

**ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND**

A.R.S. § 15-1301

Ken Randall, Superintendent

JLBC Analyst: David Thomason

<b>General Fund and Other Appropriated Funds</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Estimate</b>	<b>FY 2000 Approved</b>	<b>FY 2001 Approved</b>
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Program Summary

Phoenix Day School for the Deaf	5,949,200	6,515,900	6,392,300	6,579,900
Tucson School for the Deaf and Blind	13,647,900	14,345,700	13,856,400	14,215,600
Administration/Statewide Programs	4,514,500	4,712,900	5,158,800	5,234,500
<b>Total Appropriations</b>	<b>24,111,600</b>	<b>25,574,500</b>	<b>25,407,500</b>	<b>26,030,000</b>

Expenditure Detail

FTE Positions	536.9	540.9	537.9	538.9
Personal Services	16,452,100	16,516,400	17,396,700	17,843,900
Employee Related Expenditures	2,248,700	3,412,300	3,260,400	3,418,300
Professional and Outside Services	563,800	370,200	455,700	431,600
Travel - In State	64,100	109,500	67,700	67,700
Travel - Out of State	7,700	7,000	7,000	7,000
Food	5,200	115,100	115,100	115,100
Other Operating Expenditures	3,746,300	3,590,400	3,494,400	3,505,900
Equipment	823,700	1,253,600	610,500	640,500
<b>Operating Subtotal</b>	<b>23,911,600</b>	<b>25,374,500</b>	<b>25,407,500</b>	<b>26,030,000</b>
Educational and Technical Equipment	200,000	200,000	0	0
<b>Total Appropriations</b>	<b>24,111,600</b>	<b>25,574,500</b>	<b>25,407,500<sup>1/</sup></b>	<b>26,030,000<sup>1/</sup></b>

Fund Summary

General Fund	17,517,700	18,095,100	17,922,200	18,446,600
Institutional Voucher Fund	6,313,300	7,107,800	7,204,500 <sup>2/</sup>	7,302,600 <sup>2/</sup>
Schools for the Deaf and the Blind Endowment Fund	280,600	371,600	280,800 <sup>3/</sup>	280,800 <sup>3/</sup>
<b>Total Appropriations</b>	<b>24,111,600</b>	<b>25,574,500</b>	<b>25,407,500</b>	<b>26,030,000</b>

**Agency Description** — *The Arizona State Schools for the Deaf and the Blind (ASDB) provides comprehensive educational programs for sensory impaired students from birth to age 22. ASDB has 2 main campuses, a day school in Phoenix and a residential campus in Tucson, as well as a diagnostic center in Tucson, satellite preschools in the Tucson and Phoenix Metropolitan areas, and regional offices in Tucson, Yuma and Flagstaff from which existing school district cooperatives are operated. ASDB also serves children up to 2 years of age throughout the state. Systemwide, ASDB serves approximately 1,483 children: 536 students in the K-12 programs, 107 children in preschools, 309 infant/toddlers in regional areas, and 531 children through the 3 existing regional cooperatives.*

**Fund Sources** — ASDB receives appropriated funding from the following 4 sources: General Fund, Voucher Fund, Endowment Earnings and Out-of-State Tuition. The voucher monies are received from the Arizona Department of Education (ADE). ADE is appropriated funding through a Special Line Item called Permanent Special

Education Institutional Voucher Fund for the special education costs of students attending ASDB and Regional Cooperatives, in accordance with A.R.S. ' 15-1202. ASDB must have an application approved by the Division of Special Education at ADE to receive voucher funding based on amounts set in statute, by disability category.

<sup>1/</sup> General Appropriation Act funds are appropriated as a Lump Sum by Agency.

<sup>2/</sup> Before the expenditure of any Voucher Funds in excess of \$7,204,500 in FY 2000 and \$7,302,600 in FY 2001 shown above, the Arizona State Schools for the Deaf and the Blind shall report the intended use of the funds to the Speaker of the House of Representatives, the President of the Senate, the Chairmen of the Appropriations Committees, the Directors of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting. (General Appropriation Act footnote)

<sup>3/</sup> All endowment earnings above \$280,800 in FY 2000 and FY 2001 received by the Arizona State Schools for the Deaf and the Blind are appropriated for operating expenditures. (General Appropriation Act footnote)

## ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND (Cont'd)

ASDB will receive voucher funding for FY 2000 and FY 2001 based on actual enrollment in each of those years. If its student count increases or decreases from each year's enrollment estimate, its voucher funding will change accordingly.

The following represents the FY 2000 and FY 2001 per pupil funding for each disability category:

Category	FY 2000	FY 2001
Visual Impairments	\$15,080	\$15,229
Hearing Impairments	11,263	11,374
Multiple Disabilities	15,548	15,702
Multiple Disabilities with Severe Sensory Impairments	18,134	18,314

**Equity Salary Adjustment** — The approved FY 2000 amount includes \$481,300 in General Fund monies for ASDB salary adjustments. The adjustment provides \$240,200 to annualize the FY 1999 salary adjustment and \$241,100 for a full step adjustment for all ASDB employees effective January 1, 2000. The approved amount for FY 2000 includes \$432,000 in Personal Services and \$49,300 in Employee Related Expenditures. The approved FY 2001 amount includes \$241,600 from the General Fund to annualize the FY 2000 adjustment and \$241,600 for the new January 1, 2001 adjustment. The approved amount includes \$432,800 in Personal Services and \$50,400 in Employee Related Expenditures. The FY 2001 adjustment will need to be annualized in FY 2002.

The full step adjustment dollar amount varies by employee but may be approximated as follows for both FY 2000 and FY 2001: between \$35 and \$1,570 for classified; between \$845 and \$1,796 for administrative positions; and \$1,422 for certified positions. This step increase represents a 2.75% increase for classified positions; 2.5% for administrative positions; and varies between 1.3% and 2.7% for certified positions. The step adjustment is in lieu of the salary adjustments approved in the General Appropriation Act for other state employees in FY 2000 and FY 2001.

For FY 2000, the Legislature also approved \$280,900 in additional General Fund monies for a full-year adjustment of teacher entry salaries and \$217,300 in additional General Fund monies for a full-year cost of living adjustment. These amounts are continued in FY 2001.

**Enrollment Growth** — The approved FY 2000 amount from the Institutional Voucher Fund includes an increase of \$96,700 in voucher monies and a corresponding reduction of \$(96,700) in General Fund monies as a result of the projected increase in the total student count at the ASDB Tucson and Phoenix Campuses. Through its

voucher monies, ASDB receives a formula funding from ADE for students at its Phoenix and Tucson Campuses. An increase in total enrollment will increase the amount of funds provided to the agency. The total enrollment for the Phoenix and Tucson Campuses is expected to be 533, or a total growth of 13 students from FY 1999.

The approved FY 2001 amount includes an increase of \$98,100 in voucher monies for a total student count of 540, or a total growth of 7 students from FY 2000. The approved FY 2001 amount includes a reduction of \$(98,100) in General Fund monies to reflect the availability of these "voucher" monies.

Enrollment growth in the ASDB Cooperatives Program does not impact the agency's operating budget for the Phoenix and Tucson Campuses. The Cooperatives' voucher funding is a non-appropriated fund. Enrollment growth for the Phoenix and Tucson Campuses, however, is funded directly through ADE, thereby, affecting ASDB's "other appropriated" funding total.

**Excess Voucher Money** — The approved FY 2000 amount reflects a \$(878,300) General Fund base reduction due to the existence of "excess voucher" monies in the FY 1999 appropriation for the agency. Those monies resulted from an increase in special education Group B weights for FY 1999. Instead of reducing ASDB's FY 1999 General Fund appropriation to compensate for the additional Group B weight funding, the FY 1999 General Appropriation Act allowed ASDB to keep the "excess voucher" monies, but required it to report its intended use of the monies to the Joint Legislative Budget Committee. For FY 1999, ASDB is using the monies for one-time expenditures. Since those expenditures will not recur in FY 2000, the General Fund appropriation for FY 2000 is reduced by \$(878,300) as a permanent base adjustment. This amount is continued in FY 2001.

**Equipment** — The approved FY 2000 amount includes \$390,000 for 6 replacement buses (3 at the Tucson Campus and 3 at the Phoenix Campus), \$160,000 for replacement of non-capitalized equipment (projectors, desks, science laboratory equipment, maintenance equipment, and office equipment), \$48,000 to convert 3 buses to alternative fuels, and \$12,500 for capitalized replacement equipment.

The approved FY 2001 amount includes \$390,000 for 6 replacement buses (3 at the Tucson Campus and 3 at the Phoenix Campus), \$190,000 for replacement of non-capitalized equipment (desks, specialized learning equipment, office equipment, and maintenance equipment), \$48,000 to convert 3 buses to alternative fuels, and \$12,500 for capitalized replacement equipment.

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### **Schools for the Deaf and the Blind Endowment Fund**

— The approved FY 2000 amounts shown under “Fund Summary” include a reduction of \$(90,800) in the Schools for the Deaf and the Blind Endowment Fund and an offsetting increase of \$90,800 in General Fund monies due to a reduction in the number of out-of-state students enrolling in ASDB. These amounts are continued in FY 2001.

**LAN/WAN Support** — The FY 2000 amount includes a \$142,300 General Fund increase to support the Local Area Network/Wide Area Network (LAN/WAN) operations. The approved FY 2000 amount includes \$100,000 in Other Operating Expenditures (OOE), and \$22,300 for increasing salaries of 2 FTE Positions (Database Specialist and Network Specialist). The approved amount also includes \$20,000 in one-time OOE for software licensing and offsite data storage. In FY 2001, this amount is reduced by \$(44,100) due to one-time expenditures.

**Site Trainer** — The FY 2001 amount includes an increase of \$18,700 for 1 new site trainer. Site trainers provide employment skills training to students with severe disabilities. Adding an additional site trainer will bring the staff to student ratio to a manageable level (from 1:18 to 1:9).

**Personnel Transfer** — The FY 2000 amount includes a transfer of 12.2 FTE Positions from the Tucson Campus to ASDB’s Administrative/Statewide Cooperative Program. This transfer will reflect the current duties of the FTE Positions. The transfer also includes 1 FTE Position (Loss Prevention/Facility Manager) from the Administrative Statewide Program to the Tucson Campus. The 12.2 FTE Positions transferred from the Tucson Campus include 8 FTE positions from the Diagnostic Team, 1 FTE Position that provides sign language and Braille interpretation assistance for the Superintendent, and 3.2 FTE Positions that handle accounting and clerical duties for the Statewide program. This transfer is continued in FY 2001.

**Privatizing Ground Crew** — The FY 2000 amount includes shifting \$85,500 from Personal Services to OOE and eliminating (3) FTE positions, to privatize the Tucson Campus grounds maintenance duties. This amount is continued in FY 2001.

### **Elimination of Educational and Technical Equipment**

— The FY 2000 amount includes a reduction of \$(200,000) in General Fund monies for the Educational and Technical Equipment Special Line Item. ASDB was appropriated \$200,000 in FY 1998 and \$200,000 in FY 1999 for additional computers and technical equipment on its Tucson and Phoenix Campuses. Both campuses currently have campuswide computer systems, computer labs, and computers in their classrooms, which brings them

up to speed with their technical equipment. In the future, ASDB will only need funding to replace worn out equipment. This reduction is continued in FY 2001.

### **Additional Legislation: State Employees; Compensation (Chapter 139, 1<sup>st</sup> Special Session)**

— Requires the Arizona State Schools for the Deaf and the Blind to submit an annual report to the Governor and Legislature annually by September 1. Each report shall include the following:

- Information on employee turnover, including the number of employees and reason for turnover;
- Employee compensation during the preceding and coming year and compensation of other public and private employees;
- Overtime pay requirements; and
- A recommendation on the salary plan and adjustments for their employees. In establishing the salary plan, they shall consider the relative duties and responsibilities of the classes of positions, the rates paid for comparable positions elsewhere, and other relevant factors.