

## JLBC MEETING

At its April 18, 2018 meeting, the Joint Legislative Budget Committee considered the following issues:

**Arizona Department of Environmental Quality – Review of Vehicle Emissions Contract Modifications** – The Committee gave a favorable review to the modifications to the vehicle emissions inspection contract with Gordon Darby. ADEQ did not seek Committee review prior to implementing the contract amendments. The favorable review included provisions requiring ADEQ to report to the Committee on how it will revise procedures to ensure timely submissions to the Committee for all JLBC requirements.

**Department of Child Safety – Review of Line Item Transfers** – The Committee gave a favorable review of General Fund and Expenditure Authority line item transfers for FY 2018. The transfers include a \$7.7 million General Fund transfer into the Adoption Services line item in FY 2018 to address higher-than-budgeted caseload growth in FY 2018. Most of the transfer would be financed from reductions in Foster Home Placement expenditures associated with declining Out-of-Home caseloads. Also included is a transfer of \$1.5 million into In-Home mitigation from Out-of-Home Support Services to use federal monies on in-home services.

**Department of Child Safety – Review of FY 2018 Third Quarter Benchmarks** – The Committee gave a favorable review of the report assessing DCS' progress towards meeting benchmarks for the number of caseworkers, caseload standards, the number of backlog cases and open reports, and for reducing the number of children in out-of-home care.

**Arizona Department of Administration – Review of Emergency Telecommunication Services Revolving Fund Expenditure Plan** – The Committee gave a favorable review of the FY 2018 expenditure plan of \$18.0 million from the Emergency Telecommunication Services Revolving Fund, including \$8.6 million for wireless services, \$8.5 million for wire services, and \$900,000 for administrative costs.

**Arizona Department of Administration/Arizona State Lottery Commission – Review of Server Migration and Hardware Refresh (Automation Projects Fund)** – The Committee gave a favorable review of the FY 2018 expenditure plan of \$597,400, including \$472,400 for server migration and \$125,000 for a hardware refresh. The favorable review included provisions stating that a favorable review does not commit the Legislature to ongoing funding. Another provision requires the Lottery

to submit a Project Investment Justification (PIJ) to ADOA Arizona Strategic Enterprise Technology Office (ASET) for review and approval prior to expending any monies.

**Department of Economic Security – Review of Information Technology Security Plan (Automation Projects Fund)** – The Committee gave a favorable review of \$1.1 million in proposed expenditures for information technology security addressing 4 areas of concern identified in an April 2017 Auditor General report: employee access, data security, external access, and email threats. DES will not spend the remaining \$987,400 of the total \$2.2 million appropriation.

**Arizona Department of Education – Review of State Aid Correction for Chino Valley Unified** – The Committee gave a favorable review of the expenditure plan providing the Chino Valley Unified School District (VCUSD) with \$143,500 in corrected state aid funding due to a settlement in Arizona Tax Court regarding property taxes paid in prior years by Drake Cement, LLC.

**Arizona Department of Education – Review of Joint Technical Education District Quarterly and Annual Reports** – The Committee gave a favorable review of ADE's December 2017 quarterly JTED report and FY 2017 annual JTED report.

**Northern Arizona University – Review of Expenditure and Performance Report of Nonprofit Biotechnology Research Appropriation** – The Committee gave a favorable review of NAU's report on the expenditures and performance of its grant recipient, Translational Genomics Research Institute (TGen). NAU receives \$3.0 million annually from the General Fund, which it then grants to TGen. The majority of the funding (\$1.7 million) was used on research capital in 2017, which is used to support projects funded by other grants. In 2017, TGen report receiving 22 grants, publishing 128 academic articles, and being awarded 12 patents.