward adjustment to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

ATPP Annualization - The approved amount reflects annualization savings of $235,500 and 6.2 FTE positions from closing the Arizona Training Program at Phoenix (ATPP). Senate Bill 1072 (Chapter 313, Laws of 1985) mandated the ATPP closing.

The approved amount also includes a) $47,600 to fund the rent payments for the group homes replacing the ATPP and b) $94,900 to replace office space lost with ATPP closure.

Both the savings and the added costs are spread through this program as well the Developmental Disabilities budget.

Purchase of Care for Developmental Disabilities - The approved amount funds contracts with providers of community services, including:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Services</td>
<td>$17,349,900</td>
</tr>
<tr>
<td>Adult Day Services</td>
<td>$1,075,000</td>
</tr>
<tr>
<td>Family Support</td>
<td>$6,616,300</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$25,041,200</strong></td>
</tr>
</tbody>
</table>

The approved amount funds "aging-out" residential services. The FY 1988 appropriation included $545,000 to fund part-year residential services for 18 year-olds no longer receiving foster care. The approved amount includes a) an additional $486,000 to annualize that cost for 57 clients and b) $355,500 for six months of care of 39 foster care children turning 18 during FY 1989. The Long Term Care System Fund's share of these aging-out costs is $467,000.

The approved amount will allow the department to expand its package of family support services to 336 current recipients and 734 new recipients. With this type of assistance, the DD individual can remain in the home rather than be institutionalized. Depending on an individual's particular needs, a household may receive a combination of adult day programs, in-home training, personal care, homemaker, transportation and respite services.

(Continued)
The approved amount also includes funds for vendor-operated group homes to meet new Title XIX mandates. For example, Title XIX requires a staffing increase to ensure safe evacuations of group facilities in case of fire. In addition, vendors will need added administrative staff to meet Title XIX reporting burdens. The Appropriations Committees did not include funds to meet possible new Department of Labor wage and hour requirements for "awake at night" staff, preferring instead to wait for final resolution of the issue.

Foster Care - DES currently provides foster care to 437 developmentally disabled children. Another ten children are projected to enter the system by court order during fiscal year 1989.

The approved amount includes the cost of diapers and other medical supplies. This cost was previously funded in the Comprehensive Medical and Dental Program. This transfer will enhance the DD case managers' ability to monitor the expenditure of these funds.

The Long Term Care System Fund's share of the additional FY 1989 costs is $215,000.

Stipends and Allowances - The approved amount provides allowances to the residents of the Arizona Training Programs.

Fee for Service - Two populations, medically fragile children and on-reservation American Indians, will receive assistance through traditional fee for service. At least 51 medically fragile children are expected to qualify for long term care.

Acute Care - Chapter 332 requires DES to provide acute as well as long term care for its DD clients. The Arizona Health Care Cost Containment System Administration had previously paid this cost. The approved amount includes $2,784,900 in state general funds transferred from the AHCCCS budget.

Reserve - Given the on-going long term care negotiations with the federal government, the program's final design has yet to be decided. As a result, the approved amount includes a reserve amount for the following undetermined costs:

Facility Renovation - To qualify for federal funding, DES will need to renovate the Arizona Training Programs at Coolidge and Tucson in accord with federal standards. These costs are expected to be less than $1 million.

Automation - DES will need to implement an automated long term care management information and case management tracking system. As stated in the footnote to the Reserve line item, Title XIX automation funds shall be available from the reserve if matched by the federal government.

Acute Care - DES has not yet determined whether the AHCCCS acute care transfer is sufficient to cover the cost of care. If not, DES can fund the excess expenses from the reserve.

The Reserve footnote also requires that DES make quarterly status reports to the Joint Legislative Budget Committee on the planned expenditure of these funds. (Continued)
Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL LEGISLATION

Omnibus AHCOCs Revisions - S.B. 1486 (Chapter 302) - This legislation permits the start of the Long Term Care program to be delayed to no later than January 1, 1989. If the program is delayed beyond the original October 1, 1988 starting date, the funding levels of the Developmental Disabilities and Long Term Care System Fund programs will need to be adjusted. S.B. 1486 provides that the Department may transfer money from the Long Term Care System Fund to the Developmental Disabilities program with prior approval of the Joint Legislative Budget Committee.
### DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT

**Edd F. Brown, Director (Tel. 255-5676)**

**JLBC Analyst: Stavneak**

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Estimate</td>
<td>Approved</td>
</tr>
<tr>
<td>FTE Positions</td>
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<td>0.0</td>
<td>660.5</td>
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<td>Personal Services</td>
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<td>-0-</td>
<td>13,111,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>2,972,400</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>-0-</td>
<td>46,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>-0-</td>
<td>241,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>-0-</td>
<td>3,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>3,259,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>740,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>4,291,400</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>20,375,200</td>
</tr>
<tr>
<td>AFDC</td>
<td>-0-</td>
<td>-0-</td>
<td>35,084,400</td>
</tr>
<tr>
<td>General Assistance</td>
<td>-0-</td>
<td>-0-</td>
<td>8,986,200</td>
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<tr>
<td>Emergency Relief</td>
<td>-0-</td>
<td>-0-</td>
<td>1,076,800</td>
</tr>
<tr>
<td>SSI/Supervisory Care</td>
<td>-0-</td>
<td>-0-</td>
<td>609,800</td>
</tr>
<tr>
<td>Tuberculosis Control</td>
<td>-0-</td>
<td>-0-</td>
<td>32,000</td>
</tr>
<tr>
<td>SLIAG Reimbursement</td>
<td>-0-</td>
<td>-0-</td>
<td>807,100</td>
</tr>
<tr>
<td>Food Distribution Information</td>
<td>-0-</td>
<td>-0-</td>
<td>22,900</td>
</tr>
<tr>
<td>Homeless Shelter</td>
<td>-0-</td>
<td>-0-</td>
<td>260,500</td>
</tr>
<tr>
<td>Information and Referral</td>
<td>-0-</td>
<td>-0-</td>
<td>86,500</td>
</tr>
<tr>
<td>Rural Food Bank</td>
<td>-0-</td>
<td>-0-</td>
<td>61,700</td>
</tr>
<tr>
<td>Senior Utility Discounts</td>
<td>-0-</td>
<td>-0-</td>
<td>28,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>67,431,100</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

Ch. 304, Veterans' Assistance Housing Programs | -0- | -0- | 1,000,000

**TOTAL APPROPRIATIONS** | -0- | -0- | 68,431,100

(Continued)

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ Aid to Families with Dependent Children is based on 47.2 percent of need as defined by the 1983 uniform assistance payments standard. This appropriation shall be exempt from the transfer of funds provisions of section 35-173 (C), Arizona Revised Statutes, and a transfer of funds to or from this account shall require approval of the Joint Legislative Budget Committee.

(Footnotes Continued On Following Page)
The approved amount includes $443,400 in Personal Services and $258,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $44,600 in Employee Related Expenditures for the increased retirement contribution.

The Aging, Family and Children Services program has been split into two new budget programs, Family Support and Social Services. The new Division of Family Support contains the Family Assistance Administration and the Child Support Enforcement Administration. A portion of the Division of Planning and Policy Development (PPD) program has also been transferred into Family Support.

FTE Positions - The approved amount includes a downward adjustment of 33.6 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount also includes new FTE positions as detailed below.

Child Support Enforcement - The approved amount transfers $362,000 and two FTE positions to the operating budget from the Child Support Enforcement special line item. This display more accurately reflects the actual expenditure of funds -- DES has used these special line item funds during the past several years to supplement its operating budget.

Of the $362,300 transfer, $299,800 is set aside for automation equipment purchases. Both state and federal reports have singled out DES' lack of automation as the biggest obstacle to improving the program's collection rate. During the hearings, the Appropriations Committees voiced their continuing concern with the need to automate the child support operation as expeditiously as possible.

Senior Utility Discounts - The approved amount includes $69,200 and two FTE positions to administer the Telecommunication and Utility Assistance Program for the low-income elderly. This amount includes $28,000 to contract with a service provider to help verify eligibility.

Created by the 1986 Legislature, these senior utility discount programs were originally authorized to operate in fiscal years 1988 and 1989. S.B. 1295 (Chapter 56, Laws of 1988) extends the telecommunication program through fiscal year 1990.

(Footnotes Continued From Previous Page)

3/ These funds are available to the extent that the state general fund will be reimbursed for this level of expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is legislative intent that the state general fund be fully reimbursed for this appropriation.

4/ Represents General Appropriation Act funds. Appropriated by modified lump sum for the program. The objects of expenditures are shown for informational purposes only.
Eligibility and Other Staff - As requested by DES, the approved amount includes an additional $1,664,900 and 49.5 FTE positions for the purposes of reducing erroneous payments in the Aid to Families with Dependent Children (AFDC) and General Assistance (GA) programs. With ten percent of benefits overpaid, Arizona has nearly the nation's highest AFDC error rate.

The approved amount will allow DES to hire added eligibility workers, thereby giving the staff more time to check the accuracy of benefit payments.

DES believes that savings from reduced AFDC and GA error rates will pay for the cost of the new FTE positions. As a result, the Appropriations Committees accepted DES' proposal to finance the added staff by reducing the AFDC special line item appropriation by $1,478,900 and the General Assistance special line item by $186,000.

DES will need to reduce the error rate from the current ten percent level to six percent to generate the necessary savings in AFDC. If the Department is unable to reduce the error rate to that level, there may be a need to supplement the FY 1989 AFDC appropriation to pay full benefits.

In total, DES will be able to devote 143 FTE positions to this error reduction effort. In addition to the 49.5 new state-funded FTE positions, federal matching funds will finance another 49.5 FTE positions. DES will also convert 25 existing state-funded and 25 federally-funded Clerk Typist II positions into eligibility workers. With the implementation of a new eligibility computer system, DES can reduce its clerical staff without any negative consequences.

The staffing pattern is as follows:

<table>
<thead>
<tr>
<th>New Positions</th>
<th>State Funded</th>
<th>Federal Funded</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility Worker II</td>
<td>61.0</td>
<td>61.0</td>
<td>122.0</td>
</tr>
<tr>
<td>Eligibility &amp; Payments Supervisor</td>
<td>7.5</td>
<td>7.5</td>
<td>15.0</td>
</tr>
<tr>
<td>Public Assistance Quality Evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisor II</td>
<td>1.0</td>
<td>--</td>
<td>1.0</td>
</tr>
<tr>
<td>Public Assistance Quality Evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialist II</td>
<td>4.0</td>
<td>--</td>
<td>4.0</td>
</tr>
<tr>
<td>Clerk Typist II</td>
<td>1.0</td>
<td>--</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>74.5</strong></td>
<td><strong>68.5</strong></td>
<td><strong>143.0</strong></td>
</tr>
</tbody>
</table>

| Eliminated Positions                        |              |                |       |
| Clerk Typist II                             | (25.0)       | (25.0)         | (50.0) |

**TOTAL NET FTE POSITIONS**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>49.5</td>
<td>43.5</td>
<td>93.0</td>
</tr>
</tbody>
</table>

Aid to Families with Dependent Children - The approved amount provides assistance payments based on 47.2 percent of need, as defined by the 1983 payments standard. Before any reduction in erroneous payments, this amount assumes an estimated 94,435 recipients will receive an average monthly grant of $90.79.

As noted above, the approved amount assumes a reduction in erroneous AFDC payments from ten percent to six percent.
General Assistance - This state-funded program provides financial aid to persons who are unemployable because of a physical or mental disability.

Emergency Relief - This state-funded program provides temporary financial assistance in emergency situations without reference to certain eligibility factors required for other welfare programs.

Supplemental Security Income and Supervisory Care Homes - This program certifies payments to eligible aged, blind or disabled persons who qualify for either the mandatory or optional provisions of the program. This approved amount was based on the following items of expenditures:

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory</td>
<td>$3,200</td>
</tr>
<tr>
<td>Optional</td>
<td></td>
</tr>
<tr>
<td>Private Nursing Homes</td>
<td>172,000</td>
</tr>
<tr>
<td>Public Nursing Homes</td>
<td>58,300</td>
</tr>
<tr>
<td>Supervisory Care/Adult Care Homes</td>
<td>376,300</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$609,800</strong></td>
</tr>
</tbody>
</table>

With the implementation of federal long term care, S.B. 1486 (Chapter 302) eliminates the private and public nursing home payments. This cost will now be borne by the federal long term care program for the elderly and physically disabled.

The above amounts were calculated assuming that the payments would be eliminated as of October 1988 -- the original implementation date of the federal long term care program. If the program is delayed, DES may be required to continue payments after October. In that event, DES would need to transfer funds from another program or request a supplemental appropriation.

Tuberculosis Control - The appropriation provides assistance to persons certified unemployable by the State Tuberculosis Control Office because of communicable tuberculosis.

SLIAG Reimbursement - In 1986, Congress established an amnesty program under which certain illegal aliens may become legal residents. The enabling legislation bars these eligible legalized aliens (ELAs) from qualifying for federal needs-based financial assistance until 1992. During the interim, state and local governments are expected to provide public welfare, public health and educational assistance to these individuals.

To help defray state and local costs, Congress has authorized the State Legalization Impact Assistance Grant (SLIAG) program. SLIAG will operate as a "reimbursable." The state must assist ELAs with its own funds, then be reimbursed for this expense by the federal government.

The approved amount provides the necessary "up-front" funds for the SLIAG programs. The funds are available, however, only to the extent that SLIAG will reimburse the general fund for these expenditures.

(Continued)
The approved amount includes:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$165,800</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>36,000</td>
</tr>
<tr>
<td>All Other Operating</td>
<td>254,500</td>
</tr>
<tr>
<td>Operating Subtotal</td>
<td>456,300</td>
</tr>
<tr>
<td>General Assistance</td>
<td>91,800</td>
</tr>
<tr>
<td>Emergency Assistance</td>
<td>78,600</td>
</tr>
<tr>
<td>Food Stamps</td>
<td>51,600</td>
</tr>
<tr>
<td>AHCCCS Eligibility</td>
<td>128,800</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$807,100</strong></td>
</tr>
</tbody>
</table>

Food Distribution Information - Chapter 328, Laws of 1986, requires the department to coordinate and assist public and private nonprofit organizations that aid hungry persons and families throughout the state. These funds 1) supplement existing information and referral efforts to inform the hungry about potential sources of food and 2) expand the current campaign to collect donated foods.

Homeless Shelter - Along with private sector, city and county funds, this program addresses the emergency and transition shelter needs of the homeless.

Information and Referral Services - The approved amount, when matched with an estimated $260,000 of the Social Services Block Grant and supplemented with an additional $30,000 from the Long Term Care Program of the Department of Health Services, provides information and referral services on a 24-hour toll-free, statewide telephone system. This system serves all individuals requesting specific information regarding available resources.

Rural Food Bank - The approved amount funds a rural food bank demonstration project. It is legislative intent that DES administer the program in accordance with H.B. 2226, as introduced in the first regular session of the 38th Legislature.

Provider Increase - It is legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

**ADDITIONAL APPROPRIATIONS**

Veterans' Assistance Housing Program - H.B. 2098 (Chapter 304) - This legislation includes $1 million to purchase building materials for veteran-owned and occupied single family residences. A county, city, town or Indian tribe may apply for these funds, but must contribute an amount equal to or greater than the DES contribution. These funds shall remain available until July 1, 1990. DES is to report by December 31, 1990 on how monies were distributed and used.
**GENERAL FUND**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>0.0</td>
<td>461.0</td>
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<td>12,910,200</td>
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<tr>
<td>Employee Related Exp.</td>
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<td>-0-</td>
<td>2,907,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
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<td>-0-</td>
<td>38,000</td>
</tr>
<tr>
<td>Travel - State</td>
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<td>-0-</td>
<td>464,500</td>
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<tr>
<td>Travel - Out of State</td>
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<td>-0-</td>
<td>11,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
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<td>-0-</td>
<td>3,613,800</td>
</tr>
<tr>
<td>Equipment</td>
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<td>-0-</td>
<td>95,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>4,222,300</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>20,040,300</td>
</tr>
<tr>
<td>Adoption Services</td>
<td>-0-</td>
<td>-0-</td>
<td>7,296,400</td>
</tr>
<tr>
<td>Adult Services</td>
<td>-0-</td>
<td>-0-</td>
<td>6,471,300</td>
</tr>
<tr>
<td>Children Services</td>
<td>-0-</td>
<td>-0-</td>
<td>28,090,700</td>
</tr>
<tr>
<td>Child Severance Project</td>
<td>-0-</td>
<td>-0-</td>
<td>179,900</td>
</tr>
<tr>
<td>Comprehensive Medical &amp; Dental</td>
<td>-0-</td>
<td>-0-</td>
<td>6,168,400</td>
</tr>
<tr>
<td>Day Care</td>
<td>-0-</td>
<td>-0-</td>
<td>13,846,200</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>82,093,200</td>
</tr>
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</table>

Additional Appropriations - 38th Leg., 2nd Reg. Session

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ch. 26, Advisory Committee on Alzheimer's Disease</td>
<td>-0-</td>
<td>-0-</td>
<td>15,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>82,108,200</td>
</tr>
</tbody>
</table>

(Continued)

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ This figure represents a day care subsidy for children of families whose income does not exceed a maximum of 65 percent of the state median income as determined by the Department of Economic Security.

3/ Represents General Appropriation Act funds. Appropriated by modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $436,600 in Personal Services and $254,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $43,900 in Employee Related Expenditures for the increased retirement contribution.

The Aging, Family and Children Services program has been split into two new budget programs, Family Support and Social Services. The new Division of Social Services contains the Administration for Children, Youth and Families (ACYF) and the Aging and Adult Administration (AAA).

FTE Positions - The approved amount includes a downward adjustment of 25.4 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

Other Operating Expenses - The Division previously had free office space at the Arizona Training Program at Phoenix. With the closing of ATPP, the approved amount includes $92,300 for replacement offices.

Adoption Services - The approved amount subsidizes the adoption of children who otherwise would entail high financial risks to prospective parents because of physical, mental or emotional disorders or who, because of age, sibling relationship, or racial or ethnic background would be otherwise difficult to place in adoption.

The approved amount is a $2,354,500, or 48 percent, increase over the original FY 1988 appropriation. In part, the growth reflects DES' policy of finding permanent, rather than temporary, placements for children unable to return to their original homes.

Adult Services - The appropriation provides a community-based continuum of care and services for abused, neglected and exploited adults. The approved amount was based upon the following allocation:

| Adult Protective Services | $ 98,000 |
| Evaluates allegations of abuse. |
| Supplemental Payments | 2,889,500 |
| Provides housekeeper, home health aide and visiting nurse services for SSI-eligible households. State law mandates payment to all eligible persons requesting assistance. |

The approved amount is based upon the original FY 1988 appropriation of $2,673,700, a FY 1988 supplemental of $533,300 and a caseload growth adjustment of $177,000. The amount also includes a transfer-out of $494,500 in Housekeeping Payments to the Developmental Disabilities program. This transfer will more properly reflect total expenditures for DD clients.

(Continued)
Home Care
Provides supplemental payment services plus personal care to non-SSI households.

Older Americans Act
Matches federal funds for congregate and home-delivered meals as well as other social services.

Assessments and Case Management
Through contracted agencies, assesses the elderly's service need by measuring mobility and family and financial status. A contracted case manager assists the client in matching needs to available resources.

Provider Increase
FY 1989 provider adjustment of 2.8 percent.

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$6,471,300</td>
</tr>
</tbody>
</table>

It is legislative intent that Adult Services resources can be made available to finance the installation of a telephone in an elderly household if the lack of a phone would otherwise cause the institutionalization of the individual.

Children Services - The appropriation funds a range of services to ensure the well-being of children, including:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-home services</td>
<td>$3,416,100</td>
</tr>
<tr>
<td>Resolves family problems through the use of counseling, day support and parent aides -- while the child remains in the home.</td>
<td></td>
</tr>
<tr>
<td>Out-of-home services (Foster Care)</td>
<td>19,175,100</td>
</tr>
<tr>
<td>Requires removal of the child from the home and his/her placement in family foster care or other residential setting.</td>
<td></td>
</tr>
<tr>
<td>Child protective services</td>
<td>4,279,900</td>
</tr>
<tr>
<td>Provides support services -- assessments, transportation -- related to removing abused children from the home.</td>
<td></td>
</tr>
<tr>
<td>Child services on reservations</td>
<td>450,500</td>
</tr>
<tr>
<td>Provides full range of services to children on Indian reservations.</td>
<td></td>
</tr>
<tr>
<td>Provider increase</td>
<td>769,100</td>
</tr>
<tr>
<td>FY 1989 provider adjustment of 2.8 percent.</td>
<td></td>
</tr>
</tbody>
</table>

| Total                                  | $28,090,700|

(Continued)
The approved amount includes:

-- a transfer-in of $217,000 to Out-of-Home Services from the Comprehensive Medical and Dental Program (CMDP) for the cost of diapers, formula and other medical supplies. The transfer will enhance the case managers' ability to monitor the expenditure of these funds.

-- a transfer-in of $132,200 to Out-of-Home Services for psychological services currently funded by CMDP. As with the previous transfer, this initiative will increase the program managers' ability to control costs.

The approved amount also stabilizes the Foster Care program at its current population. Foster Care caseload growth funds have been shifted to the Adoption Services program. This allocation supports DES' policy of finding permanent placements for children unable to return to their original homes.

The approved amount does not incorporate the program's $2.5 million FY 1988 surplus. In S.B. 1119 (Chapter 9), these resources were shifted to other programs. The Department believes the surplus was caused by staff shortages that should be eliminated by the beginning of FY 1989.

Child Severance Project - Chapter 205, Laws of 1986, appropriated $175,000 from the state general fund in FY 1987 to expedite the procedures for making a child eligible for adoption after the original parent-child relationship has been severed. DES may use the funds (a) to enter into an intergovernmental agreement with the Attorney General for legal and paralegal services or (b) to contract for social services incurred in expediting severance and adoption. The approved amount permits the continuation of the project.

Comprehensive Medical and Dental - The appropriation provides full coverage of medical and dental treatment, hospital care, and drugs and medical supplies to foster children. Included within the appropriation are funds for professional consulting services to the agency's field staff, Juvenile Probation Offices and the Department of Corrections.

The approved amount reflects a decline of $3,215,900 from the original FY 1988 appropriation of $9,384,300. The decrease results from:

-- increasing federal reimbursement of program costs. The Department has been working with the Arizona Health Care Cost Containment System (AHCCCS) Administration to ensure that we claim federal reimbursement for the maximum number of eligible children.

-- employing cost containment measures such as limiting the period of inpatient psychiatric hospitalization.

-- transferring-out $512,200 to the Children Services and Developmental Disabilities Foster Care programs for medical supplies and psychological services. These transfers enhance the case managers' ability to monitor the expenditure of these funds.

The approved amount also assumes a 3.5 percent medical inflation adjustment.

(Continued)
The Appropriations Committees have also encouraged DES to improve the processing of CMIPD billings. The Committees continue to receive complaints about the late payment of claims.

Day Care - The appropriation provides for a statewide day care subsidy based upon 65 percent of the state median income for eligibility and a caseload of 16,493 children.

The approved amount assumes the state median income schedule will be updated for inflation.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL APPROPRIATIONS

Advisory Committee on Alzheimer's Disease - H.B. 2049 (Chapter 26) - This legislation establishes a nine-member committee to identify services available to victims of Alzheimer's disease and to determine what services are needed. The committee is to develop a written report by August 1, 1989. The legislation appropriates $15,000 to DES for the purpose of employing support staff to assist the committee.
# DEPARTMENT OF ECONOMIC SECURITY -
DIVISION OF AGING, FAMILY AND CHILDREN SERVICES

A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1,103.0</td>
<td>1,102.0</td>
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<tr>
<td>Personal Services</td>
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<td>23,820,100</td>
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<td>Employee Related Exp.</td>
<td>5,436,200</td>
<td>4,974,600</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>39,300</td>
<td>204,700</td>
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<tr>
<td>Travel - State</td>
<td>419,400</td>
<td>504,900</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>3,074,300</td>
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<td>All Other Operating Exp.</td>
<td>3,924,100</td>
<td>3,783,900</td>
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<td>OPERATION SUB-TOTAL</td>
<td>32,009,700</td>
<td>32,578,600</td>
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<tr>
<td>Aid to Dependent Children</td>
<td>31,793,800</td>
<td>35,751,100</td>
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<tr>
<td>General Assistance</td>
<td>7,591,200</td>
<td>8,283,600</td>
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<td>Emergency Assistance</td>
<td>971,700</td>
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</tr>
<tr>
<td>S.S.I. &amp; Sup. Care Homes</td>
<td>1,257,600</td>
<td>1,186,100</td>
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</tr>
<tr>
<td>Tuberculosis Control</td>
<td>28,100</td>
<td>22,700</td>
<td>-0-</td>
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<tr>
<td>Comp. Med. &amp; Dental</td>
<td>4,750,300</td>
<td>5,902,200</td>
<td>-0-</td>
</tr>
<tr>
<td>Children Services</td>
<td>23,577,000</td>
<td>24,472,300</td>
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<tr>
<td>Adult Services</td>
<td>5,396,700</td>
<td>6,824,200</td>
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<tr>
<td>Day Care</td>
<td>11,697,600</td>
<td>13,198,300</td>
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<tr>
<td>Adoption Services</td>
<td>4,806,800</td>
<td>5,624,900</td>
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<tr>
<td>Child Support Enforcement</td>
<td>240,400</td>
<td>350,000</td>
<td>-0-</td>
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<tr>
<td>Child Severance Project</td>
<td>100,900</td>
<td>249,100</td>
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<td>AHCCCS Eligibility</td>
<td>-0-</td>
<td>1,342,500</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>124,221,800</td>
<td>136,833,100</td>
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</table>

The Aging, Family and Children Services FTE positions and resources have been transferred to the new Family Support and Social Services budget programs.
Edd F. Brown, Director  (Tel. 255-5678)

<table>
<thead>
<tr>
<th>CHILDREN AND FAMILY SERVICES TRAINING PROGRAM</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.5</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>80,500</td>
<td>123,500</td>
<td>125,300</td>
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<tr>
<td>Employee Related Exp.</td>
<td>17,100</td>
<td>25,400</td>
<td>28,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>27,700</td>
<td>118,700</td>
<td>130,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>31,600</td>
<td>52,800</td>
<td>73,100</td>
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<tr>
<td>Other Operating Exp.</td>
<td>18,700</td>
<td>71,400</td>
<td>53,100</td>
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<tr>
<td>Equipment</td>
<td>4,000</td>
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<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>82,000</td>
<td>242,900</td>
<td>256,700</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>179,600</td>
<td>391,800</td>
<td>410,500</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>126,300</td>
<td>197,700</td>
<td>65,900</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>251,000</td>
<td>260,000</td>
<td>400,000</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>377,300</td>
<td>457,700</td>
<td>465,900</td>
</tr>
<tr>
<td>Expenditures</td>
<td>179,600</td>
<td>391,800</td>
<td>410,500</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>197,700</td>
<td>65,900</td>
<td>55,400</td>
</tr>
</tbody>
</table>

The approved amount includes $4,200 in Personal Services and $2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

Chapter 179, Laws of 1983, established the Children and Family Services Training Program Fund for child protective services staff training. Funds are generated through the collection of child support assessment fees. Chapter 55, Laws of 1987, permits DES to spend up to 10 percent of available funds on debt collection.

The Department plans to increase its revenue by $140,000 in FY 1989 by improving its debt collection program.

Notes:

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
DEPARTMENT OF ECONOMIC SECURITY - EMPLOYMENT AND REHAB. SERVICES A.R.S. 41-1951

Edd F. Brown, Director (Tel. 255-5678)

JLBC Analyst: Stavneak

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>67.4</td>
</tr>
<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>-0-</td>
<td>1,552,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>361,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>-0-</td>
<td>39,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>-0-</td>
<td>29,300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
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<td>-0-</td>
<td>3,500</td>
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<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>265,400</td>
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<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>46,400</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>384,400</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>-0-</td>
<td>-0-</td>
<td>2,298,300</td>
</tr>
<tr>
<td>Comprehensive Services for Independent Living</td>
<td>-0-</td>
<td>-0-</td>
<td>525,600 1/</td>
</tr>
<tr>
<td>Vocational Rehabilitation Services</td>
<td>-0-</td>
<td>-0-</td>
<td>1,676,800 1/</td>
</tr>
<tr>
<td>Job Search Stipends</td>
<td>-0-</td>
<td>-0-</td>
<td>139,100 1/</td>
</tr>
<tr>
<td>Manpower Services</td>
<td>-0-</td>
<td>-0-</td>
<td>141,400 1/</td>
</tr>
<tr>
<td>Work Incentive Demonstration Project</td>
<td>-0-</td>
<td>-0-</td>
<td>117,900 1/</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-0-</td>
<td>-0-</td>
<td>4,899,100 2/</td>
</tr>
<tr>
<td>Additional Appropriations - 38th Leg., 2nd Reg. Session</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ch. 304, Navajo Employment Services</td>
<td>--</td>
<td>--</td>
<td>257,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>-0-</td>
<td>-0-</td>
<td>5,156,100</td>
</tr>
</tbody>
</table>

The approved amount includes $52,400 in Personal Services and $30,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,300 in Employee Related Expenditures for the increased retirement contribution.

The Employment and Training and Rehabilitation Services cost centers have been combined into one new budget program, Employment and Rehabilitative Services.

(Continued)

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
FTE Positions - The approved amount includes a downward adjustment of 5.7 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount includes new FTE positions as detailed below.

Comprehensive Services for Independent Living - The approved amount will allow severely disabled individuals to live more independently. DES assists the disabled to overcome or circumvent their handicaps through training, counseling, and adaptive aids.

Vocational Rehabilitative Services - The approved amount will provide an array of individually planned services for the disabled. Services include case management, counseling, prostheses and remedial education. The federal government matches the state funds at an 80/20 percent rate.

The approved amount includes $307,800 and four FTE positions to fund new services. The federal match will equal $1,231,200 and 16 FTE positions. As a result, DES will be able to serve an additional 1,385 disabled individuals.

Of the $307,800 increase, $57,800 has been transferred from the Employment Support program. These funds had previously subsidized one percent of the $5.1 million Arizona Industries for the Blind (AIB) operating budget. By reducing planned increases in supervisory staff, AIB can absorb this lost revenue without jeopardizing program operations.

Even with the added funds, DES will be unable to match all the available federal dollars. The Appropriations Committees have encouraged DES to work with other agencies to identify possible sources of state match -- either existing appropriated or non-appropriated funds -- to leverage the federal dollars.

Job Stipends - This new line item will permit DES to comply with a 1983 federal food stamp statute that requires states to pay allowances to recipients searching for a job. The approved amount has been transferred from the Work Incentive Demonstration Project line item.

Manpower Services - The approved amount provides state matching funds for job training, transportation, stipends and other training related expenses of the Work Incentive Demonstration Program.

The approved amount reallocates $91,000 and four FTE positions from the Manpower Services special line item to the operating budget. This transfer reflects actual expenditure of funds -- during the past several years DES has used the special line item to finance staff.

Work Incentive Demonstration Project - The approved amount funds General Equivalency Degree preparation and support services such as day care and transportation.
The approved amount includes a transfer-out of $140,000 to the new Job Stipends line item. In prior years, DES had only expended a portion of its WIDP funds. For example, DES spent $62,700 of the $250,000 WIDP appropriation in FY 1987.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL APPROPRIATIONS

Navajo Employment Services - H.B. 2098 (Chapter 304) - This legislation requires DES to establish two-person employment services offices in Window Rock, Chinle, Kayenta and Tuba City. The legislation appropriates $257,000 -- available through fiscal year 1990 -- to DES for employee salaries and other operating expenses. The Navajo Tribal Council will provide the office facilities.

ADDITIONAL LEGISLATION

Unemployment Compensation - S.B. 1207 (Chapter 112) - This legislation increases the maximum weekly unemployment compensation benefit from $135 in state FY 1988 to $145 in FY 1989. Weekly benefits will further increase to $155 in FY 1990. These changes do not involve any state appropriated funds.
DEPARTMENT OF ECONOMIC SECURITY - EMPLOYMENT AND TRAINING  
A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.5</td>
<td>4.5</td>
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<tr>
<td>Personal Services</td>
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<td>Employee Related Exp.</td>
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<tr>
<td>Other Operating Exp.</td>
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<tr>
<td>All Other Operating Exp.</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
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<td>121,100</td>
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<tr>
<td>Manpower Services</td>
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<tr>
<td>WIDP</td>
<td>62,700</td>
<td>250,000</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>426,700</td>
<td>597,400</td>
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</tbody>
</table>

The Employment and Training FTE positions and resources have been transferred to the new Employment and Rehabilitative Services budget program.
**DEPARTMENT OF ECONOMIC SECURITY - REHABILITATION SERVICES ADMINISTRATION**  
(VOCATIONAL REHABILITATION)  
A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>50,400</td>
<td>38,000</td>
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</tr>
<tr>
<td>Travel - State</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>108,300</td>
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<tr>
<td>Equipment</td>
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<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
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<td>170,700</td>
<td>-0-</td>
</tr>
<tr>
<td>Operation Sub-Total</td>
<td>1,689,400</td>
<td>1,633,000</td>
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<tr>
<td>Vocational Rehabilitation Services</td>
<td>1,267,200</td>
<td>1,433,300</td>
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<tr>
<td>Comprehensive Services for Independent Living</td>
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<tr>
<td>Employment Support</td>
<td>53,500</td>
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</tr>
<tr>
<td>Total Appropriations</td>
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<td>3,634,500</td>
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</tbody>
</table>

The Rehabilitation Services Administration FTE positions and resources have been transferred to the new Employment and Rehabilitative Services budget program.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>258.0</td>
<td>255.0</td>
<td>254.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>4,213,000</td>
<td>6,190,400</td>
<td>6,441,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>934,600</td>
<td>1,269,400</td>
<td>1,464,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>110,400</td>
<td>16,600</td>
<td>23,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>791,500</td>
<td>1,214,600</td>
<td>1,211,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>648,700</td>
<td>221,600</td>
<td>133,200</td>
</tr>
<tr>
<td>TOTAL OPERATING SUB-TOTAL</td>
<td>6,898,900</td>
<td>9,539,800</td>
<td>10,051,100</td>
</tr>
</tbody>
</table>

**Water Quality Assurance Revolving Fund**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>7,608,700</td>
<td>15,539,800</td>
<td>16,051,100</td>
</tr>
</tbody>
</table>

**Additional Appropriations - 38th Leg., 2nd Reg. Session**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ch. 286, Mine Tailings</td>
<td></td>
<td>300,000</td>
<td></td>
</tr>
<tr>
<td>Ch. 252, Clean Burning Use</td>
<td></td>
<td>697,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>7,608,700</td>
<td>15,539,800</td>
<td>17,048,100</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>7,608,700</td>
<td>15,539,800</td>
<td>16,351,100</td>
</tr>
<tr>
<td>Air Quality Fund</td>
<td>-0-</td>
<td>-0-</td>
<td>697,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>7,608,700</td>
<td>15,539,800</td>
<td>17,048,100</td>
</tr>
</tbody>
</table>

(Continued)

1/ The sum of $1,000,000 shall be transferred from the Water Quality Assurance Revolving Fund to the Tax Protest Resolution Fund at the beginning of each of the five Fiscal Years commencing July 1, 1988 through July 1, 1992.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

3/ Up to $1,250,000 of the General Fund appropriation may be utilized temporarily to maintain existing environmental programs for which application for federal funds have been submitted.
The approved amount includes $217,800 in Personal Services and $127,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $21,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor and the transfer-in of one FTE position; one Public Health Sanitarian II from the Department of Health Services; and, the deletion of two unspecified FTE positions.

ADDITIONAL APPROPRIATIONS

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of $177,000 from the Air Quality Fund established by section 49-551, Arizona Revised Statutes, to the Department of Environmental Quality during fiscal year 1988-89 for the purpose of funding the studies and reports required by section 49-553, Arizona Revised Statutes.

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of $20,000 from the Air Quality fund established by section 49-551, Arizona Revised Statutes, to the Air Quality Compliance Advisory Committee during fiscal year 1988-89 for the purposes prescribed by section 49-403, Arizona Revised Statutes, as added by this act.

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of $500,000 from the Air Quality fund established by section 49-551, Arizona Revised Statutes, to the Department of Environmental Quality, the Department of Transportation and the Department of Weights and Measures during fiscal year 1988-89 for the purpose of preparing and conducting an education program for the use of oxygenated gasoline blends established by this act and the benefits to be obtained by means of such a program.

Mine Tailings - S.B. 1154 (Chapter 286) - Appropriates the sum of $300,000 from the state general fund to the Department of Environmental Quality during fiscal year 1988-89 for the purpose of removing and disposing of mine tailings at the Apache Mine in Apache Junction.
### Program Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>6,568,900</td>
<td>6,454,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Emergency Medical Services</td>
<td>2,733,300</td>
<td>2,957,700</td>
<td>3,564,800</td>
</tr>
<tr>
<td>EMS Operating Fund</td>
<td>2,556,300</td>
<td>2,606,300</td>
<td>2,305,000</td>
</tr>
<tr>
<td>Behavioral Health</td>
<td>57,502,500</td>
<td>61,675,900</td>
<td>83,757,100</td>
</tr>
<tr>
<td>Disease Prevention Svcs</td>
<td>5,078,300</td>
<td>5,780,300</td>
<td>5,691,900</td>
</tr>
<tr>
<td>Family Health</td>
<td>11,956,000</td>
<td>15,230,700</td>
<td>14,623,400</td>
</tr>
<tr>
<td>Office of the Director</td>
<td>2,940,900</td>
<td>2,699,900</td>
<td>9,108,100</td>
</tr>
<tr>
<td>Division of Lab Services</td>
<td>1,926,500</td>
<td>2,088,600</td>
<td>2,241,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>91,262,700</td>
<td>99,493,800</td>
<td>121,272,000</td>
</tr>
</tbody>
</table>

### Expenditure Detail

**FTE Positions**

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,520.75</td>
<td>1,454.5</td>
<td>1,459.5</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>7,184,500</td>
<td>7,918,500</td>
<td>8,588,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>3,692,400</td>
<td>3,207,900</td>
<td>3,516,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>294,500</td>
<td>367,300</td>
<td>423,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>29,300</td>
<td>36,600</td>
<td>37,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>6,861,800</td>
<td>7,476,700</td>
<td>8,107,800</td>
</tr>
<tr>
<td>Food</td>
<td>830,700</td>
<td>758,100</td>
<td>765,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>952,500</td>
<td>369,800</td>
<td>429,100</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>12,661,200</td>
<td>12,216,400</td>
<td>13,280,100</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>49,244,900</td>
<td>50,869,500</td>
<td>54,004,800</td>
</tr>
<tr>
<td>Special Line Items</td>
<td>42,017,800</td>
<td>48,431,800</td>
<td>50,574,200</td>
</tr>
<tr>
<td>Additional Appropriations</td>
<td>-0-</td>
<td>122,900</td>
<td>16,693,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>91,262,700</td>
<td>99,493,800</td>
<td>121,272,000</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>88,706,400</td>
<td>96,887,500</td>
<td>118,967,000</td>
</tr>
<tr>
<td>EMS Operating Fund</td>
<td>2,556,300</td>
<td>2,606,300</td>
<td>2,305,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>91,262,700</td>
<td>99,493,800</td>
<td>121,272,000</td>
</tr>
</tbody>
</table>

(See Footnotes on Following Page)
1/ This appropriation shall be deemed to include all of the monies received from parents or guardians for the care of crippled children and shall be deposited in the State General Fund pursuant to the provisions of Subsection A, paragraph 7 of Section 36-261, Arizona Revised Statutes, or deposited pursuant to any law enacted to replace or modify the provisions of Section 36-261, Arizona Revised Statutes.

2/ The Director of the Department of Health Services may contract with the Department of Economic Security for services to developmentally disabled patients.

3/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of the permanent land funds are appropriated to the State Hospital in compliance with the Enabling Act and the Constitution.
Ted Williams, Director (Tel. 255-1024)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>164.0</td>
<td>145.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,264,600</td>
<td>3,045,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>733,900</td>
<td>709,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>420,300</td>
<td>565,800</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,200</td>
<td>10,600</td>
<td>-0-</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>400</td>
<td>1,500</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,993,000</td>
<td>2,063,400</td>
<td>-0-</td>
</tr>
<tr>
<td>Equipment</td>
<td>151,500</td>
<td>58,700</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>2,570,400</td>
<td>2,700,000</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>6,568,900</td>
<td>6,454,400</td>
<td>-0-</td>
</tr>
</tbody>
</table>

This program has been combined with the Office of the Director.
### DEPARTMENT OF HEALTH SERVICES - EMERGENCY MEDICAL SERVICES

A.R.S. 36-103

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>94.5</td>
<td>92.5</td>
<td>84.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,844,500</td>
<td>1,973,000</td>
<td>2,033,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>397,800</td>
<td>445,600</td>
<td>500,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>69,100</td>
<td>213,100</td>
<td>156,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>108,800</td>
<td>78,000</td>
<td>68,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>8,100</td>
<td>3,000</td>
<td>2,100</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>275,500</td>
<td>245,000</td>
<td>690,900</td>
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<tr>
<td>Equipment</td>
<td>29,500</td>
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<td>0</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>491,000</td>
<td>539,100</td>
<td>917,800</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,733,300</td>
<td>2,957,700</td>
<td>3,451,800</td>
</tr>
</tbody>
</table>

Additional Appropriations -
- 38th Leg., 2nd Reg. Session

Ch. 316, Certification of Day Care Group Homes | -- | -- | 93,000 |

TOTAL APPROPRIATIONS | 2,733,300 | 2,957,700 | 3,544,800 |

The approved amount includes $68,800 in Personal Services and $40,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $6,900 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a four percent vacancy factor and the deletion of eight FTE positions: one DHS Health Program Manager, one Public Health Nutritionist II, two Public Health Nursing Consultants, one Health Educator I, one Secretary, and two Clerk Typist I's.

**ADDITIONAL APPROPRIATIONS**

Certification of Day Care Group Homes - H.B. 2350 (Chapter 316) - Appropriates $93,000 from the state general fund for start up cost associated with implementing the certification of day care group homes.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ No appropriated funds shall be utilized to support any poison control center other than the one at the University of Arizona.
Ted Williams, Director (Tel. 255-1024)

DEPARTMENT OF HEALTH SERVICES - EMERGENCY MEDICAL SERVICES  A.R.S. 36-220

JLSC Analyst: Blanton

EMERGENCY MEDICAL SERVICES  OPERATING FUND

<table>
<thead>
<tr>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>Estimate</td>
<td>Approved</td>
</tr>
</tbody>
</table>

| Ambulance Emergency Contracts | 400,000 | 470,000 | 470,000 |
| Arizona Poison Control | 435,000 | 435,000 | 435,000 |
| State EMS Sp. Projects | 403,900 | 769,200 | 467,900 |
| EMSCOM Development | 250,000 | 244,000 | 244,000 |
| Rural Amb. Response Development | 234,500 | 280,000 | 280,000 |
| Emergency Paramedic Training | 10,000 | 10,000 | 10,000 |
| Local EMS Coordinating System | 398,100 | 398,100 | 398,100 |
| Emergency Medical Services | 424,800 | -0- | -0- |

TOTAL APPROPRIATIONS: 2,556,300 2,606,300 2,305,000

Arizona Poison Control System - Provides for a statewide system of poison information, education and treatment services.

Ambulance Emergency Contracts - Provides for contracts with emergency receiving facilities and ambulance services.

EMS Special Projects - At the regional level, primary concern is with upgrading EMS training and documentation and evaluation of clinical performances of pre- and post-hospital phases of EMS delivery.

EMS COM Development - Replacement and upgrading of the central communications system components.

Rural Ambulance Development - This item funds the upgrading of ambulance services in the rural areas, including the purchase of new ambulances and repair of ambulances.

1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ No appropriated funds shall be utilized to support any poison control center other than the one at the University of Arizona.

3/ If the monies in the Emergency Medical Services Operating Fund exceed $2,305,000, up to an additional $200,000 may be utilized to increase the line items as recommended by the Emergency Medical Council and approved by the Director.

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### GENERAL FUND

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1,019.25</td>
<td>986.0</td>
<td>997.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>18,838,100</td>
<td>20,000,800</td>
<td>21,208,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>4,846,500</td>
<td>5,466,800</td>
<td>5,969,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>2,981,700</td>
<td>2,229,000</td>
<td>2,605,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>42,300</td>
<td>89,900</td>
<td>105,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>6,700</td>
<td>11,000</td>
<td>15,100</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,320,300</td>
<td>2,409,400</td>
<td>2,549,100</td>
</tr>
<tr>
<td>Food</td>
<td>830,700</td>
<td>758,100</td>
<td>765,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>455,000</td>
<td>170,600</td>
<td>263,200</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td><strong>6,636,900</strong></td>
<td><strong>5,668,000</strong></td>
<td><strong>6,303,600</strong></td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>30,321,500</strong></td>
<td><strong>31,135,600</strong></td>
<td><strong>33,481,600</strong></td>
</tr>
<tr>
<td>CMI Pilot Program</td>
<td>-</td>
<td>1,654,100</td>
<td>4,000,000</td>
</tr>
<tr>
<td>CMI Non Pilot Program</td>
<td>2,948,400</td>
<td>3,041,100</td>
<td>3,126,200</td>
</tr>
<tr>
<td>Non-CMI Services</td>
<td>444,400</td>
<td>506,800</td>
<td>521,000</td>
</tr>
<tr>
<td>Transitional Living</td>
<td>320,300</td>
<td>355,200</td>
<td>372,400</td>
</tr>
<tr>
<td>Behavioral Health Sub.</td>
<td>22,539,700</td>
<td>24,025,900</td>
<td>24,698,700 1/2/</td>
</tr>
<tr>
<td>Residential Services for Emotionally Handicapped Children</td>
<td>928,000</td>
<td>957,200</td>
<td>957,200 2/</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>57,502,500</td>
<td>61,675,900</td>
<td>67,157,100 3/4/</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

Ch. 315, Childrens Behavioral Health System

| TOTAL APPROPRIATIONS                     | **57,502,500**   | **61,675,900**     | **83,757,100**     |

(Continued)

1/ Requires match of fifty percent or more in kind, subject to being reduced to 25 percent match in kind in case of a finding of financial hardship, subject to the approval of the Department of Health Services Director. Expenditures of these funds shall be mutually exclusive. Not more than ten percent of these funds may be utilized for administrative costs by any contractor receiving funds directly from the Department. Additionally, not more than five percent of the funds received by any contractor may be utilized for evaluation and/or auditing of programs supported with funds received directly from the Department.

2/ This program is subject to evaluation under the standard evaluation system approved by the Joint Legislative Budget Committee.

(Footnotes Continued on Following Page)
The approved amount includes $717,200 in Personal Services and $418,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $72,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor, funding for 13 new FTE positions to fully staff the statutory mandate to design and implement a computer system to track and monitor the chronically mentally ill and to provide the Division with information on all behavioral health programs. Includes automation of Southern Arizona Mental HealthCenter's billing, data tabulation, medical records and cost analysis functions and the operating and enhancement of the Arizona State Hospital PACE system: one EDP Computer Operator II, one EDP Technician Support Specialist II, one EDP Computer Operations Supervisor II, two Program/Analyst III's, one EDP Data Control Clerk, one Clinical Trainer, two Management Analyst II's, two Management Analyst I's, one Secretary and one Health Planning Consultant; the transfer-out of one Administrative Services Officer III to the Office of the Director; and, the deletion of one Executive Staff Assistant.

Residential Services for Seriously Emotionally Handicapped Children - Provides residential care for approximately thirty seriously emotionally handicapped children relative to non-medical and non-educational costs of placing them in a private school, institution or agency to meet their special educational needs.

Transitional Living - Provides funding for graduated steps of care between the hospital treatment unit and the living situation in the community. The approved amount includes $10,200 in Personal Services and $6,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

(Footnotes Continued From Previous Page)

3/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of permanent land funds are appropriated to the State Hospital in compliance with the Enabling Act and the constitution.

4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
ADDITIONAL APPROPRIATIONS

Childrens Behavioral Health System - H.B. 2338 (Chapter 315) - The following is appropriated from the General Fund to:

A. Establish a Childrens Behavioral Health Delivery System - $5,000,000
B. Establish a Regional Beds Program - 1,916,300
C. Expands existing services as follows:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMI (Non-Pilot Program)</td>
<td>$3,260,200</td>
</tr>
<tr>
<td>Mental Health</td>
<td>961,800</td>
</tr>
<tr>
<td>Substance Abuse</td>
<td>699,200</td>
</tr>
<tr>
<td>Arizona State Hospital</td>
<td>2,762,500</td>
</tr>
<tr>
<td>CMI Pilot Program</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td><strong>9,683,700</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$16,600,000</strong></td>
</tr>
</tbody>
</table>

Childrens Behavioral Health Delivery System - Provides funding for a comprehensive childrens behavioral health delivery system to include an increase in the availability of residential services, clinical consultations and case management services for an additional 20 seriously emotionally handicapped children.

Regional Residential/Psychiatric Inpatient Beds - A new program designed to provide more appropriate use of funds and reduce growth in Arizona State Hospital (ASH) census by developing secure residential/inpatient alternatives in local areas. To establish 20 acute regional psychiatric beds at an average cost of $135 per bed day for an average length of stay of 30-60 days and 50 secure residential beds at $51 per bed day for up to six months. (The ASH average cost per bed day is $151 with a 104 day median length of stay). This amount is for a six month start up cost plus six month operational cost.

Chronically Mentally Ill (CMI) - Increases funding for services to the Chronically Mentally Ill (CMI) to establish a balance in the continuum of care and initiate a phased-in approach to achieve full services for CMI in the community. These services will improve patient lifestyle and ensure more cost effective utilization of state funds.

Mental Health - Increases funding for Mental Health services to establish a full continuum of care, more effectively utilize state funds and initiate a phased-in approach to achieve a full range of services for mental health patients.

Substance Abuse - Increases funding for drug and alcohol abuse services to establish a full continuum of care, more effectively utilize state funds and initiate a phased-in approach to achieve full services for substance abusing clients.

(Continued)
Arizona State Hospital (ASH) - The increased funding will enable the hospital to hire 72 additional staff. This increased staffing will aid in regaining Medicare certification and provide better service to the reduced patient population brought about by the regional residential/psychiatric bed program.

CMI Pilot Program - The increased funding will allow a larger number of CMI's to be treated under the pilot program. Currently 416 patients are served. Approximately 250 additional patients will be served.
**DEPARTMENT OF HEALTH SERVICES - DISEASE PREVENTION**  
A.R.S. 36-2201

Ted Williams, Director (Tel. 255-1024)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>72.0</td>
<td>72.0</td>
<td>69.0</td>
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<td>Personal Services</td>
<td>1,502,000</td>
<td>1,722,900</td>
<td>1,648,000</td>
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<td>334,000</td>
<td>401,300</td>
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<td>Prof. &amp; Outside Services</td>
<td>167,300</td>
<td>127,700</td>
<td>133,000</td>
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<tr>
<td>Travel - State</td>
<td>45,100</td>
<td>89,200</td>
<td>98,700</td>
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<td>Travel - Out of State</td>
<td>5,800</td>
<td>8,300</td>
<td>8,400</td>
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<tr>
<td>Other Operating Exp.</td>
<td>1,567,700</td>
<td>1,884,100</td>
<td>1,883,500</td>
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<td>Equipment</td>
<td>147,700</td>
<td>34,000</td>
<td>14,900</td>
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<td>All Other Operating Exp.</td>
<td>1,933,600</td>
<td>2,143,300</td>
<td>2,140,500</td>
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<td>OPERATION SUB-TOTAL</td>
<td>3,769,600</td>
<td>4,267,500</td>
<td>4,198,000</td>
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<tr>
<td>TB Provider Hospital Care</td>
<td>857,000</td>
<td>950,000</td>
<td>966,100(^1)</td>
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<tr>
<td>Kidney Patient RLODC</td>
<td>302,100</td>
<td>100,000</td>
<td>100,000(^1)</td>
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<tr>
<td>Sex Transmitted Control</td>
<td>71,400</td>
<td>76,800</td>
<td>76,800(^1)</td>
</tr>
<tr>
<td>AIDS Reporting/Surveillance</td>
<td>29,000</td>
<td>125,000</td>
<td>125,000(^1)</td>
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<tr>
<td>Pesticide Poisoning</td>
<td>49,200</td>
<td>68,500</td>
<td>68,500</td>
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<tr>
<td>Health Effects Study-West</td>
<td>-0-</td>
<td>-0-</td>
<td>157,500</td>
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<tr>
<td>TOTAL</td>
<td>5,078,300</td>
<td>5,587,800</td>
<td>5,691,900(^2)</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

| Ch. 215, Chronic Disease Surveillance System | -- | 192,500 | -0- |
| TOTAL APPROPRIATIONS | 5,078,300 | 5,780,300 | 5,691,900 |

The approved amount includes $55,700 in Personal Services and $32,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

\(^1\) This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

\(^2\) Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The amount approved includes a four percent vacancy factor and the transfer-out of one Public Health Sanitarian II to the Department of Environmental Quality; and, the deletion of one Executive Staff Assistant and one unspecified FTE position.

Tuberculosis Provider Hospital Care and Tuberculosis Control Subventions - Provides for reimbursement to contract hospitals and physicians for the care of hospitalized tuberculosis patients, and for assistance to all county health departments for local tuberculosis control programs.

Kidney Patient Regional Limited Centers for Dialysis Care - Provides for reimbursement to provider hospitals and licensed dialysis centers of costs for transportation and medications for patients ineligible for public assistance.

County Venereal Disease Control Subventions - Provides assistance to local VD control programs.

AIDS Reporting/Surveillance - Provides a data base system to control the spread of AIDS and AIDS related conditions.

ADDITIONAL APPROPRIATIONS

Chronic Disease Surveillance System - H.B. 2083 (Chapter 215) - Appropriates the sum of $192,500 from the General Fund during FY 1987-88 for the purpose of establishing a chronic disease surveillance system and for personnel to complete the west Phoenix health effects studies. The amount appropriated is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, except that all monies remaining unexpended and unencumbered on June 30, 1989 revert to the state general fund.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,527,400</td>
<td>1,635,700</td>
<td>1,732,400</td>
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<td>Employee Related Exp.</td>
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<td>374,200</td>
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<td>Prof. &amp; Outside Services</td>
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<td>55,000</td>
<td>86,600</td>
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<tr>
<td>Travel - State</td>
<td>56,800</td>
<td>59,200</td>
<td>92,500</td>
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<tr>
<td>Travel - Out of State</td>
<td>2,300</td>
<td>4,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
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<td>398,000</td>
<td>422,400</td>
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<tr>
<td>Equipment</td>
<td>67,800</td>
<td>17,700</td>
<td>40,000</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>481,000</td>
<td>533,900</td>
<td>644,500</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>2,360,800</td>
<td>2,543,800</td>
<td>2,801,600</td>
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<tr>
<td>Nutrition Subventions</td>
<td>299,900</td>
<td>321,000</td>
<td>321,000</td>
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<tr>
<td>Cystic Fibrosis</td>
<td>203,600</td>
<td>212,900</td>
<td>212,900</td>
</tr>
<tr>
<td>Newborn Intensive Care</td>
<td>2,510,900</td>
<td>4,008,700</td>
<td>4,259,600</td>
</tr>
<tr>
<td>Child Rehab. Services</td>
<td>3,834,900</td>
<td>6,201,900</td>
<td>6,659,200</td>
</tr>
<tr>
<td>Information/Referral</td>
<td>39,600</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Adult Sickle Cell Anemia</td>
<td>19,100</td>
<td>65,000</td>
<td>66,700</td>
</tr>
<tr>
<td>Perinatal Health Care</td>
<td>2,687,200</td>
<td>1,652,400</td>
<td>252,400</td>
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<tr>
<td>WIC Food Program</td>
<td>-0-</td>
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<tr>
<td>Hearing Loss Identification</td>
<td>-0-</td>
<td>75,000</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>11,956,000</td>
<td>15,230,700</td>
<td>14,623,400</td>
</tr>
</tbody>
</table>

The approved amount includes $58,600 in Personal Services and $34,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,900 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a four percent vacancy factor and the transfer-in of six FTE positions from special line items: three Health Program Manager I's, one Nurse II, one Medical Social Services Representative and one Information Processing Specialist II; and, the deletion of three unspecified FTE positions.

(Continued)
Hearing Loss Identification - Funding of personnel for this program has been transferred to the operating budget.

Cystic Fibrosis - Provides care and treatment services for adult residents of the State suffering from cystic fibrosis.

Newborn Intensive Care - Provides for transport to and care for newborns in intensive care centers.

Child Rehabilitative Services - Provides for physicians, hospital care and ancillary services for children whose condition is diagnosed at the several divisional out-patient clinics.

Adult Sickle Cell Anemia - Provides funding for adults suffering from sickle cell anemia.

Perinatal Health Care - Provides funding for adequate prenatal care for women with incomes below the federal poverty level, but above the Arizona Health Care Cost Containment System (AHCCCS) eligibility cutoff.

Information/Referral - Provides funding for a statewide information and referral service for chronically ill and physically disabled children and a directory of services available from both the public and private sectors.
**DEPARTMENT OF HEALTH SERVICES - OFFICE OF THE DIRECTOR**  
A.R.S. 36-103

Ted Williams, Director (Tel. 255-1024)  
JLBC Analyst: Blanton

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>44.0</td>
<td>32.0</td>
<td>179.0</td>
</tr>
<tr>
<td>Personal Services</td>
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<td>1,055,800</td>
<td>4,156,500</td>
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<tr>
<td>Employee Related Exp.</td>
<td>233,800</td>
<td>211,000</td>
<td>934,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>5,400</td>
<td>8,500</td>
<td>526,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>23,700</td>
<td>22,900</td>
<td>40,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,100</td>
<td>2,700</td>
<td>3,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>78,000</td>
<td>114,200</td>
<td>2,157,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>31,000</td>
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<td>11,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>140,200</td>
<td>155,100</td>
<td>2,738,900</td>
</tr>
</tbody>
</table>

**OPERATION SUB-TOTAL**  
1,564,300          1,421,900          7,830,100

| Direct Grants to Counties | 578,000 | 578,000 | 578,000 |
| Reimbursement to Counties | 700,000 | 700,000 | 700,000 |
| Assistance to Health Systems Agency | 98,600 | -0- | -0- |

**TOTAL APPROPRIATIONS**  
2,940,900          2,699,900          9,108,100

The approved amount includes $140,600 in Personal Services and $82,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $14,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ The 15 Health Advising Committee members are not included in the number of full-time equivalent positions.

2/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

3/ This appropriation provides for local health work and is to be divided equally among the 15 counties on a non-matching basis, with each county to employ one Public Health Nurse and one Sanitarian. All funds received by a county under this appropriation which are not used for the prescribed purposes shall revert to the State General Fund.

4/ This appropriation is to provide matching funds to counties for local health work on a fifty-fifty matching basis and shall be distributed to each county on an equal per capita basis as determined by the latest federal decennial census.

5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

128
Personal Services - The amount approved includes a four percent vacancy factor and the transfer-in of 150 FTE positions: 149 from the consolidation of the Division of Administration and the Office of the Director and one Administrative Services Officer III from Behavioral Health; and, the deletion of three unspecified FTE positions.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Item</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
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<td>FTE Positions</td>
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<td>56.0</td>
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<td>Personal Services</td>
<td>1,232,300</td>
<td>1,301,400</td>
<td>1,357,500</td>
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<td>286,100</td>
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<td>Prof. &amp; Outside Services</td>
<td>3,300</td>
<td>8,800</td>
<td>8,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,600</td>
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<td>17,500</td>
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<tr>
<td>Travel - Out of State</td>
<td>3,900</td>
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<td>6,200</td>
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<td>Other Operating Exp.</td>
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<tr>
<td>Equipment</td>
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<td>100,000</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>408,100</td>
<td>477,000</td>
<td>534,800</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,926,500</strong></td>
<td><strong>2,088,600</strong></td>
<td><strong>2,241,700</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $45,900 in Personal Services and $26,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,600 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a four percent vacancy factor.

---

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### General Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.0</td>
<td>3.0</td>
<td>3.0</td>
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<tr>
<td>Personal Services</td>
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<td>81,100</td>
<td>83,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>16,700</td>
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<td>Prof. &amp; Outside Services</td>
<td>500</td>
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<td>Travel - State</td>
<td>2,400</td>
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<td>3,300</td>
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<tr>
<td>Other Operating Exp.</td>
<td>14,700</td>
<td>16,400</td>
<td>17,000</td>
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<tr>
<td>Equipment</td>
<td>0</td>
<td>1,400</td>
<td>400</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>17,600</td>
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<td>23,200</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>111,600</td>
<td>123,600</td>
<td>127,400</td>
</tr>
</tbody>
</table>

The approved amount includes $2,800 in Personal Services and $1,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

### Additional Legislation

Telecommunication Devices - H.B. 2082 (Chapter 145) - Continues the tax levied on telephone services to finance the Telecommunication Devices for the Deaf program of the Council for the Hearing Impaired.

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1/ Represents General Appropriation Act funds. Appropriated by lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>105,300</td>
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<td>Employee Related Exp.</td>
<td>19,600</td>
<td>24,100</td>
<td>23,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,300</td>
<td>9,600</td>
<td>7,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>20,300</td>
<td>19,300</td>
<td>11,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>25,600</td>
<td>28,900</td>
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<td>TOTAL APPROPRIATIONS</td>
<td>143,500</td>
<td>150,400</td>
<td>147,800</td>
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</table>

The approved amount includes $3,500 in Personal Services and $2,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects the deletion of one-half of an Administrative Secretary FTE position.

All Other Operating Expenditures - The amount approved reflects the elimination of agency rent paid to the Capital Outlay Stabilization Account for fiscal year 1989.

1/ Represents General Appropriation Act funds. Appropriated by lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### PIONEERS' HOME

**JLBC Analyst: Blanton**

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>110.0</td>
<td>110.0</td>
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<td>1,928,800</td>
<td>2,002,500</td>
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<tr>
<td>Employee Related Exp.</td>
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<td>535,300</td>
<td>564,300</td>
</tr>
<tr>
<td>Food</td>
<td>166,000</td>
<td>212,000</td>
<td>214,100</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td><strong>2,493,600</strong></td>
<td><strong>2,676,100</strong></td>
<td><strong>2,780,900</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $67,700 in Personal Services and $39,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $6,800 in Employee Related Expenditures for the increased retirement contribution.

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1/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of the permanent land funds are appropriated for the Pioneers' Home and the Hospital for Disabled Miners in compliance with the Enabling Act and the Constitution.
The appropriation includes a four percent adjustment for inflation, as per the provisions of 41-951.B, Arizona Revised Statutes. The pension for each of the two eligible recipients is $675 per month.
### GENERAL FUND AND VETERANS' GUARDIANSHIP FUND

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
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<tbody>
<tr>
<td>Veterans' Affairs</td>
<td>622,000</td>
<td>714,000</td>
<td>721,400</td>
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<tr>
<td>Veterans' Cemetery</td>
<td>163,000</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Veterans' Conservatorship</td>
<td>262,900</td>
<td>313,000</td>
<td>363,100</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
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<td><strong>1,027,000</strong></td>
<td><strong>1,084,500</strong></td>
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### Expenditure Detail

<table>
<thead>
<tr>
<th>FTE Positions</th>
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<td>688,300</td>
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<tr>
<td>Employee Related Exp.</td>
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<td>149,500</td>
<td>174,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>18,000</td>
<td>30,200</td>
<td>30,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,300</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>130,600</td>
<td>131,900</td>
<td>136,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>13,300</td>
<td>1,800</td>
<td>10,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>163,200</td>
<td>165,800</td>
<td>179,400</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>1,006,900</strong></td>
<td><strong>955,000</strong></td>
<td><strong>1,042,500</strong></td>
</tr>
<tr>
<td>Special Line Items</td>
<td>41,000</td>
<td>72,000</td>
<td>42,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,047,900</strong></td>
<td><strong>1,027,000</strong></td>
<td><strong>1,084,500</strong></td>
</tr>
</tbody>
</table>

### Fund Summary

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>785,000</td>
<td>714,000</td>
<td>721,400</td>
</tr>
<tr>
<td>Veterans' Guardianship Fund</td>
<td>262,900</td>
<td>313,000</td>
<td>363,100</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,047,900</strong></td>
<td><strong>1,027,000</strong></td>
<td><strong>1,084,500</strong></td>
</tr>
</tbody>
</table>
VETERANS' SERVICES COMMISSION - VETERANS' AFFAIRS

JLBC Analyst: Blanton

Norman O. Gallion, Director (Tel. 255-4713)

GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>402,100</td>
<td>432,000</td>
<td>452,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>87,100</td>
<td>95,100</td>
<td>110,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>16,100</td>
<td>27,300</td>
<td>27,800</td>
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<tr>
<td>Travel - Out of State</td>
<td>600</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>67,100</td>
<td>85,700</td>
<td>87,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>8,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>91,800</td>
<td>114,900</td>
<td>117,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>581,000</td>
<td>642,000</td>
<td>679,400</td>
</tr>
<tr>
<td>National Association of St. Dir. Conv.</td>
<td>5,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Veterans' Organization Contracts</td>
<td>36,000</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Native American Veterans' War Memorial</td>
<td>-0-</td>
<td>2,000</td>
<td>2,000 1/</td>
</tr>
<tr>
<td>Veterans Home Study</td>
<td>-0-</td>
<td>30,000</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>622,000</td>
<td>714,000</td>
<td>721,400 2/</td>
</tr>
</tbody>
</table>

The approved amount includes $15,300 in Personal Services and $8,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,500 in Employee Related Expenditures for the increased retirement contribution.

Veterans' Organization Contracts - Provides funding for contracts with Arizona Veterans' organizations that hold charters granted by Congress for the beneficial interest of veterans. (A.R.S. 41-603.A).

1/ This is a one time appropriation in support of S.B. 1451 (Chapter 185, Laws of 1987) and is exempt from provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the program. The objects of expenditure are for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>6.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>96,600</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>26,600</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>36,600</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>3,200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>39,800</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>163,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
</tbody>
</table>

---

1/ Passage of H.B. 2037 (Chapter 190, Laws of 1987) obviates the appropriation of funds for operation of the Cemetery.
<table>
<thead>
<tr>
<th>VETERANS' GUARDIANSHIP FUND</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>12.0</td>
<td>12.0</td>
<td>13.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>186,500</td>
<td>207,700</td>
<td>236,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>44,800</td>
<td>54,400</td>
<td>64,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,900</td>
<td>2,900</td>
<td>3,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>700</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>26,900</td>
<td>46,200</td>
<td>48,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,100</td>
<td>1,800</td>
<td>10,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>31,600</td>
<td>50,900</td>
<td>62,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>262,900</td>
<td>313,000</td>
<td>363,100</td>
</tr>
</tbody>
</table>

The approved amount includes $8,000 in Personal Services and $4,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for one new FTE position: one Fiscal Unit Supervisor to assume full supervisory responsibility for the Conservatorship/Guardianship Division which is responsible for the affairs of approximately 600 wards with assets of $13 million.

Equipment - The amount approved includes $10,000 for the purchase of modular workstations.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Position</td>
<td>3.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>72,000</td>
<td>88,900</td>
<td>116,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>14,200</td>
<td>16,700</td>
<td>25,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>37,100</td>
<td>62,500</td>
<td>28,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>6,400</td>
<td>8,300</td>
<td>8,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>18,300</td>
<td>20,500</td>
<td>12,100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>61,800</td>
<td>91,300</td>
<td>49,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>148,000</strong></td>
<td><strong>196,900</strong></td>
<td><strong>191,100</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $3,800 in Personal Services and $2,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

The line item detail shown above for FY 1988 and FY 1989 reflects a shift of funds from Professional and Outside Services to Personal Services and Employee Related Expenditures. This shift, authorized in February 1988, enables the Board to treat the appointed General Counsel as a full-time regular position rather than a contracted consultant.

**Personal Services** - The approved amount includes a salary of $35,000 for the General Counsel position.

**Professional and Outside Services** - The approved amount includes a reduction of $42,100 (which was shifted to Personal Services and Employee Related Expenditures for the General Counsel position), removal of the remaining $2,900 in contract funding for the General Counsel, and a $3,700 reduction in funds available for hearing officers and other professional services.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. Objects of expenditure are shown for informational purposes only.
## Program Summary

<table>
<thead>
<tr>
<th>Program</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Director</td>
<td>545,800</td>
<td>595,300</td>
<td>721,600</td>
</tr>
<tr>
<td>Field Operations</td>
<td>4,722,200</td>
<td>4,951,000</td>
<td>5,131,500</td>
</tr>
<tr>
<td>Environmental Quality-Pesticide</td>
<td>199,400</td>
<td>353,200</td>
<td>533,000</td>
</tr>
<tr>
<td>State Chemist</td>
<td>383,100</td>
<td>473,200</td>
<td>533,000</td>
</tr>
<tr>
<td>Fruit &amp; Veg. Standardization</td>
<td>707,900</td>
<td>744,800</td>
<td>746,600</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>6,558,400</strong></td>
<td><strong>7,119,500</strong></td>
<td><strong>7,132,700</strong></td>
</tr>
</tbody>
</table>

## Expenditure Detail

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>196.5</td>
<td>204.5</td>
<td>198.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>4,062,600</td>
<td>4,364,300</td>
<td>4,357,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>966,800</td>
<td>974,100</td>
<td>1,134,100</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>200,700</td>
<td>296,400</td>
<td>156,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>259,900</td>
<td>372,400</td>
<td>300,600</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>18,400</td>
<td>24,800</td>
<td>24,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>676,200</td>
<td>794,400</td>
<td>622,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>274,000</td>
<td>216,600</td>
<td>139,000</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>1,429,200</td>
<td>1,704,600</td>
<td>1,243,000</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>6,458,600</strong></td>
<td><strong>7,043,000</strong></td>
<td><strong>6,734,300</strong></td>
</tr>
<tr>
<td><strong>Special Line Items</strong></td>
<td>99,800</td>
<td>76,500</td>
<td>398,400</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>6,558,400</strong></td>
<td><strong>7,119,500</strong></td>
<td><strong>7,132,700</strong></td>
</tr>
</tbody>
</table>

## Fund Summary

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>5,467,400</td>
<td>5,899,500</td>
<td>5,853,100</td>
</tr>
<tr>
<td>Fertilizer Materials Fund</td>
<td>90,400</td>
<td>117,700</td>
<td>150,600</td>
</tr>
<tr>
<td>Pesticide Fund</td>
<td>148,700</td>
<td>174,400</td>
<td>192,800</td>
</tr>
<tr>
<td>Commercial Feed Fund</td>
<td>144,000</td>
<td>183,100</td>
<td>189,600</td>
</tr>
<tr>
<td>Fruit &amp; Vegetable Standardiz-</td>
<td>610,900</td>
<td>645,400</td>
<td>654,900</td>
</tr>
<tr>
<td>ization Fund</td>
<td>97,000</td>
<td>99,400</td>
<td>91,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>6,558,400</strong></td>
<td><strong>7,119,500</strong></td>
<td><strong>7,132,700</strong></td>
</tr>
</tbody>
</table>

### LAND, BUILDINGS AND IMPROVEMENTS

Agricultural Laboratory - H.B. 2379 (Chapter 317) - Appropriates $450,000 from the General Fund to the Department of Administration to refurbish the East Annex Building for the State Agricultural Laboratory.

1/ The number shown does not include the FTE positions authorized in the special line items.
The approved amount includes $7,800 in Personal Services and $4,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $800 in Employee Related Expenditures for the increased retirement contribution.

Environmental Quality - Director - The amount approved includes $77,300 for payments on research contracts studying integrated pest management techniques. The approved amount includes $2,600 in Personal Services and $1,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

Market News Service - The approved amount includes $900 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

1/ The number shown does not include 4.0 FTE positions for the Environmental Quality-Director program or 2.2 FTE positions for the Market News Service.

2/ The Environmental Quality program is no longer shown as a separate division of the Commission. The funding and functions of this program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.0</td>
<td>9.0</td>
<td>9.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personal Services</th>
<th>209,300</th>
<th>228,000</th>
<th>233,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Exp.</td>
<td>39,400</td>
<td>41,300</td>
<td>50,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>48,500</td>
<td>48,500</td>
<td>48,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>3,400</td>
<td>4,100</td>
<td>4,100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,400</td>
<td>3,800</td>
<td>3,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>192,900</td>
<td>227,100</td>
<td>121,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,000</td>
<td>1,000</td>
<td>-0-</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>All Other Operating Exp.</th>
<th>250,200</th>
<th>284,500</th>
<th>177,500</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>OPERATION SUB-TOTAL</th>
<th>498,900</th>
<th>553,800</th>
<th>461,800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noxious Weeds Eradication</td>
<td>10,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Env. Quality - Director</td>
<td>-0-</td>
<td>-0-</td>
<td>221,000</td>
</tr>
<tr>
<td>Market News Service</td>
<td>36,900</td>
<td>41,500</td>
<td>38,800</td>
</tr>
</tbody>
</table>

| TOTAL APPROPRIATIONS | 545,800 | 595,300 | 721,600 |

1/ The number shown does not include 4.0 FTE positions for the Environmental Quality-Director program or 2.2 FTE positions for the Market News Service.

2/ The Environmental Quality program is no longer shown as a separate division of the Commission. The funding and functions of this program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
### COMMISSION OF AGRICULTURE AND HORTICULTURE-FIELD OPERATIONS

**Dr. Ivan J. Shields, Director (255-4373)**  
**JLBC Analyst: Nairnark**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>155.5</td>
<td>160.5</td>
<td>158.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,227,400</td>
<td>3,373,600</td>
<td>3,441,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>783,200</td>
<td>767,100</td>
<td>912,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>44,600</td>
<td>44,700</td>
<td>44,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>122,800</td>
<td>195,700</td>
<td>152,300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>3,400</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>377,700</td>
<td>401,100</td>
<td>360,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>163,100</td>
<td>159,800</td>
<td>132,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>711,600</td>
<td>810,300</td>
<td>699,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>4,722,200</td>
<td>4,951,000</td>
<td>5,052,900</td>
</tr>
<tr>
<td>Env. Quality - Field</td>
<td>-0-</td>
<td>-0-</td>
<td>78,600</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>4,722,200</td>
<td>4,951,000</td>
<td>5,131,500</td>
</tr>
</tbody>
</table>

The approved amount includes $116,400 in Personal Services and $67,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $11,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes the elimination of $29,600 for 2.5 seasonal inspector aid positions, and incorporates a vacancy factor of three percent for a savings of $103,800.

**Travel - State** - The approved amount includes an $11,500 reduction to reflect lower Motor Pool rates and a $30,000 reduction for a decrease in miles travelled.

**Other Operating Expenditures** - The amount approved includes a $10,000 reduction in contingency funds available for repair and maintenance.

(Continued)

1/ The number shown does not include 2.0 FTE positions for the Environmental Quality - Field program.

2/ The Environmental Quality program is no longer shown as a separate division of the Commission. The funding and functions of this program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Equipment - The approved funding includes $11,600 for replacement office equipment, $34,500 for four replacement vehicles, and $70,200 for replacement laboratory equipment. The appropriation also includes $16,500 for the first lease/purchase payment on a dairy analysis machine which will be used to conduct tests for the contract with the Dairy Commissioner.

Environmental Quality - The approved amount includes $1,400 in Personal Services and $800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.
This pesticide regulation program was first funded in FY 1987 through a partial-year appropriation in the Environmental Quality Act (Chapter 368, Laws of 1986). The General Appropriation Act for FY 1988 (Chapter 334, Laws of 1987) provided full-year funding for the program as a separate division of the Commission of Agriculture and Horticulture. For FY 1989, the program is no longer shown as a separate division. The funding and functions of the program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.
### Expenditure Detail

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>9.5</td>
<td>9.5</td>
<td>11.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>230,200</td>
<td>249,300</td>
<td>295,300</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>51,800</td>
<td>54,300</td>
<td>74,000</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>16,400</td>
<td>49,500</td>
<td>49,500</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>14,400</td>
<td>26,100</td>
<td>23,100</td>
</tr>
<tr>
<td><strong>Travel - Out Of State</strong></td>
<td>9,100</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>37,000</td>
<td>62,300</td>
<td>73,700</td>
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<td><strong>Equipment</strong></td>
<td>24,200</td>
<td>21,700</td>
<td>5,400</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>101,100</td>
<td>171,600</td>
<td>163,700</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>383,100</td>
<td>475,200</td>
<td>533,000</td>
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</table>

### Fund Summary

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer Materials Fund</td>
<td>90,400</td>
<td>117,700</td>
<td>150,600</td>
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<tr>
<td>Pesticide Fund</td>
<td>148,700</td>
<td>174,400</td>
<td>192,800</td>
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<tr>
<td>Commercial Feed Fund</td>
<td>144,000</td>
<td>183,100</td>
<td>189,600</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>383,100</td>
<td>475,200</td>
<td>533,000</td>
</tr>
</tbody>
</table>

The approved amount includes $10,000 in Personal Services and $5,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes an additional Environmental Specialist position to work on pesticide regulation programs. The appropriation also increases a half-time Inspector position in Yuma to full-time.

**Other Operating Expenditures** - The approved amount includes a $2,700 increase for inflation, a $6,100 increase for the Risk Management insurance premium, and a $2,600 increase to support the new positions.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $13,100 in Personal Services and $7,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a $31,500 reduction to reflect actual current salaries, and a $6,300 increase to fund a half-time Typist position.

(Continued)
COMMISSION OF AGRICULTURE AND HORTICULTURE -
FRUIT AND VEGETABLE STANDARDIZATION (Cont'd)
FRUIT AND VEGETABLE STANDARDIZATION AND CITRUS REVOLVING FUNDS

Professional and Outside Services - The amount approved includes $5,000 to enhance automation of the Division's programs.

Travel - State - The amount approved includes a $13,400 reduction to reflect lower Motor Pool rates and true travel needs.

Other Operating Expenditures - The amount approved includes a $1,400 increase for inflation, a $12,100 increase for the Risk Management insurance premium, and a total of $18,600 for rent in private office space.

Cooperative Agreement - The approved amount includes a $25,000 increase to cover inspection costs associated with anticipated growth in the melon crop.
# GENERAL FUND

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>63.0</td>
<td>79.0</td>
<td>79.0</td>
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<td><strong>Personal Services</strong></td>
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<td>1,937,900</td>
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<td><strong>Employee Related Exp</strong>.</td>
<td>275,800</td>
<td>362,900</td>
<td>407,200</td>
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<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>14,100</td>
<td>8,900</td>
<td>9,200</td>
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<td><strong>Travel - State</strong></td>
<td>71,000</td>
<td>89,600</td>
<td>89,600</td>
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<tr>
<td><strong>Travel - Out of State</strong></td>
<td>16,500</td>
<td>33,700</td>
<td>18,900</td>
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<td><strong>Other Operating Exp</strong>.</td>
<td>219,600</td>
<td>210,700</td>
<td>245,200</td>
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<tr>
<td><strong>Equipment</strong></td>
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<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
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<td>342,900</td>
<td>362,900</td>
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<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>2,006,500</td>
<td>2,643,700</td>
<td>2,770,200</td>
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<td><strong>Receiverships</strong></td>
<td>228,300</td>
<td>250,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,234,800</td>
<td>2,893,700</td>
<td>3,065,500</td>
</tr>
</tbody>
</table>

1/ The approved amount includes $65,200 in Personal Services and $39,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $6,800 in Employee Related Expenditures for the increased retirement contribution.

2/ Personal Services - The amount approved includes vacancy savings of $63,700. Also, an adjustment was made to reflect the transfer of payments for an Assistant Attorney General to the Banking Department revolving fund.

---

1/ The Department shall assess and set fees that will assure that funds deposited to the General Fund shall equal or exceed their expenditure from the General Fund.

2/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>67.0</td>
<td>68.0</td>
<td>70.0</td>
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<tr>
<td>Personal Services</td>
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<td>1,627,800</td>
<td>1,680,500</td>
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<tr>
<td>Employee Related Exp.</td>
<td>301,300</td>
<td>332,100</td>
<td>398,000</td>
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<td>Prof. &amp; Outside Services</td>
<td>11,300</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>178,700</td>
<td>182,200</td>
<td>170,100</td>
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<tr>
<td>Travel - Out of State</td>
<td>8,900</td>
<td>9,400</td>
<td>9,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>255,700</td>
<td>324,000</td>
<td>334,700</td>
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<tr>
<td>Equipment</td>
<td>50,300</td>
<td>12,000</td>
<td>23,000</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>504,900</td>
<td>531,600</td>
<td>541,200</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>2,251,000</td>
<td>2,491,500</td>
<td>2,619,700</td>
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<tr>
<td>Fire Training School</td>
<td>17,600</td>
<td>18,000</td>
<td>24,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,268,600</td>
<td>2,509,500</td>
<td>2,643,700</td>
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</tbody>
</table>

The approved amount includes $56,800 in Personal Services and $33,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The appropriation includes funding for two new Deputy Fire Marshal 1 FTE positions. The appropriation does not include funding for the Assistant Director for Administration and the Assistant Director for Manufactured Housing positions; these two positions are to remain vacant during fiscal year 1989. In addition, the appropriation includes vacancy savings of $19,000.

**Equipment** - The approved amount includes funding for vehicles for the two new Deputy Fire Marshals.

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1/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
The approved amount includes $77,000 in Personal Services and $44,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $7,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation includes funding for 11 new FTE positions necessary for the regulation of commercial contracting: six Investigators, four Inspectors, and one Systems and Programming Manager. The appropriation also includes a reduction of $42,800 and 2.4 FTE positions to reflect the lack of funding for offices in Pinetop and Payson. In addition, the appropriation includes vacancy savings of $85,000.

Professional and Outside Services - The amount approved includes funding for an accounting software package and additional computer memory software. In addition, $50,000 is included for a construction specialist consulting contract.

Travel - State - The amount approved includes funding for the travel requirements of the new employees. Also, a deletion of $4,500 for travel associated with the Pinetop and Payson offices is included.

Equipment - The amount approved includes funding for replacement equipment for the new Phoenix office, computer modems and memory upgrades, and vehicles and office furniture for the new employees.

1/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This appropriation does not include funding for offices in Pinetop and Payson.
<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration/Hearing</td>
<td>1,960,400</td>
<td>2,040,500</td>
<td>1,823,100</td>
</tr>
<tr>
<td>Corporations</td>
<td>968,700</td>
<td>956,300</td>
<td>1,035,400</td>
</tr>
<tr>
<td>Securities</td>
<td>1,338,300</td>
<td>1,399,600</td>
<td>1,493,600</td>
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<tr>
<td>Railroad Safety</td>
<td>360,700</td>
<td>472,200</td>
<td>530,100</td>
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<tr>
<td>Utilities</td>
<td>3,851,000</td>
<td>4,039,500</td>
<td>4,396,300</td>
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<tr>
<td>Legal Division</td>
<td>717,900</td>
<td>889,800</td>
<td>904,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>9,197,000</td>
<td>9,757,900</td>
<td>10,182,700</td>
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</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>215.0</td>
<td>219.0</td>
<td>217.0</td>
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</table>

<table>
<thead>
<tr>
<th>Personal Services</th>
<th>5,349,400</th>
<th>5,703,900</th>
<th>5,961,800</th>
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<tbody>
<tr>
<td>Employee Related Exp.</td>
<td>1,045,100</td>
<td>1,108,200</td>
<td>1,376,700</td>
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<td>Prof. &amp; Outside Services</td>
<td>416,900</td>
<td>455,900</td>
<td>465,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>166,000</td>
<td>273,600</td>
<td>266,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>62,300</td>
<td>95,200</td>
<td>95,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,274,800</td>
<td>1,418,300</td>
<td>1,269,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>381,600</td>
<td>65,000</td>
<td>42,900</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>2,301,800</td>
<td>2,308,000</td>
<td>2,119,200</td>
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</table>

<table>
<thead>
<tr>
<th>OPERATION SUB-TOTAL</th>
<th>8,696,300</th>
<th>9,120,100</th>
<th>9,457,700</th>
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</thead>
<tbody>
<tr>
<td>Expert Testimony</td>
<td>-0-</td>
<td>-0-</td>
<td>25,000</td>
</tr>
<tr>
<td>Railroad Warning System</td>
<td>19,700</td>
<td>137,800</td>
<td>200,000</td>
</tr>
<tr>
<td>Utility Audits, Studies, Investigations &amp; Rate Hearings</td>
<td>481,000</td>
<td>500,000</td>
<td>500,000</td>
</tr>
</tbody>
</table>

| TOTAL APPROPRIATIONS                         | 9,197,000 | 9,757,900 | 10,182,700|

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
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<td>4,828,600</td>
<td>4,882,200</td>
</tr>
<tr>
<td>Utility Regulation Revolving Fund</td>
<td>4,568,900</td>
<td>4,929,300</td>
<td>5,269,700</td>
</tr>
<tr>
<td>Pipeline Safety Revolving Fund</td>
<td>-0-</td>
<td>-0-</td>
<td>30,800</td>
</tr>
</tbody>
</table>

| TOTAL APPROPRIATIONS                         | 9,197,000 | 9,757,900 | 10,182,700|
The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>40.0</td>
<td>40.0</td>
<td>38.0</td>
</tr>
<tr>
<td>Personal Services</td>
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<td>1,051,700</td>
<td>1,071,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>191,700</td>
<td>191,900</td>
<td>235,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>249,100</td>
<td>197,300</td>
<td>197,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>9,700</td>
<td>7,200</td>
<td>6,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>16,400</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
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<td>302,000</td>
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<tr>
<td>Equipment</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>729,500</td>
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</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,960,400</td>
<td>2,040,500</td>
<td>1,823,100</td>
</tr>
</tbody>
</table>

The approved amount includes $31,200 in Personal Services and $20,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects the elimination of two data processing FTE positions, an Executive Consultant and a Programmer Analyst. In addition, the amount approved includes a one percent vacancy factor.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>37.0</td>
<td>37.0</td>
<td>37.0</td>
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<tr>
<td>Personal Services</td>
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<td>Prof. &amp; Outside Services</td>
<td>14,700</td>
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<td>8,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>500</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
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<td>-0-</td>
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<tr>
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<td>Equipment</td>
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<tr>
<td>All Other Operating Exp.</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>968,700</td>
<td>956,300</td>
<td>1,035,400</td>
</tr>
</tbody>
</table>

The approved amount includes $21,800 in Personal Services and $12,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,200 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a one percent vacancy factor.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.


<table>
<thead>
<tr>
<th>Department</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>39.0</td>
<td>39.0</td>
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<tr>
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<td>1,061,000</td>
<td>1,109,400</td>
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<tr>
<td>Employee Related Exp.</td>
<td>191,300</td>
<td>195,800</td>
<td>245,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>43,600</td>
<td>16,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>4,600</td>
<td>5,700</td>
<td>5,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
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<tr>
<td>Other Operating Exp.</td>
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<tr>
<td>Equipment</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td>OPERATION SUB-TOTAL</td>
<td>1,338,300</td>
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<td>1,468,600</td>
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<tr>
<td>Expert Testimony</td>
<td>-0-</td>
<td>-0-</td>
<td>25,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,338,300</td>
<td>1,359,600</td>
<td>1,493,600 /1/</td>
</tr>
</tbody>
</table>

The approved amount includes $37,500 in Personal Services and $21,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,800 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a four percent vacancy factor.

**Expert Testimony** - The amount approved includes funding for expert witnesses and consulting services required to initiate and follow through with administrative and court proceedings.

/1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

**GENERAL FUND**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>9.0</td>
<td>9.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>211,800</td>
<td>224,900</td>
<td>212,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>49,000</td>
<td>49,500</td>
<td>53,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>300</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Travel - State</td>
<td>41,800</td>
<td>35,000</td>
<td>34,100</td>
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<tr>
<td>Travel - Out of State</td>
<td>1,800</td>
<td>3,800</td>
<td>3,800</td>
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<tr>
<td>Other Operating Exp.</td>
<td>16,200</td>
<td>21,200</td>
<td>21,200</td>
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<tr>
<td>Equipment</td>
<td>20,100</td>
<td>-0-</td>
<td>4,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>80,200</td>
<td>60,000</td>
<td>63,300</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>341,000</td>
<td>334,400</td>
<td>330,100</td>
</tr>
<tr>
<td>Railroad Warning System</td>
<td>19,700</td>
<td>137,800</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>360,700</td>
<td>472,200</td>
<td>530,100</td>
</tr>
</tbody>
</table>

The approved amount includes $7,200 in Personal Services and $4,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes the transfer-out of one FTE position, an Administrative Secretary, to the Utilities division.

---

1/ This appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

**UTILITY REGULATION REVOLVING FUND AND PIPELINE SAFETY REVOLVING FUND**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>77.0</td>
<td>80.0</td>
<td>81.0</td>
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<tr>
<td>Personal Services</td>
<td>2,023,800</td>
<td>2,210,400</td>
<td>2,381,400</td>
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<tr>
<td>Employee Related Exp.</td>
<td>400,500</td>
<td>435,800</td>
<td>560,500</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>86,000</td>
<td>94,300</td>
<td>94,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>104,600</td>
<td>212,600</td>
<td>207,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>30,700</td>
<td>58,400</td>
<td>58,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>515,800</td>
<td>519,900</td>
<td>564,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>208,600</td>
<td>8,100</td>
<td>30,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>945,700</td>
<td>893,300</td>
<td>954,600</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>3,370,000</td>
<td>3,539,500</td>
<td>3,896,500</td>
</tr>
<tr>
<td>Utility Audits, Studies, Investigations &amp; Rate Hearings</td>
<td>481,000</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,851,000</td>
<td>4,039,500</td>
<td>4,396,500</td>
</tr>
</tbody>
</table>

The approved amount includes $80,500 in Personal Services and $46,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $8,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ This appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

2/ Three FTE (one Auditor authorized in FY 1986, and one Utility Consultant and one Investigator authorized in FY 1988) are for the primary use of the Small Water Companies Technical Assistance Program.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
CORPORATION COMMISSION - UTILITIES (Cont'd)
UTILITY REGULATION REVOLVING FUND AND PIPELINE SAFETY REVOLVING FUND

Personal Services - The amount approved includes the transfer-in of one FTE position, an Administrative Secretary, from the Railroad Safety division. In addition, the amount approved includes a three percent vacancy factor.

Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

Equipment - The amount approved includes funding from the Pipeline Safety Revolving Fund for the purchase of a new vehicle and computer equipment.
The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

<table>
<thead>
<tr>
<th>UTILITY REGULATION REVOLVING FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>13.0</td>
<td>14.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>468,400</td>
<td>543,400</td>
<td>542,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>73,600</td>
<td>94,000</td>
<td>107,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>23,200</td>
<td>139,900</td>
<td>139,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>4,800</td>
<td>13,000</td>
<td>12,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>12,500</td>
<td>21,000</td>
<td>21,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>93,100</td>
<td>76,600</td>
<td>81,000</td>
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<tr>
<td>Equipment</td>
<td>42,300</td>
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<td>-0-</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>175,900</td>
<td>252,400</td>
<td>254,500</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>717,900</td>
<td>889,800</td>
<td>904,000</td>
</tr>
</tbody>
</table>

The approved amount includes $18,300 in Personal Services and $10,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,800 in Employee Related Expenditures for the increased retirement contribution.

Other Operating Expenditures - The amount approved includes funding for inflationary increases as well as funding for the payment of rent to the Department of Administration.

Represented General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>8.0</td>
<td>8.0</td>
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<tr>
<td>Personal Services</td>
<td>195,700</td>
<td>225,200</td>
<td>215,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>45,200</td>
<td>52,100</td>
<td>52,600</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>82,300</td>
<td>128,700</td>
<td>128,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>20,500</td>
<td>24,300</td>
<td>24,300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,200</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>40,400</td>
<td>37,000</td>
<td>41,700</td>
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<tr>
<td>Equipment</td>
<td>3,500</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>150,900</td>
<td>194,000</td>
<td>198,700</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>391,800</td>
<td>471,300</td>
<td>466,900</td>
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</tbody>
</table>

The approved amount includes $6,000 in Personal Services and $4,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects a decrease in funding for the elimination of a half-time FTE position, an Inspector.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
**INDUSTRIAL COMMISSION - SUMMARY**

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>1,767,300</td>
<td>1,519,000</td>
<td>1,933,900</td>
</tr>
<tr>
<td>Claims</td>
<td>2,136,000</td>
<td>2,839,800</td>
<td>2,923,700</td>
</tr>
<tr>
<td>Administrative Law Judge</td>
<td>2,634,000</td>
<td>2,828,800</td>
<td>3,174,900</td>
</tr>
<tr>
<td>Labor</td>
<td>258,900</td>
<td>275,800</td>
<td>341,600</td>
</tr>
<tr>
<td>Occupational Safety &amp; Health</td>
<td>1,253,900</td>
<td>1,433,000</td>
<td>1,531,300</td>
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<tr>
<td>Special Fund</td>
<td>200,400</td>
<td>389,600</td>
<td>426,800</td>
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<tr>
<td>Legal Counsel</td>
<td>0</td>
<td>371,200</td>
<td>546,900</td>
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</tbody>
</table>

**TOTAL APPROPRIATIONS**

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,250,500</td>
<td>9,657,200</td>
<td>10,879,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td><strong>217.0</strong></td>
<td><strong>218.0</strong></td>
<td><strong>245.0</strong></td>
</tr>
<tr>
<td>Personal Services</td>
<td>4,539,500</td>
<td>5,029,600</td>
<td>5,687,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>952,900</td>
<td>1,100,800</td>
<td>1,357,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,011,800</td>
<td>1,644,600</td>
<td>1,655,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>105,000</td>
<td>124,200</td>
<td>136,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,400</td>
<td>5,800</td>
<td>5,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,447,200</td>
<td>1,577,200</td>
<td>1,827,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>189,700</td>
<td>175,000</td>
<td>209,300</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td><strong>2,758,100</strong></td>
<td><strong>3,526,800</strong></td>
<td><strong>3,834,600</strong></td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,250,500</td>
<td>9,657,200</td>
<td>10,879,100</td>
</tr>
</tbody>
</table>

**LAND, BUILDINGS AND IMPROVEMENTS**

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates $20,000 from the Industrial Commission Special Fund to the Department of Administration for the maintenance and repair of state buildings.
Larry Etchechury, Director (Tel. 255-4411)

<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>40.0</td>
<td>32.0</td>
<td>36.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>888,200</td>
<td>765,400</td>
<td>852,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>180,000</td>
<td>158,200</td>
<td>194,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>71,000</td>
<td>74,800</td>
<td>101,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>18,600</td>
<td>15,300</td>
<td>15,100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>521,100</td>
<td>503,800</td>
<td>725,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>86,900</td>
<td>-0-</td>
<td>43,900</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>699,100</td>
<td>595,400</td>
<td>887,300</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>1,767,300</td>
<td>1,519,000</td>
<td>1,933,900</td>
</tr>
</tbody>
</table>

The approved amount includes $27,500 in Personal Services and $16,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,900 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for eight new FTE positions: one Attorney, two Claims Specialists and one Secretary to establish an ombudsman program; an Accounting Clerk and Storekeeper to accommodate increased clerical workloads; and, a Typist and a Research and Statistical Assistant to perform statistical analysis of workers' compensation claims. In addition, four FTE positions, a Data Entry Supervisor and three Data Entry Operators, were transferred to the Claims division.

**Professional and Outside Services** - The amount approved includes a transfer-in of funding from the Special Fund division for the provision of actuarial services.

**Other Operating Expenditures** - The amount approved includes funding for increased rental space costs.

**Equipment** - The amount approved includes funding for computer hardware.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### INDUSTRIAL COMMISSION - CLAIMS

**Larry Etchechury, Director (Tel. 255-4411)**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>81.0</td>
<td>76.0</td>
<td>85.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>1,172,600</td>
<td>1,207,700</td>
<td>1,389,600</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>272,300</td>
<td>316,900</td>
<td>384,900</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>273,200</td>
<td>741,500</td>
<td>630,300</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>6,500</td>
<td>3,000</td>
<td>4,900</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>1,600</td>
<td>1,700</td>
<td>1,700</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>361,100</td>
<td>425,200</td>
<td>452,600</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>48,700</td>
<td>143,800</td>
<td>59,700</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>691,100</td>
<td>1,313,200</td>
<td>1,149,200</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,136,000</td>
<td>2,839,800</td>
<td>2,923,700</td>
</tr>
</tbody>
</table>

The approved amount includes $47,000 in Personal Services and $27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for four new FTE positions: two Claims Technicians and a Typist to monitor unfair claims processing, and a Typist to be located in the Tucson office. In addition, four FTE positions, a Data Entry Supervisor and three Data Entry Operators, were transferred from the Administration division, and one FTE position, a Clerk Typist, was transferred from the Special Fund division.

**Professional and Outside Services** - The amount approved reflects a decrease in funding for one-time programming costs in FY 1988.

**Equipment** - The amount approved reflects a decrease in funding for one-time computer equipment purchases in FY 1988.

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\[1\] Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
**INDUSTRIAL COMMISSION - ADMINISTRATIVE LAW JUDGE**

**Larry Etchechury, Director (Tel. 255-4411)**

**JLBC Analyst: Bellgardt**

<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>43.0</td>
<td>43.0</td>
<td>49.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,399,500</td>
<td>1,489,400</td>
<td>1,644,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>268,000</td>
<td>275,500</td>
<td>346,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>622,500</td>
<td>705,500</td>
<td>810,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>9,900</td>
<td>9,100</td>
<td>11,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>305,300</td>
<td>336,800</td>
<td>312,100</td>
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<tr>
<td>Equipment</td>
<td>28,800</td>
<td>12,500</td>
<td>50,300</td>
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<tr>
<td>All Other Operating Exp.</td>
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<td>1,063,900</td>
<td>1,184,200</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,634,000</td>
<td>2,828,800</td>
<td>3,174,900 (^{1/})</td>
</tr>
</tbody>
</table>

The approved amount includes $55,600 in Personal Services and $32,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,600 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for six new FTE positions: two Attorneys, two Legal Secretaries and two Typists. In addition, the amount approved reflects a 1.5 percent vacancy factor.

**Professional and Outside Services** - The amount approved includes an increase in funding for court reporting and professional witness fees.

\(^{1/}\) Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>9.0</td>
<td>9.0</td>
<td>11.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>165,800</td>
<td>181,200</td>
<td>218,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>36,100</td>
<td>40,700</td>
<td>54,700</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>400</td>
<td>1,600</td>
<td>1,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>4,700</td>
<td>4,700</td>
<td>7,900</td>
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<tr>
<td>Travel - Out of State</td>
<td>900</td>
<td>1,400</td>
<td>1,400</td>
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<tr>
<td>Other Operating Exp.</td>
<td>47,600</td>
<td>46,200</td>
<td>50,100</td>
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<tr>
<td>Equipment</td>
<td>3,400</td>
<td>-0-</td>
<td>7,800</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>37,000</td>
<td>53,900</td>
<td>68,800</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>258,900</td>
<td>275,800</td>
<td>341,600</td>
</tr>
</tbody>
</table>

The approved amount includes $7,400 in Personal Services and $4,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for two new FTE positions, a Labor Law Investigator and a Typist, for the investigation of child labor violations.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Larry Etchechury, Director (Tel. 255-4411)

<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>37.0</td>
<td>36.0</td>
<td>36.0</td>
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<tr>
<td>Personal Services</td>
<td>794,400</td>
<td>879,800</td>
<td>932,400</td>
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<tr>
<td>Employee Related Exp.</td>
<td>171,700</td>
<td>198,300</td>
<td>226,300</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>25,300</td>
<td>60,700</td>
<td>61,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>65,300</td>
<td>87,000</td>
<td>86,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>400</td>
<td>700</td>
<td>700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>182,300</td>
<td>187,800</td>
<td>203,000</td>
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<tr>
<td>Equipment</td>
<td>14,500</td>
<td>18,700</td>
<td>21,000</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>287,800</td>
<td>354,900</td>
<td>372,600</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,253,900</strong></td>
<td><strong>1,433,000</strong></td>
<td><strong>1,531,300</strong></td>
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</tbody>
</table>

The approved amount includes $31,500 in Personal Services and $18,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,200 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for the reclassification of FTE positions.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### SPECIAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>7.0</td>
<td>13.0</td>
<td>14.0</td>
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<tr>
<td><strong>Personal Services</strong></td>
<td>119,000</td>
<td>250,500</td>
<td>280,900</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>24,800</td>
<td>59,800</td>
<td>70,500</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>19,400</td>
<td>35,700</td>
<td>19,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>3,000</td>
<td>3,900</td>
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<tr>
<td>Other Operating Exp.</td>
<td>29,800</td>
<td>40,600</td>
<td>43,800</td>
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<tr>
<td>Equipment</td>
<td>7,400</td>
<td>-0-</td>
<td>8,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>56,600</td>
<td>79,300</td>
<td>75,400</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>200,400</td>
<td>389,600</td>
<td>426,800</td>
</tr>
</tbody>
</table>

The approved amount includes $9,500 in Personal Services and $5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for two new FTE positions, a Claims Specialist and a Typist, to process no-insurance claims. In addition, a Clerk Typist was transferred to the Claims division.

**Professional and Outside Services** - The amount approved reflects a transfer-out of funding to the Administration division for the provision of actuarial services.

\[/\] Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>SPECIAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>-0-</td>
<td>9.0</td>
<td>14.0</td>
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<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>235,600</td>
<td>369,300</td>
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<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>51,400</td>
<td>80,500</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>24,800</td>
<td>31,300</td>
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<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>2,100</td>
<td>7,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>36,800</td>
<td>40,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>18,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>64,200</td>
<td>97,100</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>-0- 1/</td>
<td>371,200</td>
<td>546,900 2/</td>
</tr>
</tbody>
</table>

The approved amount includes $12,500 in Personal Services and $7,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for five new FTE positions: two Attorneys, two Legal Secretaries and a Typist.

1/ The appropriation for Legal Counsel in FY 1987 was contained in the appropriation for the Administration division.
2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Susan Gallinger, Director (Tel. 255-5400)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>61.0</td>
<td>61.0</td>
<td>69.0</td>
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<tr>
<td>Personal Services</td>
<td>1,366,700</td>
<td>1,446,200</td>
<td>1,548,500</td>
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<tr>
<td>Employee Related Exp.</td>
<td>272,300</td>
<td>295,200</td>
<td>345,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>28,100</td>
<td>33,600</td>
<td>19,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>6,200</td>
<td>7,800</td>
<td>10,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>15,700</td>
<td>10,400</td>
<td>8,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>352,600</td>
<td>417,500</td>
<td>439,700</td>
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<tr>
<td>Equipment</td>
<td>22,300</td>
<td>6,500</td>
<td>24,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>424,900</td>
<td>475,800</td>
<td>502,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>2,063,900</td>
<td>2,217,200</td>
<td>2,395,800</td>
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<tr>
<td>Office Relocation</td>
<td>-0-</td>
<td>-0-</td>
<td>69,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,063,900</td>
<td>2,217,200</td>
<td>2,465,200</td>
</tr>
</tbody>
</table>

The approved amount includes $52,400 in Personal Services and $30,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 1.5 percent vacancy factor on existing positions for a savings of $20,600. Full-year funding is included for seven new positions: four Insurance Analysts, one Examiner Technician, one Administrative Assistant, and one Clerical Assistant. The appropriation also includes two-month's funding for a Systems Project Manager to oversee the Department's computer system, scheduled to begin operating in May 1989.

Professional and Outside Services - The approved amount includes a reduction of $10,000 for a temporary contract actuary since the Department has hired a permanent actuary on staff. The appropriation also includes a reduction of approximately $5,000 for contract hearing officers which were required in FY 1988 for cases in which the Department had a conflict of interest.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
DEPARTMENT OF INSURANCE (Cont'd)
GENERAL FUND

Travel - State - The approved amount includes the addition of $2,300 to reimburse members of the Consumer Advisory Board for their travel expenses (the Board was created by Chapter 136, Laws of 1987).

Other Operating Expenditures - The approved amount includes increased funding for: the telephone lease/purchase payment, repair and maintenance contracts, postage expenses, operating costs for the newly-authorized FTE positions, and office rent. The appropriation includes $236,900 for the Department to rent private office space in a new location and $3,900 for inflation.

Equipment - The amount approved includes $8,000 for replacement equipment and $16,800 to purchase furniture and equipment for the new positions.

Office Relocation - The approved amount includes $10,900 for moving expenses and $58,300 for the purchase of modular furniture.

ADDITIONAL LEGISLATION

S.B. 1360, (Chapter 259) - Transfers the first $100,000 collected from the fire insurance premium tax to the fund manager of the Public Safety Personnel Retirement System, instead of depositing the collections into the local firefighters' relief and pension funds. The $100,000 will support a study commission on cancer in professional firefighters.
Hugh Ennis, Superintendent (Tel. 255-5141)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>60.5</td>
<td>60.5</td>
<td>60.5</td>
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<td>Personal Services</td>
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<td>1,194,700</td>
<td>1,260,800</td>
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<tr>
<td>Employee Related Exp.</td>
<td>251,200</td>
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<td>302,800</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>39,900</td>
<td>85,800</td>
<td>53,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>83,100</td>
<td>113,200</td>
<td>105,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,400</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>297,700</td>
<td>383,200</td>
<td>374,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>56,400</td>
<td>10,800</td>
<td>43,200</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>479,500</td>
<td>600,000</td>
<td>583,400</td>
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<tr>
<td>Total Appropriations</td>
<td>1,891,200</td>
<td>2,049,800</td>
<td>2,147,000</td>
</tr>
</tbody>
</table>

The approved amount includes $42,400 in Personal Services and $24,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 3.5 percent vacancy factor for a savings of $42,000.

Professional and Outside Services - The approved amount includes a $10,000 increase in funding for court reporting, a $25,400 reduction in funding for computer programming, and the removal of $16,000 for a temporary contract Enforcement Supervisor.

Other Operating Expenditures - The approved amount includes an increase of $1 per square foot for rent in the Industrial Commission Building and a decrease for reduced rental space. The appropriation contains $198,600 for rental payment on approximately 14,700 square feet of space.

Equipment - The amount approved includes $21,600 for the Department to purchase a replacement mobile radio system.

\[1/\text{Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.}\]
**ARIZONA LIVESTOCK BOARD - SUMMARY**

Earl Kelly, Director (255-4196)

**GENERAL FUND**

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Services</td>
<td>614,263</td>
<td>640,500</td>
<td>595,800</td>
</tr>
<tr>
<td>Animal Disease Control</td>
<td>169,679</td>
<td>138,300</td>
<td>168,200</td>
</tr>
<tr>
<td>Livestock Inspection</td>
<td>1,941,860</td>
<td>2,106,200</td>
<td>2,092,600</td>
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<tr>
<td>Meat and Poultry Inspection</td>
<td>782,859</td>
<td>841,800</td>
<td>891,600</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,508,661</td>
<td>3,726,800</td>
<td>3,748,200</td>
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</table>

**Expenditure Detail**

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>109.2</th>
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<th>108.2</th>
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<tr>
<td>Personal Services</td>
<td>2,218,949</td>
<td>2,392,800</td>
<td>2,439,800</td>
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<tr>
<td>Employee Related Exp.</td>
<td>533,036</td>
<td>599,700</td>
<td>642,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>68,798</td>
<td>57,000</td>
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</tr>
<tr>
<td>Travel - State</td>
<td>225,623</td>
<td>283,500</td>
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</tr>
<tr>
<td>Travel - Out of State</td>
<td>5,855</td>
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<td>6,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>259,600</td>
<td>272,300</td>
<td>247,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>121,800</td>
<td>40,500</td>
<td>21,300</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>681,676</td>
<td>659,300</td>
<td>590,600</td>
</tr>
</tbody>
</table>

**OPERATION SUB-TOTAL**

|                               | 3,433,661        | 3,651,800          | 3,673,200          |
| Predator Control               | 75,000           | 75,000             | 75,000             |
| **TOTAL APPROPRIATIONS**       | 3,508,661        | 3,726,800          | 3,748,200          |

**ADDITIONAL LEGISLATION**

Livestock Board Omnibus Bill - H.B. 2100 (Chapter 165) - is a comprehensive update of Chapter 24, which governs the activities of the Livestock Board. Provisions which have direct fiscal impact include:

- Changes equine inspection fees from $3.50 per head plus a service charge of $3.00 to a flat fee of $5.00 per head.
- Increased the fee for an equine ownership and hauling certificate from $3.50 to $5.00 per head.
- Establishes a seasonal brand inspection certificate for exhibition livestock, for a fee of $5.00 plus 50 cents per head in excess of ten.
- Establishes an equine trader permit, which will cost $100 per year.
- Unencumbered funds in the Seizure Fund in excess of $5,000 will revert to the General Fund.

1/ Represents General Appropriation Act Funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>17.5</td>
<td>17.5</td>
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<tr>
<td>Personal Services</td>
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<td>348,200</td>
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<tr>
<td>Employee Related Exp.</td>
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<td>Prof. &amp; Outside Services</td>
<td>58,968</td>
<td>50,000</td>
<td>36,000</td>
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<tr>
<td>Travel - State</td>
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<td>5,600</td>
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<td>Travel - Out of State</td>
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<td>1,800</td>
<td>1,800</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>Equipment</td>
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<td>-0</td>
<td>-0</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td><strong>172,675</strong></td>
<td><strong>147,900</strong></td>
<td><strong>87,900</strong></td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>539,263</strong></td>
<td><strong>565,500</strong></td>
<td><strong>520,800</strong></td>
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<tr>
<td>Predator Control</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>614,263</strong></td>
<td><strong>640,500</strong></td>
<td><strong>595,800</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $11,600 in Personal Services and $6,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,200 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
Earl Kelly, Director (Tel. 255-4196)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Personal Services</td>
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<td>112,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>24,621</td>
<td>18,900</td>
<td>27,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>13,176</td>
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<td>Travel - Out of State</td>
<td>680</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>19,177</td>
<td>18,700</td>
<td>13,700</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>33,033</td>
<td>35,200</td>
<td>28,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>169,679</td>
<td>138,300</td>
<td>168,200</td>
</tr>
</tbody>
</table>

The approved amount includes $3,800 in Personal Services and $2,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
Earl Kelly, Director (Tel. 255-4196)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>62.0</td>
<td>61.0</td>
<td>61.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,243,103</td>
<td>1,370,100</td>
<td>1,359,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>319,593</td>
<td>363,100</td>
<td>370,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>153,145</td>
<td>201,000</td>
<td>186,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,127</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>104,092</td>
<td>129,700</td>
<td>132,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>120,800</td>
<td>40,500</td>
<td>21,300</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>379,164</td>
<td>373,000</td>
<td>362,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,941,860</td>
<td>2,106,200</td>
<td>2,092,600</td>
</tr>
</tbody>
</table>

The approved amount includes $46,000 in Personal Services and $26,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a vacancy factor of 6.3 percent, which is equal to $88,200.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>25.7</td>
<td>25.7</td>
<td>25.7</td>
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<tr>
<td>Personal Services</td>
<td>557,649</td>
<td>595,100</td>
<td>619,700</td>
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<tr>
<td>Employee Related Exp.</td>
<td>128,406</td>
<td>143,400</td>
<td>160,100</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>9,830</td>
<td>7,000</td>
<td>13,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>55,022</td>
<td>61,000</td>
<td>61,000</td>
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<tr>
<td>Travel - Out of State</td>
<td>2,002</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>29,950</td>
<td>34,100</td>
<td>36,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>96,804</td>
<td>103,300</td>
<td>111,800</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>782,859</td>
<td>841,800</td>
<td>891,600</td>
</tr>
</tbody>
</table>

The approved amount includes $21,000 in Personal Services and $12,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,100 in Employee Related Expenditures for the increased retirement contribution.

This program operates under a 50 percent cost-sharing agreement with the United States Department of Agriculture. Federal funds will be deposited in the General Fund, and will reimburse the state for 50 percent of the "Total Appropriations" line.

\[1/\] Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>16.0</td>
<td>16.0</td>
<td>16.0</td>
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<tr>
<td><strong>Personal Services</strong></td>
<td>410,000</td>
<td>441,900</td>
<td>447,100</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>84,600</td>
<td>92,700</td>
<td>104,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>64,100</td>
<td>72,300</td>
<td>61,700</td>
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<tr>
<td>Travel - Out of State</td>
<td>1,800</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>88,400</td>
<td>88,100</td>
<td>94,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>43,100</td>
<td>40,300</td>
<td>2,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>197,400</td>
<td>202,300</td>
<td>160,300</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>692,000</td>
<td>737,100</td>
<td>711,300</td>
</tr>
<tr>
<td>Mine Safety Program</td>
<td>-0-</td>
<td>38,800</td>
<td>38,800</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>692,000</td>
<td>775,900</td>
<td>750,300</td>
</tr>
</tbody>
</table>

The approved amount includes $13,900 in Personal Services and $8,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved reflects a one percent vacancy factor.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
**OCCUPATIONAL SAFETY AND HEALTH ACT REVIEW BOARD**

**A.R.S. 23-422**

**JLBC Analyst:** Bellgardt

Jack Duncan, Chairman (Tel. 864-0893)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>300</td>
<td>900</td>
<td>1,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>6,000</td>
<td>5,800</td>
<td>1,300</td>
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<tr>
<td>Travel - State</td>
<td>100</td>
<td>200</td>
<td>300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>6,100</td>
<td>6,100</td>
<td>1,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>6,400</strong></td>
<td><strong>7,100</strong></td>
<td><strong>3,300</strong></td>
</tr>
</tbody>
</table>

1/ Of the estimated expenditure, $5,500 was appropriated and $1,600 was expended from carry-forward funds.

2/ The appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

3/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### Program Summary

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Racing</td>
<td>1,891,700</td>
<td>2,553,100</td>
<td>2,131,600</td>
</tr>
<tr>
<td>County Fair Racing</td>
<td>218,900</td>
<td>289,000</td>
<td>302,000</td>
</tr>
<tr>
<td>Arizona Racing Industry</td>
<td>12,200</td>
<td>13,700</td>
<td>15,300</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,122,800</td>
<td>2,855,800</td>
<td>2,448,900</td>
</tr>
</tbody>
</table>

|                      |       |       |       |
|                      | 67.9  | 68.7  | 54.9  |

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,222,700</td>
<td>1,680,500</td>
<td>1,368,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>236,600</td>
<td>302,400</td>
<td>284,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>385,800</td>
<td>528,400</td>
<td>441,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>105,400</td>
<td>146,800</td>
<td>130,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,500</td>
<td>9,000</td>
<td>8,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>139,000</td>
<td>173,300</td>
<td>215,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>30,800</td>
<td>15,400</td>
<td>1,400</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,122,800</td>
<td>2,855,800</td>
<td>2,448,900</td>
</tr>
</tbody>
</table>

### Fund Summary

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>1,903,900</td>
<td>2,566,800</td>
<td>2,146,900</td>
</tr>
<tr>
<td>County Fair Racing Fund</td>
<td>218,900</td>
<td>289,000</td>
<td>302,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>2,122,800</td>
<td>2,855,800</td>
<td>2,448,900</td>
</tr>
</tbody>
</table>
The approved amount includes $40,900 in Personal Services and $23,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects a reduction of $139,500 and 5.2 FTE Steward positions, in accordance with an amendment of Arizona Revised Statutes section 5-106, subsection J, which reduced the number of state-employed stewards at each track from three to two. The approved amount also reduces the number of authorized FTE positions for Rillito Downs from 7.2 to 2.4, and eliminates $73,400 and 3.8 FTE positions.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ Included in the appropriation is $77,100 (Personal Services $51,800; Employee Related Expenditures $10,800; and Professional and Outside Services $14,500) for regulating and supervising racing at Rillito Downs. In the event that Rillito Downs does not open, the money appropriated for that track shall revert to the General Fund.
Don Skov, Acting Director (Tel. 255-5151)

<table>
<thead>
<tr>
<th>COUNTY FAIR RACING FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>6.9</td>
<td>6.9</td>
<td>6.9</td>
</tr>
<tr>
<td>Personal Services</td>
<td>108,800</td>
<td>152,500</td>
<td>157,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>17,000</td>
<td>31,600</td>
<td>35,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>21,700</td>
<td>18,100</td>
<td>18,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>55,700</td>
<td>77,800</td>
<td>79,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>4,100</td>
<td>7,400</td>
<td>11,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>11,600</td>
<td>1,600</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>93,100</td>
<td>104,900</td>
<td>108,300</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>218,900</td>
<td>289,000</td>
<td>302,000</td>
</tr>
</tbody>
</table>

The approved amount includes $5,300 in Personal Services and $3,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $500 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriation Act funds. Appropriated by as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>3,400</td>
<td>2,900</td>
<td>2,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,100</td>
<td>1,800</td>
<td>1,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>600</td>
<td>4,000</td>
<td>4,100</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>6,700</td>
<td>5,000</td>
<td>6,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>400</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td><strong>12,200</strong></td>
<td><strong>13,700</strong></td>
<td><strong>15,300</strong></td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**

|                      | 12,200 | 13,700 | 15,300 |

Funds are appropriated to the Arizona Racing Industry in support of the duties of the Arizona Racing Commission under the authority of Arizona Revised Statutes section 5-104.

Other Operating Expenditures - The approved amount includes $1,700 for increased membership dues to the National Association of State Racing Commissioners.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
**RADIATION REGULATORY AGENCY - SUMMARY**  
A.R.S. 30-652 AND 32-2802

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation and Compliance</td>
<td>1,350,100</td>
<td>1,614,800</td>
<td>1,623,800</td>
</tr>
<tr>
<td>Med. Rad. Tech. Bd. of Exam.</td>
<td>82,200</td>
<td>83,300</td>
<td>99,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,432,300</strong></td>
<td><strong>1,698,100</strong></td>
<td><strong>1,722,800</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>28.0</td>
<td>29.0</td>
<td>28.0</td>
</tr>
</tbody>
</table>

| Personal Services                      | 797,300   | 824,300   | 832,400   |
| Employee Related Exp.                  | 164,500   | 164,800   | 194,700   |
| Prof. & Outside Services               | 10,700    | 22,200    | 24,900    |
| Travel - State                         | 30,900    | 35,600    | 35,100    |
| Travel - Out of State                  | 5,300     | 4,300     | 7,800     |
| Other Operating Exp.                   | 194,500   | 227,300   | 202,000   |
| Equipment                              | 32,000    | -0-       | 98,100    |
| All Other Operating Exp.               | 273,600   | 289,600   | 367,900   |
| **OPERATION SUB-TOTAL**                | **1,235,400** | **1,278,700** | **1,415,000** |
| Low-Level Waste Site                   | --        | 200,000   | -0-       |
| Nuclear Emergency Management           | 196,900   | 219,400   | 307,800   |
| **TOTAL APPROPRIATIONS**               | **1,432,300** | **1,698,100** | **1,722,800** |

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>1,153,200</td>
<td>1,195,400</td>
<td>1,316,000</td>
</tr>
<tr>
<td>Low-Level Radioactive Waste Fund</td>
<td>--</td>
<td>200,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Nuclear Emergency Mgt. Fund</td>
<td>196,900</td>
<td>219,400</td>
<td>307,800</td>
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<tr>
<td>Rad. Tech. Cert. Fund</td>
<td>82,200</td>
<td>83,300</td>
<td>99,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>1,432,300</strong></td>
<td><strong>1,698,100</strong></td>
<td><strong>1,722,800</strong></td>
</tr>
</tbody>
</table>

1/ Represents General Appropriation Act funds. The appropriation format is lump sum by program. The objects of expenditure are shown for informational purposes only.


Charles F. Tedford, Director (Tel. 255-4845)

<table>
<thead>
<tr>
<th>General Fund and Other Funds</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>26.0</td>
<td>27.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>745,700</td>
<td>771,500</td>
<td>797,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>152,600</td>
<td>151,500</td>
<td>180,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>9,700</td>
<td>21,200</td>
<td>21,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>28,300</td>
<td>33,000</td>
<td>32,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>5,300</td>
<td>3,500</td>
<td>6,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>181,700</td>
<td>214,700</td>
<td>187,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>29,900</td>
<td>0</td>
<td>90,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>254,900</td>
<td>272,400</td>
<td>337,500</td>
</tr>
<tr>
<td>Operation Sub-Total</td>
<td>1,153,200</td>
<td>1,195,400</td>
<td>1,316,000</td>
</tr>
<tr>
<td>Low-Level Waste Site</td>
<td>--</td>
<td>200,000/</td>
<td>-0- 1/</td>
</tr>
<tr>
<td>Nuclear Emergency Management</td>
<td>196,900</td>
<td>219,400/</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>1,350,100</td>
<td>1,614,800</td>
<td>1,316,000 2/</td>
</tr>
<tr>
<td>Additional Appropriations -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38th Leg., 2nd Reg. Session</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ch. 59, Nuclear Emer. Mgt.</td>
<td>--</td>
<td>--</td>
<td>307,800 3/</td>
</tr>
<tr>
<td>Total Appropriations</td>
<td>1,350,100</td>
<td>1,614,800</td>
<td>1,623,800</td>
</tr>
</tbody>
</table>

The approved amount includes $26,900 in Personal Services and $15,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation reflects $14,200 in vacancy savings.

---

1/ S.B. 1412 (Chapter 290) mandates the reversion of all remaining monies in the Low-Level Radioactive Waste Fund to the General Fund.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

Equipment - The appropriation includes funding to replace a sample analysis detector, an automatic sampler changer, and other laboratory equipment.

ADDITIONAL APPROPRIATIONS

Nuclear Emergency Appropriation - H.B. 2047 (Chapter 59) - Appropriates $601,100 from the General Fund to the Nuclear Emergency Management Fund of which $307,800 is allocated for use by the Radiation Regulatory Agency as follows: Personal Services - $100,000; Employee Related Expenditures - $22,800; Other Operating Expenditures - $110,000; and Equipment - $75,000.
RADIATION REGULATORY AGENCY - MEDICAL RADIOLGIC TECHNOLOGY BOARD OF EXAMINERS

Charles F. Tedford, Director (Tel. 255-4845)

RADIOLGIC TECHNOLOGIST CERTIFICATION FUND

<table>
<thead>
<tr>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>Estimate</td>
<td>Approved</td>
</tr>
<tr>
<td>FTE Positions</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>51,600</td>
<td>52,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>11,900</td>
<td>13,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>200</td>
<td>800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>12,800</td>
<td>12,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,100</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>18,700</td>
<td>17,200</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>82,200</td>
<td>83,300</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

| Balance Beg. of Fiscal Year | 174,900 | 236,500 | 171,100 |
| Add Revenues | 143,800 | 17,900 | 152,900 |
| TOTAL FUNDS AVAILABLE | 318,700 | 254,400 | 324,000 |
| Expenditures | 82,200 | 83,300 | 99,000 |
| Balance End of Fiscal Year | 236,500 | 171,100 | 225,000 |

The approved amount includes $1,800 in Personal Services and $1,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $200 in Employee Related Expenditures for the increased retirement contribution.

Equipment - The approved amount includes funding for a personal computer workstation, a printer, and related software.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ The agency has a biennial licensing cycle.
REAL ESTATE DEPARTMENT

A.R.S. 32-2102

JLBC Analyst: Flanders

Joe Sotello, Commissioner (Tel. 255-4697)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>69.0</td>
<td>73.0</td>
<td>73.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,356,500</td>
<td>1,566,100</td>
<td>1,626,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>297,600</td>
<td>358,000</td>
<td>375,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>143,600</td>
<td>86,000</td>
<td>95,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>28,000</td>
<td>36,500</td>
<td>46,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>4,900</td>
<td>7,600</td>
<td>7,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>376,700</td>
<td>452,600</td>
<td>490,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>27,800</td>
<td>59,100</td>
<td>12,500</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>581,000</td>
<td>641,800</td>
<td>652,100</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,235,100</td>
<td>2,565,900</td>
<td>2,654,000</td>
</tr>
</tbody>
</table>

The approved amount includes $55,000 in Personal Services and $32,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes vacancy savings of $28,400.

Equipment - The approved amount includes funding for the purchase of a cash register, postage machine, and postage scale.

ADDITIONAL LEGISLATION

Publications Revolving Fund - H.B. 2291 (Chapter 103) - This bill establishes a publications revolving fund for the Real Estate Department. In the future, the agency will pay for publication of law and rule books from this fund instead of from the General Fund appropriation.

\[1\] Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
Ronald E. Mathis, Jr., Acting Director (Tel. 255-1431)

<table>
<thead>
<tr>
<th>RESIDENTIAL UTILITY CONSUMER OFFICE REVOLVING FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>10.0</td>
<td>10.0</td>
<td>12.25</td>
</tr>
<tr>
<td>Personal Services</td>
<td>355,500</td>
<td>384,700</td>
<td>391,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>60,800</td>
<td>73,000</td>
<td>75,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>276,300</td>
<td>287,400</td>
<td>297,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>10,000</td>
<td>7,900</td>
<td>8,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>5,300</td>
<td>7,500</td>
<td>7,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>76,900</td>
<td>73,600</td>
<td>80,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,200</td>
<td>-0-</td>
<td>30,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>377,700</td>
<td>376,400</td>
<td>424,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>794,000</td>
<td>834,100</td>
<td>890,800</td>
</tr>
</tbody>
</table>

The approved amount includes $13,100 in Personal Services and $7,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes funding for a Clerk/Typist III to relieve present staff of some clerical duties. The number of FTE positions was increased by 1.25 to account for the time used by the agency's legal interns. This adjustment did not require a change in the funding level.

Other Operating Expenditures - The approved amount includes a one-time allocation of $3,700 for moving expenses.

Equipment - The approved amount includes $10,400 to buy out the lease-purchase contract on a photocopy machine; $12,300 to purchase a new telephone system; and $4,400 to furnish a new conference room.

\[1/\] Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
DEPARTMENT OF WEIGHTS AND MEASURES

Raymond H. Helmick, Director (Tel. 255-5211)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>26.0</td>
<td>36.0</td>
<td>36.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>570,400</td>
<td>819,800</td>
<td>828,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>124,700</td>
<td>170,700</td>
<td>191,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,000</td>
<td>42,100</td>
<td>42,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>103,200</td>
<td>145,500</td>
<td>147,300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>300</td>
<td>3,600</td>
<td>3,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>103,700</td>
<td>176,400</td>
<td>155,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>114,600</td>
<td>173,500</td>
<td>0</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>322,800</td>
<td>541,100</td>
<td>348,800</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,017,900</td>
<td>1,531,600</td>
<td>1,369,200 1/</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

Ch. 252, Clean Burning
Use Fuel Tax

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,017,900</td>
<td>1,531,600</td>
<td>1,734,400</td>
</tr>
</tbody>
</table>

The approved amount includes $28,000 in Personal Services and $16,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,800 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL APPROPRIATIONS

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates $365,200 from the General Fund to the Department of Weights and Measures for sampling and testing of alternative fuels. This act also appropriates $300,000 from the Air Quality Fund for the Department of Environmental Quality, the Department of Transportation, and the Department of Weights and Measures to prepare and conduct a campaign to educate the public about the program for the use of oxygenated gasoline blends established by this act.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### BOARD OF ACCOUNTANCY FUND

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.0</td>
<td>8.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>129,900</td>
<td>152,800</td>
<td>180,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>24,500</td>
<td>38,700</td>
<td>51,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>134,300</td>
<td>183,700</td>
<td>208,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>4,900</td>
<td>6,300</td>
<td>11,800</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>2,200</td>
<td>2,000</td>
<td>2,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>83,500</td>
<td>94,500</td>
<td>154,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>10,700</td>
<td>17,500</td>
<td>2,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>235,600</td>
<td>304,000</td>
<td>380,600</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>390,000</td>
<td>495,500</td>
<td>612,100</td>
</tr>
</tbody>
</table>

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>511,100</td>
<td>544,300</td>
<td>569,900</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>423,200</td>
<td>521,100</td>
<td>631,400</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>934,300</td>
<td>1,065,400</td>
<td>1,201,300</td>
</tr>
<tr>
<td>Expenditures</td>
<td>390,000</td>
<td>495,500</td>
<td>612,100</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>544,300</td>
<td>569,900</td>
<td>589,200</td>
</tr>
</tbody>
</table>

The approved amount includes $5,900 in Personal Services and $3,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $600 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for one new FTE position, an Accounting Clerk. In addition, the amount approved includes funding for the reclassification of FTE positions.

**All Other Operating Expenditures** - The amount approved includes inflationary increases as well as funding for additional rental space costs.

1/ Represents General Appropriations Act Funds. Appropriated as a lump sum for the agency. Objects of expenditure are shown for informational purposes only.
Mario Herrera, Executive Director (Tel. 255-4498)

<table>
<thead>
<tr>
<th>BOARD OF BARBER EXAMINERS FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>74,100</td>
<td>76,500</td>
<td>80,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>15,400</td>
<td>15,300</td>
<td>20,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>7,400</td>
<td>10,900</td>
<td>10,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>700</td>
<td>1,200</td>
<td>1,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>15,900</td>
<td>16,800</td>
<td>20,400</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>24,000</td>
<td>29,200</td>
<td>33,100</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>113,500</td>
<td>121,000</td>
<td>133,900</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>109,400</td>
<td>133,300</td>
<td>152,300</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>137,400</td>
<td>140,000</td>
<td>144,000</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>246,800</td>
<td>273,300</td>
<td>296,300</td>
</tr>
<tr>
<td>Expenditures</td>
<td>113,500</td>
<td>121,000</td>
<td>133,900</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>133,300</td>
<td>152,300</td>
<td>162,400</td>
</tr>
</tbody>
</table>

The approved amount includes $2,700 in Personal Services and $1,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### BOXING COMMISSION

**John Montano, Executive Secretary (Tel. 255-1417)**

**A.R.S. 5-221**

**JLBC Analyst: Hernandez**

#### GENERAL FUND AND BOXING FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>1.0</td>
<td>1.0</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>20,400</td>
<td>24,000</td>
<td>37,600</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>4,400</td>
<td>4,000</td>
<td>11,100</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>-0-</td>
<td>2,100</td>
<td>2,100</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>800</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>600</td>
<td>2,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>10,900</td>
<td>10,900</td>
<td>7,400</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>12,300</td>
<td>17,000</td>
<td>14,500</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>37,100</td>
<td>45,000</td>
<td>63,200</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund</strong></td>
<td>30,200</td>
<td>36,800</td>
<td>37,400</td>
</tr>
<tr>
<td><strong>Boxing Fund</strong></td>
<td>6,900</td>
<td>8,200</td>
<td>23,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>37,100</td>
<td>45,000</td>
<td>63,200</td>
</tr>
</tbody>
</table>

#### BOXING FUND

**RECEIPTS, EXPENDITURES AND BALANCES FORWARD**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Beg. of Fiscal Year</strong></td>
<td>3,500</td>
<td>2,600</td>
<td>11,000</td>
</tr>
<tr>
<td><strong>Add Revenues</strong></td>
<td>6,000</td>
<td>16,600</td>
<td>21,600</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td>9,500</td>
<td>19,200</td>
<td>32,600</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td>6,900</td>
<td>8,200</td>
<td>25,800</td>
</tr>
<tr>
<td><strong>Balance End of Fiscal Year</strong></td>
<td>2,600</td>
<td>11,000</td>
<td>6,800</td>
</tr>
</tbody>
</table>

The approved amount includes $1,100 in Personal Services and $700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes funding to increase the Executive Secretary's position from half-time to full-time.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ $17,000 from the Boxing Fund was intended for an additional half-time position, contingent upon passage of legislation which would increase the boxing event receipts tax. Since the legislation was not enacted, $17,000 will revert to the Boxing Fund.
### BOARD OF Chiropractic Examiners Fund

**Fiscal 87** | **Fiscal 88** | **Fiscal 89**
---|---|---
FTE Positions | 3.0 | 3.0 | 4.0
Personal Services | 57,800 | 68,300 | 85,900
Employee Related Exp. | 11,100 | 17,300 | 23,500
Prof. & Outside Services | 11,600 | 12,600 | 14,000
Travel - State | 2,300 | 3,400 | 7,500
Travel - Out of State | 3,200 | 2,300 | 2,600
Other Operating Exp. | 41,100 | 51,300 | 53,200
Equipment | 2,600 | - | 1,800
All Other Operating Exp. | 60,800 | 69,600 | 79,100
**TOTAL APPROPRIATIONS** | **129,700** | **155,200** | **188,500**

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

|                             | Fiscal 87 | Fiscal 88 | Fiscal 89 |
---|---|---|---|
Balance Beg. of Fiscal Year | 164,600 | 162,600 | 153,000 |
Add Revenues | 127,700 | 145,600 | 276,100 |
**TOTAL FUNDS AVAILABLE** | **292,300** | **308,200** | **429,100** |
Expenditures | 129,700 | 155,200 | 188,500 |
Balance End of Fiscal Year | 162,600 | 153,000 | 240,600 |

The approved amount includes $2,700 in Personal Services and $1,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount provides funding for two additional half-time positions: a Medical Investigator I and a Clerk-Typist II.

---

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>BOARD OF COSMETOLOGY FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>13.5</td>
<td>14.5</td>
<td>14.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>236,000</td>
<td>259,600</td>
<td>271,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>48,400</td>
<td>55,000</td>
<td>79,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>16,500</td>
<td>44,000</td>
<td>62,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,300</td>
<td>22,200</td>
<td>22,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,700</td>
<td>1,300</td>
<td>1,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>75,000</td>
<td>73,000</td>
<td>86,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>8,600</td>
<td>1,800</td>
<td>9,500</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>115,100</td>
<td>142,300</td>
<td>182,300</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>399,500</td>
<td>456,900</td>
<td>533,900</td>
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</table>

**RECEIPTS, EXPENDITURES AND BALANCES FORWARD**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>470,700</td>
<td>587,300</td>
<td>673,700</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>516,100</td>
<td>543,300</td>
<td>570,900</td>
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<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td>986,800</td>
<td>1,130,600</td>
<td>1,244,600</td>
</tr>
<tr>
<td>Expenditures</td>
<td>399,500</td>
<td>456,900</td>
<td>533,900</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>587,300</td>
<td>673,700</td>
<td>710,700</td>
</tr>
</tbody>
</table>

The approved amount includes $9,100 in Personal Services and $5,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $900 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### DENTAL BOARD FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>6.5</td>
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<tr>
<td>Personal Services</td>
<td>171,700</td>
<td>185,100</td>
<td>191,100</td>
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<tr>
<td>Employee Related Exp.</td>
<td>30,700</td>
<td>39,500</td>
<td>42,200</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>30,000</td>
<td>26,100</td>
<td>29,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>4,200</td>
<td>9,000</td>
<td>8,000</td>
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<tr>
<td>Travel - Out Of State</td>
<td>3,200</td>
<td>7,100</td>
<td>6,600</td>
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<tr>
<td>Other Operating Exp.</td>
<td>101,800</td>
<td>104,800</td>
<td>108,300</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>139,200</td>
<td>147,000</td>
<td>152,800</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
<td>341,600</td>
<td>371,600</td>
<td>386,100</td>
</tr>
<tr>
<td>Office Automation</td>
<td>-0-</td>
<td>-0-</td>
<td>20,800</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>341,600</td>
<td>371,600</td>
<td>406,900</td>
</tr>
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</table>

#### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>320,200</td>
<td>265,100</td>
<td>280,500</td>
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<tr>
<td>Add Revenues</td>
<td>286,500</td>
<td>387,000</td>
<td>435,000</td>
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<td>TOTAL FUNDS AVAILABLE</td>
<td>606,700</td>
<td>652,100</td>
<td>715,500</td>
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<tr>
<td>Expenditures</td>
<td>341,600</td>
<td>371,600</td>
<td>406,900</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>265,100</td>
<td>280,500</td>
<td>308,600</td>
</tr>
</tbody>
</table>

The approved amount includes $6,000 in Personal Services and $3,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $600 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The amount approved includes a $3,800 increase to fund additional court reporting and clinical evaluations associated with the growing number of investigations and hearings.

(Continued)

1/ It is Legislative intent that the Board of Dental Examiners work together with the Board of Pharmacy to purchase and develop office automation systems.

2/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Other Operating Expenditures - The amount approved includes $1,200 in inflationary increases and $34,800 in rent for private office space.

Office Automation - This special line appropriation includes funding for the purchase of personal computers and related equipment as well as funding for computer programming services, computer training, and start-up expenses for automating the license and investigation systems.
### EGG INSPECTION FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
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<tr>
<td>Personal Services</td>
<td>99,300</td>
<td>124,000</td>
<td>125,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>22,100</td>
<td>27,900</td>
<td>32,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,200</td>
<td>12,800</td>
<td>13,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>11,900</td>
<td>13,200</td>
<td>15,900</td>
</tr>
<tr>
<td>Total Other Operating Exp.</td>
<td>23,100</td>
<td>26,000</td>
<td>29,200</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>144,500</strong></td>
<td><strong>177,900</strong></td>
<td><strong>187,300</strong></td>
</tr>
</tbody>
</table>

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>27,600</td>
<td>16,000</td>
<td>6,800</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>132,900</td>
<td>168,700</td>
<td>211,200</td>
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<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td><strong>160,500</strong></td>
<td><strong>184,700</strong></td>
<td><strong>218,000</strong></td>
</tr>
<tr>
<td>Expenditures</td>
<td>144,500</td>
<td>177,900</td>
<td>187,300</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>16,000</td>
<td>6,800</td>
<td>30,700</td>
</tr>
</tbody>
</table>

The approved amount includes $4,200 in Personal Services and $2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

**Other Operating Expenditures** - The approved amount includes $300 in inflationary increases and $6,700 in State rent.

---

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $1,500 in Personal Services and $1,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $200 in Employee Related Expenditures for the increased retirement contribution, and an increase of $700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.
**Homeopathic Medical Examiners Board**  

**JLBC Analyst: Hernandez**

<table>
<thead>
<tr>
<th>BOARD OF HOMEOPATHIC MEDICAL EXAMINERS FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>900</td>
<td>900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>2,000</td>
<td>6,100</td>
<td>7,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>400</td>
<td>900</td>
<td>900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>2,600</td>
<td>7,200</td>
<td>8,100</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,600</td>
<td>8,100</td>
<td>9,000</td>
</tr>
<tr>
<td>RECEIPTS, EXPENDITURES AND BALANCES FORWARD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>4,300</td>
<td>13,000</td>
<td>20,800</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>11,300</td>
<td>15,900</td>
<td>19,300</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>15,600</td>
<td>28,900</td>
<td>40,100</td>
</tr>
<tr>
<td>Expenditures</td>
<td>2,600</td>
<td>8,100</td>
<td>9,000</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>13,000</td>
<td>20,800</td>
<td>31,100</td>
</tr>
</tbody>
</table>

The approved amount includes $100 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
### BOARD OF MEDICAL EXAMINERS FUND

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>28.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>690,400</td>
<td>797,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>134,400</td>
<td>162,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>105,200</td>
<td>100,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>34,300</td>
<td>45,000</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>9,300</td>
<td>8,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>241,400</td>
<td>296,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>15,600</td>
<td>9,100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>405,800</td>
<td>459,800</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>1,230,600</td>
<td>1,419,900</td>
</tr>
<tr>
<td>AG Interagency Agreement</td>
<td>110,000</td>
<td>131,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,340,600</td>
<td>1,550,900</td>
</tr>
</tbody>
</table>

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>554,400</td>
<td>827,100</td>
<td>917,200</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>1,613,300</td>
<td>1,641,000</td>
<td>1,708,900</td>
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<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>2,167,700</td>
<td>2,468,100</td>
<td>2,626,100</td>
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<td>Expenditures</td>
<td>1,340,600</td>
<td>1,550,900</td>
<td>1,784,500</td>
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<tr>
<td>Balance End of Fiscal Year</td>
<td>827,100</td>
<td>917,200</td>
<td>841,600</td>
</tr>
</tbody>
</table>

(Continued)

1/ These funds are specifically designated to pay for the Personal Services and Employee Related Expenditures of the two assistant attorney general positions assigned to the Board of Medical Examiners. Any monies not expended for the purpose specified shall revert to the Board of Medical Examiners Fund.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $26,800 in Personal Services and $16,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,800 in Employee Related Expenditures for the increased retirement contribution. In addition, the special line item, "Attorney General Interagency Agreement," includes $3,800 in Personal Services and $2,600 for increased Employee Related Expenditures.

Personal Services - The approved amount includes funding for two licensing secretaries to reduce the Board's backlog, and deletes one investigator position. Funding for temporary positions was eliminated.

Professional and Outside Services - The approved amount includes $196,000 to implement an Impaired Physician Program as authorized by Arizona Revised Statutes 32-1452.

ADDITIONAL LEGISLATION

Board Member Compensation - H.B. 2200 (Chapter 190) - Raises board member compensation from $100 to $150 per day.
Rob Cagen, N.D., Chairman (Tel. 255-3095)

<table>
<thead>
<tr>
<th>BOARD OF NATUROPATHIC PHYSICIANS EXAMINERS FUND</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,700</td>
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<td>2,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>18,600</td>
<td>20,200</td>
<td>21,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,200</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,100</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>23,500</td>
<td>25,400</td>
<td>27,000</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>25,200</td>
<td>28,000</td>
<td>29,600</td>
</tr>
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</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>12,400</td>
<td>9,600</td>
<td>9,900</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>22,400</td>
<td>28,300</td>
<td>25,300</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>34,800</td>
<td>37,900</td>
<td>35,200</td>
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<tr>
<td>Expenditures</td>
<td>25,200</td>
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<td>29,600</td>
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<tr>
<td>Balance End of Fiscal Year</td>
<td>9,600</td>
<td>9,900</td>
<td>5,600</td>
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</tbody>
</table>

The approved amount includes $500 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
<table>
<thead>
<tr>
<th>BOARD OF NURSING FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<td>FTE Positions</td>
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<td>19.2</td>
<td>21.2</td>
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<tr>
<td>Personal Services</td>
<td>411,400</td>
<td>436,700</td>
<td>496,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>75,900</td>
<td>87,900</td>
<td>115,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>56,200</td>
<td>108,200</td>
<td>69,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>17,200</td>
<td>17,700</td>
<td>16,700</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>10,400</td>
<td>7,100</td>
<td>7,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>149,500</td>
<td>163,200</td>
<td>186,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>7,900</td>
<td>6,000</td>
<td>1,300</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>241,200</td>
<td>302,200</td>
<td>280,900</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>728,500</td>
<td>826,800</td>
<td>892,400</td>
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<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>728,500</td>
<td>837,800</td>
<td>892,400</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>830,000</td>
<td>882,000</td>
<td>444,200</td>
</tr>
<tr>
<td>Add Revenues 2/</td>
<td>780,500</td>
<td>400,000</td>
<td>1,050,500 3/</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>1,610,500</td>
<td>1,282,000</td>
<td>1,494,700</td>
</tr>
<tr>
<td>Expenditures</td>
<td>728,500</td>
<td>837,800</td>
<td>892,400</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>882,000</td>
<td>444,200</td>
<td>602,300</td>
</tr>
</tbody>
</table>

The approved amount includes $15,900 in Personal Services and $9,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,700 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ The Board of Nursing has a biennial licensing cycle.

3/ This amount includes estimated revenues resulting from Ch. 280, Laws of 1988 (H.B. 2222). The law establishes a $10 surcharge on each renewal of a license that expires in 1988.
Professional and Outside Services - The approved amount removes approximately $35,000 for compensation of an Acting Director, includes a $5,600 increase for computer expenses, and includes a net decrease of $10,200 in legal expenses.

Other Operating Expenditures - The approved amount includes $7,100 for inflation and $71,000 for rent in private office space. The approved amount restores the funding that was shifted to Professional and Outside Services in FY 1988.
The approved amount includes $600 in Personal Services and $400 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $100 in Employee Related Expenditures for the increased retirement contribution, and an increase of $300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

Personal Services - The approved amount provides funding to increase the Executive Director's position from 0.5 FTE position to 0.7 FTE position.

Equipment - The approved amount includes $1,400 to purchase a CRT terminal.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.

204
Cathy Feagan, Executive Director (Tel. 255-3095)

<table>
<thead>
<tr>
<th>BOARD OF DISPENSING OPTICIANS FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Personal Services</td>
<td>22,300</td>
<td>24,200</td>
<td>24,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>2,900</td>
<td>2,300</td>
<td>3,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>13,200</td>
<td>16,100</td>
<td>16,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>600</td>
<td>3,400</td>
<td>3,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>5,100</td>
<td>5,100</td>
<td>5,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,400</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>21,300</td>
<td>24,600</td>
<td>26,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>46,500</td>
<td>51,100</td>
<td>54,300</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>16,100</td>
<td>11,700</td>
<td>5,600</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>42,100</td>
<td>45,000</td>
<td>58,100</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>58,200</td>
<td>56,700</td>
<td>63,700</td>
</tr>
<tr>
<td>Expenditures</td>
<td>46,500</td>
<td>51,100</td>
<td>54,300</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>11,700</td>
<td>5,600</td>
<td>9,400</td>
</tr>
</tbody>
</table>

The approved amount includes $700 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $100 in Employee Related Expenditures for the increased retirement contribution, and an increase of $300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
The approved amount includes $1,300 in Personal Services and $800 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $200 in Employee Related Expenditures for the increased retirement contribution, and an increase of $700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.
Mary Tucker, Executive Director (Tel. 255-1747)

<table>
<thead>
<tr>
<th>BOARD OF OSTEOPATHIC EXAMINERS FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4.0</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>110,900</td>
<td>118,700</td>
<td>129,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>21,400</td>
<td>24,300</td>
<td>28,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>900</td>
<td>1,350</td>
<td>5,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,600</td>
<td>5,400</td>
<td>6,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,700</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>28,000</td>
<td>31,850</td>
<td>34,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>3,200</td>
<td>100</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>40,400</td>
<td>41,100</td>
<td>49,300</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>172,700</strong></td>
<td><strong>184,100</strong></td>
<td><strong>207,500</strong></td>
</tr>
</tbody>
</table>

**RECEIPTS, EXPENDITURES AND BALANCES FORWARD**

- **Balance Beg. of Fiscal Year**: 102,350
- **Add Revenues**: 190,300
- **TOTAL FUNDS AVAILABLE**: 292,650
- **Expenditures**: 172,700
- **Balance End of Fiscal Year**: 119,950

The approved amount includes $4,200 in Personal Services and $2,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes an additional $3,000 for the Executive Director's salary.

**Professional and Outside Services** - The approved amount includes $4,000 to contract for the services of a hearing officer.

**ADDITIONAL LEGISLATION**

Board Member Compensation - H.B. 2309 (Chapter 105) - Raises board member compensation from $100 to $150 per day.

**/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.**
### BOARD OF PHARMACY

<table>
<thead>
<tr>
<th>Llyn Lloyd, Executive Secretary (Tel. 255-5125)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BOARD OF PHARMACY FUND</strong></td>
<td>Fiscal 87</td>
</tr>
<tr>
<td><strong>FTE Positions</strong></td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>304,700</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>59,900</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>9,500</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>25,400</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>3,200</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>79,700</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>8,300</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>126,100</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>490,700</td>
</tr>
<tr>
<td><strong>Office Automation</strong></td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>490,700</td>
</tr>
</tbody>
</table>

#### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>161,700</td>
<td>191,800</td>
<td>141,400</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>520,800</td>
<td>520,800</td>
<td>670,000</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td>682,500</td>
<td>712,600</td>
<td>811,400</td>
</tr>
<tr>
<td>Expenditures</td>
<td>490,700</td>
<td>571,200</td>
<td>591,400</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>191,800</td>
<td>141,400</td>
<td>220,000</td>
</tr>
</tbody>
</table>

The approved amount includes $11,300 in Personal Services and $6,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,200 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a $21,100 reduction to reflect salary changes in the eleven-position base.

(Continued)

1/ It is Legislative intent that the Board of Pharmacy work together with the Board of Dental Examiners to purchase and develop office automation systems.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
Travel - State - The approved amount includes a $1,600 reduction to reflect lower Motor Pool rates and a $3,300 reduction to reflect a reduced number of miles travelled.

Other Operating Expenditures - The amount approved includes $1,700 in inflationary increases and $35,400 in rent for private office space.

Office Automation - This special line appropriation includes funding for the purchase of personal computers and related equipment as well as funding for computer programming services, computer training, and start-up expenses for automating the license and inspection systems.
The approved amount includes $800 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $100 in Employee Related Expenditures for the increased retirement contribution, and an increase of $300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.
## Board of Podiatry Examiners Fund

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>2,700</td>
<td>2,700</td>
<td>4,500</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>27,500</td>
<td>26,500</td>
<td>27,400</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>3,100</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>3,100</td>
<td>4,500</td>
<td>5,500</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>33,700</td>
<td>35,000</td>
<td>36,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>36,400</td>
<td>37,700</td>
<td>41,400</td>
</tr>
</tbody>
</table>

### Receipts, Expenditures and Balances Forward

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Beg. of Fiscal Year</strong></td>
<td>9,800</td>
<td>15,800</td>
<td>18,700</td>
</tr>
<tr>
<td><strong>Add Revenues</strong></td>
<td>42,400</td>
<td>40,600</td>
<td>43,700</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td>52,200</td>
<td>56,400</td>
<td>62,400</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td>36,400</td>
<td>37,700</td>
<td>41,400</td>
</tr>
<tr>
<td><strong>Balance End of Fiscal Year</strong></td>
<td>15,800</td>
<td>18,700</td>
<td>21,000</td>
</tr>
</tbody>
</table>

The approved amount includes $700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

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1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
Dona M. Markley, Executive Director (Tel. 255-5709)

BOARD OF PRIVATE POSTSECONDARY EDUCATION

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 (Actual)</th>
<th>Fiscal 88 (Estimate)</th>
<th>Fiscal 89 (Approved)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.5</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>59,600</td>
<td>77,600</td>
<td>76,600</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>11,700</td>
<td>14,800</td>
<td>15,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>4,100</td>
<td>4,000</td>
<td>4,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,500</td>
<td>3,500</td>
<td>3,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>800</td>
<td>900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>12,100</td>
<td>15,600</td>
<td>19,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>5,000</td>
<td>2,100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>18,700</td>
<td>28,900</td>
<td>29,700</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>90,000</td>
<td>121,300</td>
<td>121,700</td>
</tr>
</tbody>
</table>

Receipts, Expenditures and Balances Forward

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>72,600</td>
<td>83,700</td>
<td>73,500</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>101,100</td>
<td>111,100</td>
<td>129,800</td>
</tr>
<tr>
<td>Total Funds Available</td>
<td>173,700</td>
<td>194,800</td>
<td>203,300</td>
</tr>
<tr>
<td>Expenditures</td>
<td>90,000</td>
<td>121,300</td>
<td>121,700</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>83,700</td>
<td>73,500</td>
<td>81,600</td>
</tr>
</tbody>
</table>

The approved amount includes $2,400 in Personal Services and $1,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes $4,000 for the Executive Director's regrade adjustment.

All Other Operating - The amount approved includes a 3.5 percent inflation adjustment and $8,500 for rent.

\[\text{1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.}\]
<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>25,600</td>
<td>29,200</td>
<td>30,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>5,600</td>
<td>5,900</td>
<td>6,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>32,300</td>
<td>55,400</td>
<td>69,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,700</td>
<td>4,200</td>
<td>3,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,200</td>
<td>1,200</td>
<td>900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>6,800</td>
<td>11,500</td>
<td>12,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>300</td>
<td>-</td>
<td>200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>43,300</td>
<td>72,300</td>
<td>87,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>74,500</td>
<td>107,400</td>
<td>124,400</td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>132,500</td>
<td>159,900</td>
<td>95,500</td>
</tr>
<tr>
<td>Add Revenues-</td>
<td>101,900</td>
<td>43,000</td>
<td>126,700</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>234,400</td>
<td>202,900</td>
<td>222,200</td>
</tr>
<tr>
<td>Expenditures</td>
<td>74,500</td>
<td>107,400</td>
<td>124,400</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>159,900</td>
<td>95,500</td>
<td>97,800</td>
</tr>
</tbody>
</table>

The approved amount includes $900 in Personal Services and $600 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $100 in Employee Related Expenditures for the increased retirement contribution, and an increase of $700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

Professional and Outside Services - The approved amount includes $10,000 to contract for the services of a psychologist consultant.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.
STRUCTURAL PEST CONTROL COMMISSION

Pat Stevens, Acting Director (Tel. 255-3664)

STR. PEST CONTROL COMM. FUND
AND STRUCTURAL PEST CONTROL
COMM. INSPECTION SUPPORT FUND

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>10.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>120,100</td>
<td>120,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>26,500</td>
<td>24,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>15,400</td>
<td>15,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,700</td>
<td>12,500</td>
</tr>
<tr>
<td>Travel - Out Of State</td>
<td>800</td>
<td>900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>44,400</td>
<td>37,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>21,800</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>93,100</td>
<td>66,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>241,700</strong></td>
<td><strong>210,000</strong></td>
</tr>
</tbody>
</table>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>45,500</td>
<td>13,200</td>
<td>53,200</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>209,400</td>
<td>250,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td><strong>254,900</strong></td>
<td><strong>263,200</strong></td>
<td><strong>453,200</strong></td>
</tr>
<tr>
<td>Expenditures</td>
<td>241,700</td>
<td>210,000</td>
<td>412,200</td>
</tr>
<tr>
<td>Balance End of Fiscal Year</td>
<td>13,200</td>
<td>53,200</td>
<td>41,000</td>
</tr>
</tbody>
</table>

The approved amount includes $7,800 in Personal Services and $4,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $800 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL LEGISLATION

Structural Pest Control Commission - H.B. 2347 (Chapter 348) - This legislation creates the new Structural Pest Control Commission, to replace the Structural Pest Control Board. The Structural Pest Control Commission Inspection Support Fund is established to pay for inspectors and inspection support services.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ It is legislative intent that approximately $149,000 of the appropriation shall be expended from the Structural Pest Control Commission Inspection Support Fund. However, if revenue collections for either this fund or the Structural Pest Control Commission Fund are less than expected, the agency may increase spending from the other fund as necessary to maintain total expenditures of $412,200.
<table>
<thead>
<tr>
<th>TECHNICAL REGISTRATION FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>14.0</td>
<td>14.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>261,100</td>
<td>272,900</td>
<td>295,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>47,900</td>
<td>68,800</td>
<td>77,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>105,000</td>
<td>123,600</td>
<td>170,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,800</td>
<td>10,200</td>
<td>10,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>6,300</td>
<td>5,200</td>
<td>6,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>106,400</td>
<td>115,400</td>
<td>129,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,200</td>
<td>3,000</td>
<td>6,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>231,700</td>
<td>257,400</td>
<td>322,800</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>540,700</td>
<td>599,100</td>
<td>695,500</td>
</tr>
<tr>
<td>Test Validation</td>
<td>-0-</td>
<td>20,100</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>540,700</td>
<td>619,200</td>
<td>695,500</td>
</tr>
</tbody>
</table>

The approved amount includes $9,800 in Personal Services and $5,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation includes funding for one additional Clerk-Typist II FTE position for the Investigations Section.

Other Operating Expenditures - The appropriation includes $2,000 to fund a 3.5 percent general inflation adjustment.

Equipment - The appropriation includes funding for the purchase of a computer memory back-up system, laser printer, and printer sheet feeder.

1/ Represents General Appropriations Act funds.
<table>
<thead>
<tr>
<th>VETERINARY MEDICAL EXAMINING BOARD</th>
<th>A.R.S. 32-2201</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vicki Conditt, Executive Director</td>
<td>JLBC Analyst: Hernandez</td>
</tr>
</tbody>
</table>

**BOARD OF VETERINARY MEDICAL EXAMINING FUND**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1.5</td>
<td>1.5</td>
<td>2.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>42,700</td>
<td>45,600</td>
<td>63,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>8,900</td>
<td>9,500</td>
<td>14,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>28,700</td>
<td>33,100</td>
<td>34,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>7,500</td>
<td>8,600</td>
<td>9,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>500</td>
<td>-0-</td>
<td>900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>9,500</td>
<td>9,300</td>
<td>11,400</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**

|                      | 97,800           | 106,100           | 134,400 $1/2|

**RECEIPTS, EXPENDITURES AND BALANCES FORWARD**

|                      | 46,700           | 127,300           | 68,700 $1/2|
| Add Revenues         | 178,400          | 47,500            | 217,800 $3/|

**TOTAL FUNDS AVAILABLE**

|                      | 225,100          | 174,800           | 286,500 $3/|
| Expenditures         | 97,800           | 106,100           | 134,400 $3/|

**Balance End of Fiscal Year**

|                      | 127,300          | 68,700            | 152,100 $3/|

The approved amount includes $1,900 in Personal Services and $1,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of $200 in Employee Related Expenditures for the increased retirement contribution, and an increase of $700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

**Personal Services** - The approved amount provides funding to increase the agency's investigator position from half-time to full-time. The amount also includes a one-time allocation of $2,200 to pay the investigator for accrued overtime work.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.
ADDITIONAL LEGISLATION

Board Member Compensation - H.B. 2171 (Chapter 186) - Raises board member compensation from $30 to $50 per day. Raises fees for veterinary technician certificates.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>11.5</td>
<td>11.5</td>
<td>11.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>266,200</td>
<td>293,100</td>
<td>303,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>52,700</td>
<td>58,200</td>
<td>70,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,400</td>
<td>12,400</td>
<td>12,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>700</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>71,700</td>
<td>75,200</td>
<td>86,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>4,100</td>
<td>-0-</td>
<td>17,900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>88,900</td>
<td>88,400</td>
<td>117,100</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>407,800</td>
<td>439,700</td>
<td>490,600</td>
</tr>
<tr>
<td>Community Service Projects</td>
<td>732,300</td>
<td>883,400</td>
<td>1,063,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,140,100</td>
<td>1,323,100</td>
<td>1,554,000</td>
</tr>
</tbody>
</table>

The approved amount includes $10,300 in Personal Services and $6,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating - The approved amount for Other Operating includes an increase of $9,000 for risk management and an increase of $1,500 for rent of the Commission's office space, which is privately owned. The appropriation for Equipment includes $1,800 for two electronic typewriters, $2,700 for the lease/purchase of telephone equipment and $13,400 for the replacement of a copier.

Community Service Projects - The approved amount provides $180,000 in additional funding above the FY 1988 level. Community Service Project monies are grant monies made available to arts organizations and Arizona communities on a matching basis for such programs as Art in Arizona Towns, Artists in Education, Ticket Discount, Art in Public Places and Cultural Heritage.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
The approved amount includes $11,800 in Personal Services and $7,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,200 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes $13,200 for an additional Accounting Clerk III position to assist with the increased volume of financial record keeping associated with the annual "Single Audit" and the monitoring of State Aid appropriations. The appropriation also includes $5,900 to raise the salary of the Associate Director of Research to the maximum level of Grade 23. The position is an exempt uncovered position.

**All Other Operating** - The approved amount for Other Operating includes $6,300 for risk management and $6,700 for the lease/rental of a copier. The approved amount for Equipment includes $1,200 for a personal computer, $600 for a printer, $500 for a secretarial desk and $100 for a file cabinet.

(Continued)
County Vocational Planning - The appropriation is provided in support of the county planning process for vocational education as specified in sections 15-1425 and 15-1446, Arizona Revised Statutes.

Equalization Aid - The approved amount includes $4,024,600 for Graham County Community College District and $273,600 for Cochise County Community College District. Equalization Aid is determined pursuant to section 15-1468, Arizona Revised Statutes.

State Aid To Community Colleges - Operating Budget - The approved amount for Operating State Aid represents 25 percent of total community college operational funding as specified in sections 15-1401 and 15-1466, Arizona Revised Statutes. The lump sum appropriation is based upon the following estimated amounts for each community college district:

<table>
<thead>
<tr>
<th>County Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochise County Community College</td>
<td>$ 5,079,200</td>
</tr>
<tr>
<td>Graham County Community College</td>
<td>$ 3,574,200</td>
</tr>
<tr>
<td>Maricopa County Community College</td>
<td>$ 26,569,800</td>
</tr>
<tr>
<td>Mohave County Community College</td>
<td>$ 2,087,300</td>
</tr>
<tr>
<td>Navajo County Community College</td>
<td>$ 2,777,700</td>
</tr>
<tr>
<td>Pima County Community College</td>
<td>$ 11,835,800</td>
</tr>
<tr>
<td>Pinal County Community College</td>
<td>$ 4,022,800</td>
</tr>
<tr>
<td>Yavapai County Community College</td>
<td>$ 3,585,300</td>
</tr>
<tr>
<td>Yuma County Community College</td>
<td>$ 3,049,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 62,581,500</strong></td>
</tr>
</tbody>
</table>

State Aid To Community Colleges - Capital Outlay - The approved amount for Capital Outlay State Aid represents full funding of the Capital Outlay formula as specified in section 15-1464, Arizona Revised Statutes. The State Board of Directors for Community Colleges will allocate capital outlay funds to each community college district based on its actual 1984-85 full-time student equivalent enrollment. The lump sum appropriation is based on the following estimated amounts for each community college district.

<table>
<thead>
<tr>
<th>County Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochise County Community College</td>
<td>$ 399,600</td>
</tr>
<tr>
<td>Graham County Community College</td>
<td>$ 347,300</td>
</tr>
<tr>
<td>Maricopa County Community College</td>
<td>$ 3,994,100</td>
</tr>
<tr>
<td>Mohave County Community College</td>
<td>$ 190,300</td>
</tr>
<tr>
<td>Navajo County Community College</td>
<td>$ 280,700</td>
</tr>
<tr>
<td>Pima County Community College</td>
<td>$ 1,476,300</td>
</tr>
<tr>
<td>Pinal County Community College</td>
<td>$ 395,900</td>
</tr>
<tr>
<td>Yavapai County Community College</td>
<td>$ 325,600</td>
</tr>
<tr>
<td>Yuma County Community College</td>
<td>$ 346,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 7,756,200</strong></td>
</tr>
</tbody>
</table>
H.B. 2112 (Chapter 234) - Clarifies the definition of "operational expenses" as the term relates to the Community College Operating State Aid formula and defines "Operational Expense Budget" as the budget adopted by a district governing board pursuant to section 15-1461, Arizona Revised Statutes. The definition changes are effective retroactive to July 1, 1986. The bill also deletes the requirement that Additional Short-Term Classes and Open Entry, Open Exit Classes be vocational or technical in nature. In addition, it allows State Aid funding for summer term Additional Short-Term Classes. These changes are effective after September 30, 1988. The bill also deletes the statutory provision that the per diem compensation of State Board members cannot exceed $700 in any year.
SCHOOL FOR THE DEAF AND THE BLIND - SUMMARY

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Summary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arizona Diagnostic Treatment and Education Center</td>
<td>1,288,500</td>
<td>1,099,300</td>
<td>1,176,600</td>
</tr>
<tr>
<td>Phoenix Day School</td>
<td>1,693,900</td>
<td>1,636,900</td>
<td>1,923,000</td>
</tr>
<tr>
<td>Tucson Campus</td>
<td>5,987,500</td>
<td>6,763,700</td>
<td>7,893,200</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>8,969,900</td>
<td>9,499,900</td>
<td>10,992,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>420.0</td>
<td>427.4</td>
<td>431.9</td>
</tr>
<tr>
<td>Personal Services</td>
<td>8,661,800</td>
<td>9,046,600</td>
<td>10,112,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>1,785,200</td>
<td>1,935,600</td>
<td>2,210,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>333,500</td>
<td>279,800</td>
<td>239,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>28,200</td>
<td>27,300</td>
<td>29,300</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>700</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,276,400</td>
<td>1,293,700</td>
<td>1,358,500</td>
</tr>
<tr>
<td>Food</td>
<td>143,600</td>
<td>148,300</td>
<td>166,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>184,900</td>
<td>265,000</td>
<td>423,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,967,300</td>
<td>2,014,100</td>
<td>2,216,300</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>12,414,300</td>
<td>12,996,300</td>
<td>14,539,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Special Education</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Voucher Fund</td>
<td>(3,444,400)</td>
<td>(3,496,400)</td>
<td>(3,546,300)</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>8,969,900</td>
<td>9,499,900</td>
<td>10,992,800</td>
</tr>
</tbody>
</table>

S.B. 1374 (Chapter 237) - Amends several sections of statute relating to the operation of the Arizona School for the Deaf and the Blind (ASDB). Also provides that the Department of Administration (DOA), in consultation with the Department of Education (ADE), and ASDB's Board of Directors shall conduct salary equity studies for teachers, credentialed specialists and other personnel unique to the school. The bill provides for a full study once every five years analyzing salary structures for similar personnel in school districts. Interim salary adjustments shall be tied to the average salary increases awarded similar positions in three school districts selected by DOA, ADE and ASDB's Board. Also provides for reclassification studies for all other personnel. The results of the studies are to be used by the Joint Legislative Budget Committee (JLBC) in making recommendations for funding existing personnel services. The results of the first equity study are to be reported by DOA on or before October 15, 1988.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for each program. The objects of expenditure are shown for informational purposes only.
### SCHOOL FOR THE DEAF AND THE BLIND - ARIZONA DIAGNOSTIC TREATMENT AND EDUCATION CENTER

**A.R.S. 15-1301**

**JLBC Analyst: Neisent**

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>67.1</td>
<td>56.6</td>
<td>56.6</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,110,800</td>
<td>987,300</td>
<td>1,081,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>224,900</td>
<td>186,300</td>
<td>257,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>9,000</td>
<td>9,100</td>
<td>9,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,000</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>12,600</td>
<td>55,000</td>
<td>55,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>4,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>26,800</td>
<td>64,500</td>
<td>64,800</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>1,362,500</td>
<td>1,238,100</td>
<td>1,404,300</td>
</tr>
<tr>
<td>Special Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional Voucher Fund</td>
<td>(74,000)</td>
<td>(138,800)</td>
<td>(227,700)</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,288,500</td>
<td>1,099,300</td>
<td>1,176,600</td>
</tr>
</tbody>
</table>

The approved amount includes $36,600 in Personal Services and $21,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes $32,000 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes $23,200 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the Plan. In addition, $500 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities. A vacancy factor of one percent, or $10,000, was deducted when the approved amount was computed.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

JLBC Analyst: Neisent

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>102.0</td>
<td>97.4</td>
<td>97.4</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,130,800</td>
<td>2,075,400</td>
<td>2,380,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>438,500</td>
<td>450,100</td>
<td>484,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>20,000</td>
<td>18,900</td>
<td>33,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,000</td>
<td>6,300</td>
<td>6,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>329,100</td>
<td>325,400</td>
<td>358,000</td>
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<tr>
<td>Food</td>
<td>24,800</td>
<td>30,100</td>
<td>32,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>46,100</td>
<td>99,600</td>
<td>90,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>422,000</td>
<td>480,300</td>
<td>520,300</td>
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<tr>
<td>Operation Sub-Total</td>
<td>2,991,300</td>
<td>3,005,800</td>
<td>3,385,200</td>
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<tr>
<td>Special Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional Voucher Fund</td>
<td>(1,297,400)</td>
<td>(1,368,900)</td>
<td>(1,462,200)</td>
</tr>
<tr>
<td>Total Appropriations</td>
<td>1,693,900</td>
<td>1,636,900</td>
<td>1,923,000</td>
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</tbody>
</table>

The approved amount includes $80,500 in Personal Services and $46,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $8,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes $109,400 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes $73,400 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the Plan. In addition, $12,300 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
All Other Operating - The approved amount for Professional and Outside Services includes an increase of $7,400 for tuition to enable Phoenix Day School students to attend vocational training classes and special academic classes at local high schools and community colleges offering such classes. An additional $6,700 is also provided for occupational therapy services. The approved amount for Other Operating includes an increase of $3,900 for utilities, an increase of $1,000 for the lease/rental of a vehicle for the Driver's Education program and an increase of $22,000 for operating supplies. The Equipment appropriation provides $32,000 for the first year lease/purchase payment for three school buses, $29,400 for the second year lease/purchase payment for three buses and $29,200 for the final lease/purchase payment for three school buses.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill appropriates $660,000 from the State General Fund for the final lease/purchase payment for 2.7 acres of land and approximately 26,000 square feet of building space. The three year lease/purchase agreement is for church property situated adjacent to Phoenix Day School. The Capital Outlay Bill also appropriates $23,300 for payment of ASDB's assessment for street improvements made by the City of Phoenix to Morten Avenue, which runs along the southern boundary of the Phoenix Day School campus.
SCHOOL FOR THE DEAF AND THE BLIND - TUCSON CAMPUS  
A.R.S. 15-1301

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>250.9</td>
<td>273.4</td>
<td>277.9</td>
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<td>Personal Services</td>
<td>5,420,200</td>
<td>5,983,900</td>
<td>6,650,000</td>
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<tr>
<td>Employee Related Exp.</td>
<td>1,121,800</td>
<td>1,299,200</td>
<td>1,468,400</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>304,500</td>
<td>251,800</td>
<td>196,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>25,200</td>
<td>20,600</td>
<td>22,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>500</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>934,700</td>
<td>913,300</td>
<td>945,200</td>
</tr>
<tr>
<td>Food</td>
<td>118,800</td>
<td>118,200</td>
<td>133,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>134,800</td>
<td>165,400</td>
<td>332,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>1,518,500</td>
<td>1,469,300</td>
<td>1,631,200</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>8,060,500</td>
<td>8,752,400</td>
<td>9,749,600</td>
</tr>
<tr>
<td>Special Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional Voucher Fund</td>
<td>(2,073,000)</td>
<td>(1,988,700)</td>
<td>(1,856,400)</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>5,987,500</td>
<td>6,763,700</td>
<td>7,893,200</td>
</tr>
</tbody>
</table>

The approved amount includes $224,900 in Personal Services and $131,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $22,600 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount includes $222,600 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes $146,700 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the plan. In addition, $25,600 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities. The approved amount provides funding for an additional 4.5 FTE positions. Included in the appropriation is $29,400 for four half-time Bus Driver positions and a .50 Automotive Service Attendant position to allow the agency to assume the in-house operation of the entire Tucson Campus transportation program. The appropriation allows ASDB to assume the operation

(Continued)
of four day-transportation routes currently provided through contract services. The approved amount also provides for two new positions to staff one of the three regions to be established through the Cooperative Services Program initiated in FY 1988. Funding of $58,200 is included for one Regional Program Coordinator and one Secretary. A vacancy factor of 1.5 percent, or $90,500, was deducted when the approved amount was computed.

**All Other Operating -** The appropriation for Professional and Outside Services includes increases of $4,600 for medical, dental and ophthalmological services, $19,100 for audiological services, $7,600 for occupational and physical therapy services, $12,200 for parent advisor services, $6,400 for transportation services and $2,600 for a gas line survey. Also, an additional $15,000 is provided for audiological, vision, speech, physical therapy and occupational therapy screening and evaluation services to be implemented through the establishment of the first region of the Cooperative Services Program. The approved amount includes a decrease of $122,400 for the elimination of contract bus services currently provided for four day-transportation routes. Funding for personnel and equipment has been provided for ASDB to assume the operation of the bus routes. The approved amount for In-State Travel includes an additional $2,000 for travel associated with the opening of the first region of the Cooperative Services Program. The appropriation for Other Operating includes the restoration of all cuts taken in S.B. 1119 to achieve the FY 1988 budget reduction. In addition, the approved amount for Other Operating includes increases of $7,500 for risk management, $4,000 for utilities, $1,500 for postage, $5,900 for fuel and supplies for the transportation program and $3,000 for costs associated with the opening of the first region of the Cooperative Services Program. The approved amount for Equipment includes $47,500 for non-educational replacement equipment, $151,400 for specialized educational replacement equipment, $11,100 for the second year lease/purchase payment for one bus, $118,600 for the first year lease/purchase payment for nine buses and $4,000 for equipment, including a personal computer, printer, and office set-up, for the new region to be established through the Cooperative Services Program.

**LAND, BUILDINGS AND IMPROVEMENTS**

H.B. 2442 (Chapter 275) - The Capital Outlay Bill appropriates $159,400 from the State General Fund for costs associated with the widening of Speedway Boulevard, which runs along the southern boundary of ASDB's Tucson Campus. Included in the appropriation is $35,400 for the expansion and reconfiguration of the ADTEC parking lot, $7,500 for the extension of the brick wall separating Speedway Boulevard from the ASDB Campus and $88,900 for landscaping the ASDB frontage along Speedway Boulevard. The Capital Outlay Bill also appropriates $24,000 for the installation of a 10,000 gallon underground fuel tank to be used by the school transportation department and $25,800 for the demolition of the Tucson Campus auditorium. The auditorium has been closed since August 1987 due to structural problems.

(Continued)
S.B. 1123 (Chapter 10) - Provides that the Department of Administration (DOA) shall proceed immediately with planning related to the construction of a food service facility at ASDB's Tucson Campus, and that available architectural and engineering monies appropriated to DOA shall be used to ensure a construction bid date before September 1, 1989. Provides that DOA shall utilize lease-purchase financing for the project pursuant to section 41-791.02, Arizona Revised Statutes, to allow construction to commence by November 1, 1989.
### DEPARTMENT OF EDUCATION - SUMMARY

**A.R.S. 15-201**

**JLBC Analyst: Neisent**

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 (Actual)</th>
<th>Fiscal 88 (Estimate)</th>
<th>Fiscal 89 (Approved)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Board of Education</td>
<td>105,300</td>
<td>623,600</td>
<td>4,691,400</td>
</tr>
<tr>
<td>General Services Administration</td>
<td>7,300,900</td>
<td>7,764,600</td>
<td>8,304,500</td>
</tr>
<tr>
<td>Vocational Education</td>
<td>1,093,200</td>
<td>1,106,700</td>
<td>1,208,900</td>
</tr>
<tr>
<td>Assistance to Schools</td>
<td>983,363,100</td>
<td>1,020,478,300</td>
<td>1,143,428,600</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>991,862,500</strong></td>
<td><strong>1,029,973,200</strong></td>
<td><strong>1,157,673,400</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td><strong>179.8</strong></td>
<td><strong>179.8</strong></td>
<td><strong>180.8</strong></td>
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<td><strong>Personal Services</strong></td>
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<td><strong>4,902,800</strong></td>
<td><strong>5,210,000</strong></td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td><strong>942,000</strong></td>
<td><strong>938,300</strong></td>
<td><strong>1,165,700</strong></td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td><strong>988,900</strong></td>
<td><strong>467,400</strong></td>
<td><strong>489,900</strong></td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td><strong>133,900</strong></td>
<td><strong>83,500</strong></td>
<td><strong>86,800</strong></td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td><strong>18,400</strong></td>
<td><strong>20,900</strong></td>
<td><strong>21,400</strong></td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td><strong>1,128,100</strong></td>
<td><strong>1,270,400</strong></td>
<td><strong>961,500</strong></td>
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<tr>
<td><strong>Equipment</strong></td>
<td><strong>167,900</strong></td>
<td><strong>-0-</strong></td>
<td><strong>188,900</strong></td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td><strong>2,437,200</strong></td>
<td><strong>1,842,200</strong></td>
<td><strong>1,748,500</strong></td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>8,142,000</strong></td>
<td><strong>7,683,300</strong></td>
<td><strong>8,124,200</strong></td>
</tr>
<tr>
<td><strong>Achievement Testing</strong></td>
<td><strong>-0-</strong></td>
<td><strong>932,700</strong></td>
<td><strong>970,000</strong></td>
</tr>
<tr>
<td><strong>Special Education Audit</strong></td>
<td><strong>184,900</strong></td>
<td><strong>199,400</strong></td>
<td><strong>217,500</strong></td>
</tr>
<tr>
<td><strong>Teachers' Retirement</strong></td>
<td><strong>138,400</strong></td>
<td><strong>138,400</strong></td>
<td><strong>138,400</strong></td>
</tr>
<tr>
<td><strong>Education Commission of the States</strong></td>
<td><strong>34,100</strong></td>
<td><strong>36,100</strong></td>
<td><strong>37,700</strong></td>
</tr>
<tr>
<td><strong>SLIAC Administration</strong></td>
<td><strong>-0-</strong></td>
<td><strong>-0-</strong></td>
<td><strong>207,000</strong></td>
</tr>
<tr>
<td><strong>Assistance to Schools</strong></td>
<td><strong>983,363,100</strong></td>
<td><strong>1,020,478,300</strong></td>
<td><strong>1,087,152,600</strong></td>
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<tr>
<td><strong>Additional Appropriations</strong></td>
<td><strong>-0-</strong></td>
<td><strong>505,000</strong></td>
<td><strong>-0-</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>991,862,500</strong></td>
<td><strong>1,029,973,200</strong></td>
<td><strong>1,096,847,400</strong></td>
</tr>
</tbody>
</table>

**Additional Appropriations -**
- 38th Leg., 2nd Reg. Session

| **Ch. 9, Budget Reductions** | **--** | **--** | **56,276,000** |
| **Ch. 308, Spec. Acad. Assistance** | **--** | **--** | **4,550,000** |
| **TOTAL APPROPRIATIONS** | **991,862,500** | **1,029,973,200** | **1,157,673,400** |

1/ Of this amount, $325,000 was appropriated from the Corrections Fund pursuant to Chapter 307, Laws of 1987.

2/ The State Board of Education and Vocational Education programs have been appropriated as lump sums. The General Services Administration program has been appropriated as a modified lump sum. The objects of expenditure are shown for informational purposes only.
### DEPARTMENT OF EDUCATION - STATE BOARD OF EDUCATION

**JLBC Analyst:** Neisent

**Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)**

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions&lt;sup&gt;1/&lt;/sup&gt;</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>41,500</td>
<td>45,900</td>
<td>49,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>9,000</td>
<td>9,500</td>
<td>14,300</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>19,500</td>
<td>19,700</td>
<td>22,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,800</td>
<td>7,600</td>
<td>7,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>4,900</td>
<td>4,900</td>
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<tr>
<td>Other Operating Exp.</td>
<td>29,100</td>
<td>31,000</td>
<td>38,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>400</td>
<td>-0-</td>
<td>3,900</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>54,800</td>
<td>63,200</td>
<td>77,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>105,300</td>
<td>118,600</td>
<td>141,400&lt;sup&gt;2/&lt;/sup&gt;</td>
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</table>

Additional Appropriations -
38th Leg., 1st Reg. Session

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ch. 307, Illegal Drugs</td>
<td>--</td>
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<tr>
<td>Ch. 316, Property Tax Repayment</td>
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<td>180,000</td>
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38th Leg., 2nd Reg. Session

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
<tbody>
<tr>
<td>Ch. 308, Special Academic Assistance</td>
<td>--</td>
<td>4,550,000</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS** | 105,300 | 623,600 | 4,691,400 |

The approved amount includes $1,700 in Personal Services and $900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> The number of full-time equivalent positions does not include the nine members of the State Board of Education.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.

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DEPARTMENT OF EDUCATION - STATE BOARD OF EDUCATION
GENERAL FUND

All Other Operating - The approved amount for Professional and Outside Services includes an additional $1,200 for legal fees and an additional $2,000 for expenses associated with textbook evaluation committees. The approved amount for Other Operating includes an additional $700 for postage and an additional $6,000 to fully fund the National Association of State Boards of Education (NASBE) dues. The appropriation for Equipment includes $3,400 for two typewriters and $500 for a secretarial desk and chair.

ADDITIONAL APPROPRIATIONS

Special Academic Assistance - H.B. 2217 (Chapter 308) - Appropriates to the State Board of Education for FY 1989 the following amounts: $3,000,000 for establishing a pilot project of grants to school districts for at risk students in kindergarten through third grade programs; $1,500,000 for establishing a pilot project of grants to school districts for secondary level at risk pupil drop-out prevention programs; and, $50,000 for establishing an Academic Contests Fund. The State Board may allocate up to $300,000 of the $3,000,000 appropriation and $150,000 of the $1,500,000 appropriation to the Department of Education for technical support, personnel services and monitoring and evaluation of the demonstration programs. The $1,500,000 appropriation and the $50,000 appropriation are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.

The bill establishes a four year pilot project of academic assistance grants to school districts for Fiscal Years 1989 through 1992 for at risk students in kindergarten through third grade programs. The monies are to be disbursed by the State Board to school districts having large percentages of pupils in kindergarten through third grade programs who are at risk of not succeeding in the educational system. The districts must meet the selection criteria established by the State Board. Provides that the Department of Education shall review the annual reports submitted by school districts relative to monies expended on kindergarten through third grade special academic assistance programs and shall notify districts of noncompliance and of technical assistance available to them from the Department. The bill also establishes a four year pilot project of grants to school districts identified as having large percentages of pupils in grades seven through twelve who are at risk of dropping out of school prior to completing high school graduation requirements. The pilot project is established for Fiscal Years 1989 through 1992. The monies are to be disbursed by the State Board to school districts which specifically address the needs of secondary at risk pupils through alternative programs which provide academic and vocational training as well as support services for dropouts and potential dropouts. The districts must meet the selection criteria established by the State Board.

The bill also establishes an Academic Contests Fund consisting of monies appropriated by the Legislature or received by the State Board as grants or gifts. The monies are to be used for the purpose of sending state level winners of academic contests and their chaperons to the national levels of these contests.
### General Fund

<table>
<thead>
<tr>
<th>Position</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>151.0</td>
<td>151.0</td>
<td>152.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,920,800</td>
<td>4,027,100</td>
<td>4,273,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>777,100</td>
<td>779,800</td>
<td>958,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>918,000</td>
<td>382,800</td>
<td>402,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>122,300</td>
<td>66,000</td>
<td>69,100</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>18,400</td>
<td>16,000</td>
<td>16,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,019,700</td>
<td>1,186,300</td>
<td>869,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>167,200</td>
<td>-0-</td>
<td>183,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>2,245,600</td>
<td>1,651,100</td>
<td>1,942,100</td>
</tr>
<tr>
<td><strong>Operation Sub-total</strong></td>
<td>6,943,500</td>
<td>6,458,000</td>
<td>6,773,900</td>
</tr>
<tr>
<td>Achievement Testing</td>
<td>-0-</td>
<td>932,700</td>
<td>970,000</td>
</tr>
<tr>
<td>Special Education Audit</td>
<td>184,900</td>
<td>199,400</td>
<td>217,500</td>
</tr>
<tr>
<td>Teachers' Retirement</td>
<td>138,400</td>
<td>138,400</td>
<td>138,400</td>
</tr>
<tr>
<td>Education Commission of the States</td>
<td>34,100</td>
<td>36,100</td>
<td>37,700</td>
</tr>
<tr>
<td>SLIAG Administration</td>
<td>-0-</td>
<td>-0-</td>
<td>207,000</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td>7,300,900</td>
<td>7,764,600</td>
<td>8,344,500</td>
</tr>
</tbody>
</table>

The approved amount includes $142,800 in Personal Services and $84,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $14,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ The number shown does not include the five FTE positions in the Special Education Audit program.

2/ This appropriation is made to enable the state to carry out the provisions of section 38-747, Arizona Revised Statutes.

3/ These funds shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is Legislative intent that the General Fund be fully reimbursed for this appropriation.

4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount includes $32,000 for one additional EDP Programmer/Analyst III position to serve as the micro-computer network coordinator for the school finance section and to assist in the analysis of school finance and State Aid data. If time permits, this position will also assist with the automation of the Department's accounting section. A vacancy factor of two percent, or $83,600, was deducted when the approved amount was computed.

All Other Operating - The approved amount for Professional and Outside Services includes an increase of $8,800 for data processing services, an increase of $400 for legal services and an increase of $7,600 for the Communications Service Center. The approved amount for In-State Travel includes an increase of $3,100 above the FY 1988 Estimate. The approved amount for Other Operating includes an increase of $11,200 for postage, an increase of $54,700 for risk management and a decrease of $32,600 for miscellaneous expenses. The approved amount for Equipment includes $35,000 to complete the replacement of telephones and switching gear on the second and third floors of the Education Building and $150,000 to automate the Department's accounting, teacher certification and school finance sections. The appropriation provides $46,000 to automate the accounting section and $44,000 to automate the school finance section through the purchase of micro-computers, printers, network servers, hardware supplements and software. In addition, $58,000 is provided for memory/processor upgrades and a disk drive controller for the Department's mini-computer. The upgrades will assist in the automation of the teacher certification and school finance sections. The approved amount also includes $2,000 for equipment for the new EDP Programmer/Analyst III position authorized for the school finance section.

Special Education Audit - The approved amount is based on the following objects of expenditure:

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>5.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$138,300</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>30,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>15,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>7,500</td>
</tr>
<tr>
<td>Other Operating Expenditures</td>
<td>25,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$217,500</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $4,700 in Personal Services and $2,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $500 in Employee Related Expenditures for the increased retirement contribution.
Achievement Testing - The appropriation provides full funding for the testing of all grades on nationally norm-referenced achievement tests. H.B. 2111 (Chapter 216) provides that the Department of Education may sample test grades one and twelve on the norm-referenced achievement tests administered by the Department yearly, except that individual school districts may request the testing of all their pupils in grades one or twelve, or both. In addition, the bill requires the Department of Education to develop and pilot measures to assess state essential skills in the goal areas adopted by the Joint Legislative Committee on Goals for Arizona Educational Excellence, to conduct a study on how school districts use the results of the norm-referenced achievement tests, and to analyze the limitations of the current testing program. The bill also provides that monies appropriated for norm-referenced testing which are not used for this purpose be used to conduct the required studies prescribed by the act.

SLIAG (State Legalization Impact Assistance Grants) Administration - The approved amount represents funding required for the administrative costs associated with the SLIAG grant monies (see Assistance to Schools program). The state General Fund will be reimbursed by the federal SLIAG grants for this "up-front" funding. The SLIAG grant monies are provided to applying states which provide educational services to certain illegal aliens who have become legal residents of the United States under the amnesty program established by Congress in 1986. All payments for educational services, whether provided by state and local education agencies or by private non-profit organizations, must go through the state Department of Education.
### DEPARTMENT OF EDUCATION - VOCATIONAL EDUCATION

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>26.3</td>
<td>26.3</td>
<td>26.3</td>
</tr>
<tr>
<td>Personal Services</td>
<td>800,500</td>
<td>829,800</td>
<td>887,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>155,900</td>
<td>149,000</td>
<td>193,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>51,400</td>
<td>64,900</td>
<td>64,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,800</td>
<td>9,900</td>
<td>9,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>79,300</td>
<td>53,100</td>
<td>54,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>300</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>136,800</td>
<td>127,900</td>
<td>128,900</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,093,200</td>
<td>1,106,700</td>
<td>1,208,900</td>
</tr>
</tbody>
</table>

The approved amount includes $30,000 in Personal Services and $17,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,000 in Employee Related Expenditures for the increased retirement contribution.

1/ The above appropriation is made to enable the State to cooperate with the federal government in carrying out the provisions of an act of Congress approved February 23, 1917 and acts amendatory and supplementary thereto, providing for the promotion and development of cooperative vocational education.

2/ The appropriation represents 50 percent of the total cost of the Vocational Education Program which is required to be funded by the State of Arizona under Public Law 94-482.

3/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Statutory Formula Programs</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic State Aid Entitlement</td>
<td>849,311,700</td>
<td>871,190,000</td>
<td>883,535,400</td>
</tr>
<tr>
<td>Additional State Aid to Schools</td>
<td>116,906,200</td>
<td>129,542,400</td>
<td>170,176,100</td>
</tr>
<tr>
<td>Assistance to School Districts</td>
<td>83,300</td>
<td>300,000</td>
<td>331,900</td>
</tr>
<tr>
<td>Cert. of Ed. Convenience</td>
<td>5,686,400</td>
<td>6,567,300</td>
<td>6,200,000</td>
</tr>
<tr>
<td>Permanent Special Ed. Voucher</td>
<td>1,181,800</td>
<td>1,425,500</td>
<td>1,700,000</td>
</tr>
<tr>
<td>Perm. Spec. Ed. Inst. Voucher</td>
<td>3,634,500</td>
<td>3,900,000</td>
<td>4,200,000</td>
</tr>
</tbody>
</table>

| Non-Formula Programs                                           |                  |                    |                    |
| Adult Education Assistance                                     | 928,900          | 1,050,000          | 1,050,000          |
| Vocational Educ. Assistance                                    | 2,673,800        | 2,835,000          | 2,835,000          |
| Vocational Education Program Support                           | 930,000          | 1,000,000          | 1,000,000          |
| Preschool Handicapped                                          | 972,700          | 1,100,000          | 1,100,000          |
| Academic Decathlon                                             | 35,600           | 50,100             | 81,700             |
| Arizona Principal's Institute                                  | 37,200           | 40,000             | 40,000             |
| Teacher Residency Program                                      | 412,800          | 443,800            | 446,300            |
| Chemical Abuse                                                 | 348,200          | 377,400            | 422,100            |
| ASSET                                                          | 220,000          | 234,000            | 234,000            |
| Special Educ. Tuition                                          | -0-              | 70,000             | 100                |
| Jobs for Arizona Graduates                                     | -0-              | 352,800            | -0-                |
| SLIAG Adult Education                                          | -0-              | -0-                | 12,500,000         |
| SLIAG K-12                                                     | -0-              | -0-                | 1,300,000          |

| TOTAL APPROPRIATIONS                                           | 983,363,100      | 1,020,478,300      | 1,087,152,600      |

| Additional Appropriations - 38th Leg., 2nd Reg. Session         |                  |                    |                    |
| Ch. 9, Budget Reductions                                       | --               | --                 | 56,276,000         |

| TOTAL APPROPRIATIONS                                           | 983,363,100      | 1,020,478,300      | 1,143,428,600      |

(Continued)

1/ The FY 1988 Estimate reflects a reduction of $30,000,000 from the original FY 1988 appropriated level of $901,190,000, pursuant to S.B 1119 (Chapter 9), Laws of 1988.

2/ The approved amount includes an additional $4,719,800 to reflect the 0.34 percent increase required for full funding of employer contributions to the State Retirement System for school district personnel.

3/ These funds shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is legislative intent that the general fund be fully reimbursed for this appropriation.

4/ Represents General Appropriation Act funds. Appropriated as a lump sum for each program.
ADDITIONAL APPROPRIATIONS

Budget Reductions - S.B. 1119 (Chapter 9) - Requires the State Board of Education to reduce on a pro rata basis the June FY 1988 apportionment of Basic State Aid and Additional State Aid by $56,100,000. This amount reflects: a $30,000,000 reduction in Basic State Aid; a $13,100,000 shortfall in Basic State Aid; and, a $13,000,000 shortfall in Additional State Aid. S.B. 1119 reappropriates $56,100,000 in FY 1989 for the FY 1988 reduction, with the amount to be disbursed on July 1, 1988. In addition, the bill appropriates $176,000 to the State Board of Education for distribution, on July 1, 1988, to school districts if the districts incurred interest expenses in FY 1988 associated with the registering of warrants related to the FY 1988 apportionment reduction.

STATUTORY FORMULA PROGRAMS

Basic State Aid Entitlement - The General Fund appropriation, when combined with the General Fund appropriation made pursuant to Chapter 260, Second Regular Session, Laws of 1988, reflects the major portion of the estimated $1,006,535,400 total requirement for basic state support aid. The difference between the estimated total amount required and the General Fund amount appropriated will be funded by expendable income derived from the Permanent State Common School Fund together with receipts derived from any other source and will be expended, whenever possible, prior to expenditure of General Fund monies. The General Fund appropriation, when combined with other monies in the State School Fund, provides basic state support to school districts for maintenance and operation, transportation and capital outlay funding as provided by section 15-973, Arizona Revised Statutes. This aid is based upon a weighted student count and a qualifying tax rate upon the assessed valuation of the districts.

The approved amount is based on an increase of 3.0 percent in the G.N.P. Price Deflator, bringing the Base Level to $2,206.00. It is also based on an FY 1988 student count of 563,209.285 (401,569.792 elementary Average Daily Membership (A.D.M.) and 161,639.493 secondary A.D.M.) and an increase in 1988 overall assessed valuation of approximately 9.2 percent. The approved amount is based on the following computation:

\[
\text{FY 1989 Equalization Requirement} = 1,069,935,400 \\
\text{Add:} \\
\text{Sudden Growth} = 25,000,000 \\
\text{CEC - Unorganized Districts} = 1,100,000 \\
\text{Total Equalization Requirement} = 1,133,035,400 \\
\text{Deduct:} \\
\text{County Equalization} = 96,000,000 \\
\text{Public Law 81-874} = 7,500,000 \\
\text{Endowments} = 43,000,000 \\
\text{Required Funding} = 986,535,400 \\
\text{Less Other Legislation:} \\
\text{H.B. 2345 (Chapter 221)} = 3,000,000 \\
\text{S.B. 1261 (Chapter 271)} = 20,000,000 \\
\text{S.B. 1018 (Chapter 296)} = 80,000,000 \\
\text{FY 1989 General Fund Appropriation} = 883,535,400
\]

(Footnotes are Shown on the Following Page)
1/ H.B. 2345 (Chapter 221) - Allows the State Superintendent of Public Instruction to redetermine State Aid for school districts if it is determined that any calculations, within the previous five years, did not conform to statutory requirements. The corrections may be made to the current year's State Aid payments or to payments made in the budget year. The $3,000,000 reduction to the FY 1989 General Fund appropriation reflects corrections for net overpayments of Basic State Aid made in FY 1986 and FY 1987 due to errors in the calculation of the Capital Levy Revenue Limit (CLRL) section of the State Aid formula.

2/ S.B. 1261 (Chapter 271) - Amends section 15-971, Arizona Revised Statutes, by providing for the inclusion of Salt River Project (SRP) assessed valuation, used to determine voluntary contributions collected pursuant to Title 48, Chapter 1, Article 8, in the total assessed valuation used in the determination of equalization assistance payments. The approved amount for Basic State Aid includes a reduction of $10,000,000 to reflect the addition of the SRP valuation. The bill provides for the phase-in of tax rate increases to residential property, resulting from the inclusion of SRP valuation, by limiting annual increases to 50¢ per $100 of assessed value. The bill also amends section 42-227, Arizona Revised Statutes, by providing that the 1987 assessment ratios for Property Classes 1, 2 and 6 shall also apply for tax years 1988 and 1989. The approved amount for Basic State Aid includes a reduction of $10,000,000 to reflect the effect of holding the assessment ratios for these three classes of property at the 1987 levels. The bill also provides for levying the Qualifying Tax Rate (QTR) in unorganized school districts and provides for the phase-in of the tax on residential property by limiting annual increases to 50¢ per $100 of assessed value, beginning in 1988.

3/ S.B. 1018 (Chapter 296) - Provides that the State Board of Education shall reduce, on a pro rata basis, the June 15, 1989 apportionment of Basic State Aid and Additional State Aid required pursuant to section 15-973, Arizona Revised Statutes, by a total of $80,000,000. Also allows school districts to budget in FY 1990 for interest expenses associated with the registering of warrants related to the FY 1989 apportionment reduction. S.B. 2142 (Chapter 260) appropriates $80,000,000 in FY 1990 for the FY 1989 apportionment reduction, with the funds to be disbursed on July 1, 1989 in amounts equal to the reductions taken in the June FY 1989 apportionment payment. The bill also appropriates $250,000 in FY 1990 to the State Board of Education for distribution, on July 1, 1989, to school districts if the districts incurred interest expenses in FY 1989 associated with the registering of warrants related to the FY 1989 apportionment reduction.
Additional State Aid to Schools - This appropriation is made to enable the state to carry out the requirements of section 15-972, Arizona Revised Statutes. The Additional State Aid for education provided by this appropriation shall be apportioned as provided in section 15-973, Arizona Revised Statutes.

The approved amount is based on an increase of 10 percent in Class Five (residential) assessed valuation in 1988 and an average increase of nine percent in school district tax rates. S.B. 1261 (Chapter 271) amends section 15-972, Arizona Revised Statutes, by providing that the maximum state reduction in property taxes for any residential parcel shall not exceed $500.

Assistance to Public School Districts for Children of State Employees - For the assistance of school districts in educating the children of certain state employees as prescribed by section 15-976, Arizona Revised Statutes.

Certificates of Educational Convenience - For the reimbursement of school districts that have students enrolled on certificates of educational convenience as provided by section 15-825, Arizona Revised Statutes.

The approved amount is based on an FY 1989 estimated A.D.M. of 1,391.523 and an estimated average cost of $4,455.55 per A.D.M.

Permanent Special Education Voucher Fund - For special education costs of students placed in private institutions by the Department of Economic Security, Department of Corrections or the Juvenile Courts, as provided by section 15-1182, Arizona Revised Statutes.

The approved amount is based on the following student counts and FY 1989 rates per A.D.M.:

<table>
<thead>
<tr>
<th>Category</th>
<th>A.D.M.</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotionally Handicapped</td>
<td>292.038</td>
<td>$5,663.01</td>
</tr>
<tr>
<td>Trainable Mentally Handicapped</td>
<td>3.580</td>
<td>6,860.66</td>
</tr>
<tr>
<td>Multiply Handicapped</td>
<td>2.776</td>
<td>7,579.81</td>
</tr>
</tbody>
</table>

Permanent Special Education Institutional Voucher Fund - For special education costs of students attending the Arizona School for the Deaf and the Blind and developmentally disabled programs operated by the Department of Economic Security in accordance with section 15-1202, Arizona Revised Statutes.

The approved amount is based on the following student counts and FY 1989 rates per A.D.M.:

<table>
<thead>
<tr>
<th>Category</th>
<th>A.D.M.</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visually Handicapped</td>
<td>89.911</td>
<td>$8,753.41</td>
</tr>
<tr>
<td>Hearing Handicapped</td>
<td>398.628</td>
<td>7,456.28</td>
</tr>
<tr>
<td>Multiply Handicapped</td>
<td>58.140</td>
<td>7,579.81</td>
</tr>
</tbody>
</table>

(Continued)
**NON-FORMULA PROGRAMS**

**Adult Education Assistance** - For classes in adult basic education, general education development and citizenship on a statewide basis.

**Vocational Education Assistance** - For assistance to school districts offering vocational education as provided by section 15-787, Arizona Revised Statutes.

**Vocational Education Program Support** - The approved amount is in addition to the $2.8 million in state assistance for vocational education programs. These monies shall be available to local school districts with an emphasis on entry-level skill preparation, and based upon established standards of program quality.

**Preschool Handicapped** - The approved amount provides funding for preschool programs for handicapped children ages three to five who due to physical, mental or emotional characteristics need special instruction or special ancillary services to achieve at levels commensurate with their abilities. Initial funding of $500,000 was provided for the program in FY 1985 with the enactment of H.B. 2200 (Chapter 272), Laws of 1984. The FY 1989 appropriation will provide services for an estimated 407 children at an approximate cost of $2,700 per child. H.B. 2226 (Chapter 281) provides for the inclusion of preschool handicapped children, ages three to five, in the Group A support level category in the State Aid formula and allows school districts to begin budgeting for such pupils in FY 1990.

**Academic Decathlon** - The amount appropriated shall be used solely for the purpose of paying administrative and material costs incurred in support of the Academic Decathlon and other academic events. The appropriation is based on the following objects of expenditure:

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>1.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$46,300</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>10,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>1,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,000</td>
</tr>
<tr>
<td>Other Operating Expenditures</td>
<td>20,200</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$81,700</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $1,600 in Personal Services and $900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $200 in Employee Related Expenditures for the increased retirement contribution.

**Arizona Principals' Institute** - The approved amount continues funding in support of the Institute as established by S.B. 1226 (Chapter 348), Laws of 1984. Monies are to be used for the costs of administering the Principals' Institute and for the instructional or program costs of the Institute.

(Continued)
Teacher Residency Program - The appropriation is made to provide a comprehensive, skill-based program of on-the-job training and observation for graduates of colleges of education. The appropriation is based on the following objects of expenditure:

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>1.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$ 44,100</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>9,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>5,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>2,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,000</td>
</tr>
<tr>
<td>Other Operating Expenditures</td>
<td>39,700</td>
</tr>
<tr>
<td>Assistance to School Districts</td>
<td>343,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$446,300</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $1,500 in Personal Services and $900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

Chemical Abuse - The approved amount continues funding in support of the Chemical Abuse program as established by S.B. 1248 (Chapter 242), Laws of 1983. Monies are to be used to assist school districts with the costs of programs designed to prevent chemical abuse by pupils in kindergarten programs and grades one through twelve. The appropriation is based on the following objects of expenditure:

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>2.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$ 64,800</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>14,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>11,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>3,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,000</td>
</tr>
<tr>
<td>Other Operating Expenditures</td>
<td>9,400</td>
</tr>
<tr>
<td>Assistance to School Districts</td>
<td>317,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$422,100</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $2,200 in Personal Services and $1,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $200 in Employee Related Expenditures for the increased retirement contribution.

ASSET (Arizona School Services through Educational Technology) - The approved amount provides funding to assist districts in enhancing educational instruction through television coursework. The appropriation provides $152,000 for the payment of transmission costs and $82,000 for the shipping and distribution of printed materials.

(Continued)
Special Education Tuition - The aim of the program is to provide funding for assistance in mainstreaming students who are placed in private special education schools into the public schools on a part-time basis. Initial funding of $70,000 was provided for the program in FY 1987 with the enactment of H.B. 2014 (Chapter 337), Laws of 1986. An appropriation of $70,000 was also provided for FY 1988. Due to problems with the implementation of administrative rules and regulations under which the program would operate, both the FY 1987 and FY 1988 appropriations reverted. The Legislature approved only a token appropriation for FY 1989 to maintain the line item for possible future legislative action.

Jobs for Arizona Graduates - The FY 1988 appropriation for the Jobs for Arizona Graduates (JAG) program carried the following footnote:

"It is legislative intent that the Auditor General prepare an evaluation of the Jobs for Arizona Graduates program to be submitted to the Legislature by January 31, 1988, with recommendations relating to the organization and management, program content, student selection criteria, program placement results and cost effectiveness of the program."

The Auditor General's report recommended terminating the JAG program because it is not successful in placing high school seniors in jobs and because the cost of placing students through the JAG program is high. The Legislature did not approve funding for the program for FY 1989.

SLIAG (State Legalization Impact Assistance Grants) Adult Education and K-12 - The appropriated amounts for these line items represent funding required for the adult education and K-12 education costs associated with the SLIAG grant monies. The state General Fund will be reimbursed by the federal SLIAG grants for this "up-front" funding. The SLIAG grant monies are provided to applying states which provide educational services to certain illegal aliens who have become legal residents of the United States under the amnesty program established by Congress in 1986. All payments for educational services, whether provided by state and local education agencies or by private non-profit organizations, must go through the state Department of Education.
Don Bufkin, Acting Director (Tel. Tucson 628-5774)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>46.3</td>
<td>46.3</td>
<td>46.3</td>
</tr>
<tr>
<td>Personal Services</td>
<td>973,700</td>
<td>1,032,300</td>
<td>1,031,600</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>201,600</td>
<td>204,400</td>
<td>238,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>46,000</td>
<td>33,400</td>
<td>33,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>7,800</td>
<td>8,600</td>
<td>8,600</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,700</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>367,100</td>
<td>429,200</td>
<td>500,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>13,100</td>
<td>17,400</td>
<td>33,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>435,700</td>
<td>488,600</td>
<td>576,200</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,611,000</td>
<td>1,725,300</td>
<td>1,846,500</td>
</tr>
<tr>
<td>Journal of Arizona History</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Historical Society Grants</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>500</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>1,646,500</td>
<td>1,761,800</td>
<td>1,883,000</td>
</tr>
</tbody>
</table>

The approved amount includes $34,900 in Personal Services and $20,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a two percent vacancy factor.

Equipment - The amount approved includes funding for the replacement of auditorium chairs and computer equipment.

(Continued)

1/ Of the $576,200 appropriated for All Other Operating Expenditures, $6,000 is to be used exclusively for grants to three local historical societies.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.
LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 3, appropriates $10,000 for architectural and engineering fees for a sprinkler system in the Tucson museum.

S.B. 1123 (Chapter 10) - Authorizes the Arizona Historical Society to proceed immediately with lease-purchase financing for the new museum facility to be located in Papago Park, Tempe. Construction for the facility is to begin by November 1, 1988.
The approved amount includes $10,600 in Personal Services and $6,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,100 in Employee Related Expenditures for the increased retirement contribution.

**LAND, BUILDINGS AND IMPROVEMENTS**

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 3, appropriates $25,000 for the lease purchase payment for land located adjacent to the Sharlot Hall Museum, and $7,600 for the replacement of sidewalk bordering the recently purchased property.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
Medical Student Loans - The amount appropriated to the Board shall be deposited in the Medical Student Loan Fund as prescribed by Section 15-1725, Arizona Revised Statutes. The appropriated amount along with the available student loan fund will provide funding for 16 medical students. These loans are available to Arizona residents who agree to provide medical services in medically underserved areas of the State. Loans are limited to $6,000 per year per student, and can not exceed a period of four years.

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Beg. of Fiscal Year</strong></td>
<td>12,400</td>
<td>42,200</td>
</tr>
<tr>
<td>Add: Loan Collections</td>
<td>20,800</td>
<td>125,500</td>
</tr>
<tr>
<td>General Fund</td>
<td>84,000</td>
<td>75,000</td>
</tr>
<tr>
<td><strong>Total Funds Available</strong></td>
<td>117,200</td>
<td>242,700</td>
</tr>
<tr>
<td><strong>Medical Student Loans</strong></td>
<td>75,000</td>
<td>138,000</td>
</tr>
<tr>
<td><strong>Balance End of Fiscal Year</strong></td>
<td>42,200</td>
<td>104,700</td>
</tr>
</tbody>
</table>
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>34.75</td>
<td>34.75</td>
<td>39.75</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,263,800</td>
<td>1,281,400</td>
<td>1,508,000</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>229,300</td>
<td>222,200</td>
<td>317,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>9,700</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Travel - State</td>
<td>19,600</td>
<td>20,800</td>
<td>20,800</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>138,300</td>
<td>186,200</td>
<td>208,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>176,600</td>
<td>207,000</td>
<td>228,900</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,669,700</td>
<td>1,710,600</td>
<td>2,054,100</td>
</tr>
<tr>
<td>Statewide Planning</td>
<td>132,900</td>
<td>200,000</td>
<td>0</td>
</tr>
<tr>
<td>WICHE Office</td>
<td>56,000</td>
<td>59,000</td>
<td>62,000</td>
</tr>
<tr>
<td>WICHE Student Subsidies</td>
<td>1,763,300</td>
<td>1,806,100</td>
<td>1,351,600</td>
</tr>
<tr>
<td>St. Student Incentive Grant</td>
<td>247,700</td>
<td>1,143,000</td>
<td>1,293,000</td>
</tr>
<tr>
<td>Course Equivalency Guide</td>
<td>6,300</td>
<td>12,100</td>
<td>12,100</td>
</tr>
<tr>
<td>Postsecondary Data Project</td>
<td>17,400</td>
<td>19,100</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,893,300</td>
<td>4,949,900</td>
<td>4,772,800</td>
</tr>
</tbody>
</table>

### Additional Appropriations - 38th Leg., 2nd Reg. Session

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ch. 305, Teacher Loan Forgiveness</td>
<td>--</td>
<td>--</td>
<td>100,000</td>
</tr>
<tr>
<td>Program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,893,300</td>
<td>4,949,900</td>
<td>4,872,800</td>
</tr>
</tbody>
</table>

1. An additional $485,700 is appropriated to the State's three universities to fund 35 new students' subsidies.
2. This amount is to be used to make grants under the Arizona State Student Incentive Grant Program administered by the Arizona Commission for Postsecondary Education. Grants may be made to Arizona residents who demonstrate financial need and who are attending, on at least a half-time basis, an approved program at a properly accredited Arizona postsecondary educational institution according to the provisions of applicable federal and state laws and regulations relating to this program.

(Footnotes Continued on Following Page)
The approved amount includes $50,800 in Personal Services and $29,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for an Associate Director for Capital Development/Human Relations, a Strategic Planning/Data Base Specialist, a Budget Analyst and two Secretary positions.

Statewide Planning - The on-going strategic planning activities are funded through the operating line items with three positions (Associate Director for Capital Development/Human Relations, a Strategic Planning/Data Base Specialist and a Secretary).

WICHE Office Expenses - The appropriated amount provides for Arizona's annual pro rata share of administrative expenses for the Western Interstate Commission for Higher Education.

(Continued)

(Footnotes Continued From Previous Page)

3/ Each participating institution, public or private, in order to be eligible to receive state matching funds under the State Student Incentive Grant Program for grants to students, shall provide an amount of institutional matching funds which shall be equal to the amount of funds provided by the State to the institution for the SSIG program. Administrative expenses may be paid from nonfederal program funds provided such payment does not reduce state appropriated matching funds necessary to receive the maximum federal SSIG funds.

4/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the agency. The objects of expenditure are shown for informational purposes only.

5/ In addition to the General Fund amount shown, it is anticipated that $452,100 will be available for operating expenditures from local funds which include $275,200 from indirect cost revenues and $176,900 from institutional SSIG funds. In addition to the SSIG federal and institutional matches, the operating budget of the local funds is based upon the following objects of expenditures:

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Indirect Cost Revenues</th>
<th>SSGI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>$45,500</td>
<td>$128,300</td>
<td>$173,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>8,200</td>
<td>19,200</td>
<td>27,400</td>
</tr>
<tr>
<td>All Other Operating</td>
<td>221,500</td>
<td>29,400</td>
<td>250,900</td>
</tr>
<tr>
<td>EXPENSES SUB-TOTAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>275,200</td>
<td>176,900</td>
<td>452,100</td>
</tr>
<tr>
<td>SSIG Federal Match</td>
<td>-0-</td>
<td>1,237,600</td>
<td>1,237,600</td>
</tr>
<tr>
<td>SSIG Institutional Match</td>
<td>-0-</td>
<td>1,060,700</td>
<td>1,060,700</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$275,200</td>
<td>$2,475,200</td>
<td>$2,750,400</td>
</tr>
</tbody>
</table>
WICHE Student Subsidies - The amount approved provides funding for subsidies to 99 continuing WICHE students. In addition to the $1,351,600 appropriated to the Arizona Board of Regents, $483,700 is appropriated to the state's three universities to fund 35 new WICHE students in the fields of study shown below:

<table>
<thead>
<tr>
<th>Field of Study</th>
<th>Continuing Students</th>
<th>New Students</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osteopathy</td>
<td>9</td>
<td>2</td>
<td>$113,300</td>
</tr>
<tr>
<td>Dentistry</td>
<td>20</td>
<td>9</td>
<td>360,400</td>
</tr>
<tr>
<td>Veterinary Medicine</td>
<td>52</td>
<td>18</td>
<td>1,225,000</td>
</tr>
<tr>
<td>Occupational Therapy</td>
<td>4</td>
<td>3</td>
<td>31,500</td>
</tr>
<tr>
<td>Optometry</td>
<td>14</td>
<td>3</td>
<td>107,100</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>99</strong></td>
<td><strong>35</strong></td>
<td><strong>$1,837,300</strong></td>
</tr>
</tbody>
</table>

State Student Incentive Grant Program - The amount approved is to match federal funds for scholarships to students who attend accredited post-secondary educational institutions in the state and who demonstrate financial need.

Course Equivalency Guide - The amount approved provides funding for the publishing of the Course Equivalency Guide to help community college students become familiar with courses and identify transfer requirements to 4-year institutions.

Additional Appropriations

Teacher Loan Forgiveness Program - H.B. 2108 (Chapter 305) - Sections two and five provide the following:

- The Board of Regents shall establish a loan forgiveness incentive program to encourage students in the three universities under the jurisdiction of the Board to prepare for teaching positions and seek employment in school districts in this state which are identified as having high proportions of economically disadvantaged and at risk pupils.
- The sum of $100,000 is appropriated for fiscal year 1988-1989 from the State General Fund to the Board of Regents for deposit in the Teacher Loan Forgiveness Fund for the purpose of implementing a teacher loan forgiveness program. Up to ten percent of these monies may be used by the Board of Regents to cover the costs of administering and evaluating of the program.

Additional Legislation

H.B. 2093 (Chapter 343) - Authorizes the Board of Regents to establish a separate Collegiate Number Plate Fund for each university and provides the following:

- The Board of Regents shall require each university to submit a plan for approval of the expenditure of monies in the appropriate fund. All monies in the fund shall only be used for academic scholarships. Each university shall annually report to the Board of Regents the percentage of monies that were expended on behalf of minority applicants.

(Continued)
The Board of Regents may delegate to a state university foundation, approved by each university, the right to market and promote the purchase of collegiate number plates. No dues, fees or charges except those specified in section 28-308.01, Arizona Revised Statutes, may be levied or collected by a state university foundation in connection with collegiate number plates.

The funds established are exempt from section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. The State Treasurer may invest inactive monies in the fund. The State Treasurer shall credit all interest earned on the fund monies to the fund.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates $5,187,700 from the General Fund to the Board of Regents for major maintenance and repair activities to be allocated by the Board of Regents to the three state universities. The $5,187,700 appropriation includes $1,999,300 for Arizona State University, $828,000 for Northern Arizona University and $2,360,400 for the University of Arizona.

This appropriation is contingent on approval by the Board of the following contributions from University monies:

<table>
<thead>
<tr>
<th>University</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona State University</td>
<td>1,713,700</td>
</tr>
<tr>
<td>Northern Arizona University</td>
<td>424,000</td>
</tr>
<tr>
<td>University of Arizona</td>
<td>1,325,300</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,463,000</strong></td>
</tr>
</tbody>
</table>

The Board shall require each university to establish a major maintenance and repair account for deposit of their matching contribution and any amounts allocated to the university from the appropriation made to the Board. Amounts deposited in the account shall be audited annually by the Board.

S.B. 1212 (Chapter 299) - Section two authorizes the Arizona Board of Regents to issue revenue bonds in one or more series but not exceeding in the aggregate $263,900,000 for and on behalf of the universities, and further provides:

- The Arizona Board of Regents, on the basis of the system of building facilities priorities, shall determine the amount and timing of the bond authorization for the universities under its jurisdiction. The Board shall base its determination on the priorities of the system of building facilities, need and the ability of the university for which bonds are issued to meet the necessary debt service on the bonds from revenues available for the payment of the bonds and any interest on the bonds.
- The Arizona Board of Regents shall not issue revenue bonds as authorized by this act for any project unless the project is first approved by the Joint Committee on Capital Review.

(Continued)
Section three establishes a Legislative University Capital Improvement Study Committee, which consists of three members of the House of Representatives and three members of the Senate, and further provides the following:

- The Committee shall study
  1. The impact of the universities' capital project five year plan.
  2. The current and projected space utilization rates at the universities.
  3. The impact on the state general fund of bond debt service.
  4. The adequacy of tuition assistance for low and middle income students.
  5. Whether projected enrollments and new program offerings justify implementing the proposed capital projects which are funded with revenue bonds.

- The committee shall present a report of its findings to the Speaker of the House of Representatives and the President of the Senate on or before December 31, 1989.
J. Russell Nelson, Ph.D., President (Tel. 965-9606)

JLBC Analyst: Lee

<table>
<thead>
<tr>
<th>GENERAL FUND SUMMARY</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4,349.1</td>
<td>4,471.4</td>
<td>4,613.4</td>
</tr>
<tr>
<td>Personal Services</td>
<td>118,959,200</td>
<td>131,871,800</td>
<td>139,600,100 1/</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>20,318,300</td>
<td>23,115,900</td>
<td>28,177,000</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>2,295,000</td>
<td>1,251,900</td>
<td>1,299,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>154,200</td>
<td>271,100</td>
<td>286,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>174,500</td>
<td>652,800</td>
<td>709,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>23,538,200</td>
<td>27,910,600</td>
<td>30,479,300</td>
</tr>
<tr>
<td>Equipment</td>
<td>8,865,200</td>
<td>8,093,800</td>
<td>10,868,300</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>39,813,900</td>
<td>42,329,100</td>
<td>47,792,700</td>
</tr>
<tr>
<td>WICHE Student Subsidies</td>
<td>-0-</td>
<td>-0-</td>
<td>161,900 2/</td>
</tr>
<tr>
<td>TOTAL EXP. AUTHORITY</td>
<td>179,091,000</td>
<td>197,316,800</td>
<td>215,731,700 3/</td>
</tr>
<tr>
<td>Collections</td>
<td>(39,376,600)</td>
<td>(44,604,200)</td>
<td>(46,894,200)</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>(942,100)</td>
<td>(1,177,800)</td>
<td>(942,100)</td>
</tr>
<tr>
<td>Balances Forward</td>
<td>-0-</td>
<td>-0-</td>
<td>(48,800)</td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>(40,318,700)</td>
<td>(45,782,000)</td>
<td>(47,885,100)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>138,772,300</td>
<td>151,534,800</td>
<td>167,846,600 4/5/6/</td>
</tr>
</tbody>
</table>

Additional Appropriations -
38th Leg., 2nd Reg. Session

Ch. 305, University Recruitment
and Retention Program

| TOTAL APPROPRIATIONS | 138,772,300     | 151,534,800        | 168,990,900        |

1/ The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.

2/ This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.

4/ The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)
The approved amount includes $4,720,800 in Personal Services and $2,751,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $256,600 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<table>
<thead>
<tr>
<th>Program</th>
<th>FTE</th>
<th>Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>2,581.60</td>
<td>$113,469,900</td>
</tr>
<tr>
<td>Organized Research</td>
<td>174.50</td>
<td>7,776,500</td>
</tr>
<tr>
<td>Public Service</td>
<td>47.40</td>
<td>1,944,000</td>
</tr>
<tr>
<td>Academic Support</td>
<td>599.80</td>
<td>30,563,000</td>
</tr>
<tr>
<td>Student Services and Administration</td>
<td>371.50</td>
<td>11,431,500</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>838.60</td>
<td>40,817,600</td>
</tr>
<tr>
<td>Salary Adjustment</td>
<td>0.00</td>
<td>7,729,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,613.40</strong></td>
<td><strong>$215,731,700</strong></td>
</tr>
</tbody>
</table>

Personal Services - The amount approved includes funding for 26 faculty and 13 secretary/support staff positions based upon the 22:1 student to faculty ratio funding formula and for 103 new positions associated with eight program changes.

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 34,205 full-time equivalent students during the following fall semesters:

- Fall of 1986 (Actual) - 33,631; at 25% = 8,408
- Fall of 1987 (Estimate) - 34,205; at 50% = 17,102
- Fall of 1988 (Projection) - 34,780; at 25% = 8,695
- **Total** 34,205

(Footnotes Continued From Previous Page)

5/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

6/ Except for the local fund budget of $275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.
The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.

Program Change - The program changes approved are shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Program</th>
<th>FTE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Excellence II - Balance of Unfunded FY 1988, 3rd Year</td>
<td>Instruction</td>
<td>0.0</td>
<td>$250,100</td>
</tr>
<tr>
<td>New Facilities Support - Unfunded FY 1988</td>
<td>Institutional Support</td>
<td>10.5</td>
<td>387,600</td>
</tr>
<tr>
<td>College of Fine Arts Technical Support</td>
<td>Instruction</td>
<td>20.0</td>
<td>334,700</td>
</tr>
<tr>
<td>Engineering Excellence II - 4th Year</td>
<td>Instruction</td>
<td>16.0</td>
<td>1,118,700</td>
</tr>
<tr>
<td>New Facilities Support - FY 1989</td>
<td>Institutional Support</td>
<td>35.5</td>
<td>679,300</td>
</tr>
<tr>
<td>New Nonresident Admissions Policy Support</td>
<td>Student Services and Admin.</td>
<td>4.0</td>
<td>95,400</td>
</tr>
<tr>
<td>Science &amp; Engineering of Materials</td>
<td>Org. Research</td>
<td>10.0</td>
<td>600,600</td>
</tr>
<tr>
<td>Disabled Students' Access Learning Lab &amp; Testing Center</td>
<td>Student Services and Admin.</td>
<td>7.0</td>
<td>112,100</td>
</tr>
</tbody>
</table>

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.B. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of $1,144,300 is appropriated for this program to Arizona State University.
- Appropriations for succeeding years shall become part of the continuation budget.
### GENERAL FUND SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>153.9</td>
<td>217.9</td>
<td>255.9</td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,464,300</td>
<td>5,298,500</td>
<td>6,763,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>578,500</td>
<td>1,008,800</td>
<td>1,444,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>92,000</td>
<td>67,100</td>
<td>167,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>32,800</td>
<td>41,900</td>
<td>54,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>25,400</td>
<td>77,200</td>
<td>107,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,008,500</td>
<td>748,100</td>
<td>1,277,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>372,100</td>
<td>574,300</td>
<td>587,600</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>381,800</td>
<td>397,800</td>
<td>1,397,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,912,600</td>
<td>1,906,400</td>
<td>3,592,500</td>
</tr>
<tr>
<td>Sundry Programs</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td><strong>6,205,400</strong></td>
<td><strong>8,463,700</strong></td>
<td><strong>12,050,400</strong></td>
</tr>
<tr>
<td>Collections</td>
<td>(1,034,900)</td>
<td>(1,000,000)</td>
<td>(1,000,000)</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>(700)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balances Forward</td>
<td>(800)</td>
<td>-</td>
<td>(8,500)</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td><strong>(1,036,400)</strong></td>
<td><strong>(1,000,000)</strong></td>
<td><strong>(1,008,500)</strong></td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>5,169,000</strong></td>
<td><strong>7,463,700</strong></td>
<td><strong>11,041,900</strong></td>
</tr>
</tbody>
</table>

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ The appropriated monies are not to be used for scholarships.

3/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the accounts enumerated above.

4/ Except for the local fund budget of $275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.
The approved amount includes $228,700 in Personal Services and $133,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $12,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for 38 new positions.

**Sundome Programs** - The amount approved provides for programs associated with the Sundome.

**Funded Enrollment** - The projected enrollment is 1,214 full-time equivalent students during the fall semester of 1988.

**Program Change** - The program changes approved are listed below:

<table>
<thead>
<tr>
<th>Description</th>
<th>FTE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease/Purchase Planning Expense</td>
<td>0.0</td>
<td>$80,000</td>
</tr>
<tr>
<td>FY 1988 Facilities Support</td>
<td>3.0</td>
<td>312,600</td>
</tr>
<tr>
<td>Basic Support</td>
<td>30.0</td>
<td>2,033,400</td>
</tr>
<tr>
<td>FY 1989 Facilities Support</td>
<td>5.0</td>
<td>399,200</td>
</tr>
</tbody>
</table>

**LAND, BUILDINGS AND IMPROVEMENTS**

**S.B. 1123 (Chapter 10)** - Authorizes the Arizona Board of Regents to proceed with further construction at the Arizona State University West Campus utilizing lease-purchase financing.

**H.B. 2442 (Chapter 275)** - The Capital Outlay Bill, Section 5, requires that $2,000,000, appropriated pursuant to Chapter 335, Laws of 1987, revert to the General Fund on December 31, 1988.
### GENERAL FUND SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1,492.0</td>
<td>1,530.0</td>
<td>1,606.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>39,189,400</td>
<td>42,340,900</td>
<td>46,114,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>7,139,800</td>
<td>7,803,400</td>
<td>10,545,200</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>386,500</td>
<td>465,000</td>
<td>490,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>329,200</td>
<td>453,000</td>
<td>463,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>192,300</td>
<td>227,000</td>
<td>239,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>9,537,500</td>
<td>11,413,000</td>
<td>11,648,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,554,900</td>
<td>2,050,000</td>
<td>2,581,800</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>1,389,500</td>
<td>1,463,000</td>
<td>1,538,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>14,389,900</td>
<td>16,071,000</td>
<td>16,959,800</td>
</tr>
<tr>
<td>WICHE Student Subsidies</td>
<td>-0-</td>
<td>-0-</td>
<td>161,900</td>
</tr>
<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td>60,719,100</td>
<td>66,215,300</td>
<td>73,781,600</td>
</tr>
<tr>
<td>Collections</td>
<td>(10,198,000)</td>
<td>(11,109,800)</td>
<td>(12,100,000)</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>(388,600)</td>
<td>(490,000)</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Balances Forward</td>
<td>(600,900)</td>
<td>(100,000)</td>
<td>(100,000)</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>(11,187,500)</td>
<td>(11,699,800)</td>
<td>(12,600,000)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>49,531,600</td>
<td>54,515,500</td>
<td>61,181,600</td>
</tr>
</tbody>
</table>

**Additional Appropriations** -

38th Leg., 2nd Reg. Session

Ch. 305, University Recruitment and Retention Program

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>49,531,600</td>
<td>54,515,500</td>
<td>61,568,000</td>
</tr>
</tbody>
</table>

---

1/ The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.

2/ This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.

4/ The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)
The approved amount includes $1,559,400 in Personal Services and $909,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $103,700 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<table>
<thead>
<tr>
<th>Program</th>
<th>FTE</th>
<th>Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>818.50</td>
<td>$35,608,600</td>
</tr>
<tr>
<td>Organized Research</td>
<td>50.00</td>
<td>2,203,900</td>
</tr>
<tr>
<td>Public Service</td>
<td>21.75</td>
<td>820,600</td>
</tr>
<tr>
<td>Academic Support</td>
<td>191.25</td>
<td>10,213,700</td>
</tr>
<tr>
<td>Student Services and Administration</td>
<td>172.30</td>
<td>5,406,900</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>352.50</td>
<td>16,953,800</td>
</tr>
<tr>
<td>Salary Adjustments</td>
<td>0.00</td>
<td>2,574,100</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,606.50</strong></td>
<td><strong>$73,781,600</strong></td>
</tr>
</tbody>
</table>

Personal Services - The amount approved includes funding for 10 new faculty and 5 secretary/support staff positions based upon the 22:1 student to faculty funding formula for enrollment changes and for 61.5 new positions associated with program changes.

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 11,996 full-time equivalent students during the following fall semesters:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall of 1986 (Actual)</td>
<td>11,874</td>
</tr>
<tr>
<td>Fall of 1987 (Estimate)</td>
<td>11,978</td>
</tr>
<tr>
<td>Fall of 1988 (Projection)</td>
<td>12,156</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,996</td>
</tr>
</tbody>
</table>

(Footnotes Continued From Previous Page)

5/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the University during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

6/ Except for the local fund budget of $275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.
The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.

Program Change - The program changes approved are shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Program</th>
<th>FTE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAYuma</td>
<td>Instruction</td>
<td>16.0</td>
<td>$690,000</td>
</tr>
<tr>
<td>Computer Services</td>
<td>Academic Support</td>
<td>18.0</td>
<td>542,200</td>
</tr>
<tr>
<td>Library Services</td>
<td>Academic Support</td>
<td>27.5</td>
<td>700,000</td>
</tr>
</tbody>
</table>

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.R. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The three universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of $386,400 is appropriated for this program to Northern Arizona University.
- Appropriations for succeeding years shall become part of the continuation budget.
### UNIVERSITY OF ARIZONA - MAIN CAMPUS

**Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)**

**GENERAL FUND SUMMARY**

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>4,690.8</td>
<td>4,868.2</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>114,240,700</td>
<td>121,654,300</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>19,014,400</td>
<td>20,740,300</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>1,707,800</td>
<td>1,196,300</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>288,600</td>
<td>578,900</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>297,500</td>
<td>505,400</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>23,051,000</td>
<td>23,003,900</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>7,439,400</td>
<td>8,747,000</td>
</tr>
<tr>
<td><strong>Library Acquisitions</strong></td>
<td>4,148,100</td>
<td>4,266,100</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>36,930,400</td>
<td>38,297,600</td>
</tr>
<tr>
<td><strong>Agriculture</strong></td>
<td>30,120,400</td>
<td>33,281,300</td>
</tr>
<tr>
<td><strong>WICHE Student Subsidies</strong></td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Mexican-American Research Center</strong></td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td>200,305,900</td>
<td>213,973,500</td>
</tr>
<tr>
<td><strong>Collections</strong></td>
<td>(35,366,000)</td>
<td>(38,005,400)</td>
</tr>
<tr>
<td><strong>Other Receipts</strong></td>
<td>(4,429,200)</td>
<td>(4,296,000)</td>
</tr>
<tr>
<td><strong>Balances Forward</strong></td>
<td>(2,241,800)</td>
<td>(318,300)</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>(42,037,000)</td>
<td>(42,619,700)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>158,268,900</td>
<td>171,353,800</td>
</tr>
</tbody>
</table>

**Additional Appropriations -**

38th Leg., 2nd Reg. Session

| **Ch. 305, University Recruitment and Retention Program** | -- | -- | 969,300 |

**TOTAL APPROPRIATIONS** | 158,268,900 | 171,353,800 | 188,297,400 |

(Continued)

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1/ Includes the FTE positions within the Agriculture program.

2/ The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.

3/ This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.

(Footnotes Continued on Following Page)
UNIVERSITY OF ARIZONA - MAIN CAMPUS (Cont'd)

GENERAL FUND

The approved amount includes $4,418,000 in Personal Services and $2,575,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $312,600 in Employee Related Expenditures for the increased retirement contribution.

In addition, the amount approved for the Agriculture program includes $844,700 in Personal Services and $492,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $59,600 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<table>
<thead>
<tr>
<th>Program</th>
<th>FTE</th>
<th>Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>2,165.60</td>
<td>$ 98,912,900</td>
</tr>
<tr>
<td>Organized Research</td>
<td>329.64</td>
<td>17,427,300</td>
</tr>
<tr>
<td>Public Service</td>
<td>41.70</td>
<td>1,415,600</td>
</tr>
<tr>
<td>Academic Support</td>
<td>495.00</td>
<td>23,604,900</td>
</tr>
<tr>
<td>Student Services and Administration</td>
<td>350.30</td>
<td>11,325,400</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>811.40</td>
<td>38,095,100</td>
</tr>
<tr>
<td>Agriculture</td>
<td>802.10</td>
<td>34,345,600</td>
</tr>
<tr>
<td>Salary Adjustments</td>
<td>0.00</td>
<td>8,702,500</td>
</tr>
<tr>
<td>Total</td>
<td>4,995.74</td>
<td>$ 233,829,300</td>
</tr>
</tbody>
</table>

Personal Services - The amount approved includes funding for 56 new faculty and 28 secretary/support staff positions based upon the 22:1 student to faculty funding formula for student enrollment changes and for 54.9 new positions associated with the approved program changes.

(Footnotes Continued From Previous Page)

4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.

5/ The appropriated monies are not to be used for scholarships.

6/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

7/ Except for the local fund budget of $275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.
In addition, the approved amount reflects a funding transfer for 11.36 FTE positions to the Arizona Geological Survey.

Mexican-American Research Center - The amount approved provides funds for a demonstration project to educate Mexican-American men and women on the educational opportunities for their children.

Agriculture - The amount approved was based upon the following line item allocation of funds:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>802.10</td>
</tr>
<tr>
<td>Personal Services</td>
<td>$24,978,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>5,062,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>152,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>671,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>165,300</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>3,133,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,579,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>$5,701,400</td>
</tr>
<tr>
<td>TOTAL EXP. AUTHORITY</td>
<td>35,742,300</td>
</tr>
<tr>
<td>Collections</td>
<td>$(2,194,700)</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>(3,146,100)</td>
</tr>
<tr>
<td>Balances Forward</td>
<td>(99,000)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$30,302,500</td>
</tr>
</tbody>
</table>

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 29,093 full-time equivalent students during the following fall semesters:

<table>
<thead>
<tr>
<th>Semester</th>
<th>Enrollment</th>
<th>at 25%</th>
<th>at 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall of 1986 (Actual)</td>
<td>27,790</td>
<td>6,948</td>
<td>14,522</td>
</tr>
<tr>
<td>Fall of 1987 (Estimate)</td>
<td>29,043</td>
<td>7,623</td>
<td>15,311</td>
</tr>
<tr>
<td>Fall of 1988 (Projection)</td>
<td>30,490</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,093</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.
Program Change - The program changes approved are shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Program</th>
<th>FTE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sierra Vista Center</td>
<td>Instruction</td>
<td>11.0</td>
<td>$537,900</td>
</tr>
<tr>
<td>Materials for Electronics, Phase II</td>
<td>Instruction/Org.</td>
<td>6.0</td>
<td>740,600</td>
</tr>
<tr>
<td>Optical Data Storage Center</td>
<td>Org. Research</td>
<td>8.0</td>
<td>574,800</td>
</tr>
<tr>
<td>Undergraduate Major in Optical</td>
<td>Instruction</td>
<td>10.5</td>
<td>407,700</td>
</tr>
<tr>
<td>Engineering</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate Major in Computer</td>
<td>Instruction</td>
<td>6.0</td>
<td>823,600</td>
</tr>
<tr>
<td>Science, Phase I</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance of New Buildings</td>
<td>Institutional Support</td>
<td>13.4</td>
<td>464,700</td>
</tr>
<tr>
<td>Mexican-American Research Center</td>
<td>Instruction</td>
<td>0.0</td>
<td>30,000</td>
</tr>
</tbody>
</table>

I/ Includes $348,900 from the General Fund and $189,000 from tuition/fee collections.

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.B. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The three universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of $969,300 is appropriated for this program to the University of Arizona.
- Appropriations for succeeding years shall become part of the continuation budget.
Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)

**GENERAL FUND SUMMARY**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>526.8</td>
<td>582.7</td>
<td>391.7</td>
</tr>
<tr>
<td>Personal Services</td>
<td>19,641,700</td>
<td>22,081,500</td>
<td>23,318,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>2,943,800</td>
<td>3,555,500</td>
<td>4,440,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>775,600</td>
<td>83,100</td>
<td>83,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>48,500</td>
<td>108,000</td>
<td>108,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>17,600</td>
<td>22,900</td>
<td>22,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>4,831,000</td>
<td>5,552,300</td>
<td>5,168,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>449,000</td>
<td>516,600</td>
<td>698,300</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>543,900</td>
<td>544,100</td>
<td>544,100</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>6,665,600</td>
<td>6,827,000</td>
<td>6,624,900</td>
</tr>
<tr>
<td>Clinical Teaching Support</td>
<td>8,733,300</td>
<td>8,849,900</td>
<td>9,109,000</td>
</tr>
<tr>
<td><strong>TOTAL EXP. AUTHORITY</strong></td>
<td>37,984,400</td>
<td>41,313,900</td>
<td>43,493,000</td>
</tr>
<tr>
<td>Collections</td>
<td>(1,509,300)</td>
<td>(1,565,300)</td>
<td>(1,736,500)</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>(1,000)</td>
<td>(50,000)</td>
<td>(1,000)</td>
</tr>
<tr>
<td>Balances Forward</td>
<td>(602,500)</td>
<td>-0-</td>
<td>(236,800)</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>(2,112,800)</td>
<td>(1,615,300)</td>
<td>(1,974,300)</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>35,871,600</td>
<td>39,698,600</td>
<td>41,518,700</td>
</tr>
</tbody>
</table>

The approved amount includes $788,500 in Personal Services and $459,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $40,500 in Employee Related Expenditures for the increased retirement contribution.

In addition, the approved amount for the Clinical Teaching Support line item includes $153,900 in Personal Services and $89,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $15,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)
Program Information - The approved expenditure authority was based upon the following program distribution:

<table>
<thead>
<tr>
<th>Program</th>
<th>FTE</th>
<th>Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>405.70</td>
<td>$22,675,200</td>
</tr>
<tr>
<td>Academic Support</td>
<td>73.00</td>
<td>12,195,900</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>113.00</td>
<td>7,074,200</td>
</tr>
<tr>
<td>Salary Adjustments</td>
<td>0.00</td>
<td>1,547,700</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>591.70</td>
<td><strong>$43,493,000</strong></td>
</tr>
</tbody>
</table>

Personal Services - The appropriated amount includes funding for 9 new positions associated with two program changes approved.

Clinical Teaching Support - These funds provide for the cost of hospital training for Clinical Assistants, Medical Students and other health care residents and interns. The College of Medicine will contract with the University Hospital, and possibly other community hospitals, for necessary training. The approved amount was based upon the following components:

- Cost of Clinical Assistants at the University Hospital: $5,097,400
- Pharmacy Interns/Residents and Nursing Students: 236,900
- Teaching Costs for Third and Fourth Year Medical Students: 3,515,600
- Salary Adjustments: 259,100
- **Total**: $9,109,000

Program Change - The approved amount includes $210,800 with six new positions for Medical Molecular Genetics and $118,200 with three new positions for Bone Marrow Transplant Program.

(Footnotes Continued From Previous Page)

3/ Any unencumbered balances remaining in the collections account on June 30, 1988, and all collections received by the University during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

4/ Except for the local fund budget of $275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.
### DEPARTMENT OF CORRECTIONS - SUMMARY

**Fiscal 87** | **Fiscal 88** | **Fiscal 89**
--- | --- | ---
**General Fund/Corrections Fund** | **Actual** | **Estimate** | **Approved**

#### Program Summary

<table>
<thead>
<tr>
<th>Program</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Institutions</td>
<td>129,416,700</td>
<td>141,498,600</td>
<td>158,262,200</td>
</tr>
<tr>
<td>Juvenile Services</td>
<td>22,383,700</td>
<td>25,059,200</td>
<td>29,222,100</td>
</tr>
<tr>
<td>Adult Community Services</td>
<td>7,306,700</td>
<td>7,967,500</td>
<td>9,370,836</td>
</tr>
<tr>
<td>Human Resources/Develop.</td>
<td>19,216,000</td>
<td>21,943,900</td>
<td>28,097,500</td>
</tr>
<tr>
<td>Administration</td>
<td>9,929,400</td>
<td>10,888,700</td>
<td>13,140,900</td>
</tr>
<tr>
<td>Correctional Industries</td>
<td>1,760,400</td>
<td>2,143,200</td>
<td>2,208,700</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**: 190,012,900

#### Expenditure Detail

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>5,711.2</td>
<td>5,634.7</td>
<td>6,052.2</td>
</tr>
<tr>
<td>Personal Services</td>
<td>99,810,400</td>
<td>111,094,000</td>
<td>123,384,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>25,932,900</td>
<td>28,667,300</td>
<td>36,139,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>11,021,100</td>
<td>11,664,100</td>
<td>14,342,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>348,600</td>
<td>401,500</td>
<td>478,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>59,900</td>
<td>80,100</td>
<td>84,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>27,130,400</td>
<td>30,930,700</td>
<td>36,803,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>7,620,100</td>
<td>2,829,000</td>
<td>3,188,400</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>46,180,100</td>
<td>45,905,400</td>
<td>54,897,200</td>
</tr>
</tbody>
</table>

**OPERATION SUB-TOTAL**: 171,923,400

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>10,448,600</td>
<td>12,061,600</td>
<td>13,609,400</td>
</tr>
<tr>
<td>Purchase of Care-Community</td>
<td>4,928,100</td>
<td>4,481,300</td>
<td>4,372,000</td>
</tr>
<tr>
<td>Placement and Treatment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Care-Secure Female Beds</td>
<td>-0-</td>
<td>1,261,200</td>
<td>350,800</td>
</tr>
<tr>
<td>Work Incentive Pay Plan</td>
<td>2,374,800</td>
<td>2,795,500</td>
<td>3,465,100</td>
</tr>
<tr>
<td>Discharge Expense</td>
<td>260,000</td>
<td>216,800</td>
<td>216,800</td>
</tr>
<tr>
<td>Ex-Officers' Stipends</td>
<td>78,000</td>
<td>78,000</td>
<td>80,700</td>
</tr>
<tr>
<td>Arizona State Prison-Yuma, Caretaker Expense</td>
<td>-0-</td>
<td>289,400</td>
<td>72,300</td>
</tr>
</tbody>
</table>

**TOTAL**: 190,012,900

### Additional Appropriations

<table>
<thead>
<tr>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>206,790,500</td>
<td>209,496,100</td>
<td>240,302,236</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**: 190,012,900

#### Fund Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>183,493,600</td>
<td>209,496,100</td>
<td>240,302,236</td>
</tr>
<tr>
<td>Corrections Fund</td>
<td>6,519,300</td>
<td>-0-</td>
<td>-0-</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**: 190,012,900

Footnotes are shown on the following page.
GENERAL FUND/CORRECTIONS FUND

The approved amount includes $4,213,300 in Personal Services and $2,468,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $120,300 in Employee Related Expenditures for the increased retirement contribution.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - There is $21,500,000 appropriated from the Corrections Fund in the 1988-89 fiscal year and $18,513,000 in the 1989-90 fiscal year for the construction of 1,200 adult male medium prison beds. These appropriations are made to the Department of Administration who is responsible for all prison construction. The amounts appropriated, as contained in this legislation, are shown below by location:

<table>
<thead>
<tr>
<th>Location</th>
<th>No. of Beds</th>
<th>FY 1989</th>
<th>FY 1990</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winslow</td>
<td>400</td>
<td>$8,830,000</td>
<td>$4,610,000</td>
<td>$13,440,000</td>
</tr>
<tr>
<td>Florence</td>
<td>800</td>
<td>$12,670,000</td>
<td>$13,903,000</td>
<td>$26,573,000</td>
</tr>
<tr>
<td>Total</td>
<td>1,200</td>
<td>$21,500,000</td>
<td>$18,513,000</td>
<td>$40,013,000</td>
</tr>
</tbody>
</table>

The amounts appropriated provide for basic prison housing units, as well as, necessary support buildings, security systems and the related infrastructure. Support buildings include administration, warehouses, dining, infirmaries and correctional industries facilities. Plans for the Winslow facility include a vocational training building and a multipurpose building. A 40 bed lockup facility is planned for the Florence unit. The housing units will be built with improved prototypical designs of the last facilities built at Tucson and Winslow. The cost per bed, based upon the amount appropriated, is $33,600 at Winslow and $33,216 at Florence.

Footnotes from the preceeding page.

1/ Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with section 25 of the Enabling Act and the Constitution to be used for the support of state penal institutions and reformatories. (Estimated endowment funds available for fiscal year 1987-88 are $1,234,700; and $1,209,700 for fiscal year 1988-89.)

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for each program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>ACTUAL 87</th>
<th>ESTIMATE 88</th>
<th>APPROVED 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>4,311.7</td>
<td>4,088.7</td>
<td>4,344.7</td>
</tr>
<tr>
<td>Personal Services</td>
<td>70,567,400</td>
<td>77,577,600</td>
<td>86,304,800</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>19,080,300</td>
<td>20,839,000</td>
<td>26,156,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>3,405,000</td>
<td>3,128,200</td>
<td>3,275,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>98,500</td>
<td>110,800</td>
<td>142,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>41,000</td>
<td>43,700</td>
<td>50,900</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>18,095,400</td>
<td>21,147,400</td>
<td>23,873,800</td>
</tr>
<tr>
<td>Equipment</td>
<td>6,242,800</td>
<td>1,820,800</td>
<td>2,183,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>27,882,700</td>
<td>26,252,900</td>
<td>29,524,900</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>117,530,400</td>
<td>124,669,500</td>
<td>141,986,600</td>
</tr>
<tr>
<td>Food</td>
<td>9,505,700</td>
<td>11,064,900</td>
<td>12,293,600</td>
</tr>
<tr>
<td>Discharge Expense</td>
<td>197,500</td>
<td>216,800</td>
<td>216,800</td>
</tr>
<tr>
<td>Work Incentive Pay Plan</td>
<td>2,183,100</td>
<td>2,552,400</td>
<td>3,150,900</td>
</tr>
<tr>
<td>ASP-Yuma, Caretaker Expense</td>
<td>0</td>
<td>289,400</td>
<td>72,300</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>129,416,700</td>
<td>138,793,000</td>
<td>157,720,200</td>
</tr>
</tbody>
</table>

**Additional Appropriations - 38th Leg., 2nd Reg. Session**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ch. 319, Housing Inmates in County Jails</td>
<td>2,705,600</td>
</tr>
<tr>
<td>Ch. 311, Shock Incarceration</td>
<td>542,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>158,262,200</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>123,820,800</td>
</tr>
<tr>
<td>Corrections Fund</td>
<td>5,595,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>158,262,200</td>
</tr>
</tbody>
</table>

1/ This appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that any monies remaining unexpended or unencumbered on December 31, 1988 shall revert to the General Fund.

2/ Does not include the 21 FTE positions authorized by Chapter 311, for the Shock Incarceration program.

3/ Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

5/ This appropriation is exempt from Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.
The approved amount includes $2,894,300 in Personal Services and $1,698,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $38,300 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount represents a net increase of $8,727,200 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes $1,427,700 and 62.0 additional positions for the Special Management Unit located at the Arizona State Prison Complex - Florence. There is $465,700 to annualize the cost of positions added last year but only funded for a partial year. The balance of the increase, $962,000, and the additional positions are for the 192 bed addition which is expected to open in September of 1988. These additional positions are funded for 11 months. There is also an increase of $2,829,700 for the Arizona State Prison Complex - Winslow. This includes the authorization of 41.0 additional positions. The Winslow minimum facility is funded for the full fiscal year. Funding is scheduled so that 200 medium beds can be opened in September of 1988 and the remaining 200 medium beds are to be opened in December of 1988. Funds for the medium beds were approved so that the staff could be hired two months prior to the scheduled opening dates. The Arizona State Prison - Yuma, a 250 bed minimum facility, is scheduled to open in December of 1988. The amount approved includes $1,277,900 and authorization of 99.0 additional positions for the Yuma facility. The staffing cost is based upon funding for nine months. Also approved were 55 additional security officers at an estimated cost of $877,800. The approved amount includes $2,894,300 for the general salary adjustment. Offsetting the increases is the transfer of one position and $23,300 to the Human Resources and Development program. A negative base adjustment of $556,900 was also imposed. The approved amount includes $854,100 for overtime and $717,500 for hazardous duty pay. A 5.0 percent vacancy factor, in the amount of $4,364,800, was deducted when the approved amount was computed.

**Employee Related Expenditures** - Included in the amount approved is $1,507,600 for uniform allowances. The authorized uniform allowance is payable at the rate of $40 per month to those positions classified within the Correctional Service Officer series.

**Professional and Outside Services** - The amount approved provides a net increase of $146,800 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes the addition of $392,400 for costs associated with the projected increase in the adult population during the 1988-89 fiscal year, $10,400 for price adjustments and $44,000 to restore the reduction imposed during the 1987-88 fiscal year. These increases were offset by a $300,000 reduction in the amount to be paid for maintenance of prisoners in county jails. (This change is exclusive of the $2.7 million supplemental appropriation - Chapter 319 - enacted late in the session.) The approved amount for FY 89 provides a total of $410,000 for payments to counties for the maintenance of prisoners awaiting admission to the Department of Corrections. In addition to the maintenance of prisoners, Professional and Outside Services are used for legal costs, contracts with community colleges, testing and counseling services and religious services.

(Continued)
Other Operating Expenditures - As compared with Estimated Expenditures for the 1987-88 fiscal year, the approved amount provides an increase of $2,726,400. The approved increase includes $1,016,800 for costs associated with the additional adult inmates projected to be in the custody of the Department of Corrections during the 1988-89 fiscal year. Specific cost increases totaling $234,600 were included for the anticipated impact of higher utility and postage rates. The increase approved allows: $430,900 for the Special Management Unit at the Arizona State Prison Complex - Florence, $853,300 for the Arizona State Prison Complex - Winslow, and $210,600 for the Arizona State Prison - Yuma. The amounts approved for Yuma, Winslow and the expansion of the Special Management Unit are based upon the Department of Corrections' activation plan and will require annualization during the following fiscal year. Added, also, was $32,300 to support the additional 55 Correctional Service Officers added for enhanced security. Offsetting these increases was a negative base adjustment of $52,100. Included in that reduction was $23,400 for Clothing and Uniforms - Staff. Such expenditures have not been approved in the past.

Equipment - The approved amount provides $1,920,800 for replacement equipment and $192,700 to equip the 192 bed addition to the Special Management Unit at the Arizona State Prison Complex - Florence. Approved also was $70,200 for additional security equipment at the Florence Complex and the Arizona State Prison - Fort Grant.

Food - The approved amount provides funding for the increased adult population projected for the 1988-89 fiscal year. Approved also was funding for the purchase of food to be provided to employees. All collections for meals purchased are to be deposited to the State General Fund.

Work Incentive Pay Plan - The $598,500 increase approved for the 1988-89 fiscal year is for payment of additional adult inmates projected to be in the custody of the Department of Corrections.

Arizona State Prison - Yuma, Caretaker Expense - The amount approved is for security, operations and maintenance expenses until this facility is activated. Activation is scheduled for December 1988.

Population - The 1988-89 fiscal year appropriation is based upon funding for an estimated average daily adult population of 12,014 inmates which is 1,924 more than the 10,090 estimated for the 1987-88 fiscal year.

ADDITIONAL APPROPRIATIONS

Housing Inmates in County Jails - H.B. 2393 (Chapter 319) - Provides a supplemental appropriation of $2,705,600 to the Department of Corrections to pay the cost of housing inmates in county jails during the 1987-88 fiscal year.

Shock Incarceration - H.B. 2241 (Chapter 311) - This legislation establishes a shock incarceration program, as a condition of probation, for selected offenders. The amount appropriated provides 21 additional FTE positions, $401,900 for Personal Services, $121,000 for Employee Related Expenditures, $3,600 for Other Operating Expenditures and $15,500 for Equipment. The program will consist of 150 beds. Plans now indicate that the program will be located at the Arizona State Prison Complex - Florence.
### DEPARTMENT OF CORRECTIONS - JUVENILE SERVICES

**JLBC Analyst: Morris**

**Samuel A. Lewis, Director (Tel. 255-5497)**

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>532.0</td>
<td>625.0</td>
<td>734.0</td>
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<tr>
<td>Personal Services</td>
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<td>14,773,500</td>
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<td>Employee Related Exp.</td>
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<td>Prof. &amp; Outside Services</td>
<td>454,400</td>
<td>518,400</td>
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<tr>
<td>Travel - State</td>
<td>78,100</td>
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<td>Travel - Out of State</td>
<td>6,900</td>
<td>7,500</td>
<td>7,500</td>
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<td>Other Operating Exp.</td>
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<td>2,819,700</td>
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<td>Equipment</td>
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<td>722,300</td>
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<td>All Other Operating Exp.</td>
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<td>OPERATION SUB-TOTAL</td>
<td>16,581,500</td>
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<td>Food</td>
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<td>764,200</td>
<td>1,080,900</td>
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<tr>
<td>Purchase of Care - Community Placement and Treatment</td>
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<td>4,372,000</td>
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<tr>
<td>Purchase of Care - Secure Female Beds</td>
<td>-0-</td>
<td>1,261,200</td>
<td>350,800</td>
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<tr>
<td>Work Incentive Pay Plan</td>
<td>123,600</td>
<td>178,900</td>
<td>250,000</td>
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<td>TOTAL APPROPRIATIONS</td>
<td>22,383,700</td>
<td>25,054,200</td>
<td>29,222,100</td>
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</table>

The approved amount includes $497,200 in Personal Services and $290,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $42,400 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Of this amount $200,000 is specifically for sex offender treatment for youth offenders committed to the Department of Corrections.

2/ Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

3/ Purchase of Care is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

4/ This appropriation is to be used exclusively for community based alternative placement and treatment programs, for male or female juvenile wards of the Department of Corrections. Expenditures may include the cost of any service required as a condition of placement. Funds provided by this appropriation shall not be used for the support or treatment of any juvenile ward who is detained or incarcerated within a school, institution, camp, or other facility operated by the Department of Corrections.

5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount provides a net increase of $2,942,800 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes the restoration of $259,500 deleted as a result of the 1987-88 fiscal year expenditure reduction program. Approved also was $700,900 to annualize the cost of staffing the Pinal Mountain Juvenile Institution near Globe. The approved increase also provides $1,539,400 and 109.0 FTE positions for the Black Canyon Juvenile Institution. This is a new 120 bed facility, for juvenile females, located north of Phoenix. Construction of the facility is to be completed in August of 1988 and the staff is funded for a ten month period during the 1988-89 fiscal year. A functional summary of the new positions is shown below:

<table>
<thead>
<tr>
<th>Function</th>
<th>FTE</th>
<th>Amount</th>
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</thead>
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<tr>
<td>Administration</td>
<td>18.0</td>
<td>$232,400</td>
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<td>Security</td>
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<td>Program</td>
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<td>Education</td>
<td>8.0</td>
<td>136,000</td>
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<tr>
<td>Diagnostics and Treatment</td>
<td>4.0</td>
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<tr>
<td>Institutional Support</td>
<td>10.0</td>
<td>126,300</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>109.0</td>
<td><strong>$1,539,400</strong></td>
</tr>
</tbody>
</table>

Other increases approved include $71,300 for Hazardous Duty Pay and the general salary adjustment of $497,200. The increases were offset by a reduction of $83,900 as funding for the Education Bureau was deleted. The Personal Services base was also reduced $41,600. A 5.0 percent vacancy factor, in the amount of $751,400, was deducted when the approved amount was computed. The approved amount includes $58,000 for overtime.

Employee Related Expenditures - The approved amount includes $137,100 for uniform allowances. The funded level for uniform allowances is based upon the authorized rate of $40 per month for employees classified within the Correctional Service Officer series.

Professional and Outside Services - The approved amount includes increases of $200,000 for sex offender treatment, $10,800 to annualize the amount previously allowed for the Pinal Mountain Juvenile Institution and $49,100 to provide services at the Black Canyon Institution for girls. Funding for the Black Canyon Institution is based upon an eight month period during the 1988-89 fiscal year. This new facility is expected to open in November of 1988. There was a deduction of $14,500 because the Education Bureau was not funded for the 1988-89 fiscal year. Within the total amount approved there is $235,300 for psychological services, $223,700 for sex offender treatment, $90,500 for substance abuse counseling and $41,000 to support the Interstate Compact.

Travel - State - The approved amount includes an increase of $20,000 to restore expenditure authority reduced during the 1987-88 fiscal year as a result of the expenditure reduction program. Added, also, was $3,000 to annualize the expenditures level previously approved for the Pinal Mountain Juvenile Institution. There was $1,600 added for costs associated with the Black Canyon Institution. That amount is based upon funding for an eight month period. A $1,900 deduction was imposed as the Education Bureau was not funded for the 1988-89 fiscal year.
DEPARTMENT OF CORRECTIONS - JUVENILE SERVICES (Cont'd)
GENERAL FUND

Other Operating Expenditures - As compared with Estimated Expenditures for the 1987-88 fiscal year, the approved amount represents a net increase of $584,900. Increases include $128,000 to annualize costs for the Pinal Mountain Institution and $330,700 for operation of the Black Canyon Institution. The amount approved for the Black Canyon Institution is based upon funding for an eight month period, and includes $109,800 for start up costs, which are nonrecurring expenses. Also approved was the restoration of $131,900 deleted during the 1987-88 fiscal year as part of the expenditure reduction program. There was $23,700 added for price adjustments of utilities, postage, and medical expenses. A $17,500 reduction is reflected because the Education Bureau was discontinued. There was also a base reduction of $11,900 for Clothing and Uniforms - Staff. Such expenditures have not been approved in the past.

Equipment - The approved amount includes $483,800 to furnish and equip the new Black Canyon Institution. The balance of these funds are for replacement equipment. This allows $134,000 for the Adobe Mountain Institution, $65,500 for the Catalina Mountain Institution, $18,900 for New Dawn, $15,800 for Alamo, and $4,300 for Ironwood.

Food - Within the amount approved there is $92,200 to annualize the cost of providing meals for youth offenders at the Pinal Mountain Institution and $209,500 to fund the anticipated growth in the youth population. In addition, $15,000, a nonrecurring expense, was added for the initial food inventory at the Black Canyon Institution. The approved amount includes funding for the purchase of food to be provided to employees. All collections for meals purchased are to be deposited to the State General Fund.

Purchase of Care - Community Placement and Treatment - The approved amount is to be used exclusively for community based placement and treatment programs for youth offenders. Funds may be expended for any service which is required for placement or treatment of a youth offender. These funds may not be used for the support or treatment of any youth offender who is detained or incarcerated within a school, institution, camp or other facility operated by the Department of Corrections. The amount approved includes an additional $43,300 that is a special cost adjustment for contract providers of care. This increase was approved by the Legislature so that providers can be granted an average increase of 2.8 percent.

Purchase of Care - Secure Female Beds - The amount approved is based upon funding for 30 beds. It is anticipated that these contract beds will not be necessary when the Black Canyon Institution is opened in November of 1988. Included in the amount approved is $9,600 for payment of a special cost adjustment to contract providers. This increase was approved by the Legislature so that providers can be granted an average increase of 2.8 percent.

Work Incentive Pay Plan - The approved amount provides an increase of $71,100 as compared with Estimated Expenditures for the 1987-88 fiscal year. This will allow $45,000 to annualize expenditures previously approved for the Pinal Mountain Institution. In addition, $23,200 is provided for the first eight months of operation at the Black Canyon Institution. There was also $2,900 included for population increases.

(Continued)
Population - The 1988-89 fiscal year appropriation is based upon funding for an estimated average daily population of 986 youth offenders committed to state operated institutions and 105 offenders assigned to state operated community programs. It was estimated that during the 1987-88 fiscal year there would be an average daily population of 824 offenders within the institutions and 105 assigned to the community programs.

ADDITIONAL LEGISLATION

Waiver of Confinement Guidelines, S.B. 1069 (Chapter 64) - Provides that the Department of Corrections shall not waive confinement guidelines for youth offenders after June 30, 1991 because of the capacity of secure confinement facilities. This legislation also allows the Department of Corrections to require community service for a youth offender issued an absolute discharge or release.

Educational Rehabilitation, S.B. 1142 (Chapter 46) - This act provides for the readmission of a juvenile, subject to the supervision of a probation officer or the Department of Corrections, to a school. Further, it allows for programs related to a Juvenile's behavior and educational performance.
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>175.5</td>
<td>178.5</td>
<td>178.5</td>
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<tr>
<td>Personal Services</td>
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<td>4,302,900</td>
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<td>1,134,500</td>
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<td>55,400</td>
<td>126,400</td>
<td>76,000</td>
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<td>Other Operating Exp.</td>
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<td>1,228,800</td>
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<td>54,700</td>
<td>22,700</td>
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<td>All Other Operating Exp.</td>
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<td><strong>OPERATION SUB-TOTAL</strong></td>
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<td>7,819,000</td>
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<td>Food</td>
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<td>Discharge Expense</td>
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<td>Work Incentive Pay Plan</td>
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<tr>
<td>Ex-Offenders' Stipends</td>
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<td>80,700</td>
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<td><strong>TOTAL</strong></td>
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<td>7,967,500</td>
<td>8,198,800</td>
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<td>Additional Appropriations -</td>
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<td>38th Leg., 2nd Reg. Session</td>
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<td>Ch. 311, Home Arrest</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>7,306,700</td>
<td>7,967,500</td>
<td>9,370,836</td>
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</table>

The approved amount includes $145,500 in Personal Services and $84,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Does not include the 21 FTE positions authorized by Chapter 311, for Home Arrest.
2/ Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
4/ It is the intent of the Legislature that the Department of Corrections continue to operate the Northern Arizona Correctional Release Center and the Southern Arizona Correctional Release Center throughout the fiscal year and maintain an average daily population at these two facilities which is consistent with the population served in prior fiscal years.
Personal Services - The amount approved reflects a five percent vacancy factor in the amount of $231,000.

Employee Related Expenditures - The amount approved includes $17,300 for uniform allowances payable to employees assigned to the Correctional Services Officer series. The uniform allowance is based on an authorized rate of $40 per month.

Professional and Outside Services - The amount approved allows $314,300 for psychological counseling, $503,400 for substance abuse counseling and $236,400 to purchase temporary residential programs for adult male and females who are released into the community. There is a special increase of $6,400 included in the amount for temporary residential placements. This increase was approved by the Legislature so that providers could be granted an average increase of 2.8 percent.

Travel - State - The amount approved reflects a reduction of $50,400 as compared with the Estimated Expenditures for the 1987-88 fiscal year. The reduction was made so that the approved amount would more accurately reflect the amounts that have actually been expended over the past several years.

Other Operating Expenditures - The approved amount includes funding for the anticipated effect of increased utility rates.

Ex-Offenders' Stipends - This is a financial aid program for released offenders who have an immediate need for financial resources.

ADDITIONAL APPROPRIATIONS

Home Arrest - H.B. 2241 (Chapter 311) - This is an alternative to incarceration and provides early parole opportunities for selected prisoners. Under provisions of the "Home Arrest" program a prisoner is under active electronic monitoring for a minimum term of one year or until eligible for general parole. The prisoner must maintain employment and submit to alcohol and drug tests as required. Persons participating in this program must remain at their residence except for authorized periods of absence. The Board of Pardons and Paroles determines which prisoners will be released to this program. The $1,172,036 appropriated is based upon an authorization of 21 FTE positions and includes necessary support for operations and equipment. In addition to the amount appropriated, it is expected that persons participating in this program will pay one-half the cost of the electronic monitoring equipment and a supervision fee of up to $30 per month. Initially it is estimated that the supervision fees will return approximately $43,200 to the program. The estimated cost for electronic monitoring devices to be paid by the supervisees is $244,500. The legislation requires that there shall be one Correctional Officer to supervise each 15 participants in the program. The amount appropriated is based on an estimated population of 200 supervisees.
The approved amount includes $448,700 in Personal Services and $261,600 in Employee Related Expenditures for salary increases and higher insurance premiums, and an increase of $20,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount represents a net increase of $2,208,000 as compared with Estimated Expenditures for the 1987-88 fiscal year. The increase approved includes $267,100 to restore funds that were deleted as a result of the 1987-88 fiscal year expenditure reduction program and other base adjustments. The increase further reflects the addition of $77,000 to annualize the cost of positions authorized last year for the Pinal Mountain Juvenile Institution, but only funded for a partial year. Added also was $266,000 for the Arizona State Prison Complex - Winslow. This includes $102,500 and 4.5 additional employees to support the 250 bed minimum custody facility. To support the 192 bed addition to the Special Management unit at the Arizona State

(Continued)

1/ Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Prison Complex - Florence there was $174,700 approved and 9.0 FTE positions were authorized. Six FTE positions and $88,500 were added for operation of the Arizona State Prison - Yuma. That new prison is expected to open in December of 1988. The staff, however, was funded for a nine month period in order to allow time for training and orientation. The Black Canyon Juvenile Institution, located north of Phoenix, is expected to open in November of 1988. There were 11.0 FTE positions and $215,200 approved for that facility. These positions are funded for a ten month period. Also approved were 17.0 FTE positions and $402,500 to enhance medical and mental care services provided within the Department of Corrections. These additional positions include two Psychiatrists, three Psychologist II's, six Psychiatric Nurses, two Pharmacy Technicians, two Medical Records Librarians and two Secretary II's. The approved amount also includes $332,600 for nursing salary adjustments authorized during the 1987-88 fiscal year, but not funded. The general salary adjustment added $448,700. An interprogram transfer accounts for an increase of $3,400. The approved amount reflects a reduction of $69,700 related to several authorized positions which were not funded. These positions were not specifically identified. The number of authorized positions, however, were not reduced. A five percent vacancy factor, amounting to $663,500, was deducted when the approved amount was computed.

Employee Related Expenditures - The approved amount includes $6,200 for uniform allowances. The funded level for uniform allowances is based upon an authorized payment of $40 per month for employees classified within the Correctional Services Officer series.

Professional and Outside Services - The approved amount provides an increase of $2,436,600 as compared with the Estimated Expenditures for the 1987-88 fiscal year. This provides a specific cost increase of $291,400 for anticipated changes in the cost of health care services and $853,500 to meet the added costs associated with the additional inmates projected to be in the custody of the Department of Corrections. The approved amount also provides an additional $1,338,400 to compensate for increased medical costs throughout the Department. This adjustment was required because of the increased utilization of outside medical specialists and provider hospitals. Offsetting the increases was a reduction of $46,700. The demand for pre-employment physical and psychological examinations is expected to decrease during the 1988-89 fiscal year. In total, the approved amount provides $8,275,500 for health care services and $446,600 for all other programmatic activities. Other programmatic activities include $247,000 for the Correctional Officers Training Academy and $172,400 for pre-employment physical and psychological examinations.

Travel - State - Included in the approved amount is $51,200 to restore funds that were deleted as a result of the 1987-88 fiscal year expenditure reduction program and $800 for travel costs associated with the new institutions to be opened during the fiscal year.

Other Operating Expenditures - The amount approved provides an increase of $423,500 as compared with the Estimated Expenditures for the 1987-88 fiscal year. The increase provides $92,000 for anticipated price changes and $209,600 to fund the projected population increase. Approved also was $121,900 to restore spending authority deleted during the 1987-88 fiscal year as a result of the expenditure reduction program.
Equipment - The approved amount provides $67,100 for the Black Canyon Juvenile Institution and $11,800 for the addition to the Special Management Unit at the Arizona State Prison Complex - Florence. Included also is $151,500 for replacement equipment. Of that amount $68,000 was specifically approved to allow the Department of Corrections to enhance its capability to provide acceptable levels of health care services.
### General Fund/Corrections Fund

<table>
<thead>
<tr>
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<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
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<tr>
<td>FTE Positions</td>
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<td>209.0</td>
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<td>Travel - Out of State</td>
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<td>All Other Operating Exp.</td>
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<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>9,929,400</td>
<td>10,888,700</td>
<td>13,140,900</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>9,723,200</td>
<td>10,888,700</td>
<td>13,140,900</td>
</tr>
<tr>
<td>Corrections Fund</td>
<td>206,200</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>9,929,400</td>
<td>10,888,700</td>
<td>13,140,900</td>
</tr>
</tbody>
</table>

The approved amount includes $167,100 in Personal Services and $97,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $11,900 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount provides an increase of $69,000 for five additional positions. Four of the additional positions will be allocated to the Inspections and Investigations Division. Included are three Investigator III's and a Secretary. The fifth position is an Executive Secretary transferred from the Human Resources and Development program. Approved also was $36,700 to annualize the cost of Inspections and Investigations positions authorized last year, but only partially funded. A vacancy factor of three percent, or $152,600, was deducted when the approved amount was computed. There were a number of positions not funded during the 1988-89 fiscal year. This includes five positions allocated to the Communications Section, three positions in the Inspections and Investigations Division and other unspecified positions. Although these positions are not funded, no action was taken to reduce the approved number of FTE positions within this program. The approved amount includes $5,000 for overtime and $2,900 for hazardous duty pay.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Employee Related Expenditures - The approved amount includes $1,000 for uniform allowances. The funded level for uniform allowances is based upon an authorized payment of $40 per month for employees classified within the Correctional Services Officer series.

Professional and Outside Services - The approved amount allows $358,200 for data processing services which will be provided by the Department of Administration; $113,800 for interagency communication agreements; $33,000 for legal services; and, $20,000 for financial consultants who are completing the installation of an automated accounting system. As the automated accounting system is nearly complete, the allowance for consulting fees was reduced $201,000 from the level funded during the 1987-88 fiscal year.

Travel - State - The approved amount provides $19,300 to restore expenditure authority reduced as a result of the 1987-88 fiscal year expenditure reduction program. There was also $1,800 added to support the additional positions authorized.

Other Operating Expenditures - The approved amount includes $5,736,400 for insurance payable to the Risk Management Division of the Department of Administration. This represents an increase of $2,942,200 as compared with insurance expenses incurred during the 1987-88 fiscal year. Approved also was an increase of $8,700 to provide support for the new positions authorized, and other price increases. Offsetting these increases was a reduction of $845,500. Of that amount, $799,600 represents the charge for rental of office space in state owned facilities. The remaining reduction impacted funding for evaluation of outside contracts, aerial photography and reflects a base adjustment of $25,300.

Equipment - The approved amount includes $12,800 for replacement of portable radios, $6,600 for a copy machine and $1,200 for other furniture and office equipment. In addition $8,700 was approved to provide equipment for the additional positions authorized.

ADDITIONAL LEGISLATION

Prison Mail, H.B. 2184 (Chapter 132) - Requires that all mail written by a prisoner committed to the State Department of Corrections shall be marked by the Department indicating that the mail was sent from a prison maintained by the State of Arizona.

Victim Notification, H.B. 2020 (Chapter 98) - Requires that the Department of Corrections notify the victim or the victim's family on an inmate's death, escape or release from a secure institution. It also prohibits the Department from disclosing the address of a victim or a victim's immediate family without written consent.
**DEPARTMENT OF CORRECTIONS - ARIZONA CORRECTIONAL INDUSTRIES**

A.R.S. 41-1622

**JLBC Analyst: Morris**

<table>
<thead>
<tr>
<th><strong>General Fund/Corrections Fund</strong></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>86.0</td>
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<tr>
<td><strong>Personal Services</strong></td>
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<td>1,749,500</td>
<td>1,790,400</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
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<td>393,700</td>
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<td><strong>Equipment</strong></td>
<td>115,500</td>
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<td>-0-</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td>1,760,400</td>
<td>2,143,200</td>
<td>2,208,700</td>
</tr>
</tbody>
</table>

**Fund Summary**

<table>
<thead>
<tr>
<th><strong>General Fund</strong></th>
<th>1,644,900</th>
<th>2,143,200</th>
<th>2,208,700</th>
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<tbody>
<tr>
<td><strong>Corrections Fund</strong></td>
<td>115,500</td>
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<td>-0-</td>
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<tr>
<td><strong>Total Appropriations</strong></td>
<td>1,760,400</td>
<td>2,143,200</td>
<td>2,208,700</td>
</tr>
</tbody>
</table>

The approved amount includes $60,500 in Personal Services and $35,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,300 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount represents a net increase of $40,900 as compared with Estimated Expenditures for the 1987-88 Fiscal Year. This includes an addition to the base of $73,900 and the general salary adjustment of $60,500. These increases were reduced by a 5.0 percent vacancy factor in the amount of $93,500.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program.
Peter Hayes, Executive Director (Tel. 255-1928)

ARIZONA CRIMINAL JUSTICE COMMISSION

ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND/ CORRECTIONS FUND

<table>
<thead>
<tr>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>Prof. &amp; Outside Services</td>
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<td>Travel - State</td>
<td>800</td>
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<td>Travel - Out of State</td>
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<td>3,200</td>
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<tr>
<td>Other Operating Exp.</td>
<td>11,100</td>
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<tr>
<td>Equipment</td>
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<td>3,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>40,800</td>
<td>33,350</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
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<td>190,700</td>
</tr>
<tr>
<td>Federal Anti-Drug Abuse Act</td>
<td>-0-</td>
<td>82,600</td>
</tr>
<tr>
<td>Administration Matching</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Drug Enforcement Account</td>
<td>-0-</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Cannabis and Controlled Substance Tax and Fine Enforcement</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>124,700</td>
<td>7,273,300</td>
</tr>
</tbody>
</table>

Fund Summary

| Arizona Commission on Criminal Justice Fund | 124,700 | 273,300 | 362,600 |
| Corrections Fund                           | -0-     | 7,000,000 | 2,500,000 |
| TOTAL APPROPRIATIONS                       | 124,700 | 7,273,300 | 2862,600 |

ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

| Balance Beg. of Fiscal Year | 652,900 | 761,800 | 733,500 |
| Add Revenues                | 233,600 | 245,000 | 260,000 |
| TOTAL FUNDS AVAILABLE       | 886,500 | 1,006,800 | 993,500 |
| Expenditures                | 124,700 | 273,300 | 362,600 |
| Balance End of Fiscal Year  | 761,800 | 733,500 | 630,900 |

(See Footnotes on Following Page)
The approved amount includes $5,500 in Personal Services and $3,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes $26,900 for an Electronic Data Processing Analyst. This added position was approved to administer the data management responsibilities assigned to the Commission by statute.

All Other Operating Expenditures - The approved amount includes $52,000 for Professional and Outside Services. Of that amount $2,000 is for court reporters and $50,000, a nonrecurring amount, is for a statewide survey of drug use. The drug use survey is required under the provisions of Chapter 307, Laws of 1987. The total cost of the survey is estimated to be $130,000. It is expected that federal funds will provide about $80,000 of the estimated cost. The amount approved for All Other Operating Expenditures includes $16,000 for office rent and $5,900 to support the newly authorized position. Support for the new position allows $500 for Travel - State, $1,000 for Other Operating Expenditures and $4,400 for the purchase of necessary office equipment, including a personal computer. These increases were offset by a $5,500 reduction for nonrecurring equipment purchases and other minor changes.

Federal Anti-Drug Abuse Act Administration Matching - The approved amount allows matching for federal funds available to administer the Anti-Drug Abuse Act, P.L. 99-570, subtitle K.

(Footnotes From Previous Page)

1/ Does not include one FTE position authorized by the appropriation for Cannabis and Controlled Substance Tax and Fine Enforcement.

2/ This appropriation is exempt from the provisions of Arizona Revised Statutes Section 35-190, relating to the lapping of appropriation, except that any monies remaining unexpended or unencumbered on June 30, 1997 shall revert to the Corrections Fund.

3/ The Arizona Criminal Justice Commission shall submit a quarterly report to the Chairman of the Senate and House of Representatives Appropriations Committee and the Staff Director of the Joint Legislative Budget Committee relative to the investigation and the collection of license fees and taxes on cannabis and controlled substances, as provided for by Title 42, Chapter 7, Article 1, Arizona Revised Statutes, as well as other fees, fines, surcharges, penalty assessments and costs devoted to criminal justice and related purposes.

4/ Notwithstanding the limitations of section 41-1651, Arizona Revised Statutes, relating to the expenditure of monies for corrections facilities, this appropriation is to be administered by the Criminal Justice Commission pursuant to section 41-2402, Arizona Revised Statutes, for the purpose of enhancing efforts to investigate, prosecute, adjudicate and punish drug offenders.

5/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.
Drug Enforcement Account - There is $2,500,000 appropriated from the Corrections Fund to the Drug Enforcement Account, of the Criminal Justice Enhancement Fund, to be administered by the Criminal Justice Commission. The Drug Enforcement Account is established pursuant to Arizona Revised Statutes § 41-2402 for the purpose of enhancing efforts to investigate, prosecute, adjudicate and punish drug offenders.

Cannabis and Controlled Substance Tax and Fine Enforcement - The approved amount provides funding for one FTE position and necessary support costs. The purpose of this appropriation is to increase revenue collections through coordinated investigations of license fees and taxes on cannabis and controlled substances. Cannabis is defined in Arizona Revised Statutes § 36-2501 as marijuana and all parts of any plant of the Cannabis family, or derivatives thereof. Controlled substances are also defined in the same section. The appropriation includes: Personal Services $26,900; Employee Related Expenditures $5,800; Travel - State $1,500; Other Operating Expenditures $2,500, and Equipment $3,500. The amount approved for Other Operating Expenditures includes $1,500 for computer software. A personal computer, estimated to cost $2,500, is to be funded with monies approved for equipment. The approved amount includes $900 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL LEGISLATION

Data System Policy Board, S.B. 1148 (Chapter 268) - This act eliminates the Comprehensive Data Systems Policy Board and transfers the powers and duties of that board to the Arizona Criminal Justice Commission. The Commission will prescribe the rules and regulations for the criminal justice information system and central repository that is operated by the Department of Public Safety. This legislation also increases the membership of the Criminal Justice Commission from 17 members to 19 members. One of the additional members is the Administrative Director of the Supreme Court and the other will be a Chief Probation Officer appointed by the Governor. The act became effective on July 1, 1988.
### Program Summary

<table>
<thead>
<tr>
<th>Program</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Affairs</td>
<td>3,004,700</td>
<td>3,137,400</td>
<td>3,265,200</td>
</tr>
<tr>
<td>Emergency Services</td>
<td>570,600</td>
<td>766,800</td>
<td>978,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>3,575,300</strong></td>
<td><strong>3,904,200</strong></td>
<td><strong>4,244,100</strong></td>
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</tbody>
</table>

### Expenditure Detail

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>62.0</td>
<td>62.0</td>
</tr>
<tr>
<td>Personal Services</td>
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<td>1,439,800</td>
<td>1,477,700</td>
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<td>Employee Related Exp.</td>
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<tr>
<td>Travel-State</td>
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<tr>
<td>Travel - Out of State</td>
<td>3,800</td>
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<td>9,700</td>
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<tr>
<td>Other Operating Exp.</td>
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<td>1,059,800</td>
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<tr>
<td>Equipment</td>
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<td>12,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>987,200</td>
<td>1,113,600</td>
<td>1,145,900</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>2,559,700</strong></td>
<td><strong>2,846,300</strong></td>
<td><strong>2,989,100</strong></td>
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<tr>
<td>Reimbursable State Active Duty</td>
<td>--</td>
<td>--</td>
<td>50,000</td>
</tr>
<tr>
<td>Service Contracts</td>
<td>686,400</td>
<td>686,400</td>
<td>686,400</td>
</tr>
<tr>
<td>Education Reimbursement</td>
<td>30,900</td>
<td>31,000</td>
<td>47,000</td>
</tr>
<tr>
<td>Guardsmen to State Active Duty</td>
<td>9,900</td>
<td>10,100</td>
<td>5,100</td>
</tr>
<tr>
<td>Uniform Allowance</td>
<td>35,300</td>
<td>40,000</td>
<td>48,000</td>
</tr>
<tr>
<td>Unit Allowance</td>
<td>34,000</td>
<td>17,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Civil Air Patrol</td>
<td>76,000</td>
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<td>80,100</td>
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<tr>
<td>Hazardous Materials Program</td>
<td>30,000</td>
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<td>22,500</td>
</tr>
<tr>
<td>Nuclear Emergency Management</td>
<td>143,100</td>
<td>160,800</td>
<td>185,900</td>
</tr>
<tr>
<td>Emergency Response Commission</td>
<td>--</td>
<td>--</td>
<td>120,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>3,575,300</strong></td>
<td><strong>3,904,200</strong></td>
<td><strong>4,244,100</strong></td>
</tr>
</tbody>
</table>

### Fund Summary

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>3,432,200</td>
<td>3,743,400</td>
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<tr>
<td>Nuclear Emer. Mgt. Fund</td>
<td>143,100</td>
<td>160,800</td>
<td>185,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>3,575,300</strong></td>
<td><strong>3,904,200</strong></td>
<td><strong>4,244,100</strong></td>
</tr>
</tbody>
</table>

---

1/ Appropriated from the General Fund to the Nuclear Emergency Management Fund in H.B. 2047 (Chapter 59).
### General Fund

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
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<td>49.0</td>
<td>49.0</td>
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<td><strong>Employee Related Exp.</strong></td>
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<td><strong>Travel - State</strong></td>
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<tr>
<td><strong>Travel - Out of State</strong></td>
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<td>3,000</td>
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<tr>
<td><strong>Other Operating Exp.</strong></td>
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<td><strong>Equipment</strong></td>
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<td>12,600</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>930,600</td>
<td>1,023,600</td>
<td>1,041,200</td>
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<tr>
<td><strong>Operation Sub-Total</strong></td>
<td>2,208,200</td>
<td>2,332,900</td>
<td>2,418,700</td>
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<tr>
<td><strong>Reimbursable State Active Duty</strong></td>
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<td>--</td>
<td>50,000</td>
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<tr>
<td><strong>Service Contracts</strong></td>
<td>686,400</td>
<td>686,400</td>
<td>686,400</td>
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<tr>
<td><strong>Education Reimbursement</strong></td>
<td>30,900</td>
<td>31,000</td>
<td>47,000</td>
</tr>
<tr>
<td><strong>Guardsmen to State Active Duty</strong></td>
<td>9,900</td>
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<td>5,100</td>
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<tr>
<td><strong>Uniform Allowance</strong></td>
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<td>48,000</td>
</tr>
<tr>
<td><strong>Unit Allowance</strong></td>
<td>34,000</td>
<td>17,000</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td>3,004,700</td>
<td>3,137,400</td>
<td>3,265,200</td>
</tr>
</tbody>
</table>

The approved amount includes $35,400 in Personal Services and $21,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,700 in EmployeeRelated Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes vacancy savings of $25,500.

**Equipment** - The amount approved includes funding for a personal computer for the 161st Air Refueling Group at Sky Harbor Airport.

**Uniform Allowance** - Provides reimbursement, as specified by section 26-157, Arizona Revised Statutes, to officers and warrant officers of the Arizona National Guard for uniform and equipment expenditures.

**Unit Allowance** - The amount appropriated is to be distributed to the units of the Arizona National Guard for morale purposes.

---

1/ All expenditures from this appropriation shall be reimbursed to the General Fund by the Department of Emergency and Military Affairs, in accordance with section 35-142.01, Arizona Revised Statutes.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND

<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.0</td>
<td>13.0</td>
<td>13.0</td>
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<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>261,400</td>
<td>336,800</td>
<td>375,000</td>
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<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>53,500</td>
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<td>90,700</td>
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<table>
<thead>
<tr>
<th>Travel - State</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,400</td>
<td>7,000</td>
<td>9,700</td>
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<table>
<thead>
<tr>
<th>Travel - Out of State</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>1,700</td>
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<td>6,700</td>
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<table>
<thead>
<tr>
<th>Other Operating Exp.</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>32,500</td>
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<table>
<thead>
<tr>
<th>All Other Operating Exp.</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>36,600</td>
<td>90,000</td>
<td>104,700</td>
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**OPERATION SUB-TOTAL**

| 351,500 | 493,400 | 570,400 |

<table>
<thead>
<tr>
<th>Civil Air Patrol</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
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<tr>
<td>76,000</td>
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<tr>
<th>Hazardous Materials Program</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>0</td>
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<tr>
<th>Nuclear Emergency Management</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>143,100</td>
<td>160,800</td>
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</table>

**TOTAL**

| 570,600 | 766,800 | 673,000 |

**Additional Appropriations -**

| 38th Leg., 2nd Reg. Session | | |
|------------------------------| | |

<table>
<thead>
<tr>
<th>Ch. 59, Nuclear Emer. Mgt.</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
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<tbody>
<tr>
<td>--</td>
<td>--</td>
<td>185,900</td>
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<table>
<thead>
<tr>
<th>Ch. 292, Emergency Response Commission</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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</thead>
<tbody>
<tr>
<td>--</td>
<td>--</td>
<td>120,000</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS**

| 570,600 | 766,800 | 978,900 |

The approved amount includes $12,700 in Personal Services and $7,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,300 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ The Hazardous Materials Program was originally appropriated as a special line item for FY 88 in the amount of $153,500. The total shown here reflects the manner in which the appropriation was distributed within the agency. The estimated breakdown of this distribution was Personal Services - $65,800, Employee Related Expenditures - $13,300, Travel (State) - $3,100, Travel (Out of State) - $4,300, Other Operating Expenditures - $20,700, Hazardous Materials Program (below the line) - $30,000, Reversion - $12,200, S.B. 1119 Reduction - $4,100.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.

3/ Appropriated from the General Fund to the Nuclear Emergency Management Fund in H.B. 2047 (Chapter 59).
ADDITIONAL APPROPRIATIONS

Nuclear Emergency Management - H.B. 2047 (Chapter 59) - Appropriates $601,100 from the State General Fund to the Nuclear Emergency Management Fund, pursuant to Section 26-306.01, Arizona Revised Statutes, for administering and enforcing the state plan for off-site response to an emergency caused by an accident at a commercial nuclear generating station. An amount of $601,100, plus interest at the rate of ten percent per year, is assessed against each consortium constructing or operating a commercial nuclear generating station in this State. The assessment shall be deposited into the General Fund.

Specifically, the following amounts are appropriated from the State General Fund:

1. Division of Emergency Services, Department of Emergency and Military Affairs:

   Personal Services $112,700
   Employee Related Exp. 26,100
   Other Operating Exp. 47,100

   **TOTAL** $185,900

2. Radiation Regulatory Agency:

   Personal Services $100,000
   Employee Related Exp. 22,800
   Other Operating Exp. 110,000
   Equipment 75,000

   **TOTAL** $307,800

3. For disbursement by the Division of Emergency Services, Department of Emergency and Military Affairs, to departments and agencies of Maricopa County that are assigned responsibilities under the state off-site nuclear emergency response plan:

   Personal Services $100,900
   Other Operating Exp. 6,500

   **TOTAL** $107,400

The appropriations made by this act are exempt from Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, but any such monies remaining unexpended or unencumbered on June 30, 1989 shall be used to reduce the assessment in Fiscal Year 1990 against the consortium from which the monies were collected.

Emergency Response Commission - H.B. 2305 (Chapter 292) - Appropriates $120,000 from the General Fund to the Division of Emergency Services, Department of Emergency and Military Affairs. The Division and the Arizona Emergency Response Commission shall use the funding to supervise, coordinate and assist local emergency planning committees.
The approved amount includes $26,200 in Personal Services and $20,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes $315,000 for the seven Board members who are full-time employees. A vacancy factor of two percent was imposed on all staff salaries, exclusive of Board members. The vacancy factor deduction was $15,500.

All Other Operating Expenditures - Included in the amount approved is $33,500 for insurance charges payable to the Risk Management Division of the Department of Administration. The major difference between the approved amount and the FY 88 estimate relates to rent and insurance charges. In FY 88 rental expense was estimated to be $96,400. The amount approved for FY 1989 does not include rental expense for state owned buildings. It is also anticipated that insurance charges in FY 1989 will be $5,100 less than the amount estimated for FY 88.
DEPARTMENT OF PUBLIC SAFETY - SUMMARY

Ralph T. Milstead, Director (Tel. 223-2359)

JLBC Analyst: Naimark

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criminal Investigation</td>
<td>10,718,800</td>
<td>11,493,200</td>
<td>12,030,000</td>
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<tr>
<td>Highway Patrol</td>
<td>28,083,600</td>
<td>29,239,800</td>
<td>31,301,700</td>
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<tr>
<td>Administration</td>
<td>14,849,900</td>
<td>15,665,000</td>
<td>16,816,200</td>
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<tr>
<td>Criminal Justice Support</td>
<td>7,984,100</td>
<td>8,801,700</td>
<td>9,020,000</td>
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<tr>
<td>Telecommunications</td>
<td>12,241,300</td>
<td>12,633,900</td>
<td>13,886,600</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>73,877,700</strong></td>
<td><strong>77,853,600</strong></td>
<td><strong>83,054,500</strong></td>
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<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>FTE Positions</td>
<td>1,593.0</td>
<td>1,620.0</td>
<td>1,620.0</td>
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<tr>
<td>Personal Services</td>
<td>48,009,300</td>
<td>51,037,900</td>
<td>53,323,500</td>
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<td>Employee Related Exp.</td>
<td>8,576,200</td>
<td>9,245,900</td>
<td>10,767,400</td>
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<td>Prof. &amp; Outside Services</td>
<td>233,000</td>
<td>260,700</td>
<td>361,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>425,000</td>
<td>656,200</td>
<td>946,000</td>
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<tr>
<td>Travel - Out of State</td>
<td>169,900</td>
<td>167,200</td>
<td>137,700</td>
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<tr>
<td>Other Operating Exp.</td>
<td>11,831,600</td>
<td>12,886,900</td>
<td>13,486,800</td>
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<tr>
<td>Equipment</td>
<td>4,184,600</td>
<td>3,179,200</td>
<td>3,922,900</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>16,826,100</strong></td>
<td><strong>17,150,200</strong></td>
<td><strong>18,454,600</strong></td>
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<tr>
<td>Special Line Items</td>
<td>466,100</td>
<td>419,600</td>
<td>509,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>73,877,700</strong></td>
<td><strong>77,853,600</strong></td>
<td><strong>83,054,500</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>General Fund</td>
<td>56,728,900</td>
<td>76,178,900</td>
<td>81,232,500</td>
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<tr>
<td>Arizona Highway Patrol Fund</td>
<td>400,000</td>
<td>400,000</td>
<td>496,000</td>
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<tr>
<td>State Highway Fund</td>
<td>16,748,800</td>
<td>1,279,700</td>
<td>1,326,000</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>73,877,700</strong></td>
<td><strong>77,853,600</strong></td>
<td><strong>83,054,500</strong></td>
</tr>
</tbody>
</table>

1/ The Arizona Highway Patrol Fund contains miscellaneous Department revenues and fund transfers pursuant to Arizona Revised Statutes, Section 28-1891. The Highway Patrol Fund no longer contains any monies allocated from the Highway User Revenue Fund (see Arizona Revised Statutes Section 28-1958, Paragraph B, #2).

2/ In addition to the funds appropriated above, any balance and receipts received under Section 28-1891, Arizona Revised Statutes, are appropriated to the Department of Public Safety.

3/ The amounts appropriated from each fund shall be deposited in a joint account for the purposes shown within the Program Summary. Any funds remaining in the Department of Public Safety joint account on June 30, 1989 shall revert to the funds from which they were appropriated. The reverted funds shall be returned in direct proportion to the amounts appropriated.
### DEPARTMENT OF PUBLIC SAFETY - CRIMINAL INVESTIGATION BUREAU

Ralph T. Milstead, Director (Tel. 223-2359)

**JLBC Analyst:** Nairnark

<table>
<thead>
<tr>
<th>DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>247.0</td>
<td>255.0</td>
<td>255.0</td>
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<tr>
<td><strong>Personal Services</strong></td>
<td>8,351,300</td>
<td>9,063,500</td>
<td>9,398,300</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>1,324,900</td>
<td>1,443,200</td>
<td>1,760,600</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>9,900</td>
<td>11,800</td>
<td>15,800</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>108,800</td>
<td>163,500</td>
<td>134,700</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>28,900</td>
<td>40,000</td>
<td>33,000</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>525,700</td>
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<td>309,000</td>
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<td><strong>Equipment</strong></td>
<td>369,300</td>
<td>462,200</td>
<td>378,600</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>1,042,600</td>
<td>986,500</td>
<td>871,100</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>10,718,800</td>
<td>11,493,200</td>
<td>12,030,000</td>
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</tbody>
</table>

The approved amount includes $317,800 in Personal Services and $175,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount incorporates a one percent vacancy factor for a savings of $85,800.

**Travel - State** - The amount approved includes a $28,800 reduction.

**Travel - Out of State** - The amount approved includes a $7,000 reduction.

**Equipment** - The amount approved includes $248,400 for 23 replacement undercover vehicles - this is a reduction of 20 vehicles from the current services level. The appropriation also includes funding for 200 upgraded weapons, 70 upgraded bullet-proof vests, miscellaneous investigative equipment, and two replacement printers.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### DEPARTMENT OF PUBLIC SAFETY - HIGHWAY PATROL BUREAU

**A.R.S. 41-1711**

**JLBC Analyst:** Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

**DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tr>
<td>FTE Positions</td>
<td>700.0</td>
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<td>Personal Services</td>
<td>21,231,400</td>
<td>22,520,400</td>
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<td>Employee Related Exp.</td>
<td>3,851,400</td>
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<td>Prof. &amp; Outside Services</td>
<td>11,100</td>
<td>6,500</td>
<td>8,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>186,500</td>
<td>277,300</td>
<td>230,500</td>
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<tr>
<td>Travel - Out of State</td>
<td>51,000</td>
<td>30,000</td>
<td>24,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>229,000</td>
<td>242,900</td>
<td>266,100</td>
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<tr>
<td>Equipment</td>
<td>2,503,000</td>
<td>1,966,000</td>
<td>2,119,200</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>2,980,800</td>
<td>2,522,700</td>
<td>2,648,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>28,083,600</td>
<td>29,239,800</td>
<td>31,301,700</td>
</tr>
</tbody>
</table>

The approved amount includes $804,700 in Personal Services and $4,542,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $11,800 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Of this appropriation $2,119,200 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriated, provided that purchase orders covering replacement of highway patrol enforcement vehicles have been placed prior to June 30, 1989.

2/ Included in this amount is $816,300 from the State Highway Fund to support the Commercial Vehicle Weight Enforcement and School Bus Inspection programs. Both of these programs have historically been operated by the Arizona Department of Transportation with appropriations from the State Highway Fund; these programs were transferred to the Department of Public Safety in FY 1988.

3/ Included in this amount is $496,000 from the Arizona Highway Patrol Fund. This total is based on $96,000 of new revenue being deposited into the Fund from the sale of 96 Department vehicles. 30 from the Highway Patrol Bureau, 20 from the Enforcement Bureau, and 46 from the Criminal Justice Support Bureau.

4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount includes funding for five new Officer I FTE positions to patrol the new freeways in Maricopa County and to help meet increased patrol demand due to the growth in highway traffic. The appropriation incorporates a .25 percent vacancy factor for a savings of $55,000.

Travel – State - The amount approved includes an increase of $2,400 for the new officer positions and a $49,200 reduction.

Travel – Out of State - The amount approved includes a $5,300 reduction.

Other Operating Expenditures - The approved amount includes a $26,000 increase to support the five new officer positions.

Equipment - The approved amount provides funding for 159 replacement patrol vehicles as well as five new vehicles, radios, and support equipment for the newly-authorized officer positions.
The approved amount includes $226,600 in Personal Services and $130,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $14,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved incorporates a one percent vacancy factor for a savings of $63,800. The appropriation eliminates one FTE position which is authorized and funded in the Law Enforcement Merit System Council and eliminates one Law Enforcement Instructor position.

(Continued)

1/ Included in this amount is $251,300 expended from the State Highway Fund for the Governor's Office of Highway Safety. This Office has historically been operated by the Arizona Department of Transportation (ADOT), and financed with appropriations from the State Highway Fund. During FY 1987, the Department of Public Safety administered the Office through an interagency agreement with ADOT. The Office was fully transferred to the Department of Public Safety in FY 1988.

2/ Included in this amount is $342,800 from the State Highway Fund to support the Governor's Office of Highway Safety.

3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Travel - State - The approved amount includes a $15,700 reduction.

Travel - Out of State - The approved amount includes a $9,000 reduction.

Other Operating Expenditures - The approved amount includes a $955,100 increase to cover the Risk Management insurance payment which is $3,207,200 for FY 1989. The appropriation retains a FY 1988 reduction of $161,000 in fuel funding and includes a reduction of $260,000 in rent to reflect current lease expenses. The approved amount also includes a $63,000 reduction in vehicle maintenance and fuel funding to reflect lower operating costs from the sale of 96 Department cars and the purchase of 20 fewer replacement undercover sedans.

Equipment - The amount approved includes funding for four replacement vehicles and 29 upgraded weapons as well as miscellaneous equipment for office operations, fleet repair shops, and facilities maintenance.
**DEPARTMENT OF PUBLIC SAFETY - CRIMINAL JUSTICE SUPPORT BUREAU**

**A.R.S. 41-1711**

**JLBC Analyst: Naimark**

Ralph T. Milstead, Director (Tel. 223-2359)

<table>
<thead>
<tr>
<th>JOINT ACCOUNT</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>154.0</td>
<td>157.0</td>
<td>154.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>5,063,300</td>
<td>5,475,800</td>
<td>5,578,700</td>
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<tr>
<td>Employee Related Exp.</td>
<td>892,100</td>
<td>987,500</td>
<td>1,074,600</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>42,000</td>
<td>46,400</td>
<td>146,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>32,400</td>
<td>40,500</td>
<td>38,400</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>20,000</td>
<td>32,200</td>
<td>26,500</td>
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<td>Other Operating Exp.</td>
<td>1,529,600</td>
<td>2,107,600</td>
<td>1,883,200</td>
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<tr>
<td>Equipment</td>
<td>404,700</td>
<td>111,700</td>
<td>272,200</td>
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<td>All Other Operating Exp.</td>
<td>2,028,700</td>
<td>2,338,400</td>
<td>2,366,700</td>
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<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>7,984,100</strong></td>
<td><strong>8,801,700</strong></td>
<td><strong>9,020,000</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $188,600 in Personal Services and $107,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,400 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount incorporates a three percent vacancy factor for a savings of $163,000 and includes the elimination of three fixed-wing pilot positions.

**Professional and Outside Services** - The approved amount includes an increase of $100,000 to hire contract pilots, when necessary, to substitute for the eliminated in-house pilots.

**Travel - State** - The approved amount includes a base reduction of $7,100 and an increase of $5,000 for additional ground transportation to substitute for some of the eliminated air travel.

**Travel - Out of State** - The approved amount includes a base reduction of $5,700.

(Continued)

1/ Included in this amount is $166,900 from the State Highway Fund to support the Intoxilyzer Maintenance Program.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

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Other Operating Expenditures - The approved amount retains the mid-year FY 1988 reduction of $157,800 in aircraft operating funds and includes a further reduction of $78,700. The appropriation also includes a reduction of approximately $145,000 to reflect the one remaining lease/purchase payment for the Department's rescue helicopters.

Equipment - The approved amount includes $130,000 for replacement equipment in the crime laboratories, $98,600 for nine replacement vehicles and five replacement mobile radios, $11,600 for three replacement copy machines, and $32,000 for a replacement printing press and a replacement incinerator.
The approved amount includes $265,500 in Personal Services and $153,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $26,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a one percent vacancy factor for a savings of $75,800.

Travel - State - The amount approved includes a base reduction of $16,800.

Travel - Out of State - The amount approved includes a base reduction of $2,500.

Other Operating Expenditures - The approved amount restores the mid-year FY 1988 operating reduction.

Equipment - The approved amount includes $401,800 for replacement communications consoles in Flagstaff, $244,600 for standard replacement communications equipment, and $397,300 for 187 replacement mobile radios.

\[1/\] Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
DEPARTMENT OF TRANSPORTATION  
A.R.S. 28-101  

Charles L. Miller, Director (Tel. 255-7226)  
JLBC Analyst: Blanton

SUMMARY OF STATE HIGHWAY 
AND GENERAL FUND  

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>Director's Staff</td>
<td>390,900</td>
<td>416,400</td>
<td>439,900</td>
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<tr>
<td>Highways Division</td>
<td>88,793,700</td>
<td>94,082,100</td>
<td>101,353,800</td>
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<tr>
<td>Transportation Planning</td>
<td>3,573,200</td>
<td>3,520,600</td>
<td>3,703,200</td>
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<tr>
<td>Public Transit Division</td>
<td>51,600</td>
<td>59,200</td>
<td>257,700</td>
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<tr>
<td>Administrative Services</td>
<td>21,655,500</td>
<td>24,117,500</td>
<td>29,650,600</td>
</tr>
<tr>
<td>Motor Vehicle Division</td>
<td>26,224,000</td>
<td>25,041,500</td>
<td>26,798,600</td>
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<tr>
<td>Aeronautics Division</td>
<td>524,900</td>
<td>709,500</td>
<td>1,180,900</td>
</tr>
<tr>
<td>Special Support Group</td>
<td>3,002,000</td>
<td>3,306,800</td>
<td>3,530,900</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS** | 144,215,800 | 151,253,600 | 166,915,600 |

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>3,092.0</td>
<td>3,065.0</td>
<td>3,199.5</td>
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<tr>
<td>Personal Services</td>
<td>54,950,200</td>
<td>57,645,400</td>
<td>61,505,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>11,536,300</td>
<td>11,721,500</td>
<td>14,029,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>857,200</td>
<td>1,079,500</td>
<td>751,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>1,028,700</td>
<td>1,487,300</td>
<td>1,559,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>90,900</td>
<td>110,500</td>
<td>115,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>13,793,000</td>
<td>16,944,500</td>
<td>20,434,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,610,800</td>
<td>1,246,300</td>
<td>1,833,700</td>
</tr>
</tbody>
</table>

**All Other Operating Exp.** | 18,380,600 | 20,868,100 | 24,694,200 |

**OPERATION SUB-TOTAL** | 84,867,100 | 90,235,000 | 100,229,300 |

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Highway Fund</td>
<td>143,626,800</td>
<td>150,458,800</td>
<td>165,450,000</td>
</tr>
<tr>
<td>State Aviation Fund</td>
<td>524,900</td>
<td>709,500</td>
<td>1,180,900</td>
</tr>
<tr>
<td>General Fund</td>
<td>64,100</td>
<td>85,300</td>
<td>84,700</td>
</tr>
<tr>
<td>Air Quality Fund</td>
<td>-0-</td>
<td>-0-</td>
<td>200,000</td>
</tr>
</tbody>
</table>

**TOTAL APPROPRIATIONS** | 144,215,800 | 151,253,600 | 166,915,600 |

(Continued)

1/ Includes 821.5 FTE positions funded under highway maintenance.
LAND, BUILDINGS AND IMPROVEMENTS

S.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates $866,000 from the State Highway Fund and $18,080 from the State Aeronautics Fund to the Department of Administration for major maintenance and repair activities for state buildings, including repairs, reworking or upgrading of systems of a building, which will result in maintaining the buildings' expected useful life.

Section 3 of the Capital Outlay Bill, appropriates $4,271,750 from the State Highway Fund for the following projects:

- Renovation of Smith pipe and steel building $584,000
- Tucson regional service center 1,834,450
- Yuma maintenance yard relocation 395,600
- Modular wall systems - headquarters buildings 443,000
- Nogales maintenance yard relocation 69,000
- Prescott maintenance yard asphalt tanks 130,000
- Payson maintenance yard asphalt tanks 30,000
- Cordes Junction maintenance yard asphalt tanks 30,000
- Yuma shop, new equipment facility 384,000
- Tracy maintenance yard foundation 22,000
- Page maintenance yard water system 125,000
- Yuma traffic signal shop 60,000
- Agua Fria equipment storage 164,700

Total Appropriation - Department of Transportation $4,271,750

Section 3 of the Capital Outlay Bill also appropriates $180,386,000 from the State Highway Fund as follows:

- For the construction planning and construction of State highways, including (a) the national system of interstate highways within Arizona, (b) the State primary system, (c) the State secondary system, (d) the county secondary or primary system, and (e) urban area routes; the acquisition of rights-of-way; and the cost of field administration and field engineering on construction projects: $180,386,000

From the state aviation fund, the following is appropriated:

- For construction planning and the construction, development and improvement of State, county, city or town airports as determined by the Transportation Board: $6,916,000

Total Appropriation - Department of Transportation $192,457,830

H.B. 2077 (Chapter 284) - Appropriates $200,000 from the state general fund to the State Highway Fund for the purpose of improvements to federal aid secondary highway number 274 located in Graham County.
<table>
<thead>
<tr>
<th>STATE HIGHWAY FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
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<tr>
<td>Personal Services</td>
<td>297,900</td>
<td>318,100</td>
<td>333,600</td>
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<tr>
<td>Employee Related Exp.</td>
<td>41,000</td>
<td>45,000</td>
<td>52,300</td>
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<tr>
<td>Travel - State</td>
<td>7,300</td>
<td>19,500</td>
<td>19,600</td>
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<tr>
<td>Travel - Out of State</td>
<td>14,800</td>
<td>10,100</td>
<td>10,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>29,200</td>
<td>23,200</td>
<td>24,000</td>
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<tr>
<td>Equipment</td>
<td>700</td>
<td>500</td>
<td>0</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>52,000</td>
<td>53,300</td>
<td>54,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>390,900</td>
<td>416,400</td>
<td>439,900</td>
</tr>
</tbody>
</table>

The approved amount includes $11,300 in Personal Services and $6,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,100 in Employee Related Expenditures for the increased retirement contribution.

\[1/\] Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Charles L. Miller, Director (Tel. 255-7226)

<table>
<thead>
<tr>
<th>STATE HIGHWAY FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions¹/</td>
<td>1,774.0</td>
<td>1,806.0</td>
<td>1,858.5</td>
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<tr>
<td>Personal Services</td>
<td>26,944,900</td>
<td>28,949,300</td>
<td>30,774,300</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>5,529,600</td>
<td>5,732,000</td>
<td>6,786,700</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>43,400</td>
<td>42,100</td>
<td>7,500</td>
</tr>
<tr>
<td>Travel - State</td>
<td>762,700</td>
<td>1,087,800</td>
<td>1,106,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>25,200</td>
<td>21,300</td>
<td>21,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>2,615,600</td>
<td>3,245,700</td>
<td>5,553,500</td>
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<tr>
<td>Equipment</td>
<td>1,302,700</td>
<td>455,300</td>
<td>900,400</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>4,749,600</td>
<td>4,852,200</td>
<td>7,589,900</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>37,224,100</td>
<td>39,533,500</td>
<td>45,150,900</td>
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<tr>
<td>Highway Maintenance</td>
<td>48,283,000</td>
<td>52,135,300</td>
<td>55,787,700²/</td>
</tr>
<tr>
<td>Equipment Revolving Fund</td>
<td>1,477,400</td>
<td>2,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Radio Communications</td>
<td>399,400</td>
<td>413,300</td>
<td>415,200</td>
</tr>
<tr>
<td>Computer Aided Drafting &amp; Design</td>
<td>1,409,800</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>88,793,700</td>
<td>94,082,100</td>
<td>101,353,800³/</td>
</tr>
</tbody>
</table>

The approved amount includes $1,040,700 in Personal Services and $606,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $104,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

¹/ Included in the FTE total are two unfunded FTE's which are funded through an IASG with State Parks Board.

²/ The amount appropriated includes $570,700 for construction/maintenance of rest areas.

³/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The amount approved includes a 1.5 percent vacancy factor, funding for 34 new FTE positions for Highway Administration: one Librarian II, one Administrative Services Officer I, one Administrative Assistant II, one Transportation Engineer I, one Clerk Typist III, one Transportation Traffic Studies Analyst, one Transportation Engineering Specialist, one Transportation Quality control Technician III, one Storekeeper, three Transportation Engineering Managers, three Administrative Secretaries, one Administrative Secretary I, one Transportation Engineer I Team Leader, two Transportation Engineer I's, one Clerk Typist III, three Transportation Construction Operations Technicians, one Transportation Engineering Permits Technician II, one Traffic Signals/Lighting Crew Supervisor II, one Traffic Signals/Lighting Crew Supervisor I, three Traffic Signals/Lighting Technician II's, one Real Property Appraiser II, two Right of Way Agent I's, one Building Maintenance Worker II, one Transportation Traffic Studies Analyst; and 17.5 FTE positions for Highway Maintenance: 16.5 Highway Maintenance Workers and one Administrative Services Officer I; the transfer-in of one Dispatcher from the Motor Vehicle Division; and, the shift of one Transportation Engineering Specialist to Highway Maintenance from the Highways Division.

Highway Maintenance - The approved amount includes $601,600 in Personal Services and $350,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $60,500 in Employee Related Expenditures for the increased retirement contribution.
The approved amount includes $89,200 in Personal Services and $52,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $9,000 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes a 1.5 percent vacancy factor, funding for two new FTE positions: two Transportation Traffic Field Data Technicians; and, the transfer-out of two FTE positions, one Planner II to the Special Support Group and one Planner III to the Administrative Services Division.

---

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>98.0</td>
<td>92.0</td>
<td>92.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>2,682,300</td>
<td>2,616,000</td>
<td>2,638,100</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>530,100</td>
<td>496,000</td>
<td>563,600</td>
</tr>
<tr>
<td>Travel - State</td>
<td>79,300</td>
<td>80,200</td>
<td>87,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>10,300</td>
<td>15,900</td>
<td>16,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>254,300</td>
<td>274,200</td>
<td>316,500</td>
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<tr>
<td>Equipment</td>
<td>4,400</td>
<td>12,200</td>
<td>39,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>348,300</td>
<td>382,500</td>
<td>474,500</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>3,560,700</td>
<td>3,494,500</td>
<td>3,676,200</td>
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<tr>
<td>Other Transit Planning (General Fund)</td>
<td>12,500</td>
<td>26,100</td>
<td>27,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>3,573,200</td>
<td>3,520,600</td>
<td>3,703,200</td>
</tr>
</tbody>
</table>

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>40,500</td>
<td>44,100</td>
<td>43,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>6,900</td>
<td>9,800</td>
<td>9,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>600</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>600</td>
<td>2,200</td>
<td>1,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>3,000</td>
<td>2,100</td>
<td>1,700</td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td>900</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>4,200</td>
<td>5,300</td>
<td>5,100</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>51,600</td>
<td>59,200</td>
<td>57,700</td>
</tr>
</tbody>
</table>

Additional Appropriations - 38th Leg., 2nd Reg. Session

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Actual</th>
<th>Estimate</th>
<th>Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>51,600</td>
<td>59,200</td>
<td>57,700</td>
</tr>
<tr>
<td>(Air Quality Fund/ GPA)</td>
<td>-0-</td>
<td>-0-</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>51,600</td>
<td>59,200</td>
<td>257,700</td>
</tr>
</tbody>
</table>

The approved amount includes $1,500 in Personal Services and $900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

### ADDITIONAL LEGISLATION

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of two hundred thousand dollars from the Air Quality Fund established by Section 49-551, Arizona Revised Statutes, to the Department of Transportation during fiscal year 1988-1989 for the purposes of funding the studies and reports required by Sections 49-404, 49-405, and 49-406, Arizona Revised Statutes, as added by this act.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ Excluding matching fund requirement, any reimbursement for expenditure of these funds shall be deposited in the State General Fund.
Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>281.0</td>
<td>283.0</td>
<td>302.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>6,858,400</td>
<td>7,213,700</td>
<td>7,749,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>1,362,300</td>
<td>1,418,600</td>
<td>1,705,100</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>395,900</td>
<td>405,700</td>
<td>171,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,700</td>
<td>8,300</td>
<td>13,700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>6,900</td>
<td>10,600</td>
<td>12,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>8,079,900</td>
<td>9,616,300</td>
<td>10,381,600</td>
</tr>
<tr>
<td>Equipment</td>
<td>920,700</td>
<td>569,000</td>
<td>468,600</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>9,409,100</td>
<td>10,609,900</td>
<td>11,048,400</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>17,629,800</td>
<td>19,242,200</td>
<td>20,503,200</td>
</tr>
<tr>
<td>Insurance Surcharge</td>
<td>4,025,700</td>
<td>4,875,300</td>
<td>9,147,400</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>21,655,500</td>
<td>24,117,500</td>
<td>29,650,600</td>
</tr>
</tbody>
</table>

The approved amount includes $262,100 in Personal Services and $152,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $26,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor, and funding for 18 new FTE positions: one Fiscal Services Specialist III, one Fiscal Services Specialist IV, one Fiscal Services Manager, four Programmer Analyst III's, one Architect, one Duplicating Equipment Operator III, two Communications Analysts, one Storekeeper, one Fiscal Services Specialist, one Program and Project Specialist II, one Information Processing Specialist II, one Administrative Services Officer III, one Program and Project Specialist II, one Clerk Typist III and the transfer-in of one Planner III from the Transportation Planning Division.

\[1/\] Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $568,500 in Personal Services and $331,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $57,200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)
Personal Services - The amount approved includes a 1.5 percent vacancy factor and funding for 47 new FTE positions: sixteen Hearing Officer II's, fourteen Clerk Typist II's, one Examiner Technician II, two Examiner Technician I's, four Examiner Technician II's, three Motor Vehicle Operations Clerk II's, one Motor Vehicle Operations Clerk I, three Auditor III's, three Auditor II's; and, the transfer-out of one Dispatcher to the Highways Division and one Training Specialist to the Special Support Group.

License Plates and Tabs - Provides funding for the purchase of license plates and tabs.

Medical Advisory Board - Provides funding for a board of medical experts to assist the agency in formulating standards for mental and physiological limitations relative to driver licensing.

ADDITIONAL APPROPRIATIONS

Vehicle License Plates - S.B. 1199 (Chapter 332) - Provides for the issuance of a single license plate for motor vehicles and appropriates $658,500 from the state Highway Fund for FY 1987-1988 to cover the cost of issuing two number plates per vehicle in FY 1988. The appropriation is exempt from the provisions of Section 35-190. Any monies remaining unexpended or unencumbered on June 30, 1989 shall revert to the state Highway Fund.
### STATE AVIATION FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>15.0</td>
<td>15.0</td>
<td>28.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>339,900</td>
<td>388,100</td>
<td>663,800</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>68,600</td>
<td>74,900</td>
<td>143,600</td>
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<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>8,000</td>
<td>67,400</td>
<td>70,700</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>7,700</td>
<td>16,000</td>
<td>18,800</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>7,500</td>
<td>10,000</td>
<td>10,800</td>
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<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>54,200</td>
<td>87,600</td>
<td>205,400</td>
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<tr>
<td><strong>Equipment</strong></td>
<td>7,100</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>84,500</td>
<td>181,000</td>
<td>305,700</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>493,000</td>
<td>644,000</td>
<td>1,113,100</td>
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<tr>
<td><strong>Reimbursement to Highway Fund</strong></td>
<td>31,900</td>
<td>65,500</td>
<td>67,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>524,900</td>
<td>709,500</td>
<td>1,180,900</td>
</tr>
</tbody>
</table>

The approved amount includes $22,400 in Personal Services and $13,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,300 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved includes funding for 13 new FTE positions: one Airport Development Team Leader, one Program/Projects Specialist II, one Administrative Secretary II, one Administrative Services Officers II, two Building Maintenance Supervisor II's, five Building Maintenance Worker II's, one Custodial Worker II, and one Administrative Secretary I.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
Charles L. Miller, Director (Tel. 255-7226)  
JLBC Analyst: Blanton

<table>
<thead>
<tr>
<th>STATE HIGHWAY FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>75.0</td>
<td>75.0</td>
<td>80.0</td>
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<td>2,490,500</td>
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<td>Employee Related Exp.</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>166,600</td>
<td>243,200</td>
<td>242,400</td>
</tr>
<tr>
<td>Travel - State</td>
<td>24,500</td>
<td>29,600</td>
<td>31,200</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>13,500</td>
<td>17,800</td>
<td>19,200</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>109,400</td>
<td>156,600</td>
<td>200,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>48,200</td>
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<td>13,600</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>362,200</td>
<td>477,700</td>
<td>506,800</td>
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<td>OPERATION SUB-TOTAL</td>
<td>2,987,700</td>
<td>3,292,100</td>
<td>3,515,700</td>
</tr>
<tr>
<td>Education &amp; Training</td>
<td>14,300</td>
<td>14,700</td>
<td>15,200</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>3,002,000</td>
<td>3,306,800</td>
<td>3,530,900</td>
</tr>
</tbody>
</table>

The approved amount includes $84,200 in Personal Services and $49,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $8,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a two percent vacancy factor, funding for three new FTE positions: one Special Agent IV, one Senior Research Specialist and one Legal Secretary III; and, the transfer-in of a Planner II from the Transportation Planning Division, and one Training Specialist I from the Motor Vehicle Division.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $2,200 in Personal Services and $1,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $200 in Employee Related Expenditures for the increased retirement contribution.

---

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative &amp; Field Services</td>
<td>11,703,900</td>
<td>12,564,000</td>
<td>14,027,800</td>
</tr>
<tr>
<td>Waterfowl Conservation</td>
<td>-0-</td>
<td>-0-</td>
<td>3,400</td>
</tr>
<tr>
<td>Watercraft</td>
<td>901,600</td>
<td>1,023,200</td>
<td>1,295,800</td>
</tr>
<tr>
<td>Game, Non-Game, Fish, and Endangered Species</td>
<td>263,100</td>
<td>294,000</td>
<td>279,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>12,868,600</td>
<td>13,881,200</td>
<td>15,606,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>264.0</td>
<td>268.0</td>
<td>278.0</td>
</tr>
</tbody>
</table>

| Personal Services                                   | 5,978,600  | 6,334,800  | 6,829,900  |
| Employee Related Exp.                               | 1,584,900  | 1,682,900  | 2,025,700  |
| Prof. & Outside Services                            | 221,600    | 254,500    | 268,500    |
| Travel - State                                      | 233,000    | 360,100    | 376,000    |
| Travel - Out of State                               | 15,400     | 18,600     | 19,300     |
| Other Operating Exp.                                | 2,771,300  | 2,828,500  | 3,113,900  |
| Equipment                                           | 453,100    | 756,100    | 1,065,000  |
| All Other Operating Exp.                            | 3,694,400  | 4,217,800  | 4,842,700  |

| OPERATION SUB-TOTAL                                  | 11,257,900 | 12,235,500 | 13,698,300 |
| Commissioners' Reserve                              | 2,100      | 35,000     | 35,000     |
| Commercial Fisheries                                | 5,000      | 6,700      | -0-        |
| Cooperative Wildlife and Fish Research              | 30,000     | 30,000     | 30,000     |
| Dingell-Johnson Act                                 | 833,300    | 700,000    | 617,800    |
| Pittman-Robertson Act                               | 611,400    | 735,000    | 851,200    |
| Reimbursement to Game and Fish Fund                 | 125,000    | 125,000    | 359,500    |
| Cost Transfer                                       | 3,900      | 14,000     | 15,000     |

| TOTAL APPROPRIATIONS                                 | 12,868,600 | 13,881,200 | 15,606,800 |

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Game and Fish Fund</td>
<td>11,703,900</td>
<td>12,564,000</td>
<td>14,027,800</td>
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<tr>
<td>Watercraft Licensing Fund</td>
<td>901,600</td>
<td>1,023,200</td>
<td>1,295,800</td>
</tr>
<tr>
<td>Game, Non-Game, Fish and Endangered Species Fund</td>
<td>263,100</td>
<td>294,000</td>
<td>279,800</td>
</tr>
<tr>
<td>Waterfowl Conservation Fund</td>
<td>-0-</td>
<td>-0-</td>
<td>3,400</td>
</tr>
</tbody>
</table>

| TOTAL APPROPRIATIONS                                 | 12,868,600 | 13,881,200 | 15,606,800 |
LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Section 2, appropriates $85,000 from the Game and Fish Fund to the Department of Administration for allocation to the Game and Fish Department for building renewal maintenance and repairs.

The Capital Outlay Bill, Section 3, also appropriates $115,000 from the Game and Fish Fund for the following projects:

Facilities Maintenance and Repair (not covered under the building renewal formula) $100,000
Shooting Range Development and Improvement 15,000
TOTAL $115,000

The Capital Outlay Bill, Section 3, also appropriates $450,000 from the Game and Fish Capital Improvement Fund for hatchery improvements and renovations and for Deer Valley North Office complex improvements.

In addition, the Capital Outlay Bill, Section 3, appropriates $675,000 from the Waterfowl Conservation Fund to acquire or develop migratory waterfowl habitat.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>231.5</td>
<td>235.50</td>
<td>248.50</td>
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<tr>
<td><strong>Personal Services</strong></td>
<td>5,459,900</td>
<td>5,743,100</td>
<td>6,298,800</td>
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<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>1,455,300</td>
<td>1,529,400</td>
<td>1,875,700</td>
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<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>168,400</td>
<td>165,300</td>
<td>174,300</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>210,100</td>
<td>336,100</td>
<td>355,100</td>
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<tr>
<td><strong>Travel - Out of State</strong></td>
<td>12,300</td>
<td>13,900</td>
<td>13,900</td>
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<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>2,484,200</td>
<td>2,542,100</td>
<td>2,756,100</td>
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<tr>
<td><strong>Equipment</strong></td>
<td>431,900</td>
<td>727,400</td>
<td>1,019,900</td>
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<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>3,306,900</td>
<td>3,784,800</td>
<td>4,319,300</td>
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<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>10,222,100</td>
<td>11,057,300</td>
<td>12,493,800</td>
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<tr>
<td><strong>Commissioners' Reserve</strong></td>
<td>2,100</td>
<td>35,000</td>
<td>35,000</td>
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<tr>
<td><strong>State Matching Funds:</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Fisheries</td>
<td>5,000</td>
<td>6,700</td>
<td>-0-</td>
</tr>
<tr>
<td>Cooperative Wildlife and Fish Research</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Dingell-Johnson Act</td>
<td>833,300</td>
<td>700,000</td>
<td>617,800</td>
</tr>
<tr>
<td>Pittman-Robertson Act</td>
<td>611,400</td>
<td>735,000</td>
<td>851,200</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>11,703,900</td>
<td>12,564,000</td>
<td>14,027,800</td>
</tr>
</tbody>
</table>

**RECEIPTS, EXPENDITURES AND BALANCES FORWARD**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>2,464,300</td>
<td>3,347,700</td>
<td>3,611,900</td>
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<tr>
<td>Add Revenues</td>
<td>12,691,800</td>
<td>13,171,600</td>
<td>13,688,900</td>
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<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong></td>
<td>15,156,100</td>
<td>16,519,300</td>
<td>17,300,800</td>
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<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>11,703,900</td>
<td>12,564,000</td>
<td>14,027,800</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>104,500</td>
<td>343,400</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td>11,808,400</td>
<td>12,907,400</td>
<td>14,227,800</td>
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<tr>
<td>Balance End of Fiscal Year</td>
<td>3,347,700</td>
<td>3,611,900</td>
<td>3,073,000</td>
</tr>
</tbody>
</table>

1/ Any part of this appropriation may be used for the purpose of matching federal and apportionment funds.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

3/ Includes $85,000 appropriated from the Game and Fish Fund to the Department of Administration for Game and Fish Department building renewal.
The approved amount includes $210,600 in Personal Services and $133,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $11,500 in Employee Related Expenditures for the increased retirement contribution.

The Game and Fish Department has undertaken a reorganization designed to allow more of its employees to be assigned to field, rather than office, duties. As a part of the reorganization, the Department requested that the Administrative Services and Field Services programs be combined into one appropriation. In previous years, these two programs were given separate appropriations. For FY 89, the Legislature has combined the programs. In the above table, the FY 87 and FY 88 totals also have been combined for comparison purposes.

Personal Services - The amount approved includes six new FTE positions paid for by a cost transfer from federal funds, and seven new FTE positions paid for by a cost transfer from the Watercraft Licensing Fund. All of the positions are Wildlife Managers, and will perform game management, boating law enforcement and wildlife research duties. The amount approved also includes vacancy savings of $55,100.

Professional and Outside Services - The amount approved includes $9,000 for increased data processing costs.

Travel - State - The amount approved includes $19,000 in costs associated with the new employees.

Other Operating Expenses - The amount approved includes a 3.5 percent adjustment for inflation.

Equipment - The amount approved includes replacement equipment funding for 56 pickup trucks, five sedans, two house trailers, two boats, and one fish transport tank. In addition, three pickup trucks and three radios are funded for use by the new employees.
### GAME AND FISH DEPARTMENT - WATERFOWL CONSERVATION

A.R.S. 17-201

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

<table>
<thead>
<tr>
<th>WATERFOWL CONSERVATION FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>Travel - State</td>
<td>--</td>
<td>-0-</td>
<td>400</td>
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<tr>
<td>Other Operating Exp.</td>
<td>--</td>
<td>-0-</td>
<td>3,000</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>--</td>
<td>-0-</td>
<td>3,400</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>--</td>
<td>-0-</td>
<td>3,400</td>
</tr>
</tbody>
</table>

#### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

| Balance Beg. of Fiscal Year | --               | -0-                | 604,000            |
| Add Revenues                | --               | 604,000            | 181,000            |
| TOTAL FUNDS AVAILABLE       | --               | 604,000            | 785,000            |

#### Expenditures

| Operating Expenditures      | --               | -0-                | 3,400              |
| Capital Expenditures        | --               | -0-                | 675,000            |
| SUB-TOTAL                   | --               | -0-                | 678,400            |

| Balance End of Fiscal Year  | --               | 604,000            | 106,600            |

All Other Operating Expenditures - The appropriation is for expenses associated with research to increase the number of migratory waterfowl in the state. Chapter 313, Laws of 1986, established the Waterfowl Conservation Fund consisting of monies received from selling waterfowl stamps and associated artwork. The Game and Fish Commission may spend these monies, subject to appropriation, to develop the migratory waterfowl habitat in the state.

1/ Represents General Appropriation Act Funds. Appropriated as one line, "All Other Operating Expenditures", for the program.
### GAME AND FISH DEPARTMENT - WATERCRAFT

A.R.S. 5-301

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

<table>
<thead>
<tr>
<th>WATERCRAFT LICENSING FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
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<td>27.5</td>
<td>25.5</td>
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<td>418,600</td>
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<td>Employee Related Exp.</td>
<td>99,900</td>
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<td>120,500</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>16,100</td>
<td>24,200</td>
<td>29,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,200</td>
<td>17,300</td>
<td>13,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>1,000</td>
<td>1,900</td>
<td>2,600</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>235,300</td>
<td>239,100</td>
<td>306,500</td>
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<tr>
<td>Equipment</td>
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<td>45,100</td>
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<td>All Other Operating Exp.</td>
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<td>OPERATION SUB-TOTAL</td>
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<tr>
<td>Reimbursement to Game and Fish Fund</td>
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<td>125,000</td>
<td>359,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>901,600</td>
<td>1,023,200</td>
<td>1,295,800</td>
</tr>
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</table>

### RECEIPTS, EXPENDITURES AND BALANCES FORWARD

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>456,100</td>
<td>485,900</td>
<td>650,700</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>931,400</td>
<td>1,188,000</td>
<td>1,198,000</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>1,387,500</td>
<td>1,673,900</td>
<td>1,848,700</td>
</tr>
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</table>

**Expenditures:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenditures</td>
<td>901,600</td>
<td>1,023,200</td>
<td>1,295,800</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>901,600</td>
<td>1,023,200</td>
<td>1,295,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance End of Fiscal Year</td>
<td>485,900</td>
<td>650,700</td>
<td>552,900</td>
</tr>
</tbody>
</table>

The approved amount includes $14,200 in Personal Services and $8,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line item for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount reflects the transfer of four FTE positions to programs funded by the Game and Fish Fund, and the addition of two new FTE positions, a Boating Training Specialist and a Clerk-Typist II. The four transferred FTE positions are Wildlife Managers specializing in boating law enforcement. Under the agency's reorganization plan, the FTE hours will continue to be applied to boating law enforcement, but the four employees will be integrated into the overall Game and Fish Department field organization. The Boating Training Specialist and the Clerk-Typist II will be assigned to work on boating safety programs mandated by Chapter 228, Laws of 1987. The approved amount includes vacancy savings of $4,600.

Professional and Outside Services - The approved amount includes $5,000 for artist and layout design services for new boating education materials.

Travel - State - The approved amount includes a $4,000 increase for the new Training Specialist and a $7,500 decrease associated with the four transferred FTE positions.

Other Operating Expenses - The approved amount includes $13,800 associated with the new employees; $30,500 to print new boating education information; and a decrease of $10,000 for costs associated with the transferred FTE positions.

Equipment - The approved amount includes funding for the purchase of a Suburban-type vehicle and an 18-foot boat for the new Training Specialist, audio-video equipment for the new employees, and computer port hook-ups for the regional offices.

Reimbursement to Game and Fish Fund - The approved amount includes $134,500 to pay for the expenses of the four transferred FTE positions. Also, $225,000 is appropriated for other boating law enforcement purposes.
## Game, Non-game, Fish and Endangered Species Fund

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>5.0</td>
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<tr>
<td>Personal Services</td>
<td>116,600</td>
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<td>112,500</td>
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<tr>
<td>Employee Related Exp.</td>
<td>29,700</td>
<td>31,100</td>
<td>29,500</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>37,100</td>
<td>65,000</td>
<td>65,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,700</td>
<td>6,700</td>
<td>6,700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,100</td>
<td>2,800</td>
<td>2,800</td>
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<tr>
<td>Other Operating Exp.</td>
<td>51,800</td>
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<td>48,300</td>
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<tr>
<td>Equipment</td>
<td>10,200</td>
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<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>112,900</td>
<td>121,800</td>
<td>122,800</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
<td>259,200</td>
<td>280,000</td>
<td>264,800</td>
</tr>
<tr>
<td>Cost Transfer</td>
<td>3,900</td>
<td>14,000</td>
<td>15,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>263,100</td>
<td>294,000</td>
<td>279,800</td>
</tr>
</tbody>
</table>

### Receipts, Expenditures and Balances Forward

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Fiscal 88</th>
<th>Fiscal 89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Beg. of Fiscal Year</td>
<td>404,500</td>
<td>369,100</td>
<td>290,800</td>
</tr>
<tr>
<td>Add Revenues</td>
<td>244,600</td>
<td>235,000</td>
<td>235,000</td>
</tr>
<tr>
<td>TOTAL FUNDS AVAILABLE</td>
<td>649,100</td>
<td>604,100</td>
<td>525,800</td>
</tr>
</tbody>
</table>

### Expenditures:

- Operating Expenditures
  - 263,100
  - 294,000
  - 279,800

- Capital Expenditures
  - 16,900
  - 19,300
  - -0-

  SUB-TOTAL
  - 280,000
  - 313,300
  - 279,800

### Balance End of Fiscal Year

- 369,100
- 290,800
- 246,000

The approved amount includes $3,800 in Personal Services and $2,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the deletion of one FTE position and $23,700. This position, a Wildlife Specialist II, was transferred to a federally funded program.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line item for the program. The objects of expenditure are shown for informational purposes only.
ARIZONA GEOLOGICAL SURVEY

Larry D. Fellows, Ph.D., Director (Tel. 621-7906)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>0.0</td>
<td>0.0</td>
<td>13.25</td>
</tr>
<tr>
<td>Personal Services</td>
<td>-0-</td>
<td>-0-</td>
<td>337,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>76,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>-0-</td>
<td>5,900</td>
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<tr>
<td>Travel - Out of State</td>
<td>-0-</td>
<td>-0-</td>
<td>4,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>93,900</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>14,200</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>-0-</td>
<td>-0-</td>
<td>118,500</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>-0- 1/</td>
<td>-0- 2/</td>
<td>531,700 3/4/</td>
</tr>
</tbody>
</table>

The approved amount includes $11,400 in Personal Services and $6,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved provides funds for 13.25 FTE positions which includes the State Geologist, an Associate Research Geologist, two Assistant Research Geologists, an Administrative Assistant I, an Associate Editor, a Graphic Artist III, a Research Assistant II, a Research Equipment Technician, a Secretary II, 1.6 FTE Graduate Assistants, a Clerk Typist II, 0.25 Custodial Worker and 0.4 FTE position for temporary and student wages.

All Other Operating - The amount appropriated includes $57,600 for lease and $6,500 for utilities. Funds for insurance are included in the budget for the University of Arizona.

1/ The University of Arizona budget includes $398,000 for the Arizona Geological Survey.
2/ The University of Arizona budget includes $415,800 for the Arizona Geological Survey.
3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
### General Fund Summary

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Services</td>
<td>1,967,400</td>
<td>2,095,000</td>
<td>1,554,400</td>
</tr>
<tr>
<td>Board of Appeals</td>
<td>36,400</td>
<td>43,300</td>
<td>42,500</td>
</tr>
<tr>
<td>Contracts and Records</td>
<td>722,300</td>
<td>824,300</td>
<td>981,600</td>
</tr>
<tr>
<td>Forestry Management</td>
<td>608,100</td>
<td>648,800</td>
<td>648,300</td>
</tr>
<tr>
<td>Natural Resources Management</td>
<td>1,794,100</td>
<td>1,773,600</td>
<td>1,802,100</td>
</tr>
<tr>
<td>Resource Analysis</td>
<td>880,700</td>
<td>934,100</td>
<td>976,500</td>
</tr>
<tr>
<td>Urban &amp; Commercial Development</td>
<td>1,414,300</td>
<td>1,443,400</td>
<td>1,492,700</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>7,423,300</strong></td>
<td><strong>7,762,500</strong></td>
<td><strong>7,498,100</strong></td>
</tr>
</tbody>
</table>

### Expenditure Detail

| FTE Positions                            | 159.0            | 155.0              | 153.0              |
| Personal Services                        | 3,942,700        | 4,121,200          | 4,183,800          |
| Employee Related Exp.                    | 791,000          | 797,800            | 939,100            |
| Prof. & Outside Services                 | 515,000          | 523,500            | 478,600            |
| Travel - State                           | 166,500          | 190,300            | 161,900            |
| Travel - Out of State                    | 3,900            | 2,400              | 2,400              |
| Other Operating Exp.                     | 1,117,400        | 1,152,100          | 1,129,100          |
| Equipment                                | 75,500           | 51,700             | 102,700            |
| All Other Operating Exp.                 | 1,878,300        | 1,920,000          | 1,874,700          |
| **OPERATION SUB-TOTAL**                  | **6,612,000**    | **6,839,000**      | **6,997,600**      |
| CAP User Fees                            | -0-              | 78,100             | 78,100             |
| Water Rights Litigation                  | 433,900          | 433,800            | 54,500             |
| Water Right Fees                         | 77,000           | 36,300             | 64,500             |
| Litigation Expenses                      | 17,900           | 70,000             | 45,000             |
| Natural Resource Conservation Districts  | 145,000          | 149,800            | 134,800            |
| Conservation Education                   | 30,000           | 30,000             | 30,000             |
| ADOT Mapping Services                    | 40,500           | 40,500             | -0-                |
| Coyote Creek Watershed Matching Fund     | 67,000           | -0-                | 75,000             |
| Illegal Dump Supvision                   | -0-              | 25,600             | 18,600             |
| Geological Subsidence Mapping            | -0-              | 39,400             | -0-                |
| **TOTAL APPROPRIATIONS**                 | **7,423,300**    | **7,762,500**      | **7,498,100**      |
## General Fund

### Fiscal 87 Actual | Fiscal 88 Estimate | Fiscal 89 Approved
--- | --- | ---
FTE Positions | 20.5 | 21.0 | 19.0
Personal Services | 587,500 | 593,000 | 509,000
Employee Related Exp. | 101,500 | 112,400 | 107,000
Prof. & Outside Services | 600 | -0- | -0-
Travel - State | 20,200 | 22,900 | 21,200
Travel - Out of State | 1,500 | 2,400 | 2,400
Other Operating Exp. | 706,700 | 723,500 | 716,100
Equipment | 20,600 | 2,600 | 11,100
All Other Operating Exp. | 749,600 | 751,400 | 750,800
Operation Sub-Total | 1,438,600 | 1,456,800 | 1,366,800
Water Litigation Expenses | 433,900 | 453,800 | -0-0-
CAP User Fees | -0- | 78,100 | 78,100
Water Right Fees | 77,000 | 36,300 | 64,500
Litigation Expenses | 17,900 | 70,000 | 45,000
Total Appropriations | 1,967,400 | 2,095,000 | 1,554,400

The approved amount includes $17,200 in Personal Services and $10,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The amount approved reflects the transfer-out of a Natural Resources Manager III and $27,300 to the Natural Resources Management Division, and a Natural Resources Manager III, a Natural Resources Manager II, a Title Examiner II, and $78,900 to the Contracts and Records Division. The amount approved also reflects the transfer-in of a Legislative Liaison and $29,100 from the Natural Resources Management Division, and a Clerk Typist II and $12,500 from the Contracts and Records Division. In addition, vacancy savings of $2,800 are included.

**Equipment** - The amount approved includes funding for the purchase of a word processor and other replacement items.

(Continued)

1/ Includes $50,000 transferred into this line item in S.B. 1119 for litigation concerning the Streambed Act (Chapter 127, Laws of 1987).
2/ Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line items for the program. The objects of expenditure are shown for informational purposes only.
Water Litigation Expenses - This function has been transferred out of the Administrative Services Division. Of the 14 FTE positions previously associated with this function, 10 are now located in the Department of Law - Civil Division, two are now located in the Natural Resources Management Division of the State Land Department, and two have been eliminated.

Litigation Expenses - For fiscal year 1989, the appropriation includes $25,000 for continuing litigation over the Streambed Act (Chapter 127, Laws of 1987).
<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>24,300</td>
<td>26,900</td>
<td>27,700</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>5,200</td>
<td>5,700</td>
<td>6,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>-0-</td>
<td>5,300</td>
<td>3,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>5,800</td>
<td>4,400</td>
<td>4,400</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>400</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>700</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>6,900</td>
<td>10,700</td>
<td>8,400</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>36,400</strong></td>
<td><strong>43,300</strong></td>
<td><strong>42,500</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $900 in Personal Services and $500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $100 in Employee Related Expenditures for the increased retirement contribution.

**Professional and Outside Services** - The approved amount reflects a $3,000 reduction from the original FY 88 appropriation.

---

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
### STATE LAND DEPARTMENT - CONTRACTS AND RECORDS

**JLBC Analyst:** Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>30.0</td>
<td>28.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>561,900</td>
<td>628,200</td>
<td>756,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>114,200</td>
<td>121,100</td>
<td>175,500</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>4,300</td>
<td>18,500</td>
<td>7,900</td>
</tr>
<tr>
<td>Travel - State</td>
<td>8,000</td>
<td>6,900</td>
<td>9,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>400</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>21,200</td>
<td>21,600</td>
<td>22,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>12,300</td>
<td>28,000</td>
<td>10,000</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>46,200</td>
<td>75,000</td>
<td>49,600</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>722,300</strong></td>
<td><strong>824,300</strong></td>
<td><strong>981,600</strong></td>
</tr>
</tbody>
</table>

The approved amount includes $25,600 in Personal Services and $14,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the transfer-in of a Title Examiner II FTE position, a Natural Resources Manager III FTE position, a Natural Resources Manager II FTE position and $78,900 from the Administrative Services Division, and an Appraiser IV FTE position and $46,500 from the Urban and Commercial Division. The approved amount also reflects the transfer-out of an Examiner Technician I FTE position and $18,100 to the Natural Resources Management Division, and a Clerk Typist II FTE position and $12,900 to the Administrative Services Division. In addition, vacancy savings of $3,200 are included.

Professional and Outside Services - The approved amount includes a $10,600 reduction for court reporting and engineering consultant services.

Equipment - The approved amount includes funding for a word processor and other office replacement items.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
**STATE LAND DEPARTMENT - FORESTRY MANAGEMENT**

**A.R.S. 37-102**

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

<table>
<thead>
<tr>
<th>GENERAL FUND</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>18.0</td>
<td>18.0</td>
<td>16.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>499,400</td>
<td>518,800</td>
<td>493,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>108,700</td>
<td>112,500</td>
<td>114,300</td>
</tr>
<tr>
<td>Travel - State</td>
<td>-0-</td>
<td>5,100</td>
<td>4,700</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>-0-</td>
<td>12,400</td>
<td>6,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>29,700</td>
</tr>
<tr>
<td>Total Other Operating Exp.</td>
<td>-0-</td>
<td>17,500</td>
<td>40,800</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>608,100</td>
<td>648,800</td>
<td>648,300</td>
</tr>
</tbody>
</table>

The approved amount includes $16,700 in Personal Services and $9,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,700 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount reflects the deletion of two FTE positions, a Natural Resources Manager I and a Natural Resources Technician. In addition, vacancy savings of $2,600 are included.

**Other Operating Expenditures** - The approved amount includes a reduction of $6,000 for expenses associated with the two deleted positions.

**Equipment** - The approved amount includes funding for a pickup truck and other replacement items.

\[1\] Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

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### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>45.5</td>
<td>43.0</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>1,133,700</td>
<td>1,114,900</td>
<td>1,066,900</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>238,300</td>
<td>215,600</td>
<td>246,500</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>4,200</td>
<td>4,500</td>
<td>4,500</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>114,600</td>
<td>123,200</td>
<td>98,700</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>900</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>53,000</td>
<td>69,400</td>
<td>63,100</td>
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<tr>
<td><strong>Equipment</strong></td>
<td>7,400</td>
<td>1,200</td>
<td>9,500</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>180,100</td>
<td>198,300</td>
<td>173,800</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>1,552,100</td>
<td>1,528,800</td>
<td>1,489,200</td>
</tr>
<tr>
<td><strong>Water Litigation Expenses</strong></td>
<td>-0-</td>
<td>-0-</td>
<td>54,500</td>
</tr>
<tr>
<td><strong>Natural Resource Conservation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Districts</td>
<td>145,000</td>
<td>149,800</td>
<td>134,800</td>
</tr>
<tr>
<td><strong>Geological Subsidence Mapping</strong></td>
<td>-0-</td>
<td>39,400</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Conservation Education</strong></td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>Illegal Dump Supervision</strong></td>
<td>-0-</td>
<td>25,600</td>
<td>18,600</td>
</tr>
<tr>
<td><strong>Coyote Creek Watershed</strong></td>
<td>67,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,794,100</td>
<td>1,773,600</td>
<td>1,727,100</td>
</tr>
</tbody>
</table>

**Additional Appropriations**

- **38th Leg., 2nd Reg. Session**
  
| Ch. 285, Coyote Creek Watershed   | --               | --                 | 75,000             |

**TOTAL APPROPRIATIONS**

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,794,100</td>
<td>1,773,600</td>
<td>1,802,100</td>
</tr>
</tbody>
</table>

The approved amount includes $36,100 in Personal Services and $21,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $3,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

1/ Does not include the two FTE positions authorized for the Water Litigation Expenses line item.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Personal Services - The approved amount reflects the transfer-out of an Engineering Land Mapping Supervisor FTE position, two Engineering Land Mapping Technician FTE positions, and $74,300 to the Resource Analysis Division; a Public Information officer FTE position and $20,500 to the Urban and Commercial Division; and a Legislative Liaison FTE position and $29,100 to the Administrative Services Division. The approved amount also reflects the transfer-in of a Natural Resource Manager II FTE position and $27,300 from the Administrative Services Division, and an Examiner Technician I FTE position and $18,100 from the Contracts and Records Division. In addition, vacancy savings of $3,600 are included.

Equipment - The approved amount includes funding to replace the division's two-way high-band radios and other equipment items.

Water Litigation - Two members of the Water Rights Adjudication Team have been transferred into the Natural Resources Management Division from the Administrative Services Division. The budget for the team for fiscal year 1989 is Personal Services - $41,500, Employee Related Expenditures - $11,000, and All Other Operating Expenditures - $2,000. This amount includes $2,400 to fund the general salary adjustment and the changes in health insurance premiums and the retirement contribution that were approved by the Legislature.

ADDITIONAL APPROPRIATIONS

S.B. 1126 (Chapter 285) - Appropriates $75,000 from the General Fund to the State Land Department for disbursement to the Apache Natural Resource Conservation District. The district shall use the funds for administration of cost-share assistance to state land permittees within the Coyote Creek Watershed. The assistance shall be matched by a proportional contribution by the state land permittee. Erosion control priorities and related natural resource conservation management priorities shall be established and reevaluated by the Apache Natural Resource Conservation District on an annual basis and a cost-share contribution schedule prepared accordingly. In providing its proportional contribution, the state land permittee may include monies provided to it by any federal cost-share program. The state contribution shall not exceed ninety-five per cent nor be less than thirty-five per cent of the total for the erosion control or the resource management measure undertaken by the state land permittee. The maximum amount of the state cost-share monies available to a state land permittee within a single fiscal year is ten thousand dollars. The appropriation shall not lapse until the purposes for which the appropriation is made are accomplished or abandoned, except that any monies remaining unexpended or unencumbered on June 30, 1999 revert to the state general fund.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTE Positions</strong></td>
<td>15.0</td>
<td>16.0</td>
<td>19.0</td>
</tr>
<tr>
<td><strong>Personal Services</strong></td>
<td>359,400</td>
<td>389,500</td>
<td>483,000</td>
</tr>
<tr>
<td><strong>Employee Related Exp.</strong></td>
<td>75,700</td>
<td>77,400</td>
<td>112,500</td>
</tr>
<tr>
<td><strong>Prof. &amp; Outside Services</strong></td>
<td>189,200</td>
<td>178,000</td>
<td>84,000</td>
</tr>
<tr>
<td><strong>Travel - State</strong></td>
<td>100</td>
<td>900</td>
<td>1,900</td>
</tr>
<tr>
<td><strong>Travel - Out of State</strong></td>
<td>900</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Other Operating Exp.</strong></td>
<td>210,800</td>
<td>246,700</td>
<td>252,700</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>4,100</td>
<td>1,100</td>
<td>42,400</td>
</tr>
<tr>
<td><strong>All Other Operating Exp.</strong></td>
<td>405,100</td>
<td>426,700</td>
<td>381,000</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>840,200</td>
<td>893,600</td>
<td>976,500</td>
</tr>
<tr>
<td><strong>ADOT Mapping Services</strong></td>
<td>40,500</td>
<td>40,500</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>880,700</td>
<td>934,100</td>
<td>976,500</td>
</tr>
</tbody>
</table>

The approved amount includes $16,300 in Personal Services and $9,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,600 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount reflects the transfer-in of an Engineering Land Mapping Supervisor FTE position, two Engineering Land Mapping Technician FTE positions, and $74,300 from the Natural Resources Management Division. In addition, vacancy savings of $2,000 are included.

**Professional and Outside Services** - The approved amount includes $84,000 for consulting contracts concerning the modernization of the Land Department's data processing systems. In fiscal year 1988, the cost of these consulting contracts was $174,000.

**Equipment** - The approved amount includes funding for the purchase of a 1.2 gigabyte disk drive and controller for the new data processing system.

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1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>29.0</td>
<td>28.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>776,500</td>
<td>849,900</td>
<td>847,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>147,400</td>
<td>153,100</td>
<td>176,900</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>316,700</td>
<td>317,200</td>
<td>379,200</td>
</tr>
<tr>
<td>Travel - State</td>
<td>17,800</td>
<td>26,900</td>
<td>32,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>125,300</td>
<td>77,500</td>
<td>67,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>30,400</td>
<td>18,800</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>490,400</td>
<td>440,400</td>
<td>468,300</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>1,414,300</td>
<td>1,443,400</td>
<td>1,492,700</td>
</tr>
</tbody>
</table>

The approved amount includes $28,700 in Personal Services and $16,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $2,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the transfer-out of an Appraiser IV FTE position and $46,500 to the Contracts and Records Division, and the transfer-in of a Public Information Officer II and $20,500 from the Natural Resources Management Division. In addition, vacancy savings of $4,200 are included.

Professional and Outside Services - The approved amount includes an increase of $64,000 for contract appraisals.

\[/\] Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
The approved amount includes $11,700 in Personal Services and $6,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,200 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
The approved amount includes $4,200 in Personal Services and $2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative and Support Services</td>
<td>4,799,200</td>
<td>5,293,700</td>
<td>5,698,000</td>
</tr>
<tr>
<td>Outdoor Recreation Coordinating Commission</td>
<td>3,162,700</td>
<td>2,513,400</td>
<td>3,268,800</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>7,961,900</strong></td>
<td><strong>7,807,100</strong></td>
<td><strong>8,966,800</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure Detail</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>153.85</td>
<td>153.85</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,864,400</td>
<td>3,196,100</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>706,600</td>
<td>780,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>28,600</td>
<td>118,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>47,200</td>
<td>46,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,900</td>
<td>1,500</td>
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<tr>
<td>Other Operating Exp.</td>
<td>1,114,400</td>
<td>1,393,600</td>
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<tr>
<td>Equipment</td>
<td>331,300</td>
<td>141,800</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,524,400</td>
<td>1,700,900</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td><strong>5,095,400</strong></td>
<td><strong>5,677,400</strong></td>
</tr>
<tr>
<td>Boating Law Enforcement</td>
<td>400,000</td>
<td>375,000</td>
</tr>
<tr>
<td>State Lake Imp. Fund</td>
<td>2,466,500</td>
<td>1,654,700</td>
</tr>
<tr>
<td>Statewide Lake Planning</td>
<td>--</td>
<td>100,000</td>
</tr>
<tr>
<td>Kartchner Caverns</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Gatlin State Park</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>7,961,900</strong></td>
<td><strong>7,807,100</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>4,799,200</td>
<td>5,293,700</td>
<td>5,698,000</td>
</tr>
<tr>
<td>State Lake Improvement Fund</td>
<td>2,762,700</td>
<td>2,138,400</td>
<td>2,874,800</td>
</tr>
<tr>
<td>Law Enforcement and Boating Safety Fund</td>
<td>400,000</td>
<td>375,000</td>
<td>394,000</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td><strong>7,961,900</strong></td>
<td><strong>7,807,100</strong></td>
<td><strong>8,966,800</strong></td>
</tr>
</tbody>
</table>

1/ Represents General Appropriation Act funds. The appropriation format varies by program. The objects of expenditure are shown for informational purposes only.
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>147.35</td>
<td>147.35</td>
<td>148.35</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,689,800</td>
<td>2,990,400</td>
<td>3,098,500</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>669,800</td>
<td>740,100</td>
<td>899,400</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>24,900</td>
<td>80,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>34,600</td>
<td>34,600</td>
<td>34,700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>2,600</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,047,300</td>
<td>1,305,300</td>
<td>1,357,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>330,200</td>
<td>141,800</td>
<td>231,400</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,439,600</td>
<td>1,563,200</td>
<td>1,630,000</td>
</tr>
<tr>
<td>OPERATION SUB-TOTAL</td>
<td>4,799,200</td>
<td>5,293,700</td>
<td>5,627,900</td>
</tr>
<tr>
<td>Kartchner Caverns</td>
<td>--</td>
<td>--</td>
<td>55,100</td>
</tr>
<tr>
<td>Gatlin State Park</td>
<td>--</td>
<td>--</td>
<td>15,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>4,799,200</td>
<td>5,293,700</td>
<td>5,698,000 1/</td>
</tr>
</tbody>
</table>

The approved amount includes $104,800 in Personal Services and $61,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,500 in Employee Related Expenditures for the increased retirement contribution.

**Personal Services** - The approved amount reflects vacancy savings of $92,600.

**Kartchner Caverns** - The approved amount includes funding for one new FTE position, a Park Operations Officer. This position is reflected in the FTE total in the above table.

**ADDITIONAL LEGISLATION**

**Purchase of J.A.K. Property - S.B. 1188 (Chapter 29)** - This legislation directs the State Parks Board to purchase and develop the Kartchner Caverns property with funds from the State Parks Acquisition and Development Fund. Hereafter, all collections of park user fees and concession fees shall be deposited in the State Parks Acquisition and Development Fund, instead of the State General Fund. For fiscal year 1989, such collections are expected to be approximately $1.87 million.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>State Lake Improvement Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>6.5</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>174,600</td>
<td>205,700</td>
<td>193,900</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>36,800</td>
<td>40,300</td>
<td>45,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>3,700</td>
<td>38,000</td>
<td>53,100</td>
</tr>
<tr>
<td>Travel - State</td>
<td>12,600</td>
<td>11,400</td>
<td>11,500</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>300</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>67,100</td>
<td>88,300</td>
<td>62,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,100</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>84,800</td>
<td>137,700</td>
<td>127,300</td>
</tr>
<tr>
<td><strong>Operation Sub-Total</strong></td>
<td><strong>296,200</strong></td>
<td><strong>383,700</strong></td>
<td><strong>366,800</strong></td>
</tr>
</tbody>
</table>

| Boating Law Enforcement     | 400,000          | 375,000           | 394,000 1/       |
| State Lake Imp. Fund        | 2,466,500        | 1,654,700         | 2,508,000 2/     |
| Statewide Lake Planning     | --               | 100,000           | -0-               |
| **Total Appropriations**    | **3,162,700**    | **2,513,400**     | **3,268,800** 3/ |

The approved amount includes $6,600 in Personal Services and $3,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $700 in Employee Related Expenditures for the increased retirement contribution.

**Professional and Outside Services** - The approved amount includes funding for a River Corridor Study and for the development of a Rivers and Streams Guide.

(Continued)
State Lake Improvement Fund - The approved amount provides funding for the following projects recommended by the Arizona Outdoor Recreation Coordinating Commission:

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Havasu Parking and Boat Ramp</td>
<td>$209,825</td>
</tr>
<tr>
<td>Patagonia Lake Marina</td>
<td>269,100</td>
</tr>
<tr>
<td>Alamo Lake Ramp Extension II</td>
<td>240,600</td>
</tr>
<tr>
<td>Boulder Creek Picnic Site Rehab.</td>
<td>266,000</td>
</tr>
<tr>
<td>Pena Blanca Lake Boat Ramp</td>
<td>99,190</td>
</tr>
<tr>
<td>Lake Pleasant Patrol Boats</td>
<td>71,500</td>
</tr>
<tr>
<td>Granite Basin Lake</td>
<td>246,000</td>
</tr>
<tr>
<td>Beasley Flat River Access</td>
<td>205,613</td>
</tr>
<tr>
<td>Arrowhead Meadows Lake</td>
<td>277,720</td>
</tr>
<tr>
<td>Patria Flats Day Use Area</td>
<td>110,740</td>
</tr>
<tr>
<td>Becker Lake Restroom Facility</td>
<td>60,500</td>
</tr>
<tr>
<td>Central Park Picnic Area</td>
<td>128,196</td>
</tr>
<tr>
<td>Bartlett, Canyon, Saguaro Imp.</td>
<td>112,477</td>
</tr>
<tr>
<td>Encanto Park Restroom/Picnic Fac.</td>
<td>142,240</td>
</tr>
<tr>
<td>Luna Lake Campground</td>
<td>68,275</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,507,976</strong></td>
</tr>
</tbody>
</table>
Larry Linser, Acting Director (Tel. 255-1553)

DEPARTMENT OF WATER RESOURCES - SUMMARY

JLBC Analyst: Miller

**GENERAL FUND SUMMARY**

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>3,084,000</td>
<td>4,045,200</td>
<td>3,541,100</td>
</tr>
<tr>
<td>Engineering</td>
<td>2,606,600</td>
<td>3,251,000</td>
<td>3,103,000</td>
</tr>
<tr>
<td>Water Management</td>
<td>4,415,800</td>
<td>4,799,700</td>
<td>4,932,900</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>10,106,400</td>
<td>12,095,900</td>
<td>11,577,000</td>
</tr>
</tbody>
</table>

**Expenditure Detail**

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>217.2</td>
<td>223.2</td>
<td>223.2</td>
</tr>
<tr>
<td>Personal Services</td>
<td>5,436,900</td>
<td>5,864,400</td>
<td>6,101,400</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>1,107,400</td>
<td>1,124,100</td>
<td>1,425,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>306,700</td>
<td>786,700</td>
<td>786,700</td>
</tr>
<tr>
<td>Travel - State</td>
<td>196,700</td>
<td>218,900</td>
<td>206,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>21,400</td>
<td>25,000</td>
<td>29,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,657,500</td>
<td>2,091,500</td>
<td>2,017,700</td>
</tr>
<tr>
<td>Equipment</td>
<td>160,500</td>
<td>26,100</td>
<td>2,700</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>2,342,800</td>
<td>3,148,200</td>
<td>3,039,300</td>
</tr>
<tr>
<td><strong>OPERATION SUB-TOTAL</strong></td>
<td>8,887,100</td>
<td>10,136,700</td>
<td>10,566,500</td>
</tr>
<tr>
<td>Special Line Items(^1)</td>
<td>1,219,300</td>
<td>1,369,200</td>
<td>1,010,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>10,106,400</td>
<td>11,505,900</td>
<td>11,577,000</td>
</tr>
<tr>
<td>Additional Appropriations</td>
<td>--</td>
<td>590,000</td>
<td>--</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS</strong></td>
<td>10,106,400</td>
<td>12,095,900</td>
<td>11,577,000</td>
</tr>
</tbody>
</table>

The approved amount includes $219,700 in Personal Services and $128,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $22,100 in Employee Related Expenditures for the increased retirement contribution.

\(^1\) The detail of these amounts is shown by program on the following pages.
Larry Linser, Acting Director (Tel. 255-1553)

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Positions</td>
<td>47.0</td>
<td>47.0</td>
<td>47.0</td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,288,300</td>
<td>1,302,500</td>
<td>1,388,200</td>
</tr>
<tr>
<td>Employee Related Exp.</td>
<td>242,800</td>
<td>234,200</td>
<td>309,600</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>67,600</td>
<td>106,800</td>
<td>106,800</td>
</tr>
<tr>
<td>Travel - State</td>
<td>11,200</td>
<td>12,300</td>
<td>10,900</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>3,000</td>
<td>7,000</td>
<td>7,400</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>1,426,500</td>
<td>1,792,400</td>
<td>1,718,200</td>
</tr>
<tr>
<td>Equipment</td>
<td>44,600</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>All Other Operating Exp.</td>
<td>1,552,900</td>
<td>1,918,500</td>
<td>1,843,300</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,084,000</td>
<td>3,455,200</td>
<td>3,541,100</td>
</tr>
</tbody>
</table>

Additional Appropriations - 38th Leg., 2nd Reg. Session

| Ch. 125, Supplemental Approp. | 590,000 |
| TOTAL APPROPRIATIONS          | 3,084,000 |
|                               | 4,045,200 |
|                               | 3,541,100 |

The approved amount includes $46,900 in Personal Services and $27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $4,700 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL APPROPRIATIONS

Supplemental Appropriation - S.B. 1244 (Chapter 125) - This act appropriates $590,000 from the General Fund to the Department of Water Resources for completion of the Capital Centre office building.

1/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
<table>
<thead>
<tr>
<th>FTE Positions</th>
<th>58.5</th>
<th>58.5</th>
<th>58.5</th>
</tr>
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<tbody>
<tr>
<td>Personal Services</td>
<td>1,464,000</td>
<td>1,546,900</td>
<td>1,641,300</td>
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<tr>
<td>Employee Related Exp.</td>
<td>299,700</td>
<td>297,400</td>
<td>390,800</td>
</tr>
<tr>
<td>Prof. &amp; Outside Services</td>
<td>14,700</td>
<td>32,000</td>
<td>32,000</td>
</tr>
<tr>
<td>Travel - State</td>
<td>85,500</td>
<td>101,200</td>
<td>97,800</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>10,600</td>
<td>8,500</td>
<td>8,500</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>73,900</td>
<td>73,200</td>
<td>98,400</td>
</tr>
<tr>
<td>Equipment</td>
<td>54,400</td>
<td>0</td>
<td>0</td>
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<tr>
<td>All Other Operating Exp.</td>
<td>239,100</td>
<td>214,900</td>
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<tr>
<td>OPERATION SUB-TOTAL</td>
<td>2,002,800</td>
<td>2,059,200</td>
<td>2,268,800</td>
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<tr>
<td>USGS Cooperative Agreement</td>
<td>299,900</td>
<td>299,900</td>
<td>219,600</td>
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<tr>
<td>Early Flood Warning System</td>
<td>89,200</td>
<td>100,000</td>
<td>100,000</td>
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<tr>
<td>Flood Control Plans Dev.</td>
<td>49,100</td>
<td>60,000</td>
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</tr>
<tr>
<td>Pina - PCD</td>
<td>-0-</td>
<td>300,000</td>
<td>-0-</td>
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<tr>
<td>Apache County - PCD</td>
<td>21,600</td>
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<tr>
<td>Environmental Quality</td>
<td>144,000</td>
<td>431,900</td>
<td>454,600</td>
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<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>2,606,600</td>
<td>3,251,000</td>
<td>3,103,000</td>
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</tbody>
</table>

The approved amount includes $55,500 in Personal Services and $32,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $5,600 in Employee Related Expenditures for the increased retirement contribution.

Environmental Quality - The approved amount includes $9,500 in Personal Services and $5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $1,000 in Employee Related Expenditures for the increased retirement contribution.

**LAND, BUILDINGS AND IMPROVEMENTS**

**H.B. 2151 (Chapter 291)** - This act appropriates $1,000,000 from the State General Fund to the Department of Water Resources for a flood control zone in Pima County for the Santa Cruz River Bank Protection Project.

**S.B. 1157 (Chapter 287)** - This act appropriates $150,000 from the State General Fund to the Department of Water Resources for disbursement to the Apache County Flood Control District to repair and stabilize the river reservoir number 3 dam on the Little Colorado River and the Lyman Dam.

1/ Does not include ten FTE positions for Environmental Quality.
2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
Larry Linser, Acting Director (Tel. 255-1553)

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Fiscal 87 Actual</th>
<th>Fiscal 88 Estimate</th>
<th>Fiscal 89 Approved</th>
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<tbody>
<tr>
<td>FTE Positions</td>
<td>111.7</td>
<td>117.7</td>
<td>117.7</td>
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<td>Personal Services</td>
<td>2,684,600</td>
<td>3,015,000</td>
<td>3,071,900</td>
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<td>Employee Related Exp.</td>
<td>564,900</td>
<td>592,500</td>
<td>725,900</td>
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<tr>
<td>Prof. &amp; Outside Services</td>
<td>224,400</td>
<td>647,900</td>
<td>647,900</td>
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<tr>
<td>Travel - State</td>
<td>100,000</td>
<td>105,400</td>
<td>98,100</td>
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<tr>
<td>Travel - Out of State</td>
<td>7,800</td>
<td>9,500</td>
<td>9,500</td>
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<tr>
<td>Other Operating Exp.</td>
<td>157,100</td>
<td>225,900</td>
<td>201,100</td>
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<tr>
<td>Equipment</td>
<td>61,500</td>
<td>26,100</td>
<td>2,700</td>
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<td>All Other Operating Exp.</td>
<td>550,800</td>
<td>1,014,800</td>
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<td>Operation Sub-Total</td>
<td>3,800,300</td>
<td>4,622,300</td>
<td>4,757,100</td>
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<td>Water Logging Problems</td>
<td>122,900</td>
<td>17,000</td>
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<tr>
<td>Groundwater Recharge</td>
<td>70,000</td>
<td>160,400</td>
<td>175,800</td>
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<tr>
<td>Groundwater Exportation</td>
<td>97,600</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Rio Salado</td>
<td>325,000</td>
<td>-0-</td>
<td>-0-</td>
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<tr>
<td>Total Appropriations</td>
<td>4,415,800</td>
<td>4,799,700</td>
<td>4,932,900</td>
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</table>

The approved amount includes $103,900 in Personal Services and $60,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $10,400 in Employee Related Expenditures for the increased retirement contribution.

Groundwater Recharge - The approved amount includes $3,900 in Personal Services and $2,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of $400 in Employee Related Expenditures for the increased retirement contribution.

1/ Does not include four FTE positions for Groundwater Recharge.
2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
GENERAL FUND

SUMMARY COSTS OF EMPLOYEE PAY PACKAGE
AND INCREASED RETIREMENT CONTRIBUTION

FISCAL YEAR 1989

<table>
<thead>
<tr>
<th></th>
<th>ESTIMATED</th>
<th>ACTUAL</th>
<th>OVER (UNDER)</th>
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<tr>
<td>General Salary Adjustment (3.5%):</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Personal Services</td>
<td>$26,804,000</td>
<td>$27,099,300</td>
<td>$295,300</td>
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<tr>
<td>Employee Related Expenditures</td>
<td>3,752,600</td>
<td>3,454,900</td>
<td>(297,700)</td>
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<td><strong>TOTAL - GENERAL ADJUSTMENT</strong></td>
<td>30,556,600</td>
<td>30,554,200</td>
<td>(2,400)</td>
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<tr>
<td>Health Insurance Increase</td>
<td>12,500,000</td>
<td>12,430,800</td>
<td>(69,200)</td>
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<tr>
<td><strong>TOTAL PAY PACKAGE</strong></td>
<td>43,056,600</td>
<td>42,985,000</td>
<td>(71,600)</td>
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<tr>
<td>Retirement Contribution Increase - 0.34%</td>
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<tr>
<td>State Employees</td>
<td>1,869,700</td>
<td>1,844,400</td>
<td>(25,300)</td>
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<tr>
<td>Teachers (including Community Colleges)</td>
<td>5,134,800</td>
<td>5,134,800</td>
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<tr>
<td><strong>TOTAL - RETIREMENT CONTRIBUTION INCREASE</strong></td>
<td>7,004,500</td>
<td>6,979,200</td>
<td>(25,300)</td>
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<tr>
<td>Inequity Adjustments</td>
<td>2,241,800</td>
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<td><strong>TOTAL COST</strong></td>
<td>$52,302,900</td>
<td>$52,206,000</td>
<td>$96,900</td>
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## GENERAL FUND

### APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989

### PERSONAL SERVICES

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>General Adjustment - 3.9%</th>
<th>Increased Health Ins.</th>
<th>Increased Retirement Contribution</th>
<th>Net ERE Adjustments</th>
<th>TOTAL INCREASE</th>
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<tr>
<td>General</td>
<td>1/6-7-1-88</td>
<td>a/6-7-1-88</td>
<td>a/6-7-1-88</td>
<td>a/6-7-1-88</td>
<td>a/6-7-1-88</td>
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<td><strong>GENERAL GOVERNMENT</strong></td>
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<tr>
<td>DEPARTMENT OF ADMINISTRATION</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Office of the Director</td>
<td>9,500</td>
<td>1,200</td>
<td>4,300</td>
<td>1,000</td>
<td>6,500</td>
</tr>
<tr>
<td>Hearing Office*</td>
<td>900</td>
<td>100</td>
<td>400</td>
<td>100</td>
<td>600</td>
</tr>
<tr>
<td>Executive Budget Office</td>
<td>19,900</td>
<td>2,300</td>
<td>9,100</td>
<td>2,000</td>
<td>13,600</td>
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<tr>
<td>Data Management</td>
<td>44,300</td>
<td>5,600</td>
<td>20,200</td>
<td>4,500</td>
<td>30,300</td>
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<td>Personnel</td>
<td>100,900</td>
<td>12,900</td>
<td>46,000</td>
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<td>69,000</td>
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<td>Finance</td>
<td>72,700</td>
<td>9,300</td>
<td>33,100</td>
<td>7,300</td>
<td>49,700</td>
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<td>GAAP*</td>
<td>10,500</td>
<td>1,300</td>
<td>9,800</td>
<td>1,100</td>
<td>7,700</td>
</tr>
<tr>
<td>SLIGA*</td>
<td>1,200</td>
<td>100</td>
<td>600</td>
<td>100</td>
<td>800</td>
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<td>Facilities Management</td>
<td>153,900</td>
<td>19,600</td>
<td>70,100</td>
<td>15,500</td>
<td>102,200</td>
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<td><strong>TOTAL - DEPARTMENT OF ADMINISTRATION</strong></td>
<td>413,800</td>
<td>52,600</td>
<td>188,600</td>
<td>41,700</td>
<td>282,900</td>
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<td>PERSONNEL BOARD</td>
<td>2,600</td>
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<td>300</td>
<td>1,800</td>
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<td><strong>ATTORNEY GENERAL - DEPT. OF LAW</strong></td>
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<td></td>
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<tr>
<td>Administration</td>
<td>50,000</td>
<td>6,400</td>
<td>23,800</td>
<td>5,300</td>
<td>33,500</td>
</tr>
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<td>Special Litigation*</td>
<td>6,200</td>
<td>800</td>
<td>2,800</td>
<td>600</td>
<td>4,200</td>
</tr>
<tr>
<td>Elderly Abuse Project*</td>
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<td>100</td>
<td>500</td>
<td>100</td>
<td>700</td>
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<td>Antitrust</td>
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<td>1,100</td>
<td>4,100</td>
<td>900</td>
<td>6,000</td>
</tr>
<tr>
<td>Civil</td>
<td>81,700</td>
<td>10,400</td>
<td>37,300</td>
<td>8,200</td>
<td>53,900</td>
</tr>
<tr>
<td>Water Litigation Expense*</td>
<td>21,600</td>
<td>2,700</td>
<td>9,600</td>
<td>2,100</td>
<td>14,400</td>
</tr>
<tr>
<td>Environmental Quality*</td>
<td>6,800</td>
<td>900</td>
<td>3,100</td>
<td>700</td>
<td>4,700</td>
</tr>
<tr>
<td>Civil Rights</td>
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<td>1,700</td>
<td>6,100</td>
<td>1,400</td>
<td>9,200</td>
</tr>
<tr>
<td>Criminal</td>
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<td>5,900</td>
<td>21,200</td>
<td>4,700</td>
<td>31,800</td>
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<tr>
<td>Financial Fraud</td>
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<td>5,900</td>
<td>37,400</td>
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<td>7,000</td>
<td>29,900</td>
<td>5,500</td>
<td>37,400</td>
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<tr>
<td>Environmental Quality*</td>
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<td>1,100</td>
<td>3,800</td>
<td>800</td>
<td>5,700</td>
</tr>
<tr>
<td>Solicitor General</td>
<td>7,300</td>
<td>1,000</td>
<td>3,300</td>
<td>700</td>
<td>5,000</td>
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<tr>
<td>Special Investigations</td>
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<td>6,600</td>
<td>23,600</td>
<td>5,200</td>
<td>35,400</td>
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<tr>
<td>Tax</td>
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<td>4,100</td>
<td>19,600</td>
<td>3,200</td>
<td>21,900</td>
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<tr>
<td><strong>TOTAL - ATTORNEY GENERAL - DEPARTMENT OF LAW</strong></td>
<td>444,500</td>
<td>56,800</td>
<td>203,600</td>
<td>44,900</td>
<td>305,300</td>
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<tr>
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<td>74,200</td>
<td>9,500</td>
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<td>10,500</td>
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<tr>
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<td>4,400</td>
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<td><strong>SUPERIOR COURTS</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>* Probation-State Aid*</td>
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<td>-0-</td>
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<td>-0-</td>
<td>56,000</td>
</tr>
<tr>
<td>† Probation Enhancement*</td>
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<td>6,000</td>
<td>21,400</td>
<td>6,700</td>
<td>32,100</td>
</tr>
<tr>
<td>‡ JIPS - Adult*</td>
<td>201,800</td>
<td>25,700</td>
<td>91,900</td>
<td>20,300</td>
<td>137,900</td>
</tr>
<tr>
<td>§ JIPS*</td>
<td>141,600</td>
<td>18,100</td>
<td>64,500</td>
<td>14,200</td>
<td>96,800</td>
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<td>59,000</td>
<td>266,700</td>
<td>46,500</td>
<td>372,200</td>
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*Represents special line item appropriation.
### GENERAL FUND
**APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989**

(Continued)

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>PERSONAL SERVICES</th>
<th>EMPLOYEE RELATED EXPENDITURES (ERE)</th>
<th>TOTAL INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adjustment - 3.9%</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>a/o 7-1-88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Services</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Supreme Court</td>
<td>80,200</td>
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<td>Foster Care Review Board</td>
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<td>Office of the Governor</td>
<td>59,500</td>
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<td>6,400</td>
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<tr>
<td>Governor - Office of Affirmative Action</td>
<td>3,000</td>
<td>600</td>
<td>2,000</td>
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<td>Department of Commerce</td>
<td>43,800</td>
<td>5,600</td>
<td>29,900</td>
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<td>Rural Community Development*</td>
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<td>Total - Department of Commerce</td>
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<td>7,100</td>
<td>38,200</td>
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<td>Tourism, Office of</td>
<td>14,800</td>
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<td>10,100</td>
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<td>Law Enforcement Merit System Council</td>
<td>900</td>
<td>100</td>
<td>1,500</td>
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<tr>
<td>Senate</td>
<td>80,200</td>
<td>10,200</td>
<td>94,800</td>
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<td>House of Representatives</td>
<td>81,900</td>
<td>10,500</td>
<td>137,900</td>
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<tr>
<td>Legislative Council</td>
<td>37,400</td>
<td>4,800</td>
<td>63,000</td>
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<td>Joint Legislative Budget Committee</td>
<td>15,000</td>
<td>1,500</td>
<td>36,400</td>
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<td>Auditor General</td>
<td>156,100</td>
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<td>Library, Archives &amp; Public Records</td>
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<tr>
<td>Director's Office</td>
<td>14,700</td>
<td>1,900</td>
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<td>Administrative Services</td>
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<td>97,800</td>
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<tr>
<td>Data Management</td>
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<td>283,000</td>
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<td>Tax Compliance</td>
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<td>Revenue Enforcement</td>
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<tr>
<td>Property Valuation</td>
<td>64,100</td>
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<tr>
<td>Total - Department of Revenue</td>
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<tr>
<td>Department of State - Secretary of State</td>
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<td>31,600</td>
</tr>
<tr>
<td>State Board of Tax Appeals</td>
<td>7,600</td>
<td>1,000</td>
<td>17,900</td>
</tr>
</tbody>
</table>

*Represents special line item appropriation.*
## GENERAL FUND

**APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989**

(Continued)

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>General Services</th>
<th>Employee Related Expenditures (ERE)</th>
<th>Net ERE Adjustments</th>
<th>TOTAL INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL GOVERNMENT</strong> (Cont'd)</td>
<td></td>
<td></td>
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<tr>
<td>STATE TREASURER</td>
<td>General Adjustment - 3.5% a/o 7-1-88</td>
<td>Increased Health Ins. a/o 7-1-88</td>
<td>Increased Retirement Contribution</td>
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<tr>
<td></td>
<td>25,900</td>
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<tr>
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<tr>
<td><strong>HEALTH &amp; WELFARE</strong></td>
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<tr>
<td>COUNCIL FOR THE HEARING IMPAIRED</td>
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<tr>
<td></td>
<td>2,800</td>
<td>400</td>
<td>1,200</td>
<td>300</td>
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<tr>
<td><strong>DEPARTMENT OF ECONOMIC SECURITY</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Administration</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Developmental Disabilities</td>
<td>290,200</td>
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<td>Long Term Care</td>
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<td>Emergency Medical Services</td>
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<tr>
<td>Family Health</td>
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<td>Behavioral Health</td>
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<td>140,000</td>
<td>499,600</td>
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<td>304,500</td>
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<td>8,600</td>
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<td>1,900</td>
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<tr>
<td>Veterans' Affairs</td>
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<tr>
<td><strong>TOTAL - HEALTH AND WELFARE</strong></td>
<td>3,384,000</td>
<td>457,000</td>
<td>1,632,400</td>
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</table>

* Represents special line item appropriation.
<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>PERSONAL SERVICES</th>
<th>EMPLOYEE RELATED EXPENDITURES (FBE)</th>
<th>TOTAL INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INSPECTION AND REGULATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPARTMENT OF WEIGHTS AND MEASURES</td>
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<td>2,800</td>
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<td>COMMISSION OF AGRICULTURAL &amp; HORTICULTURE</td>
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<tr>
<td>Office of the Director</td>
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<td>100</td>
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<tr>
<td>Environmental Quality*</td>
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<td>300</td>
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<tr>
<td>Field Operations</td>
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<td>11,700</td>
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<tr>
<td><strong>TOTAL - COMMISSION OF AGRICULTURAL &amp; HORT.</strong></td>
<td>129,100</td>
<td>16,600</td>
<td>13,000</td>
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<td>RADIATION REGULATORY AGENCY:</td>
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<tr>
<td>Evaluation and Compliance</td>
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<td>12,300</td>
<td>2,700</td>
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<td>6,800</td>
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<td>REGISTRAR OF CONTRACTORS</td>
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<tr>
<td>Administration</td>
<td>31,200</td>
<td>16,500</td>
<td>3,600</td>
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<td>Corporations</td>
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<td>2,200</td>
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<tr>
<td>Securities</td>
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<td>Railroad Safety</td>
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<td>3,300</td>
<td>700</td>
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<td><strong>TOTAL - CORPORATION COMMISSION</strong></td>
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<td>46,800</td>
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<tr>
<td>DAIRY COMMISSIONER</td>
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<td>700</td>
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<tr>
<td>DEPARTMENT OF INSURANCE</td>
<td>52,400</td>
<td>23,800</td>
<td>5,300</td>
</tr>
<tr>
<td>DEPARTMENT OF LIQUOR LICENSES &amp; CONTROL</td>
<td>42,400</td>
<td>19,400</td>
<td>4,300</td>
</tr>
<tr>
<td>LIVESTOCK BOARD</td>
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</tr>
<tr>
<td>Administrative Services</td>
<td>11,600</td>
<td>1,500</td>
<td>1,200</td>
</tr>
<tr>
<td>Animal Disease Control</td>
<td>3,800</td>
<td>500</td>
<td>400</td>
</tr>
<tr>
<td>Livestock Inspection</td>
<td>46,000</td>
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<td>16,000</td>
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<tr>
<td>Meat and Poultry Inspection</td>
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<td>1,500</td>
</tr>
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<td><strong>TOTAL - LIVESTOCK BOARD</strong></td>
<td>82,400</td>
<td>37,400</td>
<td>28,300</td>
</tr>
<tr>
<td>STATE MINE INSPECTOR</td>
<td>13,900</td>
<td>5,400</td>
<td>2,700</td>
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</table>

* Represents special line item appropriation.
## General Fund

### Approved Salary and Employee Related Expenditures Adjustments - Fiscal Year 1989

(Continued)

### Personal Services

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>General Adjustment - 3.5%</th>
<th>Increased Health Ins. a/o 7-1-88</th>
<th>Increased Retirement Contribution</th>
<th>Net FPE Adjustments</th>
<th>Total Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INSPECTION AND REGULATION (Cont'd)</strong></td>
<td><strong>DEPARTMENT OF BUILDING &amp; FIRE SAFETY</strong></td>
<td><strong>DEPARTMENT OF RACING</strong></td>
<td><strong>REAL ESTATE DEPARTMENT</strong></td>
<td><strong>BOXING COMMISSION</strong></td>
<td><strong>TOTAL - INSPECTION AND REGULATION</strong></td>
</tr>
<tr>
<td><strong>INVESTIGATION</strong></td>
<td>56,800</td>
<td>7,200</td>
<td>25,900</td>
<td>5,700</td>
<td>38,800</td>
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<tr>
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<td>5,200</td>
<td>18,700</td>
<td>4,100</td>
<td>28,000</td>
</tr>
<tr>
<td><strong>REAL ESTATE DEPARTMENT</strong></td>
<td>55,000</td>
<td>7,000</td>
<td>25,100</td>
<td>5,500</td>
<td>37,600</td>
</tr>
<tr>
<td><strong>BOXING COMMISSION</strong></td>
<td>1,100</td>
<td>100</td>
<td>600</td>
<td>100</td>
<td>800</td>
</tr>
<tr>
<td><strong>TOTAL - INSPECTION AND REGULATION</strong></td>
<td>778,600</td>
<td>99,200</td>
<td>359,500</td>
<td>79,200</td>
<td>537,900</td>
</tr>
</tbody>
</table>

### Education

#### Arizona Board of Regents

<table>
<thead>
<tr>
<th><strong>UNIVERSITY OF ARIZONA</strong></th>
<th><strong>Main Campus</strong></th>
<th><strong>College of Medicine</strong></th>
<th><strong>Clinical Teaching Support</strong></th>
<th><strong>TOTAL - UNIVERSITY OF ARIZONA</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ARIZONA BOARD OF REGENTS</strong></td>
<td>50,800</td>
<td>6,500</td>
<td>23,200</td>
<td>34,800</td>
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<td><strong>UNIVERSITY OF ARIZONA</strong></td>
<td>4,418,000</td>
<td>601,900</td>
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<td>384,700</td>
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<td>100,500</td>
<td>399,100</td>
<td>40,900</td>
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<td>19,600</td>
<td>70,100</td>
<td>15,500</td>
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<td>791,100</td>
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<td>2,259,000</td>
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<tr>
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<tr>
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<tr>
<td><strong>NORTHERN ARIZONA UNIVERSITY</strong></td>
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<tr>
<td><strong>COMMUNITY COLLEGES BOARD</strong></td>
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<td>1,500</td>
<td>5,600</td>
<td>1,200</td>
</tr>
<tr>
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<td>1,500</td>
<td>5,600</td>
<td>1,200</td>
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<td><strong>TOTAL - COMMUNITY COLLEGES BOARD</strong></td>
<td>11,800</td>
<td>1,500</td>
<td>5,600</td>
<td>1,200</td>
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</table>

### Department of Education

#### State Board of Education

<table>
<thead>
<tr>
<th><strong>Department of Education</strong></th>
<th><strong>General Services Administration</strong></th>
<th><strong>Special Education Administration</strong></th>
<th><strong>Vocational Education</strong></th>
<th><strong>Assistance to Schools</strong></th>
<th><strong>TOTAL - DEPARTMENT OF EDUCATION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Board of Education</strong></td>
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<td>200</td>
<td>700</td>
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<td>700</td>
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<td>23,500</td>
<td>84,700</td>
<td>4,738,500</td>
<td>4,866,700</td>
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### GENERAL FUND

**APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES AMENDMENTS - FISCAL YEAR 1989**

(Continued)

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>PERSONAL SERVICES</th>
<th>EMPLOYEE RELATED EXPENDITURES (ERE)</th>
<th>TOTAL INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>General</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adjust. 3.5% a/o 7-1-88</td>
<td>Increased Health Ins. a/o 7-1-88</td>
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<tr>
<td></td>
<td>Ret. Contribution</td>
<td>Adjustments</td>
<td></td>
</tr>
<tr>
<td><strong>EDUCATION (Cont'd)</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>SCHOOL FOR THE DEAF AND THE BLIND</td>
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<tr>
<td>Phoenix Day School</td>
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<td>ADTec</td>
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<td>Tucson Campus</td>
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<td><strong>TOTAL - SCHOOL FOR THE DEAF &amp; THE BLIND</strong></td>
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<td>Emergency Services</td>
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* Represents special line item appropriation.
### GENERAL FUND

**APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989**

(Continued)

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* Represents special line item appropriation.
## OTHER FUNDS

### SUMMARY COSTS OF EMPLOYEE PAY PACKAGE AND INCREASED RETIREMENT CONTRIBUTION

#### FISCAL YEAR 1989

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<th>ACTUAL</th>
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* Represents special line item appropriation.
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<th>INCREASED RETIREMENT CONTRIBUTION</th>
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*Represents special line item appropriation.
### Other Funds

**Approved Salary and Employee Related Expenditures Adjustments - Fiscal Year 1989**

(Continued)

#### Personal Services

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<td>Net ERE Adjustments</td>
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<td>1,200</td>
<td>3,000</td>
<td>700</td>
</tr>
<tr>
<td>Board of Optometry</td>
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<td>1,400</td>
<td>1,600</td>
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<tr>
<td>Central Boards Office</td>
<td>400</td>
<td>1,200</td>
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<tr>
<td></td>
<td>200</td>
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<td></td>
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<td>19,400</td>
</tr>
<tr>
<td><strong>Total - Optometry Board</strong></td>
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<tr>
<td></td>
<td>500</td>
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<tr>
<td></td>
<td>1,200</td>
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<tr>
<td>Osteopathic Examiners Board</td>
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<tr>
<td></td>
<td>200</td>
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</tr>
<tr>
<td></td>
<td>100</td>
<td></td>
<td>7,200</td>
</tr>
<tr>
<td><strong>Total - Osteopathic Examiners Board</strong></td>
<td>4,400</td>
<td>1,200</td>
<td>19,400</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Physical Therapy Examiners Board</td>
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<td></td>
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<tr>
<td><strong>Total - Physical Therapy Examiners Board</strong></td>
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</tr>
<tr>
<td></td>
<td>100</td>
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<td></td>
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<td><strong>Total - Podiatry Board</strong></td>
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<td>19,400</td>
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<tr>
<td>Psychologist Examiners Board</td>
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<tr>
<td></td>
<td>100</td>
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<td></td>
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<td><strong>Total - Psychologist Examiners Board</strong></td>
<td>1,300</td>
<td>1,200</td>
<td>19,400</td>
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<td>Structural Pest Control Board</td>
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<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td>3,600</td>
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<tr>
<td><strong>Total - Structural Pest Control Board</strong></td>
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<td>1,200</td>
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<tr>
<td>Board of Technical Registration</td>
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<tr>
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<td>1,300</td>
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</tr>
<tr>
<td></td>
<td>9,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total - Board of Technical Registration</strong></td>
<td>11,100</td>
<td>1,200</td>
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<tr>
<td>Veterinary Medical Examiners Board</td>
<td>1,900</td>
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<tr>
<td>Central Boards Office</td>
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</tr>
<tr>
<td></td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total - Veterinary Medical Examiners Board</strong></td>
<td>2,300</td>
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<td>Department of Racing</td>
<td>3,300</td>
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<td>County Fair Racing</td>
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<tr>
<td><strong>Total - Inspection and Regulation</strong></td>
<td>456,400</td>
<td>210,800</td>
<td>2,400</td>
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* Represents special line item appropriation.
<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>General Adjustments - 3.9%</th>
<th>General Adjustments a/o 7-1-88</th>
<th>Increased Health Ins. a/o 7-1-88</th>
<th>Increased Retirement Contributions</th>
<th>Net ERE Adjustments</th>
<th>TOTAL INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROTECTION AND SAFETY</td>
<td>17,500</td>
<td>2,200</td>
<td>8,000</td>
<td>900</td>
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<td>DEPARTMENT OF PUBLIC SAFETY</td>
<td>6,300</td>
<td>800</td>
<td>3,000</td>
<td>300</td>
<td>4,100</td>
<td>10,600</td>
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<td>Administration Bureau</td>
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<td>1,300</td>
<td>100</td>
<td>1,800</td>
<td>4,600</td>
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<tr>
<td>Criminal Justice Support Bureau</td>
<td>26,800</td>
<td>3,400</td>
<td>12,300</td>
<td>1,300</td>
<td>17,000</td>
<td>43,800</td>
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<td>700</td>
<td>2,500</td>
<td>500</td>
<td>3,700</td>
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<td>ARIZONA CRIMINAL JUSTICE COMMISSION</td>
<td>900</td>
<td>100</td>
<td>400</td>
<td>100</td>
<td>600</td>
<td>1,500</td>
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<td>Controlled Substance - Tax/Fine*</td>
<td>6,400</td>
<td>800</td>
<td>2,900</td>
<td>600</td>
<td>4,300</td>
<td>10,700</td>
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<td>4,200</td>
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<td>1,900</td>
<td>21,300</td>
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<td>5,200</td>
<td>1,100</td>
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<td>Director's Staff</td>
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<td>Administrative Services Division</td>
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<td>38,400</td>
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<td>57,600</td>
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<td>Special Support Group</td>
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<td>72,400</td>
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<td>388,900</td>
<td>957,000</td>
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<td>Motor Vehicle Division</td>
<td>1,040,700</td>
<td>132,700</td>
<td>473,900</td>
<td>104,600</td>
<td>711,200</td>
<td>1,791,900</td>
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<td>Highways Division</td>
<td>601,600</td>
<td>76,700</td>
<td>274,000</td>
<td>60,500</td>
<td>411,200</td>
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<td>Aeronautics</td>
<td>22,800</td>
<td>2,900</td>
<td>10,100</td>
<td>2,300</td>
<td>15,300</td>
<td>37,700</td>
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<tr>
<td>TOTAL - TRANSPORTATION</td>
<td>2,680,000</td>
<td>384,600</td>
<td>1,220,500</td>
<td>269,500</td>
<td>1,831,600</td>
<td>4,511,600</td>
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<td>NATURAL RESOURCES</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAME AND FISH DEPARTMENT</td>
<td>210,600</td>
<td>36,300</td>
<td>97,000</td>
<td>11,500</td>
<td>144,800</td>
<td>355,400</td>
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<td>Administrative &amp; Field Services</td>
<td>18,200</td>
<td>2,200</td>
<td>6,400</td>
<td>1,100</td>
<td>9,700</td>
<td>23,900</td>
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<td>Watercraft</td>
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<td>500</td>
<td>1,700</td>
<td>400</td>
<td>2,600</td>
<td>6,400</td>
</tr>
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<td>Game, Non-Game, Fish &amp; Endangered Species</td>
<td>228,600</td>
<td>39,000</td>
<td>105,100</td>
<td>13,000</td>
<td>157,100</td>
<td>385,700</td>
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<tr>
<td>TOTAL - GAME &amp; FISH DEPARTMENT</td>
<td>6,600</td>
<td>800</td>
<td>3,000</td>
<td>700</td>
<td>4,500</td>
<td>11,100</td>
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<td>STATE PARKS BOARD</td>
<td>238,200</td>
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<td>108,100</td>
<td>13,700</td>
<td>161,600</td>
<td>396,800</td>
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<tr>
<td>ADEC - Project Administration</td>
<td>332,200</td>
<td>39,800</td>
<td>108,100</td>
<td>13,700</td>
<td>161,600</td>
<td>396,800</td>
</tr>
<tr>
<td>TOTAL - NATURAL RESOURCES</td>
<td>3,465,600</td>
<td>451,800</td>
<td>1,582,400</td>
<td>337,600</td>
<td>2,371,800</td>
<td>5,837,400</td>
</tr>
<tr>
<td>TOTAL - OTHER FUNDS</td>
<td>3,465,600</td>
<td>451,800</td>
<td>1,582,400</td>
<td>337,600</td>
<td>2,371,800</td>
<td>5,837,400</td>
</tr>
</tbody>
</table>

* Represents special line item appropriation.
The United States Economy

The National Economy in FY 1988 was surprisingly strong, showing an increase of 3.8 percent in Real Gross National Product and it now appears that the October stock market crash was a non-event as a significant deterrent to the national economic growth.

The stock market crash was the most startling economic event in FY 1988, with a paper loss in excess of $900 billion. It now seems clear that the sharp drop in the market was simply a correction for the speculation bubble that developed during late 1986 and 1987, as the rise in the market far outpaced the growth in the real economy. It is also clear that the prospect of higher interest rates in the U.S. and abroad was the single biggest factor in bursting the market bubble. In its effect on the U.S. economy, both the direct wealth effect and the indirect effect on consumer and business confidence were short-lived. The impact of the crash on household wealth and on consumer spending was modest; consumer spending slowed in the final quarter of 1987 but rose in early 1988. Consumer confidence rebounded to pre-crash levels and business investment, particularly on equipment, has been little affected.

For the fiscal year, Real Consumption Expenditures (approximately two-thirds of the Real Gross National Product) grew a modest 1.8 percent. Real Gross Private Domestic Investment, however, showed strong growth at 9.5 percent. Real Net Exports also performed favorably and, unlike FY 1987, Real Exports increased faster than Real Imports with growth rates of 16.9 percent and 9.1 percent respectively. Although the 9.1 percent in Real Imports is lower than the percentage increase in Real Exports, it is still excessive. Real Net Exports increased from a negative $145.3 billion in FY 1987 to a negative $127.9 billion in FY 1988.

As a result of a fairly strong FY 1988 performance, fears of a recession have receded - for the short term. However, inflation has become the most pressing concern of policymakers. Tight labor and raw materials markets as well as a lower dollar are the forces exerting upward pressure on prices. As a result, interest rates have started to rise. While this will have a negative effect on consumer and business spending, it should not push the economy into recession in the short term. However, if the Federal Reserve decides (and it appears to have done so) to restrict credit in response to inflationary expectations and government spending is reduced simultaneously, then aggregate spending could be squeezed enough to start a recession. According to the JLBC Staff forecast, a recession is expected to materialize in the last half of 1989 and early 1990 - early in the next presidential administration (similar to the timing in 1981 after the 1980 election).

Thus, the JLBC Staff forecast calls for continued surprisingly strong economic growth nationally during FY 1989. Thereafter, however, a mild economic recession is forecast for FY 1990, precipitated by rising interest rates and inflation.
## U.S. Economic Forecast

<table>
<thead>
<tr>
<th>Economic Indicator</th>
<th>FY 1987</th>
<th>FY 1988</th>
<th>FY 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Gross National Product</td>
<td>2.3%</td>
<td>3.7%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Consumer Price Index</td>
<td>2.2</td>
<td>4.1</td>
<td>4.8</td>
</tr>
<tr>
<td>Federal Funds Rate</td>
<td>6.3</td>
<td>6.8</td>
<td>9.2</td>
</tr>
<tr>
<td>AAA Bond Rate</td>
<td>8.8</td>
<td>9.8</td>
<td>11.4</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>6.6</td>
<td>5.7</td>
<td>5.2</td>
</tr>
</tbody>
</table>
Arizona's economy continued to lose momentum as calendar 1987 drew to a close. In December 1987, the important Goods Producing Sector 1/ showed a 2.7 percent decline in employment from December 1986. In December 1986, this sector had shown a decline of 1.2 percent from the prior December. To a lesser degree, the broadly defined Service Providing Sector 2/ also showed some loss of momentum, increasing 4.9 percent in December 1987 after increasing 5.6 percent in December 1986.

Probably the best that can be said of the Arizona economy during FY 1988 is that it was a period of subdued growth, but with a recession in the Construction industry. For FY 1989 the forecast is a mixed bag. Initially, we expect an improving economy with some declines in the latter part of the fiscal year as we approach the projected national economic recession in FY 1990.

The Manufacturing Sector was again in the doldrums during FY 1988, with average growth in employment of only 1.0 percent. This followed a lackluster performance in FY 1987 when growth averaged 2.2 percent. The "high tech" industry (computer, semiconductor and electronics manufacturers) finally resumed its upward growth in FY 1988. Because of the federal budget cutting, employment in defense related industries has been declining and this is expected to continue in FY 1989. In general, we expect the Manufacturing Sector to show strength in FY 1989 but with some slowing of growth in the latter part of FY 1989 as we enter the projected recession in FY 1990.

In FY 1988, almost 10,000 construction jobs were lost, continuing the decline of FY 1987, when the number of construction jobs declined by almost 7,000. We expect the recession in the Construction industry to continue in FY 1989.

The Mining Sector, which at one time employed over 27,000 persons was down to 11,600 in December 1987. This sector has recovered some of its vigor and the December 1987 employment represents growth of 4.5 percent over the previous December. For FY 1989, we expect this strength to continue.

The Service Providing Sector 2/ accounts for over three-quarters of the employment in Arizona and historically has shown robust growth. In recent years, this sector has shown a declining rate of growth, averaging 7.2 percent in FY 1986, 5.2 percent in FY 1987 and 4.7 percent in FY 1988. For FY 1989 we expect growth to be comparable to that in FY 1988.
Exhibits II and III summarize the staff view of significant positive and negative factors for fiscal years 1988 and 1989. In FY 1989, we expect the Manufacturing Sector to resume its upward growth, but the Construction recession during the year will be a damper on all sectors. We expect a recession to take place in FY 1990.

Exhibit IV shows the staff forecast for five key Arizona variables. We expect growth in Arizona personal income, in constant dollar terms, to decline over the forecast period.

Retail sales are expected to be weak in FY 1989.

Population growth is expected to decline throughout the forecast period.

Chart I is a bar chart which compares growth rates for current and constant dollar Arizona personal income for FY 1974 through FY 1989.

Chart II is a bar chart which compares growth rates for U.S. and Arizona nominal personal income for FY 1974 through FY 1989.

Chart III is a bar chart which compares growth rates for U.S. and Arizona real income for FY 1974 through FY 1989.

---

1/ Includes manufacturing, construction, and mining.
2/ Includes transportation, communications, public utilities, trade, insurance, real estate, services, and government.
ARIZONA OUTLOOK - FY 1988

**FY 1988 Summary:** A period of sluggish growth characterized by little growth in the Manufacturing Sector and a recession in the Construction Sector.

<table>
<thead>
<tr>
<th>Positive Factors</th>
<th>Negative Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Resumption of growth in computer and semi-conductor industries.</td>
<td>1) Continued decline in growth rate of defense related employment.</td>
</tr>
<tr>
<td>2) More foreign and American tourists due to declining value of U.S. dollar.</td>
<td>2) Continued decline in Construction employment.</td>
</tr>
<tr>
<td>3) Increased competitiveness of Arizona industries due to reduced value of U.S. dollar.</td>
<td>3) Decline in in-migration to Arizona.</td>
</tr>
<tr>
<td></td>
<td>4) Slow growth in Retail Sales.</td>
</tr>
</tbody>
</table>
ARIZONA OUTLOOK - FY 1989

FY 1989 Summary: Stronger growth in the Manufacturing Sector with some slowing prior to a national economic recession in FY 1990. The Construction Sector will still be in recession throughout most, if not all, of FY 1989.

<table>
<thead>
<tr>
<th>Positive Factors</th>
<th>Negative Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Resumption of growth in Manufacturing Sector.</td>
<td>1) Resumption of growth in inflation.</td>
</tr>
<tr>
<td>2) Increased competitiveness of Arizona industries due to reduced value of U.S. dollar.</td>
<td>2) Continuation of recession in Construction industry.</td>
</tr>
<tr>
<td>3) Continued strong growth in tourism.</td>
<td>3) Continuation of decline in defense related employment.</td>
</tr>
<tr>
<td></td>
<td>4) Continued slow in-migration to Arizona.</td>
</tr>
<tr>
<td></td>
<td>5) The impending recession in FY 1990 will be preceded by some weakness in the Arizona economy in the latter part of FY 1989.</td>
</tr>
<tr>
<td>Economic Indicator</td>
<td>FY 1987 Actual</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Personal Income - Current Dollars&lt;sup&gt;1/&lt;/sup&gt;</td>
<td>7.5%</td>
</tr>
<tr>
<td>- Constant Dollars&lt;sup&gt;1/&lt;/sup&gt;</td>
<td>4.6</td>
</tr>
<tr>
<td>Retail Sales&lt;sup&gt;1/&lt;/sup&gt;</td>
<td>3.9</td>
</tr>
<tr>
<td>Population&lt;sup&gt;1/2/&lt;/sup&gt;</td>
<td>4.4&lt;sup&gt;3/&lt;/sup&gt;</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>6.7</td>
</tr>
</tbody>
</table>

<sup>1/</sup> Rates of change.
<sup>2/</sup> Population as of July 1, the start of the fiscal year.
<sup>3/</sup> Forecast.
ARIZONA PERSONAL INCOME
CURRENT AND CONSTANT DOLLAR
GROWTH RATES

CHART 1

PERCENT CHANGE

CURRENT $

CONSTANT $

FISCAL YEARS

74 75 76 77 78 79 80 81 82 83 84 85 86 87 88F 89F

0 2.2 4.4 6.6 8.8 11.0 13.2 15.4 17.6 19.8 22.0

-2.2 -3.0

74 76 77 78 79 80 81 82 83 84 85 86 87 88 89F

15.2 6.9 9.6 11.7 15.4 19.9 16.3 13.2 10.1 13.1 11.5 10.5 7.3 7.3 7.3

15.2 6.9 9.6 11.7 15.4 19.9 16.3 13.2 10.1 13.1 11.5 10.5 7.3 7.3 7.3
CHART II

U.S. AND ARIZONA
NOMINAL PERSONAL INCOME
GROWTH RATES

PERCENT CHANGE

FISCAL YEARS

US
AZ
The General Fund Revenue Forecast for FY 1989 reflects the anticipated slowing of Arizona economic activity in calendar 1989 as well as the slowing of revenue collections experienced in recent years. Prior to adding the revenue increase resulting from legislation passed during the recent session, Total New Revenue is forecast to be 3.0 percent higher than FY 1988, (see Exhibit V), the smallest increase in over twenty years. Legislation which will increase General Fund revenue by $197.9 million was passed during the session. Details of these enhancements are shown in Exhibit VI.

Before enhancements, the Sales and Use Tax category is forecast to increase by only 4.1 percent in FY 1989 down from the expected 4.5 percent increase in FY 1988. Enhancements aggregating $29.3 million were added to this category during the session. The Sales Tax has been, and will continue to be, inhibited by the recession in the Construction industry.

Income Tax collections, before enhancements, are forecast to increase by only 2.2 percent, with the Individual Income Tax up only 3.0 percent in FY 1989 compared with an expected growth of 14.9 percent in FY 1988. The Corporation Income Tax, before enhancements, is forecast to increase by 4.9 percent over FY 1988 collections. Corporation Income Tax collections during FY 1988 were hurt by massive unanticipated refunds. Enhancements passed during the recent session aggregated $44.1 million for Individual Income Tax and $29.6 for Corporation Income Tax.

Property Tax collections, before enhancements, show growth rates of 12.0 percent and 8.0 percent in FY 1988 and FY 1989 respectively. Enhancements aggregating $28.2 million were passed during the recent session.

Growth in the Luxury Tax has slowed in recent years, particularly in FY 1987, when the increase was only 0.1 percent. We expect the increase in FY 1989 to be 1.4 percent compared with 1.3 percent in FY 1988.

Growth in Insurance Premium Tax collections, before enhancements, is forecasted to increase by 7.4 percent in FY 1989, down from the 9.0 percent growth expected for FY 1988. Enhancements for FY 1989 passed during the session aggregate $6.0 million.

Growth in the Motor Vehicle License Tax, before enhancements and before deduction of the HURF Transfer, are expected to increase by only 3.8 percent in FY 1989 compared with growth of 8.9 percent in FY 1988. Chapter 271 (S.B. 1261) returned to the General Fund a share of this tax which had been diverted to the Highway Fund. This enhancement is expected to be $17.1 million in FY 1989.
Estate Tax collections have surged in the last two years to what may be an unsustainable level. Because of this, our FY 1989 forecast has been reduced, but to a level that is still high by earlier standards.

A second weekly drawing has been added to the Lottery "Pick Game" which will add $16.0 million to the General Fund. Lottery revenues are distributed to (1) Local Transportation Assistance Fund ($23 million), (2) County Assistance Fund ($7.65 million), and (3) the remaining balance to the General Fund.

The following exhibits and charts follow this narrative:

- Exhibit V, STATEMENT OF PROJECTED BASE REVENUE, LEGISLATIVE STAFF ESTIMATE has been discussed previously in some detail. Essentially, the exhibit compares each of the three years shown with the preceding year. Revenue for FY 1989 is shown before addition of revenue enhancements passed during the session.

- Exhibit VI, BILLS HAVING A SIGNIFICANT FY 1989 REVENUE IMPACT, summarizes revenue enhancements passed during the recent session.

- Chart IV shows, in graphic form, the percent growth in FY 1989 over FY 1988 for significant categories of General Fund revenue based on Legislative Staff estimates. Growth percents are based on FY 1989 amounts which include enhancements.

- Chart V shows, for FY 1989, major categories of General Fund revenue as a percent of total New Revenue. Revenue used includes enhancements.

- Chart VI shows, for 14 years, dollars of General Fund revenue as a bar chart and percent change as a line graph. In terms of percent change, Arizona has had strong years and years which exhibited very low or negative growth. Fortunately, years of the latter category are rare in Arizona. It should be noted that the Fiscal Years 1979 through 1982 were years when the CPI showed double-digit or near double-digit inflation.
## STATE OF ARIZONA
### GENERAL FUND
#### STATEMENT OF PROJECTED BASE REVENUE
##### LEGISLATIVE STAFF ESTIMATE 1/ (in $ Thousands)

<table>
<thead>
<tr>
<th>Taxes</th>
<th>Actual FY 1987</th>
<th>Forecast FY 1988</th>
<th>Forecast FY 1989 (^2/)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Use</td>
<td>$1,199,339.8</td>
<td>$1,253,000.0</td>
<td>$1,304,000.0</td>
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<td>Income - Individual</td>
<td>760,764.6</td>
<td>874,000.0</td>
<td>900,000.0</td>
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<tr>
<td>- Corporation</td>
<td>(124,812.2)</td>
<td>(142,300.0)</td>
<td>(149,500.0)</td>
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<tr>
<td>- Urban Revenue Sharing</td>
<td>59,285.3</td>
<td>66,400.0</td>
<td>71,700.0</td>
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<td>Property</td>
<td>69,968.7</td>
<td>76,800.0</td>
<td>82,300.0</td>
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<td>Luxury</td>
<td>70,475.3</td>
<td>60,000.0</td>
<td>62,300.0</td>
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<tr>
<td>Insurance Premium</td>
<td>55,094.9</td>
<td>6,400.0</td>
<td>6,300.0</td>
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<tr>
<td>Motor Vehicle License - Regular</td>
<td>(10,204.9)</td>
<td>(12,021.6)</td>
<td>(12,343.2)</td>
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<tr>
<td>- HURF Transfer</td>
<td>6,717.8</td>
<td>32,000.0</td>
<td>25,000.0</td>
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<tr>
<td>Pari Mutuel</td>
<td>25,692.9</td>
<td>4,510.0</td>
<td>1,600.0</td>
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<tr>
<td>Estate</td>
<td>5,827.1</td>
<td>2,443,034.9</td>
<td>2,519,111.8</td>
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<tr>
<td>Other Taxes</td>
<td></td>
<td>23.5</td>
<td>9.4</td>
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<td>Sub-Total - Taxes</td>
<td>2,317,518.1</td>
<td>2,443,034.9</td>
<td>2,519,111.8</td>
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<td>Other Revenues</td>
<td>42.9</td>
<td>75.0</td>
<td>0.0</td>
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<td>Lottery</td>
<td>30,633.3</td>
<td>33,900.0</td>
<td>37,300.0</td>
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<td>Licenses, Fees and Permits</td>
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<td>27,600.0</td>
<td>25,100.0</td>
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<td>7,700.0</td>
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<td>Sales and Services</td>
<td>13,347.4</td>
<td>19,300.0</td>
<td>21,000.0</td>
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<td>Other Miscellaneous</td>
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<td>16,000.0</td>
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<td>Transfers and Reimbursements</td>
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<td>Sub-Total - Other Revenues</td>
<td>104,797.6</td>
<td>137,500.0</td>
<td>140,000.0</td>
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<td>Total Base Revenue</td>
<td>$2,422,315.7</td>
<td>$2,580,534.9</td>
<td>$2,659,111.8</td>
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</tbody>
</table>

1/ Legislative Staff estimate as of April 1988.
2/ Does not reflect enhancements brought about by new legislation as shown in Exhibit VII.

/\ Includes $3.8 million for additional Lottery drawing which started in May 1988.
### Thirty Eighth Legislature  
#### Second Regular Session

**Bills Having a Significant FY 1989 General Fund Revenue Impact**

<table>
<thead>
<tr>
<th>Property</th>
<th>Sales and Use</th>
<th>Individual Income</th>
<th>Corporation Income</th>
<th>Other</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>1. Ch. 4 (H.B. 2081) additional Lottery drawing</td>
<td>$16,000,000</td>
<td>$16,000,000</td>
<td>3,200,000</td>
<td>3,200,000</td>
<td></td>
</tr>
<tr>
<td>2. Ch. 10 (S.B. 1123) Repayment of appropriated amount from proceeds of lease-purchase financing</td>
<td>(1,866,300)</td>
<td>(1,866,300)</td>
<td>270,000</td>
<td>270,000</td>
<td></td>
</tr>
<tr>
<td>3. Ch. 29 (S.B. 1188) Parks Board collections which were formerly deposited in the General Fund will be deposited in State Parks Acquisition and Development Fund</td>
<td>$6,160,400</td>
<td>$8,731,300</td>
<td>$608,300</td>
<td>$15,500,000</td>
<td></td>
</tr>
<tr>
<td>4. Ch. 108 (S.B. 1055) Certain Bingo collections which formerly were used for administration expenses will now be deposited in the General Fund.</td>
<td>17,300,000</td>
<td>17,300,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td></td>
</tr>
<tr>
<td>5. Ch. 276 (H.B. 2162) Commitment by Department of Revenue for additional revenue to be generated by increased enforcement resources.</td>
<td>1,600,000</td>
<td>1,600,000</td>
<td>9,300,000</td>
<td>9,300,000</td>
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<tr>
<td>6. Ch. 271 (S.B. 1261)</td>
<td>17,300,000</td>
<td>17,300,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
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</tr>
<tr>
<td>A. Assessment ratio freeze at 1987 levels</td>
<td>9,300,000</td>
<td>9,300,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td></td>
</tr>
<tr>
<td>B. Qualifying tax rate in unorganized districts with homeowners capped at 50c for 1988.</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td></td>
</tr>
<tr>
<td>C. State education rate set at 9c.</td>
<td>1,700,000</td>
<td>1,700,000</td>
<td>3,300,000</td>
<td>3,300,000</td>
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<tr>
<td>D. Accounting allowance capped at $500.</td>
<td>3,300,000</td>
<td>3,300,000</td>
<td>4,200,000</td>
<td>4,200,000</td>
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<tr>
<td>E. Repeal of semi-conductor exemption.</td>
<td>4,200,000</td>
<td>4,200,000</td>
<td>4,200,000</td>
<td>4,200,000</td>
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<tr>
<td>F. Taxation of casual commercial rentals.</td>
<td>10,900,000</td>
<td>10,900,000</td>
<td>14,000,000</td>
<td>14,000,000</td>
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<tr>
<td>G. Hotel/Motel Tax rate raised to 5% and $2.0 million transferred to Tourism Fund.</td>
<td>14,000,000</td>
<td>14,000,000</td>
<td>14,000,000</td>
<td>14,000,000</td>
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<tr>
<td>H. Rental of Real Property Tax rate raised to 5%.</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td></td>
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<tr>
<td>I. Special Corporation Capital Gains Tax Rate eliminated.</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td>13,000,000</td>
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<tr>
<td>J. Controlled Corporation dividends conformed to U.S. Tax code.</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
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<tr>
<td>K. Minimum Corporation tax set at $50.</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
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<tr>
<td>L. Depletion deduction conformed to U.S. Tax code.</td>
<td>10,000,000</td>
<td>10,000,000</td>
<td>10,000,000</td>
<td>10,000,000</td>
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<tr>
<td>M. Gasoline tax deduction repealed.</td>
<td>25,400,000</td>
<td>25,400,000</td>
<td>25,400,000</td>
<td>25,400,000</td>
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<tr>
<td>N. Windfall capped at 63% of Federal Income Tax liability and maximum of $20,000.</td>
<td>6,000,000</td>
<td>6,000,000</td>
<td>17,100,000</td>
<td>17,100,000</td>
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<tr>
<td>O. Increase insurance premium tax to 2.0%.</td>
<td>17,100,000</td>
<td>17,100,000</td>
<td>17,100,000</td>
<td>17,100,000</td>
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<tr>
<td>P. Increase in General Fund share of Auto License Tax.</td>
<td>24,000,000</td>
<td>24,000,000</td>
<td>24,000,000</td>
<td>24,000,000</td>
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<tr>
<td>Q. Transfer to General Fund from the Tax Protest Fund.</td>
<td>24,000,000</td>
<td>24,000,000</td>
<td>24,000,000</td>
<td>24,000,000</td>
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<tr>
<td>7. Ch. 275 (S.B. 2442) Repayment of appropriated amount from proceeds of lease-purchase financing</td>
<td>3,096,600</td>
<td>3,096,600</td>
<td>3,096,600</td>
<td>3,096,600</td>
<td></td>
</tr>
<tr>
<td>8. Ch. 351 (H.B. 2436) Transfers 35% of unclaimed property collections to the Housing Trust Fund.</td>
<td>(1,100,000)</td>
<td>(1,100,000)</td>
<td>(1,100,000)</td>
<td>(1,100,000)</td>
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<tr>
<td>TOTAL</td>
<td>$28,200,000</td>
<td>$29,260,400</td>
<td>$44,131,300</td>
<td>$29,608,300</td>
<td>$66,700,300</td>
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</tbody>
</table>
FY 1989 GENERAL FUND NEW REVENUE
PERCENT CHANGE FROM PRIOR YEAR
Includes Effect of New Legislation
GENERAL FUND NEW REVENUE SOURCES
AS A PERCENT OF TOTAL
Includes Effect of New Legislation

Income Tax 34.3%

Luxury Tax 2.5%
Lottery 1.8%

Property Tax 3.5%
Motor Vehicle License Tax 2.3%
Other 5.8%
Insurance Premium Tax 3.1%

Sales and Use Tax 46.7%

FY 1989
GENERAL FUND
BASE REVENUE COLLECTIONS*
FY 1979 - FY 1989

*FY 1989 Does Not Include Legislative Revenue Enhancements
<table>
<thead>
<tr>
<th>AGENCY</th>
<th>ORIGINAL GENERAL FUND</th>
<th>TOTAL GOVERNMENT</th>
<th>REVISION</th>
<th>FINAL</th>
<th>ORIGINAL GENERAL FUND</th>
<th>TOTAL GOVERNMENT</th>
<th>REVISION</th>
<th>FINAL</th>
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</thead>
<tbody>
<tr>
<td>Administration, Department of</td>
<td>$25,953,400/</td>
<td>$25,953,400</td>
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<td>Affirmative Action, Governor's Office</td>
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<td>Attorney General</td>
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<td>Coliseum and Exposition Center</td>
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<tr>
<td>Courts</td>
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<td>Court of Appeals</td>
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<td>Comm. on Appellate and Trial Ct. Appointments</td>
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<td>SUB-TOTAL - COURTS</td>
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<td>Governor, Office of the</td>
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<td>Law Enforcement Merit System Council</td>
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<td>Legislative Council</td>
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<td>Library, Archives, and Public Records</td>
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<td>Other Joint Committees</td>
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<td>Senate</td>
<td>4,116,100</td>
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<td>23,138,700</td>
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<tr>
<td>Lottery</td>
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<td>Personnel Board</td>
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<td>Retirement System</td>
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<td>Revenue, Department of</td>
<td>33,683,600</td>
<td>33,683,600</td>
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<td>Secretary of State</td>
<td>1,915,400</td>
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<td>Tax Appeals, Board of</td>
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<td>Taxation, Office of</td>
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<tr>
<td>Treasurer</td>
<td>9,537,699/</td>
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<td>Total Uniform State Laws, Commission on</td>
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<td>18,800</td>
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<tr>
<td>TOTAL - GENERAL GOVERNMENT</td>
<td>$165,737,799/</td>
<td>$165,737,799/</td>
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<tr>
<td>HEALTH AND WELFARE</td>
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<td>140,010,300/</td>
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<tr>
<td>Economic Security, Department of</td>
<td>233,033,200/</td>
<td>233,033,200/</td>
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## Revisions to FY 1988 Spending Authority

**Enacted by S.B. 1119**

**Second Regular Session, 38th Legislature**

(Continued)

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1/ These amounts include funds appropriated in the General Appropriations bill (Chapter 334, Laws of 1987) and FY 1988 operating funds appropriated in additional bills from the 1986 and 1987 Legislative Sessions.
2/ This amount includes $100,000 appropriated during the 1986 Legislative Session (Chapter 335, Laws of 1986). This amount does not include $987,700 that reverted to the General Fund after the Division of Weights and Measures was made into a separate agency with its own appropriation (Chapter 314, Laws of 1987).
3/ This amount includes $143,500 that was appropriated in FY 1987 but was carried forward to FY 1988. See Chapter 257, Laws of 1987.
4/ Represents a revised estimate of revenues from the original FY 1988 appropriation.
5/ S.B. 1119 (Chapter 9, laws of 1988) transferred the original FY 1988 appropriation of the Solar Energy Commission to the Department of Commerce, since the two agencies have been consolidated.
6/ This amount includes $1,560,000 appropriated during the Second Special Session of the 38th Legislature. See Chapter 3.
7/ This amount includes $716,799 appropriated during the Third Special Session of the 38th Legislature. See Chapter 1.
8/ This amount includes a transfer of $1,460,000 from BHS to WCSS, as authorized by Chapter 332, Laws of 1987.
9/ This amount includes a reduction of $225,200 from Chapter 332, Laws of 1987.
10/ This amount includes a revised estimate of non-state funds of $14,851,100.
11/ This amount includes $210,700 that was appropriated in FY 1987, but carried forward to FY 1988. See Chapter 205, Laws of 1986, ($74,100) and Chapter 362, Laws of 1986, ($136,600).
12/ This amount includes $6,000,000 appropriated during the FY 1986 Legislative Session (Chapter 368, Laws of 1986) for the Water Quality Assurance Revolving Fund.
13/ This amount includes a carry forward balance of $1,600.
14/ This amount is a reduction of $22,600 from Chapter 314, Laws of 1987.
16/ This amount includes $1,072,500 that was transferred into appropriated funds from non-appropriated fund sources.
RECENT JOINT LEGISLATIVE BUDGET COMMITTEE STAFF REPORTS

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- A Review of the Division of Emergency Services of the Department of Emergency and Military Affairs, October 1983
- A Review of Selected Issues in the Arizona Correctional System, November 1983
- Jobs For Arizona Graduates Program Evaluations Update, February 1984
- A Review of Alternative Funding Methods Relative to the University of Arizona Hospital, February 1984
- An Overview of Automated Information System, June 1984
- Review of Arizona's Agriculture and Transportation Border Inspection Stations, October 1984
- Management and Organizational Analysis of the Department of Corrections, November 1984
- A Review of Funding Source Alternatives for County Fair Racing, November 1984
- A Comparison of Program Costs for AHCCCS and Five Other Medicaid States, November 1984
- Child Day Care Study, December 1984
- University System Local Fund Study, January 1985
- A Report to the Joint House-Senate Subcommittees of Appropriations on Corrections, February 1983
- An Overview of Automated Information System - Revised, March 1985
- Pardons and Paroles - Transferring Adult Parole Supervision: Three Organization Options, August, 1985
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- University of Arizona - Analysis of Cotton Farm Lease/Purchase, November, 1985
- State Hospital - Evaluation of Selected Questions, January, 1986
- Capital Outlay - Planning and Budgeting for Building Renewal and New Facilities, February, 1986
- 1986-1987 Federal Assistance to Arizona, March 31, 1986
- Department of Emergency and Military Affairs: Staffing Levels of Selected Sections, May, 1986
- Arizona Correctional Enterprises - An Evaluation of Selected Areas, October 1986
- DPS Officer Pay - An Evaluation of Selected Areas and In-State & Out-of-State Comparisons, January 1987
- Legislative Appropriation of Federal Funds: Analysis and Recommendation, February 1987
- JLBC Staff FY 87 Proposed Reduction Detail (All Agencies)
- Status of Lawsuits Involving the State of Arizona, May 1987
- Arizona Correctional Enterprises - An Economic Analysis of Selected Enterprises, June 1987
- Automated Fingerprint Identification Systems, February 1988
- A Review of Higher Education Funding Formulas of Various States, June 1988

Annual Reports

- Annual Budget, Analysis and Recommendations, January
- Appropriations Report, June
- Tax Handbook, October

Monthly Reports

- Economic Review
- Monthly Revenue Highlights