

JOINT LEGISLATIVE BUDGET COMMITTEE

Tuesday, September 19, 2017

12:30 p.m.

House Hearing Room 1

JLBC

STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

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JOINT LEGISLATIVE BUDGET COMMITTEE
Tuesday, September 19, 2017
12:30 P.M.
House Hearing Room 1

MEETING NOTICE

- Call to Order
- [Approval of Minutes of September 6, 2017.](#)
- DIRECTOR'S REPORT (if necessary).
- EXECUTIVE SESSION - Arizona Department of Administration, Risk Management Services - Consideration of Proposed Settlements under Rule 14.
- 1. ARIZONA DEPARTMENT OF ADMINISTRATION - Automation Projects Fund
 - [A. ADOA/DCS - Review of CHILDS.](#)
 - [*B. ADOA/LOTTERY - Review of Arizona State Lottery Commission IT System Replacement Project.](#)
 - [*C. ADOA/DPS - Review of the Microwave System Upgrade Project.](#)
- 2. [ARIZONA BOARD OF REGENTS - Review of FY 2018 Tuition Revenues.](#)
- 3.. DEPARTMENT OF CHILD SAFETY
 - [*A. Review of Line Item Transfers.](#)
 - [*B. Review of FY 2017 Fourth Quarter Benchmarks.](#)
- 4. [*ARIZONA DEPARTMENT OF CORRECTIONS - Review of FY 2017 Bed Capacity Report.](#)

5. *DEPARTMENT OF PUBLIC SAFETY - Review of the Revised Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount.

6. *ARIZONA DEPARTMENT OF ADMINISTRATION - Consider Approval of Maximum Lodging Reimbursement Rates.

 7. **ARIZONA DEPARTMENT OF ADMINISTRATION - Automation Projects Fund**

A. Review of E-Procurement Project.

B. Review of Human Resources Information System Replacement Study.

 8. **ARIZONA DEPARTMENT OF ADMINISTRATION/DEPARTMENT OF PUBLIC SAFETY - Review of Criminal Justice Information System Replacement (Automation Projects Fund).**

* Consent Agenda - These items will be considered in one motion and no testimony will be taken.

The Chairman reserves the right to set the order of the agenda.

9/13/17

9/15/17

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People with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require accommodations, please contact the JLBC Office at (602) 926-5491.



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MINUTES OF THE MEETING

JOINT LEGISLATIVE BUDGET COMMITTEE

September 6, 2017

The Chairman called the meeting to order at 2:38 p.m., Wednesday, September 6, 2017, in House Hearing Room 1. The following were present:

Members:	Senator Cajero Bedford	Representative Shooter, Chairman
	Senator Farley	Representative Allen
	Senator Farnsworth	Representative Alston
	Senator Hobbs	Representative Fernandez
	Senator Kavanagh	Representative Leach
	Senator Yee	
Absent:	Senator Lesko, Vice-Chairman	Representative Bowers
	Senator Petersen	Representative Livingston
		Representative Ugenti-Rita

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee to the minutes of June 20, 2017, Chairman Don Shooter stated that the minutes would stand approved.

EXECUTIVE SESSION

Senator Kavanagh moved that the Committee go into Executive Session. The motion carried.

At 2:40 p.m. the Joint Legislative Budget Committee went into Executive Session.

Senator Kavanagh moved that the Committee reconvene into open session. The motion carried.

At 4:03 p.m. the Committee reconvened into open session.

(Continued)

A. Arizona Department of Administration (ADOA) - Review for Committee the Planned Contribution Strategy for State Employee and Retiree Medical Plans as Required under A.R.S. § 38-658A.

Senator Kavanagh moved that the Committee receive the report for the planned contribution strategy for state employee and retiree medical plans with the provision that, ADOA shall provide potential options for addressing the PY 2019 structural shortfall including overall costs to employees and the state. ADOA shall provide the Committee with these options on or before November 1, 2017.

Senator Farnsworth made a substitute motion that the Committee give an unfavorable review to the planned contribution strategy for state employee and retiree medical plans with the provision that, ADOA shall provide potential options for addressing the PY 2019 structural shortfall including overall costs to employees and the state. ADOA shall provide the Committee with these options on or before November 1, 2017. The substitute motion carried.

B. Arizona Department of Administration (ADOA) - Review for Committee the Planned Contribution Strategy for State Employee Dental Plans as Required under A.R.S. § 38-658A.

The Committee accepted the department's report on dental coverage and did not take any action.

Without objection, the meeting adjourned at 4:06 p.m.

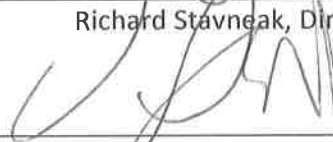
Respectfully submitted:



Kristy Paddack, Secretary



Richard Stavneak, Director



Representative Don Shooter, Chairman

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at <http://www.azleg.gov/jlbc/meeting.htm>



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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Patrick Moran, Senior Fiscal Analyst *PM*

SUBJECT: Arizona Department of Administration/Department of Child Safety - Review of CHILDS
(Automation Projects Fund)

Request

A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Arizona Department of Administration's (ADOA) Automation Projects Fund (APF) for the Children's Information Library and Data Source (CHILDS) replacement project. ADOA is requesting Committee review of \$13.9 million to implement technical integration, the system platform, the mobile solution, and other components of the project.

Committee Options

The Committee has at least the following 3 options:

1. A favorable review of the request.
2. A favorable review of \$7,600,000. The remaining \$6,284,400 from the FY 2018 appropriation would be reviewed by the Committee at a future meeting once ADOA/Department of Child Safety (DCS) have finalized contract awards for technical integration and document management.
3. An unfavorable review of the request.

Under any option, the Committee may consider a provision that would require DCS to report to the JLBC Chairman if the cost for any project component (*see Table 2*) changes by more than \$500,000 in total

(Continued)

funds. The Chairman would have the option of requiring such revisions to receive review by the full Committee.

Key Points

- 1) DCS would use monies to implement technical integration, document management, the system platform, and the mobile solution.
- 2) Independent third-party review indicates that the project is mostly on-time and on-budget.
- 3) While DCS is seeking review of \$13.9 million, the department forecasts that most expenditures will occur after January 1. The Committee could review \$7.6 million now, and await further refinement of actual costs for technical integration and document management.

Analysis

CHILDS is the information management system used to document the status, demographics, location and outcomes for children in the care of DCS. The system assists with various business processes including hotline intake, initial assessments and investigations, case management, adoptions, eligibility determinations, staff management, provider management and payment processing.

As outlined in *Table 1*, ADOA and DCS were appropriated a total of \$20.7 million from APF since FY 2015 for CHILDS replacement. To date, JLBC has already reviewed \$6.8 million of the \$20.7 million APF appropriation. DCS is now requesting review of another \$13.9 million. The total cost of the CHILDS replacement project is estimated at \$86.0 million, of which the state share is 50% (or \$43.0 million). To that end, DCS' FY 2019 budget submittal includes a request for \$15.7 million from the General Fund to continue the CHILDS replacement project.

Table 1

CHILDS APF Expenditures by Purpose

<u>Purpose</u>	<u>Funding Request</u>
Phase 1 Planning Project (March 2015 JLBC Review)	\$ 313,000
Multiple RFPs (June 2016 JLBC Review)	300,000
Mobile Solution Development & Additional RFPs (September 2016 JLBC Review)	6,187,200
Current Request	<u>13,884,400</u>
Total ^{1/}	<u>\$20,684,600</u>

^{1/} Includes \$5,000,000 from the FY 2015 appropriation, \$4,581,600 from FY 2017 appropriation, and \$11,103,000 from FY 2018 appropriation.

Project History

DCS will implement the CHILDS replacement project referred to as "Guardian" in 2 phases. In March 2015, DCS received Arizona Strategic Enterprise Technology (ASET) approval and a favorable JLBC review of its plan to spend \$313,000 of the \$5.0 million appropriation for the Phase 1 Planning Project. All APF expenditures for CHILDS replacement are matched with an equal amount of Federal Funds. During the Phase 1 Planning Project, DCS contracted with Public Consultant Group (PCG) to prepare a technical requirements document, an alternatives analysis, a cost/benefit analysis, a feasibility study and a final report with findings, recommendations and potential risks for the project.

(Continued)

PCG recommended that DCS build a CHILDS system replacement in segments (e.g., the "mobile solution," safety and risk assessment tool, hosting environment, case management, financial management, data warehouse and data environment) rather than purchasing a whole new system. A "system integrator" would be responsible for bringing together segment subsystems and ensuring that those subsystems function together. Because this solution combines different aspects of several replacement alternatives, PCG refers to this as a synthesized solution. CHILDS replacement will utilize the recommended synthesized approach.

In June 2016, DCS received a favorable Committee review of its plan to spend \$300,000 of the FY 2015 appropriation to develop multiple RFPs as part of the Phase 2 Implementation Project. In September 2016, DCS received favorable Committee review of its plan to spend an additional \$6.2 million for development of the mobile solution, the system platform, and project overhead costs.

In October 2016, DCS awarded a contract to a vendor to develop a mobile solution, which allows caseworkers to use a mobile device to interface with the existing CHILDS system while in the field. The mobile solution will interface with Guardian once the system development is completed by 2020. Mobile solution implementation was originally scheduled to be completed by September 2017, but DCS expects the full functionality to be delayed due to performance issues with the DES mainframe that supports CHILDS. DCS notes that, despite the delay, caseworkers are already able to conduct background checks in the field via the mobile solution.

In addition, DCS awarded a contract for the Guardian system platform through which Guardian modules will be configured and integrated. The configuration of the platform was completed in July 2017.

Independent Third-Party Review

Consistent with several JLBC provisions and the requirements in A.R.S. § 41-714, DCS has hired an independent third-party consultant to provide the Committee with quarterly reports on the CHILDS replacement project for the life of the project. The latest assessment was completed on August 31, 2017. The independent consultant concluded that the project "continues to be positioned for success" The project demonstrates "strong health" on 8 of 10 metrics of plan viability and 6 of 9 metrics on project management practice, with all remaining metrics rated as "moderate health."

Current Request

ADOA/DCS are requesting review of \$13.9 million from APF for 10 components of the CHILDS replacement project. This amount consists of \$2.8 million in monies remaining to be reviewed from FY 2017, and \$11.1 million in newly-appropriated monies from the FY 2018 General Appropriation Act (Laws 2017, Chapter 305). *Table 2* below shows DCS' current projected spending for FY 2018 by project component. When the \$13.9 million is combined with \$1.3 million of previously reviewed funds, DCS has an expenditure plan of \$15.2 million. This amount will be matched with equivalent federal spending of \$15.2 million, for Total Funds project development costs of \$30.4 million in FY 2018.

The budget for some of these components is uncertain, however, because ADOA/DCS have not finalized all contract awards. In July 2017, DCS opened a Request for Proposal (RFP) for contractor bids on technical integration that was closed in August 2017, but DCS does not expect to award the contract until November. For the document management application, DCS has selected an existing state vendor instead of going through an RFP, but has not finalized the cost or the timeline for this project.

(Continued)

Technical integration and document management represent \$7.6 million of DCS' projected CHILDS replacement expenditures in FY 2018, or roughly half of the total expenditure plan.

Table 2

Components of DCS' Guardian Expenditure Plan for FY 2018

<u>Component</u>	<u>Estimated State Cost</u>
Program Management - Communicates status and other information to oversight and management committees	\$2,111,900
Business Integration - Specifies business requirements for new system	1,201,700
Mobile Solution - Application for caseworkers in the field	1,010,400
Independent Third-Party Consultant	93,600
Quality Management - Conducts system testing on the new CHILDS system	1,053,900
Platform - Cloud-based client-server application through which Guardian will be configured and integrated	737,300
Hosting - Cloud-based hosting environment	659,500
Document Management - Stores and manages digital documents	1,510,700
CHILDS Decommissioning - Phasing out of existing information system	716,000
Technical Integration - Integrates each system application with the platform	<u>6,094,400</u>
Total	\$15,189,400

Options

If the Committee decides to favorably review the entire request, that would make an additional \$13.9 million of APF funds available to DCS in FY 2018 and would generate an equivalent amount of federal matching funds, for a total funds increase of \$27.8 million. That amount, combined with prior unspent funds, should be sufficient to cover DCS' entire FY 2018 expenditure plan.

Alternatively, the Committee may also consider Option 2. Under this option, the Committee could decide to review half of DCS' proposed FY 2018 expenditure plan, or \$7.6 million. The remaining half of the expenditure plan, which consists of projected funding for the technical integration and document management projects, could be reviewed by the Committee at its December meeting, at which time the department's fiscal estimates for these projects will be more precise. To date, actual costs for the project have varied compared to the department's original estimates, reflecting the uncertainty in cost projections for a system that complies with recently established federal requirements for child welfare IT systems. For example, DCS originally projected an \$11.8 million development cost for the Guardian system platform, while the actual 2017 award was only \$1.3 million.

Under any option, the Committee may consider a provision that would require DCS to report to the JLBC Chairman if the expenditures for any project component in FY 2018 change by more than \$500,000 in total funds. The Chairman could then decide if such changes require review by the full Committee. This provision would enhance the Committee's oversight in the event that there are significant revisions to the project budget.

Douglas A. Ducey
Governor



Craig C. Brown
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401
PHOENIX, ARIZONA 85007
(602) 542-1500

August 31, 2017

The Honorable Don Shooter, Chairman
Arizona House of Representatives
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007



The Honorable Debbie Lesko, Vice-Chairman
Arizona State Senate
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007

Dear Representative Shooter and Senator Lesko:

In accordance with Arizona Revised Statutes § 41-714, the Arizona Department of Administration (ADOA) is submitting this request for review of fiscal years 2017 and 2018 Automation Projects Fund (APF) projects. Monies to support the expenditure plans have already been appropriated to the APF.

The attached documents contain a detailed explanation of the proposed projects. We will be happy to meet with your staff to provide further explanation as appropriate.

Sincerely,

Craig Brown
Craig Brown (Sep 8, 2017)

Craig C. Brown
Director

Enclosures

cc: Richard Stavneak, Director, JLBC
Matthew Gress, Director, OSPB
Derik Leavitt, Assistant Director, ADOA
Rebecca Perrera, JLBC Staff
Ashely Beason, OSPB Staff
Morgan Reed, State CIO

Department of Child Safety
JLBC Favorable Review Information: CHILDS Replacement Program (Guardian)



Background Information

The Department, in coordination with the Arizona Department of Administration (ADOA), is in the fourth fiscal year of the replacement project for the DCS case management system CHILDS. The replacement is being undertaken in two phases with Phase II (design and implementation) having begun in July 2016.

CHILDS is a large and complex system with numerous processing functions. Housing over 450 screen displays containing imbedded logic to support the work functions of DCS, CHILDS was designed around client server technology, with the Arizona Department of Economic Security (DES) mainframe containing the system's databases in an IBM DB2 application. CHILDS also uses three hardware platform tiers with data entry and update functionality tied to local workstations.

Due to the age, complexity, and inefficiencies of CHILDS, the Department has been limited in its abilities to enhance the system fast enough to provide important processing functions identified as crucial by the Department. These functions include the creation, control, and management of clients, intake functions, ongoing case management, development of new interfaces for data mining, mobility access options, visitation report entries, court record production, Business Intelligence (BI) processing capabilities, comprehensive reporting, decisions support processing, and general system enhancements. Key system shortfalls identified include:

- Ineffective tools to support and drive DCS business processes
- Poor system usability
- Deficient searching and matching functionality
- Lack of a mobile platform
- Limited reporting capabilities
- Lack of DCS workforce management capability
- Incomplete provider and service management
- Lack of capability to produce required forms and notices
- Inadequate collaboration with other agencies and system interfaces
- Poor data quality and data integrity
- Lack of compliance with new federal requirements which will limit cost reimbursement

Current Plan

Planning for the replacement project (Phase I) was completed in FY 2016. Phase I deliverables included the feasibility study and system recommendations. These deliverables informed the approach, timeline and budget for Phase II – the design and implementation phase.

The replacement system for CHILDS is named Guardian. Guardian will be cloud-based and employ mobile equipment and software, increasing the time workers can be in the field working directly with families, children, providers, and other parties (police, medical, etc.). Web-based, mobile technologies also enable access for foster care providers, schools, police, courts and other stakeholders to capture case information in a timely manner and reduce the data entry burden on caseworkers. The replacement process will additionally address each of the key identified deficiencies, increasing data integrity and analysis potential, and improving internal process management across DCS business services.

Department of Child Safety
JLBC Favorable Review Information: CHILDS Replacement Program (Guardian)

From a technology perspective, the Guardian foundation will be built on Microsoft Dynamics, a secure, stable and proven technology platform. The platform will ensure management of data models, data standards, and other technology standards between all components in the system and between all systems that interoperate with Guardian. Centralizing this management will ensure economic extensibility of the Guardian system. With the platform procured and installed, early design work will identify which child welfare functional components can be configured natively from the platform and which will be procured to integrate. The platform will enable functional components to be deployed to meet priority business needs, and allow a systematic decommissioning of the existing CHILDS system while maintaining the consistency of data models and standards. DCS issued a RFP in July of 2017 to procure a technical integration contractor with large system implementation experience, available staffing, and knowledge of child welfare to plan, configure, and deliver the platform and its functional components, and manage the integration of the other functional components at an acceptable level of risk. This agile procurement and build approach is supported by ACF, ADOA, and ASET as an appropriate and responsible approach to building large systems with standard, scalable integration.

Total 8 year spend including operational costs

The total anticipated project build cost is estimated at \$86 million (including state personnel and overhead costs), with 50% of the project cost covered by federal match. The FY 2018 total cost is estimated at \$33.2 million, with the State's share estimated at \$16.6 million. This amount is within budget of the appropriations made to date for the replacement project. The department continues to review and update project operational and maintenance O&M costs as the technical integrator begins development, and the true support required for any configuration against plug in components is examined and planned for. The listed O&M costs for FY18 are specific to the current and expected deployed components of the overall solution. O&M costs listed are planned to be supported by the DCS operational budget and not the budget planned for development work. There will be a period of approximate 2 to 3 years where DCS will be supporting the current (CHILDS) and future (Guardian) solutions, and the costs listed in FY18 through will be additional to the current operational costs.

Project Accomplishments and Objectives

In FY 16, the department completed the planning phase and delivered the following:

- High-level requirements – worked with field workers and operations staff to gather requirements for case management, assessments, intake, permanency, provider management, and financial management.
- Completed cost benefit analysis required for federal development matching dollars.
- Completed feasibility study, required as input for implementation plan for federal development matching dollars.
- Completed and approved Implementation Advanced Planning Document required for 8 year financial forecast and implementation plan for new system.
- Completed and approved RFP for mobility module (one of many RFPs to build system).

Department of Child Safety

JLBC Favorable Review Information: CHILDS Replacement Program (Guardian)

Through the completion of detailed requirements, alternatives, and cost/benefit analyses, the Department developed a list of primary expectations and goals as a part of the design, development, and implementation of Guardian. These key requirements of Guardian include:

- Develop and implement tools that support and drive business processes
- Increase system usability
- Improve searching and matching management
- Develop and implement mobile solution functionality
- Improve data integrity
- Expand and improve reporting and analytics capabilities
- Implement workforce management through the development of detailed dashboards and business intelligence
- Develop and implement capabilities to support all child welfare areas including intake, assessment, case management, financial, provider and placement management
- Develop and implement capabilities to produce case-related documents, forms, and notices
- Develop capabilities to interface with external entity systems such as courts, education

In FY 17 and the beginning of FY18, the department concentrated on Release 1 of the mobile solution, the Technical Integrator RFP, and establishing the platform which the new solution will be configured. Key accomplishments included:

- Design, Development, testing for Release one
- Train the Trainer and end user training completed for all case workers
- Configured and deployed over 1000 tablets to all case workers to use the mobile solution
- Deployed mobile background checks to increase efficiencies in the field
- Completed Data Management Assessment project and identified a plan moving forward for migration and cleansing of data
- Completed the development and deployment of the foundation for the new system (MS Dynamics)
- The Technical integrator RFP was written and after approval by the Administration of Children and Families (ACF), was issued on 7/5/17 and closed 8/11/17
- Development of release 2 for the Mobile solution was planned and started
- Prioritized the components for requirements gathering sessions in preparation for the onboarding of the technical integrator
- Started joint application requirements (JAR) workshops to confirm business requirements for the solution
- Implemented organizational change management (OCM) and business process mapping (BPM) throughout the organization to socialize the upcoming changes the solution will bring
- Completed requirements for the Document Management project and determine costs for the first area to implement

Upcoming Objectives for FY18 include:

- Complete the RFP evaluations, select a technical integration vendor, and work through the approvals required to award (ITAC)
- Onboard the Technical Integrator to begin the development of the components based upon prioritization
- Deploy mobile release 2 in the winter 2017

Department of Child Safety

JLBC Favorable Review Information: CHILDS Replacement Program (Guardian)

- Begin a multiple phased approach of document management to automate and electronically store documents related to CHILDS which need to be ready for the new Guardian solution
- Start planning phase to decommission CHILDS throughout the development of the new solution and align with the technical integration schedule

Successes of FY17

The mobile solution vendor began work in November of 2016. In just over 7 months, the department was training end users in July of 2018, and the deployment scheduled for August. With the complexities of integrating with a mainframe system. The feedback from users has been overwhelmingly positive, with overall excitement to begin using the applications. The base platform and all environments were completed and ready to begin development once the technical integrator is awarded and starts. DCS also plans to use the platform for other efficiencies within the organization in the future. The data assessment completed in fiscal year 2017, which reviewed the existing state of the data within CHILDS, the mapping of the data, as well as steps to review for data cleansing prior to migrating from the existing mainframe into the new solution.

The accomplishments in FY17 and the first few months of FY18 are significant, as they formed the foundation for which the new Guardian Solution will be built from. Favorably reviewing the fund will allow the momentum of the program to continue, with benefits being realized throughout FY18.

Proposed Request

The Department requests favorable review of the remaining FY17 funds of \$2,768,600, and the appropriated FY18 funds of \$11,103,000. A favorable review of those values, the total amount favorably reviewed for the program will be \$20,684,600. DCS will continue its close relationship with DOA, and provide monthly forecasting, which will allow the funds to be provided to DCS as needed. For FY18, the monies will be used to deploy both Release 1 and 2 of the Mobile solutions, onboard a technical integrator to begin the development of the final solution, begin planning for CHILDS Decommissioning, complete part of the document management which will be done in phases throughout the program, and the data warehouse as stated above in the FY18 Objectives. Currently, the highest risk piece of work is the technical integrator, which is still in active solicitation. Ensuring that the full value of monies is favorably reviewed ensures that scope of work can be forecasted and funded appropriately once the RFP is completed. As always, DCS will not proceed with awarding RFPs without the full approval of the Information Technology Authorization Committee (ITAC) per State Statute. Additionally, quarterly Independent Validation and Verification (IV&V) continues, and provides guidance which DCS takes into consideration in order to reduce risk, and works with the IV&V Vendor (InfoTech) to close any finding that may occur. JLBC will continue to get all IV&V documentation at the end of each Program Quarter per condition. The most recent document will be provided on 08/31/17 for JLBC to review.

Impact of not favorably reviewing the monies

The impact of an unfavorable review would be the immediate halt of the program until DCS can receive favorable review, or review other avenues of funding which, at this time, are not available. DCS has enough appropriated funds through October, but would need to pause work if the monies are not made available. Additional Financial information is provided in a separate document.



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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Jeremy Gunderson, Fiscal Analyst *JG*

SUBJECT: Arizona Department of Administration/Lottery - Review of Arizona State Lottery
Commission IT System Replacement Project (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Arizona State Lottery Commission (the Lottery) has requested that the Committee review \$2,900,000 in proposed FY 2018 expenditures from the Automation Projects Fund (APF) for an Information Technology (IT) system replacement project.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may also consider the following provisions:

- A. Prior to the expenditure of any monies, Lottery shall receive approval of the project from the Information Technology Authorization Committee (ITAC).
- B. Prior to the expenditure of the remaining \$597,400 of the appropriation, Lottery shall submit for Committee review a report of the intended use of those monies.
- C. Committee review does not commit the Legislature to any ongoing funding.

(Continued)

Key Points

- 1) The Lottery is requesting review of \$2.9 million of their \$3.5 million appropriation for a new IT system.
- 2) The current software was developed in the late 1980's.
- 3) The planned approach includes \$2.5 million for software and \$400,000 for implementation services. Apart from its one-time IT appropriation, the new system would have annual ongoing licensing and maintenance costs of \$790,000.

Analysis

Background

The Lottery creates and sells various state-specific lottery games, and participates in multi-state games such as Powerball and Mega Millions. Lottery uses its IT system to manage its business functions, including retailer licensing, sales and prize distributions, ticket printing vendors, and internal data reporting.

Lottery's current IT system of record is mainframe IBM AS400 system, which was introduced by the company in 1988. Though components of the system have been upgraded over that time, the basic technology and coding language have remained the same. According to the agency, the coding language, COBOL, is outdated, making it difficult to recruit and retain IT personnel with experience in COBOL language. The current system also lacks the ability to accept retailer license applications or payments online. Retailers must submit all applications and payments via hard copy.

Current Request

The FY 2018 General Appropriation Act (Laws 2017, Chapter 305) appropriated \$3.5 million from the APF to replace the Lottery's IT system. The Lottery is requesting favorable review of a proposed plan to spend \$2.9 million on an IT system replacement project. The project will replace Lottery's mainframe system with a new, cloud-based system. It will centralize all aspects of Lottery's business processes, by linking internal auditing and accounting, licensing and retailer functions.

According to the Lottery, the new system will free more time for existing IT staff to work on other issues, and save time by preventing extensive amounts of manual processes. For example, the Lottery's current IT system requires staff to manually transfer data from the mainframe system into a Microsoft Excel or Access document before it can be analyzed. The Lottery also expects the system to experience less downtime due to failures.

This project was initially reviewed by ITAC and received approval at the September 2016 meeting. Since its initial review, the Lottery has decided to select a different vendor from the state contract list. As a result, the Lottery is seeking a second ITAC approval at the September 13, 2017 meeting.

The spending plan includes \$2.5 million for software purchases and \$400,000 for professional services to implement the new system. Apart from their one-time expenditures, the Lottery expects to expend \$790,000 in annual licensing and system support costs. The Lottery included these costs as part of their FY 2019 budget request.

The project will be completed in 2 phases, Phase 1 expected to begin in October 2017, which will include the billing, claims, investigations and licensing functions, as well as the data migration from the AS 400

(Continued)

mainframe to the vendor platform. Phase 2 is planned to start in July 2018 and be completed by December 2018. Phase 2 will include complaint, the online retailer portal, and customer relationship management functions.

The Lottery intends to seek JLBC review of the remaining \$597,400 at the Committee's December meeting. These funds will be used to replace server hardware as part of a separate IT project.

RS/JG:kp



Douglas A. Ducey
Governor

Gregory R. Edgar
Executive Director

August 31, 2017

The Honorable Don Shooter, Chairman
Joint Legislative Budget Committee
Arizona House of Representatives
1700 W. Washington Street
Phoenix, Arizona 85007

The Honorable Debbie Lesko, Vice-Chairman
Joint Legislative Budget Committee
Arizona State Senate
1700 W. Washington Street
Phoenix, Arizona 85007



Dear Representative Shooter and Senator Lesko:

In accordance with ARS §41-714, the Arizona Lottery requests placement on the September agenda to review the Lottery's FY18 Automation Projects Fund (APF) Digital Transformation project. Monies to support the expenditure plan have already been appropriated to the APF.

The attached document provides additional detail regarding the proposed project.

Sincerely,

Gregory R. Edgar
Executive Director

Enclosures

cc: Richard Stavneak, Director, JLBC
Matthew Gress, Director, OSPB
Jeremy Gunderson, JLBC Staff
Bashar Naji, OSPB Staff

Agency: Arizona Lottery

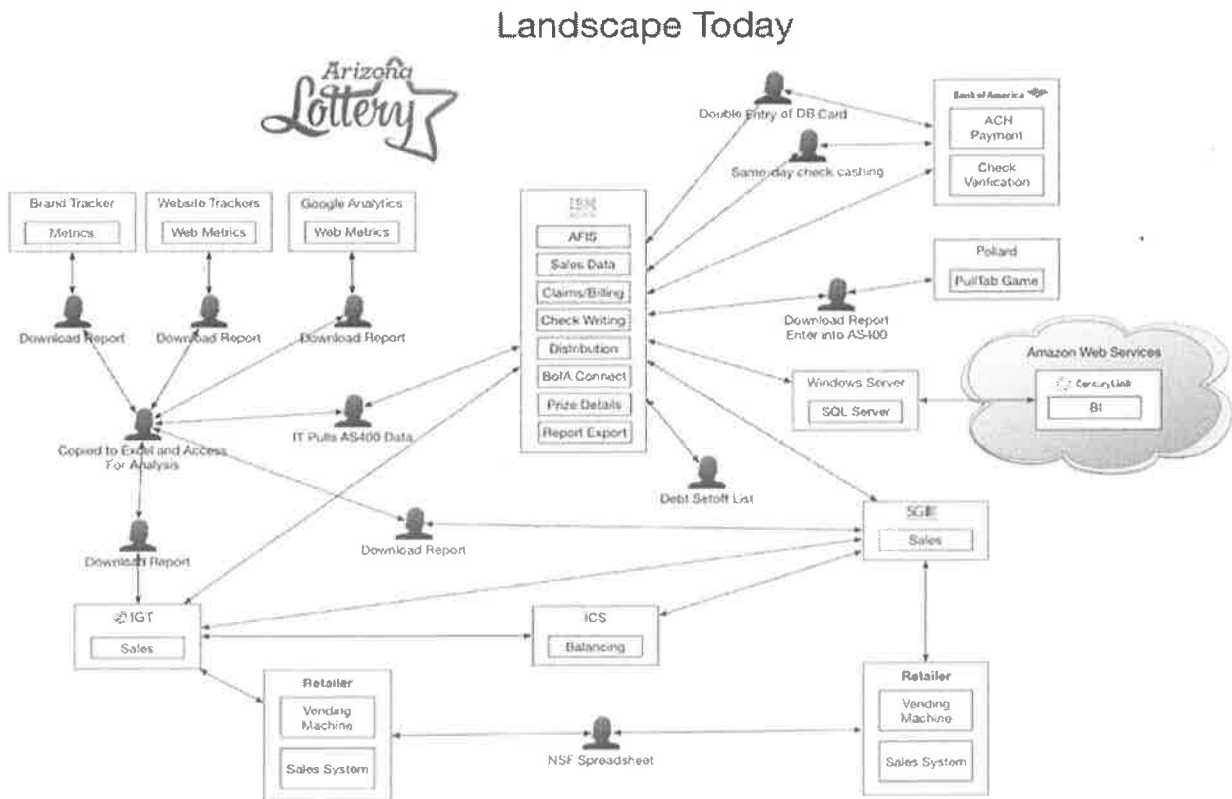
Project: Digital Transformation

Background

The Arizona Lottery (Lottery) is responsible for administering sanctioned games of chance with a mission "To support Arizona programs for the public benefit by maximizing net revenue in a responsible manner." The Lottery currently annually sells and supports approximately 60 games throughout the State working with nearly 3,000 retailers. Sales surpassed \$852 million in FY17 and we expect to return about \$197 million to Lottery beneficiaries, including the State General Fund.

Although sales volume has consistently increased over the years, the agency is still operating with an outdated AS400 midrange computer developed in the late 1980s utilizing a computer language that is 50 years old.

Currently every department within the Lottery relies on an internal AS400 mid-range mainframe for business processing and reporting. This system can no longer adequately address current and future business needs. This impedes overall business performance and effectiveness for both internal and external stakeholders.



Given the current environment, Lottery processes have an enormous opportunity to improve and become more efficient. Databases are decentralized, preventing the Lottery from working with retailers, customers, and vendors in a more collaborative and integrated manner.

Examples of issues the Lottery is experiencing include:

- Significant amount of manual processes and paper-based workflows
- Data integrations are batch, not real-time
- Limited organizational agility due to system constraints
- Data is not immediately available to users, limiting timely reporting and decision making
- Business community must use a paper driven license process to become a Lottery Retailer

In summary, the current system limits the ability to support future needs of the Lottery, ultimately impacting the ability to maximize funding for state programs.

Proposal

The Lottery intends to centralize all aspects of the system into a single vendor-based solution. This solution aligns with the overall IT strategy for the state and will be a cost-effective, yet secure alternative.

The Lottery with the help of MSS defined alternatives and identified vendors that could provide a new vendor hosted system for the Lottery. This involved comprehensive meetings with Lottery staff and retailers to determine agency needs, as well as meetings with potential vendors to assess the ability to provide necessary system requirements.

Potential vendor solutions were evaluated based on over 300 business requirements, capability, security, technology, pricing, on-going support strategy, and implementation approach. After thorough review and analysis, a lottery industry vendor-hosted option provided by Scientific Games International (SGI) was determined to be the best solution. SGI offers strong capabilities across all required business modules (customer relationship management, retailer portal, business intelligence, licensing, billing/claims, investigations, complaints) on a single platform along with the biggest library of lottery CRM/back-office features. In addition, the solution's capabilities leverage industry leading knowledge and expertise gained from working with 150 lotteries across six continents. These are backed up with outstanding customer references and relationships.

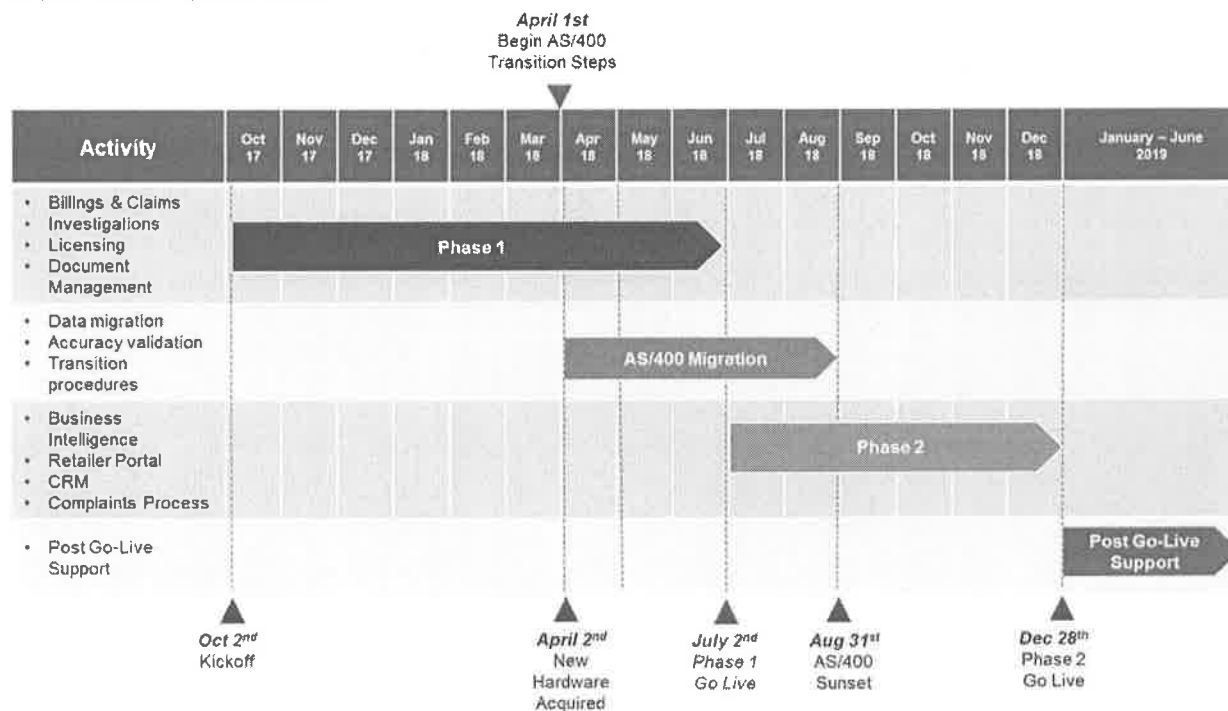
SGI is already a vested partner with the Arizona Lottery operating our most prominent and profitable games. At its core, the SGI solution provides long term value, low operational and deployment risk, and alignment with the interests of the Arizona Lottery.

Initial projected implementation costs for the system are detailed as follows:

APF Funding Partial Draw Requested	
Total APF Funding Approved	\$3,497,400
System Implementation and Configuration	(\$2,500,000)
Change Management and Data Analytics	(\$400,000)
Current Funding Requested	(\$2,900,000)
Remaining APF Balance	\$597,400

Ongoing costs associated with SGI Solution for items such as software, hardware, licensing, and system support are estimated to be approximately \$790,000 per year. This represents a 20% reduction from the original estimate of \$986,100 for years 2-5.

Implementation will be broken into two phases to help manage risk over an estimated 21-month period (see timeline below). In summary, the first phase would begin in October 2017 and is expected to be fully implemented by June 2019.



Phase 1

Key Modules to Deploy: Billings, Claims, Investigations, Licensing

Design

- Intensive business requirements gathering / future state design
- Engagement with key stakeholders
- Documentation of future state business process
- Conversion Risk Mitigation/Gap Analysis – understanding of current state functionality, and preparation for full functionality in future state
- Definition of key performance metrics for implementation/adoption

Development

- System customization and development based on Design stage inputs
- Engagement with Project Management team to clarify requirements as needed

Testing

- Iterative Unit, Functional, and User Acceptance Testing
- Break-fix periods with development team between each round of testing to ensure a successful Go-Live

Training/Communication

- Training of end users (Accounting, Claims, Investigations, Licensing, and IT teams) for proper adoption, with minimal transition impact to the organization

- Ongoing support and engagement with users for full understanding of upcoming activities

AS/400 Sunsetting

- Decommissioning of AS/400 system to convert to single SGI platform
- Temporary Interface development between AS/400 and SGI platform for dual systems (during migration/cutover)
- Removal of hardware following successful go-live/assurance that full functionality is met

Cutover / Go-Live

- Successful migration of data to new system
- User adoption/troubleshooting activities

Phase 2

Key Modules to Deploy: Business Intelligence, CRM, Retailer Portal, Complaints Process

Phase 1 Post Go-Live Support

- Ongoing support of users with any training or functional issues from Phase 1 modules

Design

- Intensive business requirements gathering / future state design for Phase 2 modules
- Engagement with key stakeholders
- Documentation of future state business process
- Conversion Risk Mitigation/Gap Analysis – understanding of current state functionality, and preparation for full functionality in future state
- Definition of key performance metrics for implementation/adoption

Development

- System customization and development based on Design stage inputs
- Engagement with Project Management team to clarify requirements as needed

Testing

- Iterative Unit, Functional, and User Acceptance Testing
- Break-fix periods with development team between each round of testing to ensure a successful Go-Live

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Cutover / Go-Live

- Successful migration of data to new system
- User adoption/troubleshooting activities

Post Go-Live Support

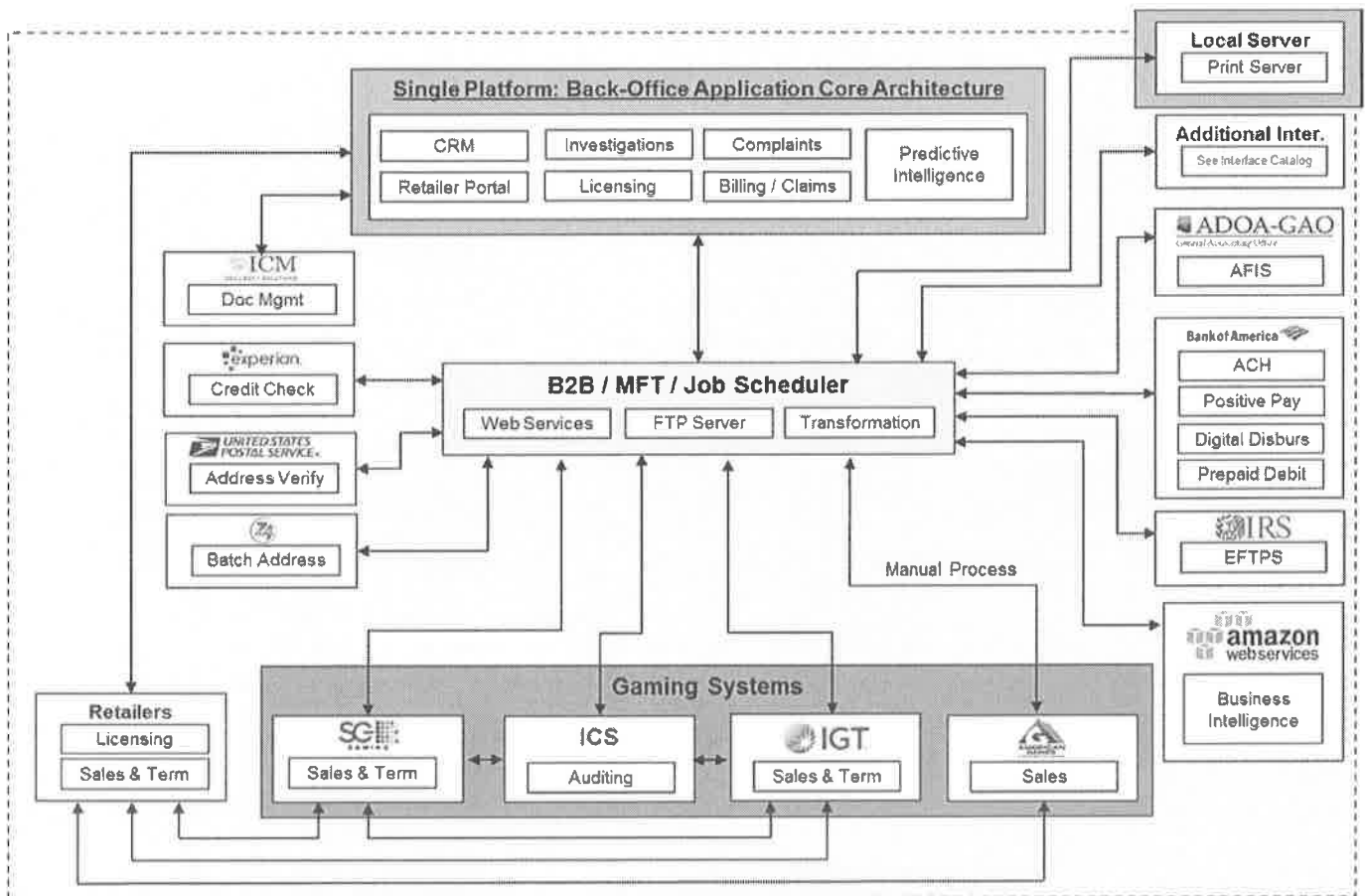
- Ongoing support of user adoption
- Continued review of functionality (and testing as needed)
- Review of progress against key identified metrics
- Re-deployment of training, dependent on identified user needs
- Recurring updates/communication between development and project teams to identify any existing gaps or required development

Principal Benefits

Once digital transformation is complete, the Lottery anticipates considerable improvement in efficiencies due to the elimination of time-consuming tasks tied to outdated technology. Benefits include:

- Reduced failures and increased system uptime on mission-critical systems.
- Increased speed of decision-making and product development.
- A retailer and customer centric business model that will result in increased revenues and beneficiary transfers.
- Improved and consistent information flow requiring less rework.
- A customer focused system that brings licensing and compliance online.
- A new architecture that will add real-time connectivity, allowing for timely reporting and enhanced security.

The following depicts a model of the anticipated architecture after digital transformation is complete.





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Joint Legislative Budget Committee

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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Geoffrey Paulsen, Fiscal Analyst *GP*

SUBJECT: Arizona Department of Administration/Department of Public Safety - Review of the
Microwave System Upgrade Project (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Department of Public Safety (DPS) requests that the Committee review \$1,000,000 for the Microwave System Upgrade project. The FY 2018 budget appropriated \$2,500,000 from the Automation Projects Fund (APF) for continued work on the ongoing project to convert the statewide radio system's microwave backbone from analog to digital technology. DPS will request Committee review of the remaining \$1,500,000 at a later date. This is the first time this project has been funded through APF.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Key Points

- 1) DPS proposes spending \$1 million of their \$2.5 million APF appropriation to build a new tower near Flagstaff for their digital upgrade to the Microwave Communication System.
- 2) DPS will seek approval of the remaining \$1.5 million at a later date to fund an engineering study for another phase of the project.
- 3) DPS has mostly completed its digital update except in northern Arizona.

(Continued)

Analysis

Background

The statewide Microwave Radio System is a series of towers situated on mountain tops and divided into 3 loops that allow law enforcement and other state and local agencies to communicate with dispatch centers while in the field. In 2007, DPS began upgrading the statewide Microwave Radio System from analog to digital technology. Of the 3 loops, work on the southern loop was completed in FY 2011 and work on the western loop will be completed in FY 2018. DPS estimates that the northern loop will require an estimated \$16.2 million in required upgrades to complete the system.

Current Request

As part of the northern loop, DPS currently has a communications site at Schnebly Hill, approximately 25 miles south of Flagstaff. The site consists of a 100-foot tower and a storage building which services public safety radio users along I-17 and in some areas of Sedona and Oak Creek Canyon. The current tower is unable to handle the weight of the additional equipment for the digital microwave system and the storage building has insufficient space available to house the required battery backup and generator. As a result, DPS proposes constructing a new, self-supported tower on the site, and to build new storage to house the equipment. DPS estimates that the project would be completed in June 2019. The proposed expenditure plan is provided below in *Table 1*.

Table 1

**DPS Schnebly Hill Microwave Backbone
Expenditure Plan**

<u>Phase</u>	<u>Cost</u>
Planning and Permits	\$ 25,000
Materials	450,000
Construction	400,000
Equipment Installation	95,000
Decommission Old Tower	<u>30,000</u>
Total	\$1,000,000

The current storage building at Schnebly Hill measures approximately 8 feet by 10 feet in size, and DPS anticipates that the new structure will need to be closer to 10 feet by 20 feet.

The northern loop consists of about 25 sites, only one of which has been updated so far. DPS has not yet determined how many of these will need to be replaced, but they note that northern Arizona has some of the system's oldest structures (both buildings and towers) and it is likely that many will require complete replacements.

DPS reports that they will seek review of the remaining \$1.5 million at a later date, and will likely commit the funds to an updated engineering study necessary to complete the microwave upgrade work.

ITAC Review

The Information Technology Authorization Committee (ITAC) within the Department of Administration is responsible for reviewing all information technology projects that cost at least \$1 million. However, because the IT component of this project is less than \$1 million, DPS was not required to submit a Project Investment Justification (PIJ) and seek ITAC approval.



ARIZONA DEPARTMENT OF PUBLIC SAFETY

2102 WEST ENCANTO BLVD. P.O. BOX 6638 PHOENIX, ARIZONA 85005-6638 (602) 223-2000

"Courteous Vigilance"

DOUGLAS A. DUCEY FRANK L. MILSTEAD
Governor Director

August 29, 2017

The Honorable Don Shooter, Chairman
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007



Dear Representative Shooter:

Pursuant to A.R.S. 41-714, Automation Projects Fund (APF), the Department of Public Safety (DPS) requests to be placed on the Joint Legislative Budget Committee's (JLBC) next agenda, for a review of a portion of its expenditure plan, for the Microwave System Upgrade project.

The FY 2018 General Appropriations Act appropriated \$2,500,000 from the APF to DPS for continued work on the long-standing project to convert the statewide radio system's microwave backbone from analog to digital technology. DPS is prepared to move forward on a project to replace the tower and electronics at Schnebly Hill, south of Flagstaff. The remaining \$1,500,000 of the appropriation will be presented to JLBC for review at a later date. We expect the remaining funding will be committed to an updated engineering study necessary to complete the microwave upgrade work.

Per the Arizona Strategic Enterprise Technology (ASET) Office, the Microwave System Upgrade project is not subject to Project Investment Justification (PIJ) review requirements. Nonetheless, the attached project plan provides information similar to that found in a PIJ.

Please contact Phil Case, DPS Budget Director, at 602-223-2463 or pcase@azdps.gov if you have any questions in this matter.

Sincerely,

Frank L. Milstead, Colonel
Director

attachment

xc: Senator Debbie Lesko, Vice-Chairman
Matthew Gress, OSPB Director
Richard Stavneak, JLBC Director

Project Title: DPS Schnebly Hill Communication Site

Agency	Arizona Department of Public Safety
Business Unit	Technical Services Division, Wireless Systems Bureau
Agency Contact Name	Adam Follrath, MPA, PMP – Telecommunications Project Coordinator
Agency Contact Phone	602-223-2216
Agency Contact Email	afollrath@azdps.gov

Business Problem

Currently the DPS communication site at Schnebly Hill, located approximately 25 miles South of Flagstaff, services public safety radio users along the I17 Highway as well as some areas of Sedona and Oak Creek Canyon. The DPS site currently includes a 100' guyed communication tower that does not have the loading capacity available to allow installation of required additional equipment to pass digital microwave services through the region. The existing communication shelter does not have space available for required battery backup, or additional radio equipment.

Solution

Construction of a new communication tower and shelter, a replacement battery backup system, and a replacement power generator, in support of modern digital microwave equipment.

Cost

Phase	FY18	FY19
Permitting	\$ 25,000.00	
Materials Purchasing		\$ 450,000.00
Construction		\$ 400,000.00
Equipment Installations		\$ 95,000.00
Closing		\$ 30,000.00
FY TOTAL	\$ 25,000.00	\$ 975,000.00
PROJECT TOTAL		\$ 1,000,000.00

Benefit to the State or Agency

A new communication tower and shelter will allow for installation of the equipment required for digital microwave, as well as increase available equipment installation heights for radio antennas, typically offering better radio coverage to users. Critical services for the DPS Flagstaff Operational Communication Center for radio dispatching are also routed through Schnebly Hill communication site on the DPS microwave network. Digital microwave technology replaces end of life analog equipment increasing reliability, and enhancing service capabilities. A new battery backup and generator for the site will reduce the likelihood of a radio service outage during a commercial power outage, meeting the goals of both problem avoidance, and risk avoidance. Replacement of a guyed tower with a self-supported tower will reduce requirement for tower maintenance from 3 year to 5 year maintenance interval providing a cost reduction in recurring services.

Project Title: DPS Schnebly Hill Communication Site

Objectives

Task Name	Duration	Start	Finish	Cost
Schnebly Hill Tower and Shelter	453 days	Mon 10/2/17	Wed 6/26/19	
JLBC Favorable Review and Funds available	0 days	Mon 10/2/17	Mon 10/2/17	
Planning and Permits	205 days	Mon 10/2/17	Fri 7/13/18	\$ 25,000.00
1. Comm Equipment Requirements	65 days	Mon 10/2/17	Fri 12/29/17	
2. Power Requirements	140 days	Mon 1/1/18	Fri 7/13/18	
3. Tower and Foundation Requirements	50 days	Mon 1/1/18	Fri 3/9/18	
4. Final Review	10 days	Mon 3/12/18	Fri 3/23/18	
5. Permit	80 days	Mon 3/26/18	Fri 7/13/18	
Purchasing	80 days	Mon 7/16/18	Fri 11/2/18	\$ 450,000.00
<i>Snow Closure</i>	<i>80 days</i>	<i>Thu 11/1/18</i>	<i>Wed 2/20/19</i>	
Construction	45 days	Thu 2/21/19	Wed 4/24/19	\$ 400,000.00
Equipment Installations	35 days	Thu 4/25/19	Wed 6/12/19	\$ 95,000.00
Closing	10 days	Thu 6/13/19	Wed 6/26/19	\$ 30,000.00

Planning and Permits

If granted a favorable review for the project, the WSB team will move forward with detailed engineering to define the construction requirements for the new communication site. This process will ensure all necessary considerations are taken for current and foreseeable future radio service needs. The site power consumption is engineered for all proposed equipment, which defines final generator capacity, battery capacity, building size, and tower size. Time is also built into the power requirements development task to allow for commercial power construction if the services to the new shelter will require a larger primary feed. With all data compiled, a tower services vendor team will be hired to provide certified engineering plans for the site. These plans will be used in the application for US Forest Service (USFS) permitting to construct.

Construction

After USFS permission has been obtained, and all materials have been ordered and accounted for, site construction will begin. Like many northern Arizona mountain sites, Schnebly Hill requires additional time considerations to be built into the project for the snow season. Site construction is proposed to be completed by all contracted services with oversight from WSB Project Management, Engineering, and Tower Services.

Closing

The closing phase will include removal of the old tower and shelter from the site and disposal of the materials. Typically inspections will be completed at this time with the land manager, US Forest Service.



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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RL*

FROM: Matt Beienburg, Senior Fiscal Analyst *MB*

SUBJECT: Arizona Board of Regents - Review of FY 2018 Tuition Revenues

Request

Pursuant to a FY 2018 General Appropriation Act footnote, the Arizona Board of Regents (ABOR) requests Committee review of its expenditure plan for tuition revenue amounts greater than the amounts appropriated by the Legislature, and all non-appropriated tuition and fee revenue expenditures for the current fiscal year.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

The gross FY 2018 tuition and fee collections are projected to be \$2.93 billion, or \$148.7 million higher than FY 2017. Of the \$2.93 billion, ABOR categorizes \$1.29 billion as appropriated and \$1.64 billion as non-appropriated.

Statute allows the universities to retain a portion of tuition collections for expenditures, as approved by ABOR pursuant to A.R.S. § 15-1626A. These "locally" retained tuition monies are considered non-appropriated. Any remaining tuition collections are part of the appropriated budget. While financial aid and debt service are primarily non-appropriated, general operating expenses appear in both appropriated and non-appropriated budgets.

(Continued)

The reported gross tuition revenues reflect the amounts the universities would receive if all students paid full published tuition and fee rates. The actual amounts paid by students after accounting for tuition waivers and other gift aid awarded by the universities constitute net tuition. The universities estimate \$(687.3) million in tuition waivers and awards in FY 2018, resulting in \$2.25 billion of net tuition.

Key Points

- 1) Resident undergraduate tuition rate increases range from 1.4% at ASU (all students) to 2.7% and 3.9% (for only new students) at NAU and UA, respectively, in FY 2018.
- 2) Of the \$148.7 million increase in gross tuition revenues in FY 2018, approximately \$42 million will fund additional financial aid, while \$106.7 million will support increased operating expenditures (which include absorbing \$22.1 million for increased health insurance employer contributions).
- 3) FY 2018 gross tuition + General Fund revenues are increasing 4.5% systemwide in FY 2018 over FY 2017, or 3.7% after adjusting for absorbed employer contribution increases. In comparison, student FTE counts grew an estimated 3.4% over the same period.

Analysis

Table 1 shows ABOR changes to resident and non-resident undergraduate tuition in FY 2018.

Table 1 Arizona University System FY 2018 Undergraduate and Graduate Tuition and Mandatory Fees ^{1/2/}								
	<u>Resident Undergraduate</u>		<u>Resident Graduate</u>		<u>Non-Resident Undergraduate</u>		<u>Non-Resident Graduate</u>	
	<u>Tuition</u>	<u>Increase</u>	<u>Tuition</u>	<u>Increase</u>	<u>Tuition</u>	<u>Increase</u>	<u>Tuition</u>	<u>Increase</u>
ASU	\$10,792 ^{3/}	1.4%	\$11,918	1.4%	\$27,372 ^{4/}	3.4%	\$29,854	3.4%
NAU	\$11,059	2.7%	\$10,261	2.7%	\$24,841	2.9%	\$22,609	2.9%
UA	\$12,228	3.9%	\$12,748	2.9%	\$35,658	2.0%	\$32,698	1.0%

^{1/} Reflects tuition rates for new students at NAU and UA and all classes at ASU. NAU and UA provide a guaranteed tuition rate for each incoming class, whereas ASU does not.
^{2/} Tuition rates and percentage increases displayed in this table reflect tuition + mandatory fees and surcharges.
^{3/} FY 2016 one-year \$320 surcharge was reduced to \$270 in FY 2017 and is continued at \$270 in FY 2018.
^{4/} ABOR approved a rate of \$29,512 for international undergraduate students at ASU.

Table 2 displays FY 2017 and FY 2018 General Fund and tuition/fee monies for the Arizona University System. Higher tuition and fees, along with enrollment growth, are estimated to generate a total collection of \$2.93 billion in tuition/fee monies, which represents a \$148.7 million, or 5.3%, increase compared to FY 2017.

In addition to the tuition increase, state General Fund support increased \$6.3 million from FY 2017 to FY 2018. In total, General Fund and gross tuition/fee resources will increase by \$155.0 million, or 4.5%, from \$3.48 billion in FY 2017 to \$3.60 billion in FY 2018 after the tuition/fee increase. Of the overall \$155.0 million increase, ASU accounts for \$99.2 million, NAU \$24.3 million, and UA \$31.6 million.

A portion of the additional General Fund and tuition revenues will be used to absorb additional costs associated with increased employer health insurance contribution rates (\$4.7 million of the additional

(Continued)

costs will be funded by the General Fund and \$22.1 million by tuition). After adjusting for these additional costs, the net increase in General Fund and tuition revenues is approximately 3.8% in FY 2018.

ABOR projects that during that same time period, overall fall semester (unadjusted, 21-day full-time equivalent) student enrollment will have grown 3.4%, from 166,357 in fall 2016 to 172,044 in fall 2017.

	<u>FY 2017</u>	<u>FY 2018 (After Tuition Increase)</u>	<u>\$ Increase</u>	<u>% Increase</u>
General Fund	\$ 691.6	\$ 697.9	\$ 6.3	0.9%
Gross Tuition/Fees				
Appropriated ^{1/}	\$1,275.1	\$1,292.2	\$ 17.1	1.3%
Non-Appropriated	<u>1,508.7 ^{2/}</u>	<u>1,640.3</u>	<u>131.6</u>	<u>8.7%</u>
Subtotal Gross Tuition/Fees ^{3/}	\$2,783.8	\$2,932.5	\$148.7	5.3%
Scholarship Allowance ^{3/ 4/}	<u>(645.3)</u>	<u>(687.3)</u>	<u>(42.0)</u>	<u>6.5%</u>
Net Tuition ^{3/}	\$2,138.5	\$2,245.2	\$106.7	5.0%
Total (Gross) Tuition + General Fund	\$3,475.4	\$3,630.4	\$155.0	4.5%
ASU	\$1,892.2	\$1,991.4	\$99.2	5.2%
NAU	\$458.8	\$483.1	\$24.3	5.3%
UA	\$1,124.3	\$1,155.9	\$31.6	2.8%

^{1/} Excludes miscellaneous revenues such as federal agriculture payments and land grant monies, which are included in the universities' collections accounts but do not constitute tuition revenues. These other revenues total an estimated \$4.2 million in FY 2017 and \$6.7 million in FY 2018. FY 2018 tuition column includes \$10.2 million adjustment made by ABOR to the amounts originally included as part of the FY 2018 state budget to reflect estimated revenue increases resulting from the tuition setting process in spring 2017.

^{2/} FY 2017 non-appropriated tuition amount calculated by JLBC Staff as the difference between reported total tuition and appropriated tuition.

^{3/} As reported in the Arizona University System - Tuition and Fees schedule provided separately by ABOR.

^{4/} Scholarship allowance reflects institutional financial aid provided by the universities (excluding federal loans, private grants, etc.) to offset the cost of tuition. Amounts include scholarship awards and tuition waivers except employee tuition reductions, which are recorded as employee benefit expenses.

As shown in *Table 3*, approximately \$2.13 billion of the \$2.93 billion in gross FY 2018 tuition will be used for operating expenditures. Approximately \$690 million will be used to provide financial aid, while roughly \$89 million and \$25 million will support debt service and plant funds, respectively.

The tuition collection report did not include FY 2017 tuition expenditures by category. Based on tuition and fee schedules provided separately by ABOR, JLBC Staff estimates that tuition expenditures on financial aid increased \$42.0 million in FY 2018 compared to FY 2017. Expenditures on operating costs increased \$106.7 million, while expenditures on plant funds and debt service were essentially unchanged.

Table 3

Use of FY 2018 Tuition/Fees by University

<u>University</u>	<u>Operating Expenditures</u> ^{1/}	<u>Financial Aid</u> ^{2/}	<u>Plant Fund</u>	<u>Debt Service</u>	<u>Total</u>
ASU	\$1,230,868,400	\$373,845,100	\$20,000,000	\$46,425,400	\$1,671,138,900
NAU	238,861,600	120,141,400	1,000,000	14,500,000	374,503,000
UA	<u>655,512,900</u>	<u>199,188,400</u>	<u>4,000,000</u>	<u>28,152,400</u>	<u>886,853,700</u>
Total	\$2,125,242,900	\$693,714,900	\$25,000,000	\$89,077,800	\$2,932,495,600

^{1/} In addition to all appropriated tuition revenues, includes non-appropriated tuition revenues to be expended on instruction, organized research, public service, student services, auxiliary enterprises, and institutional support.

^{2/} Estimated financial aid distributions compare to \$687.3 million reported in the Arizona University System - Tuition and Fees schedule, provided separately by ABOR.

RS/MB:lm



August 18, 2017

The Honorable Don Shooter, Chairman
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Shooter:

A footnote included in the General Appropriations Act requires the Arizona Board of Regents report to the Joint Legislative Budget Committee (JLBC) projected fiscal year 2018 tuition revenue greater than the fiscal year 2018 appropriated amounts and the amount of projected tuition and fee revenues to be retained locally by the universities. This annual report updates the JLBC staff tuition estimates. Final revenue amounts will be reported with the FY 2018 university financial statements.

Enclosed is the report of projected gross tuition and fee revenues as approved by the Board at its June 2017 meeting. Projected appropriated tuition and fee revenues are \$10.2 million above the appropriation, which was based on projections submitted in the fall of 2016. The difference can be attributed to a combination of higher than projected student enrollments which we estimate to increase about 3.5 percent, changes in enrollment mix between resident and non-resident students and the tuition and fee rate increases approved by the Board of Regents in April 2017.

Even with the increased estimates, growth in tuition and fee revenue per student remains less than 2 percent, and when adjusted for inflation, are less than 1 percent. When combined with operating general fund impacts, including the FY 2018 HITF sweep, total general fund and tuition and fee revenue per student will be lower in FY 2018 than FY 2017.

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Gross tuition and fee revenue estimates for fiscal year 2018 presented in this report are \$2.9 billion. These revenues are allocated between state appropriated funds (university collections fund) and the universities' local funds as shown on the attached schedules.

If you have any questions, please do not hesitate to call me at (602) 229-2505.

Sincerely,

A handwritten signature in black ink, appearing to read "Eileen I. Klein". The signature is fluid and cursive, with the first name "Eileen" being more prominent and the last name "Klein" following in a similar style.

Eileen I. Klein
President

xc: Richard Stavneak, Director, JLBC

**ARIZONA UNIVERSITY SYSTEM
TUITION AND FEES IN SUPPORT OF THE
2017-18 STATE OPERATING BUDGET**

	STATE COLLECTIONS		
	As Reported in the FY 2017-18 Annual Budget approved by ABOR	2017-18 University Collections Fund as reported in Appropriations Bill (1)	CHANGE
Arizona State University Tempe	598,417,100	598,306,200	110,900
Arizona State University Polytechnic	41,619,100	42,436,200	(817,100)
Arizona State University West	41,596,400	44,345,500	(2,749,100)
TOTAL ASU	681,632,600	685,087,900	(3,455,300)
Northern Arizona University	157,431,100	147,362,100	10,069,000
University of Arizona	410,094,700	408,320,500	1,774,200
University of Arizona Health Sciences Center	49,749,000	47,899,600	1,849,400
TOTAL UA	459,843,700	456,220,100	3,623,600
TOTAL	1,298,907,400	1,288,670,100	10,237,300

Total State Collections	\$1,298,907,400
Total Non-Appropriated Tuition & Fees Collections	\$1,633,588,200
Total Estimated Tuition Revenue (Gross)	\$2,932,495,600

(1) University Collections Fund also includes revenues from federal agriculture payments, land grant monies and other miscellaneous revenues.

ARIZONA STATE UNIVERSITY
FY18 PLANNED USES OF OTHER APPROPRIATED AND NON-APPROPRIATED TUITION AND FEE REVENUES
APPROVED ANNUAL BUDGET vs. JLBC APPROPRIATIONS REPORT

	Other Appropriated Tuition and Fees	Non-appropriated Tuition and Fees
Collections Fund As Reported in the Annual Budget Report	\$681,632,600	\$989,506,300
Collections Fund As Reported in the JLBC FY 2018 Appropriations Report	685,087,900	
Increase/(Decrease) from FY 2018 Appropriations Report	(\$3,455,300)	\$989,506,300
ALLOCATIONS BY PROGRAM		
Instruction		
Investments in Programs Supported by Program Fees and Differential Tuition		101,112,000
Investments in Programs Supported by Class and Course Fees		24,749,000
Investments in Programs Supported by Summer Sessions Tuition		119,330,500
Investments in Faculty Hiring and Academic Support		41,153,900
EdPlus at ASU		187,917,900
Overseas Study Abroad Program Costs		2,482,800
Research Asst./Teaching Asst. Benefit Costs		23,453,800
Local Account Operating Support		3,486,600
Organized Research		0
Public Service		0
Local Account Operating Support		346,800
Academic Support		0
Local Account Operating Support		376,100
Student Services		0
Investments in Programs Supported by Mandatory Fees		25,183,300
Local Account Operating Support		6,237,900
Institutional Support		0
Operations and Maintenance		0
Local Account Operating Support		698,400
Scholarships/Fellowships/Financial Aid		0
Financial Aid Set Aside/Other Financial Aid		373,845,100
Auxiliary Enterprises		0
Investments in Programs Supported by Mandatory Fees		10,750,500
Auxiliary Operating Support		1,956,300
Debt Service		0
Debt Service/COPs/Lease Purchase		46,425,400
Plant Funds		0
Minor Capital Projects		20,000,000
	(\$3,455,300)	\$989,506,300

NORTHERN ARIZONA UNIVERSITY
FY18 PLANNED USES OF ESTIMATED STATE COLLECTIONS AND LOCALLY RETAINED TUITION AND FEE REVENUES
ANNUAL BUDGET vs. APPROPRIATIONS REPORT

	Other Appropriated Tuition and Fees	Non Appropriated Tuition and Fees
As Reported in the FY18 Annual Budget	157,431,100	217,071,900
As Reported in the FY18 JLBC Appropriations Report	147,362,100	
Amount Reportable	10,069,000	217,071,900
STATE COLLECTIONS INCREASE ALLOCATION BY PROGRAM		
Instruction		
Undergraduate Enrollment Growth and Course Support	3,200,000	
High Demand Degree Program Growth including Allied Health Programs	1,500,000	
Online Education Investment	1,100,000	
Investments in programs supported by program fees		6,900,000.0
Investments in programs supported by class fees		10,850,000.0
Investments in programs supported by summer session tuition		21,194,000.0
Student Services		
Investments in programs supported by mandatory fees		24,498,000.0
All Programs		
Faculty and Staff Investment	3,500,000	
Facility Maintenance and Technology Improvements	769,000	
LOCAL RETAINED COLLECTIONS		
Local Funds Student Operating Support		17,988,500
Scholarships/Fellowships/Financial Aid		120,141,400
Plant Funds		1,000,000
Debt Service Payments		14,500,000
	10,069,000	217,071,900

UNIVERSITY OF ARIZONA
FY18 PLANNED USES OF OTHER APPROPRIATED AND NON-APPROPRIATED TUITION AND FEE REVENUES
ANNUAL OPERATING BUDGET vs. APPROPRIATIONS REPORT

	Other Appropriated Tuition and Fees	Non-Appropriated Tuition and Fees
Collections Fund As Reported In the FY 2018 Annual Operating Budget Report ⁽¹⁾	\$459,843,700	\$433,710,000
Collections Fund As Reported In the JLBC FY 2018 Appropriations Report ⁽¹⁾	456,220,100	
Collections Increase/(Decrease)	\$3,623,600	\$433,710,000
ALLOCATION BY PROGRAM		
Instruction		
Investments in Programs Supported by Program Fees and Differential Tuition		\$30,628,900
Investments in Programs Supported by Class and Course Fees		5,846,100
Investments in Programs Supported by Summer Sessions Tuition		31,200,600
Recruitment & Retention of Key Faculty & Staff	1,700,000	
Enrollment Growth Related Expenditures	1,923,600	
Online Instruction		34,422,000
Local Account Operating Support		18,165,300
Organized Research		
Public Service		
Local Account Operating Support		438,700
Academic Support		
Local Account Operating Support		4,210,400
Student Services		
Local Account Operating Support		30,949,400
Investments in Programs Supported by Mandatory Fees		41,569,800
Institutional Support		
Local Account Operating Support		3,059,600
Scholarships/Fellowships/Financial Aid		
ABOR Financial Aid Set Aside		48,863,900
Program Fees and Differential Tuition Set Aside		4,749,600
Student Aid Awards (formerly waivers)		145,574,900
Financial Aid Supported by Other Fees		97,100
Auxiliary Enterprises		
Investments in Programs Supported by Mandatory Fees		1,004,800
Debt Service		
Debt Service Payments		28,152,400
Plant Funds		
Building Renewal		4,000,000
Minor Capital Projects		776,500
	\$3,623,600	\$433,710,000

(1) Collections Fund includes \$6.7M in other funds associated with Federal Agriculture funds and State Land Trust funds.



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Patrick Moran, Senior Fiscal Analyst *PM*

SUBJECT: Department of Child Safety - Review of Line Item Transfers

Request

Pursuant to footnotes in the FY 2017 General Appropriation Act (Laws 2016, Chapter 117), the Department of Child Safety (DCS) is requesting Committee review for the following FY 2017 line item transfers:

General Fund

\$200,000 into the Grandparent Stipends line item.
\$(200,000) out of the Foster Care Placement line item.

Expenditure Authority

\$2,536,000 into the Emergency and Residential Placement line item.
\$1,134,000 into the Prevention line item.
\$(3,670,000) out of the Foster Care Placement line item.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

(Continued)

Key Points

- 1) DCS is requesting a \$200,000 transfer into Grandparent Stipends to address higher-than-anticipated enrollment in the program.
- 2) The department is also requesting Expenditure Authority transfers of \$2.5 million into Emergency and Residential Placement for higher-than-budgeted placement costs, and \$1.1 million into Prevention to backfill a reduction in Federal Funds.
- 3) Both transfers would be financed by a \$3.9 million transfer out of the Foster Care Placement line.

Analysis

General Fund Transfers

DCS is requesting Committee review of an additional General Fund line item transfer of \$200,000 in FY 2017 from the Foster Care Placement line item to the Grandparent Stipends line item. This transfer will partially reverse a \$(459,000) transfer out of the Grandparent Stipends line item that the Committee favorably reviewed at its prior meeting in June due to higher-than-budgeted enrollment in the program at the end of FY 2017. *Table 1* shows DCS' prior FY 2017 transfers, the proposed transfer, and the net General Fund appropriation for each line item after accounting for General Fund transfers.

Table 1

DCS FY 2017 General Fund Transfers					
	FY 2017 <u>Appropriation</u>	Prior FY 2017 <u>Transfers</u>	Proposed September <u>Transfers</u>	Final FY 2017 <u>Appropriation</u>	FY 2018 <u>Appropriation</u>
Foster Care Placement	\$ 30,187,500	\$ (3,800,000)	\$ (200,000)	\$ 26,187,500	\$ 30,187,500
Emergency and Residential Placement	41,028,000	2,100,000		43,128,000	41,028,000
Grandparent Stipends	1,000,000	(459,000)	200,000	741,000	2,000,000
Independent Living Maintenance	2,969,300	(705,000)		2,264,300	2,969,300
Adoption Services	75,965,800	3,696,000		79,661,800	77,965,800
Permanent Guardianship	10,573,900	(832,000)		9,741,900	10,573,900
	\$ 161,724,500			\$ 161,724,500	\$ 164,724,500

Expenditure Authority Transfers

DCS is also requesting Committee review to transfer Expenditure Authority of \$2.5 million into Emergency and Residential Placement and \$1.1 million into Prevention, for a total of \$3.7 million. DCS reports that the transfer into Emergency and Residential Placement is associated with higher-than-budgeted costs per client in congregate care settings. The department is projecting \$103.2 million in Total Funds congregate care expenditures in FY 2017, or \$2.5 million more than the department's June 2017 projection of \$100.7 million. Due to caseload declines, however, DCS spending on emergency and residential placement remains \$(4.6) million lower in FY 2017 compared to FY 2016 expenditures for such services. *(Please see June 2017 JLBC Agenda for additional information.)*

The transfer into the Prevention line is associated with a \$(1.1) million reduction in federal Mother, Infant and Early Childhood Home Visiting (MIECHV) funds for the Healthy Families program. DCS is backfilling the loss of MIECHV funds with excess federal IV-E dollars so that total funding for Healthy Families is not affected by the MIECHV funding reduction.

(Continued)

These transfers would be financed by a reduction of \$(3.7) million of Expenditure Authority from the Foster Care Placement line item. DCS reports that the \$65.6 million Total Funds FY 2017 appropriation for Foster Care Placement exceeds the actual costs in that line by \$9.5 million. The proposed Expenditure Authority transfer of \$(3.7) million, combined with the \$(4.0) million in General Fund transfers out of the line (\$3.8 million from March and June, \$200,000 in this request), would result in total transfers out of Foster Care Placement of \$(7.7) million.

DCS is transferring monies for FY 2017 after the fiscal year has ended primarily because the department incurred costs in FY 2017 that in some cases are not claimed until months after the end of the fiscal year. The department reports that it typically takes close to a year to fully close out all claims from the prior fiscal year.

RS/PM:kp



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

August 29, 2017

The Honorable Don Shooter
Chairman, Joint Legislative Budget Committee
1700 West Washington
Phoenix, Arizona 85007

Re: September JLBC Meeting Agenda Request – Quarterly Benchmark report, FY 17
Appropriation Transfer Request, Moss Adams Update

Dear Chairman Shooter:

The Arizona Department of Child Safety (DCS) requests for the committee to hear the following items at the upcoming September meeting.

Quarterly Benchmark Update

Pursuant to Laws 2016 2nd Regular Session, Chapter 8, Section 24 the Department submitted its report on June 30, 2017 on the progress made increasing the number of filled FTE positions, meeting the caseload standard, and reducing the number of backlog cases and out-of-home Children for the fourth quarter of FY 2017.

This memo is to provide the committee with more recent information for its review.

Backlog Cases (August 29, 2017): 234
Number of Open Reports: 5701
Number of Out-of-Home Children: 16,635

Fiscal Year 2017 Appropriation Transfer Request

General Fund / Expenditure Authority Appropriation Requests – FY17

Pursuant to Laws 2016, Second Regular Session, Chapter 117, Section 24, the amount appropriated for any line item may not be transferred to another line item or the operating budget unless the transfer is review by the joint legislative budget committee. The Department requests that the committee review the following General Fund (GF) and expenditure authority (EA):

Summary of Requested Appropriation Transfers

Special Line Item	General Fund (in \$1,000)	Expenditure Authority (in \$1,000)
Grandparent Stipend	\$ 200.0	
Prevention Services		\$ 1,134.0
Emergency & Residential Placement		\$ 2,536.0
Foster Care	(\$ 200.0)	(\$ 3,670.0)
TOTAL	\$ 0.0	\$0.0

Adoption Services: The Department requests a total of \$1.996 Million GF to be transferred from Grandparent Stipend, Independent Living Maintenance and Permanent Guardianship line items into Adoption Services line item.

Special Line Item	General Fund (in \$1,000)
Grandparent Stipend	\$ 200.0
Foster Care	(\$ 200.0)
TOTAL	\$ 0.0

Prevention Services: The Department requests a total of \$1,134 Million EA to be transferred from Foster Care to Prevention Services line item.

Special Line Item	Expenditure Authority (in \$1,000)
Prevention Services	\$ 1,134.0
Operating Lump Sum	(\$ 1,134.0)
TOTAL	\$ 0.0

Emergency Placement and Residential Placement: The Department requests a total of \$3.761 Million EA to be transferred from the Foster Care line item.

Special Line Item	Expenditure Authority (in \$1,000)
Emergency Placement and Residential Placement	\$ 2,536
Foster Care	(\$ 2,536)
TOTAL	\$ 0.0

Moss Adams Progress Update

Pursuant to Laws 2017 1st Regular Session, the Department respectfully submits its September 15th Moss Adams progress update. As found in the Department's update, the Department continues to make progress in addressing the issues raised by Moss Adams.

The Department has made notable progress with the outstanding recommendations. To date, the Department has resolved 19 of the 24 recommendations made by Moss Adams.

The Department's Office of Enterprise Risk Management (ERM) will continue to actively monitor and provide guidance to reflect continued progress and resolution of the five outstanding recommendations within the dynamic environment of the Department.

ERM assists in achieving the objective of providing reasonable assurance that funds are properly accounted for through an adequate system of internal controls. ERM provides independent objective assurance by conducting internal audits, facilitating external audits, and leading privacy services. These functions add value and improve internal controls within the Department's operations.

ERM's goal with Moss Adams has been to provide a seamless engagement with the Department. This was accomplished by:

- Partnering with Moss Adams and the Department's business owners throughout the consultation lifecycle of research, execution, reporting, and monitoring of outcomes.
- Facilitating Moss Adams's engagement methodology through scheduling and participating in all interviews, providing financial records and gathering supporting documentation to identify progress made in relation to the recommendations contained in their May 25, 2017 report.
- Engaging in the reporting process to ensure recommendations were relevant with achievable and measurable outcomes.

Enterprise Risk Management has developed a project plan to follow the outstanding recommendations through full implementation. Of the remaining recommendations, the following will be fully implemented within the next 90 days:

- **Recommendation IID** - *Develop a fraud policy.* A Department's Fraud, Waste, and Abuse (FWA) policy was drafted and submitted to the Department's policy unit.
- **Recommendation IIE** - *Develop and provide training on topics such as internal controls; fraud, waste, and abuse.* The Child Welfare Training Institute (CWTI) develops all computer-based training (CBT) for the Department based on approved policy. Once the FWA policy has been finalized, ERM will assist in the development of a CBT.


The remaining recommendations are in process and ongoing.

- **Recommendation 2** - *Develop or update operational policies and procedures to improve internal controls and streamline processes.* The Department continues to publish and revise policies. To date, 58 policies have been published in the Department's online policy and procedure manual, throughout the 13 functions identified.

- **Recommendation 4** – Develop a policy to perform annual contract compliance reviews, including but not limited to the following: an evaluation of whether the service providers are abiding by contractual obligations; examining payments to determine if invoices submitted were complete, accurate, including supporting documentation, and in compliance with the contract or rate schedule terms; and any arms-length business relationship that exists. A Procurement Compliance Services (PCS) function that includes experienced state auditors was established within the Office of Procurement and Contracts (OPC) in May 2017. The OPC processes are documented. Plans are in development for OPC to finalize their policies in FY18.
- **Recommendation 9A** – Consider the need to automate other licensing areas and determine if this is in line with DCS Strategic Plan. The Office of Licensing and Regulation (OLR) began their pilot program of implementing the Staffing Matrix with the three largest group homes in August 2017. The goal is to increase the timeliness and gain efficiencies by replacing a manual background check process with an automated one through Quick Connect. The project has a timeline and is on schedule with an expected roll out to all group homes by January 2018.

The Department currently only has a draft of the most recent report that has been provided to JLBC. Once the Department receives the final report, it will be provided to the committee.

Sincerely,



Gregory McKay
Director

cc: The Honorable Debbie Lesko, Arizona State Senate
Matthew Gress, Office of Strategic Planning and Budgeting
Richard Stavneak, Joint Legislative Budget Committee
Patrick Moran, Joint Legislative Budget Committee
Sarah Pirzada, Office of Strategic Planning and Budgeting



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Patrick Moran, Senior Fiscal Analyst *PM*

SUBJECT: Department of Child Safety - Review of FY 2017 Fourth Quarter Benchmarks

Request

The FY 2017 General Appropriation Act (Laws 2016, Chapter 117) requires the Department of Child Safety (DCS) to submit for Committee review a report of quarterly benchmarks for assessing progress made in increasing the department's number of FTE Positions, meeting caseload standards for caseworkers, reducing the number of backlog cases and open reports, and reducing the number of children in out-of-home care. In this memo, the JLBC Staff has updated the fourth quarter report with newer information when available.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Analysis

A FY 2017 General Appropriation Act footnote requires DCS to report on caseworker hiring, caseworker workload, the backlog, the number of open reports, and the number of children in out-of-home care at the end of each quarter in FY 2017 relative to March 31, 2016.

(Continued)

Filled FTE Positions

Table 1 outlines DCS' progress in hiring caseworkers by quarter. DCS is funded for 1,406 caseworkers. DCS has made steady progress in increasing the caseworker hiring level. As of August, DCS had 1,338 filled direct line staff, an increase of 68 positions relative the March 31, 2016 baseline hiring level. Also notable is the increased share of caseworkers that are case-carrying rather than in training. Since March 2016, the number of filled case-carrying caseworkers has increased by 136, while the number of staff in training declined by (62) positions. Compared to December 2016, however, the total number of direct line and case-carrying staff appears to have plateaued.

The original 1,406 caseworker benchmark presumed 1,190 of these positions would be case-carrying. To achieve the 1,190 hiring level, DCS would need to increase the number of case-carrying caseworkers by 131 positions.

Table 1

Progress in Hiring Caseworkers by Quarter

<u>Direct Line Staff Type</u>	<u>Benchmark</u>	<u>Actuals</u> ^{1/}				
		<u>March 2016</u>	<u>Dec. 2016</u>	<u>March 2017</u>	<u>June 2017</u>	<u>August 2017</u>
Case-Carrying Caseworkers	1,190	923	1,085	1,068	1,072	1,059
Caseworkers in Training	140	273	189	216	192	211
Hotline Staff	76	74	66	69	71	68
Total	1,406	1,270	1,340	1,353	1,335	1,338

^{1/} Source: DCS Monthly Hiring Report

Reducing the Backlog and Open Reports

In June 2014, DCS set benchmarks for reducing the backlog. At the time, there were 13,024 backlog cases. The backlog is defined as non-active cases for which documentation has not been entered into the child welfare automated system for at least 60 days and for which services have not been authorized for at least 60 days. DCS is to have no more than 1,000 backlog cases by June 30, 2017. DCS' benchmark is also to have fewer than 13,000 open reports as of June 30, 2017. Open reports are either under investigation or awaiting closure by a supervisor. *Table 2* outlines DCS' progress in reducing the backlog and open reports by quarter.

As of August 29, 2017, DCS had reduced the backlog to 234 cases and had 5,701 open reports, continuing to meet both of the benchmarks. Given that DCS is significantly below the benchmark of 13,000 open reports, the FY 2018 General Appropriation Act reduces DCS' benchmark to 8,000 reports beginning in FY 2018, which is equivalent to approximately 2 months of new incoming reports on the hotline.

Table 2

Progress Reducing the Backlog and Open Reports by Quarter

<u>Backlog Cases and Open Reports</u>	<u>Current</u>	<u>Actuals</u>			
	<u>Benchmark</u>	<u>March 2016</u>	<u>March 2017</u>	<u>June 2017</u>	<u>August 2017</u>
Total Backlog Cases	1,000	10,751	746	354	234
Total Open Reports	8,000	22,698	6,401	5,644	5,701

(Continued)

Out-of-Home Children

DCS' benchmark is to reduce the out-of-home population by (2)% each quarter relative to the out-of-home population as of December 31, 2016. Given the out-of-home population of 17,149 as of December 31, 2016, DCS would need to reduce the out-of-home population to 15,191 children or less on or before June 30, 2018 to meet the benchmark.

Table 3 below shows the actual out-of-home population at the end of each quarter in FY 2017 compared to the benchmark, and shows the cumulative percentage reduction compared to the baseline population level. By June 30, 2017, the out-of-home population had declined to 16,635, a decrease of (12.1)% compared to the March 31, 2016 baseline. To meet the Chapter 117 benchmark by June 2018, DCS must achieve a cumulative reduction of (19.7)% compared to the March 31, 2016 population.

Table 3

Out-of-Home Children Compared to Benchmark and March 31, 2016 Baseline

	<u>March 2016</u>	<u>Sept. 2016</u>	<u>Dec. 2016</u>	<u>March 2017</u>	<u>June 2017</u>	<u>June 2018</u>
Actuals	18,917	18,046	17,149	16,931	16,635	--
Benchmark ^{1/}	--	17,500	17,500	16,806	16,470	15,191
Cumulative Reduction ^{2/}	--	(4.6)%	(9.3)%	(10.5)%	(12.1)%	(19.7)%

^{1/} The FY 2017 General Appropriation Act established a benchmark for the out-of-home population of 17,500 and a quarterly reduction of (2)% compared to the out-of-home population as of December 31, 2016 through June 30, 2018.

^{2/} Represents percentage reduction in out-of-home population relative to March 31, 2016 actual out-of-home population of 18,917 children. The June 2018 figure represents the aggregate percentage reduction if DCS meets its benchmark.

Caseload Standard

DCS established revised caseload goals during the May 2014 Special Session for case-carrying caseworkers. These goals include the following number of cases per worker: 13 for investigations, 33 for in-home cases, and 20 for out-of-home cases. The FY 2017 General Appropriation Act requires DCS to report the caseload for each DCS field office. Estimated caseworker caseload for individual offices can be found on page 5 of DCS' attached submission.

Since the March 31, 2016 baseline, most field offices have experienced a decline in workload, but many field offices continue to be above the workload standard in at least one category of cases. Caseworker workload remains significantly higher in the central region, which includes the eastern portion of Maricopa County as well as Pinal County, compared to the rest of the state.

RS/PM:kp



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

August 29, 2017



The Honorable Don Shooter
Chairman, Joint Legislative Budget Committee
1700 West Washington
Phoenix, Arizona 85007

Re: September JLBC Meeting Agenda Request – Quarterly Benchmark report, FY 17
Appropriation Transfer Request, Moss Adams Update

Dear Chairman Shooter:

The Arizona Department of Child Safety (DCS) requests for the committee to hear the following items at the upcoming September meeting.

Quarterly Benchmark Update

Pursuant to Laws 2016 2nd Regular Session, Chapter 8, Section 24 the Department submitted its report on June 30, 2017 on the progress made increasing the number of filled FTE positions, meeting the caseload standard, and reducing the number of backlog cases and out-of-home Children for the fourth quarter of FY 2017.

This memo is to provide the committee with more recent information for its review.

Backlog Cases (August 29, 2017): 234
Number of Open Reports: 5701
Number of Out-of-Home Children: 16,635

Fiscal Year 2017 Appropriation Transfer Request

General Fund / Expenditure Authority Appropriation Requests – FY17

Pursuant to Laws 2016, Second Regular Session, Chapter 117, Section 24, the amount appropriated for any line item may not be transferred to another line item or the operating budget unless the transfer is review by the joint legislative budget committee. The Department requests that the committee review the following General Fund (GF) and expenditure authority (EA):

Summary of Requested Appropriation Transfers

Special Line Item	General Fund (in \$1,000)	Expenditure Authority (in \$1,000)
Grandparent Stipend	\$ 200.0	
Prevention Services		\$ 1,134.0
Emergency & Residential Placement		\$ 2,536.0
Foster Care	(\$ 200.0)	(\$ 3,670.0)
TOTAL	\$ 0.0	\$0.0

Adoption Services: The Department requests a total of \$1.996 Million GF to be transferred from Grandparent Stipend, Independent Living Maintenance and Permanent Guardianship line items into Adoption Services line item.

Special Line Item	General Fund (in \$1,000)
Grandparent Stipend	\$ 200.0
Foster Care	(\$ 200.0)
TOTAL	\$ 0.0

Prevention Services: The Department requests a total of \$1,134 Million EA to be transferred from Foster Care to Prevention Services line item.

Special Line Item	Expenditure Authority (in \$1,000)
Prevention Services	\$ 1,134.0
Operating Lump Sum	(\$ 1,134.0)
TOTAL	\$ 0.0

Emergency Placement and Residential Placement: The Department requests a total of \$3.761 Million EA to be transferred from the Foster Care line item.

Special Line Item	Expenditure Authority (in \$1,000)
Emergency Placement and Residential Placement	\$ 2,536
Foster Care	(\$ 2,536)
TOTAL	\$ 0.0

Moss Adams Progress Update

Pursuant to Laws 2017 1st Regular Session, the Department respectfully submits its September 15th Moss Adams progress update. As found in the Department's update, the Department continues to make progress in addressing the issues raised by Moss Adams.

The Department has made notable progress with the outstanding recommendations. To date, the Department has resolved 19 of the 24 recommendations made by Moss Adams.

The Department's Office of Enterprise Risk Management (ERM) will continue to actively monitor and provide guidance to reflect continued progress and resolution of the five outstanding recommendations within the dynamic environment of the Department.

ERM assists in achieving the objective of providing reasonable assurance that funds are properly accounted for through an adequate system of internal controls. ERM provides independent objective assurance by conducting internal audits, facilitating external audits, and leading privacy services. These functions add value and improve internal controls within the Department's operations.

ERM's goal with Moss Adams has been to provide a seamless engagement with the Department. This was accomplished by:

- Partnering with Moss Adams and the Department's business owners throughout the consultation lifecycle of research, execution, reporting, and monitoring of outcomes.
- Facilitating Moss Adams's engagement methodology through scheduling and participating in all interviews, providing financial records and gathering supporting documentation to identify progress made in relation to the recommendations contained in their May 25, 2017 report.
- Engaging in the reporting process to ensure recommendations were relevant with achievable and measurable outcomes.

Enterprise Risk Management has developed a project plan to follow the outstanding recommendations through full implementation. Of the remaining recommendations, the following will be fully implemented within the next 90 days:

- **Recommendation 11D** - *Develop a fraud policy.* A Department's Fraud, Waste, and Abuse (FWA) policy was drafted and submitted to the Department's policy unit.
- **Recommendation 11E** - *Develop and provide training on topics such as internal controls; fraud, waste, and abuse.* The Child Welfare Training Institute (CWTI) develops all computer-based training (CBT) for the Department based on approved policy. Once the FWA policy has been finalized, ERM will assist in the development of a CBT.


The remaining recommendations are in process and ongoing.

- **Recommendation 2** - *Develop or update operational policies and procedures to improve internal controls and streamline processes.* The Department continues to publish and revise policies. To date, 58 policies have been published in the Department's online policy and procedure manual, throughout the 13 functions identified.

- **Recommendation 4** – Develop a policy to perform annual contract compliance reviews, including but not limited to the following: an evaluation of whether the service providers are abiding by contractual obligations; examining payments to determine if invoices submitted were complete, accurate, including supporting documentation, and in compliance with the contract or rate schedule terms; and any arms-length business relationship that exists. A Procurement Compliance Services (PCS) function that includes experienced state auditors was established within the Office of Procurement and Contracts (OPC) in May 2017. The OPC processes are documented. Plans are in development for OPC to finalize their policies in FY18.
- **Recommendation 9A** – Consider the need to automate other licensing areas and determine if this is in line with DCS Strategic Plan. The Office of Licensing and Regulation (OLR) began their pilot program of implementing the Staffing Matrix with the three largest group homes in August 2017. The goal is to increase the timeliness and gain efficiencies by replacing a manual background check process with an automated one through Quick Connect. The project has a timeline and is on schedule with an expected roll out to all group homes by January 2018.

The Department currently only has a draft of the most recent report that has been provided to JLBC. Once the Department receives the final report, it will be provided to the committee.

Sincerely,



Gregory McKay
Director

cc: The Honorable Debbie Lesko, Arizona State Senate
Matthew Gress, Office of Strategic Planning and Budgeting
Richard Stavneak, Joint Legislative Budget Committee
Patrick Moran, Joint Legislative Budget Committee
Sarah Pirzada, Office of Strategic Planning and Budgeting



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

June 30, 2017

The Honorable Don Shooter
Chairman, Joint Legislative Budget Committee
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Re: Department of Child Safety Quarterly Benchmark Progress Report

Dear Chairman Shooter:

Pursuant to Laws 2016, 2nd Regular Session, Chapter 8, Section 24, the Department submits its report on the progress made increasing the number of filled FTE positions, meeting the caseload standard and reducing the number of backlog cases and out-of-home children for the fourth quarter of FY 2017.

If you have any questions, please contact our office at (602) 255-2500.

Sincerely,

For Director McKay

Gregory McKay
Director

Enclosure

cc: Richard Stavneak, Director, Joint Legislative Budget Committee
Senator Debbie Lesko, Chairman, Joint Legislative Budget Committee
Lorenzo Romero, Director, Governor's Office and Strategic Planning and Budgeting
Patrick Moran, Joint Legislative Budget Committee
Sarah Pirzada, Governor's Office and Strategic Planning and Budgeting



DEPARTMENT OF CHILD SAFETY

Quarterly Benchmark Progress Report (Filling FTE Positions and Reducing the Backlog) June 2017

PROGRESS MADE IN INCREASING THE NUMBER OF FILLED FTE POSITIONS

There has been focused work by the Department to fill 100 percent of DCS positions and reduce turnover in order to sustain sufficient staff resources that provide quality services to the children and families it serves. Significant effort has taken place to fill positions statewide, including routine planning and information sharing meetings between Executive management, the Regional Program Administrators and Human Resources Managers. Recruitment and retention data is tracked and reviewed bi-monthly. Action plans are developed when areas of concern are identified through this tracking process. The Department continues its active recruitment process to fill all Child Safety Specialist positions. As of May 2017, the Department had filled 1,343 (95%) of the 1,406 funded positions. DCS funds 218 supervisor positions, 99% of which are filled. The breakdown of funded supervisor positions by region and the Hotline are as follows: Hotline-12, Central-63, Pima-49, Northern-20, Southeast-9, and Southwest-64. The Department is actively recruiting to fill the vacant supervisor positions, which will reduce the DCS Specialist to supervisor ratio.

The Department of Child Safety (DCS) continues to employ a professional recruiter to develop community and organizational partnerships to create a pathway of qualified candidates. The Department has centralized the statewide recruitment of the DCS Specialist classification, under the direction of the Recruitment Manager. The Department continues its active recruitment process to fill all positions. During CY 2017, DCS Human Resources (HR) has focused on the accountability of the Title IV-E University child welfare program. DCS HR has been working with Arizona State University, Northern Arizona University, and DCS Office of Procurement and Contracts to improve monitoring for all students from 2014 to present on their tenure with the agency. DCS HR completed a Standard Operating Procedure to outline the process of the program and created a tracking system outlining the percentage of students completing the program and students leaving prior to completing their contractual obligation.

The Department's Human Resource (HR) team has made improvements to the hiring process during SFY 2017. An analysis was conducted in relation to the ratio of staff hired and leaving DCS employment, which resulted in additional efforts to recruit field staff. The HR team has a goal of 40 new hires per month, which exceeds the average number of staff leaving the Department. In order to reach this goal, the team contacts all applicants immediately upon receipt of the initial application, sends recruitment packets via email to speed up the transmission of information, conducts follow up emails or phone calls to applications to obtain missing or incomplete information, schedules the new hire interview immediately upon receipt of the complete application, and has added an additional staff member to assist in completing background reference checks. The HR team has also started to monitor the number of new hires that leave DCS within

DCS Quarterly Benchmark Progress Report
June 2017

the first year to allow future analysis of this information.

DCS continues to offer case aides with five or more years of experience the opportunity to promote to DCS Specialist positions, which brings staff already familiar with the child welfare system to areas of need. In May 2017, qualifying DCS staff, including case managers, case aides, and support staff, were provided a \$150 bonus.

In addition to the Department's efforts to reduce turnover and improve recruitment of DCS Child Safety Specialists, the Department is also committed to minimizing the overall attrition of all DCS employees by improving the onboarding experience, and striving to improve overall job satisfaction with the agency. Chart 1 shows the number DCS Specialist hires for CY 2016 and 2017 to date along with hiring targets established against attrition rates historically observed. Chart 2 shows the Department's significant improvements in reducing turnover for all DCS employees in the past two quarters. Data for March is preliminary and will be updated in future reports.

Chart 1 – DCS Specialist Hires and Target Trends

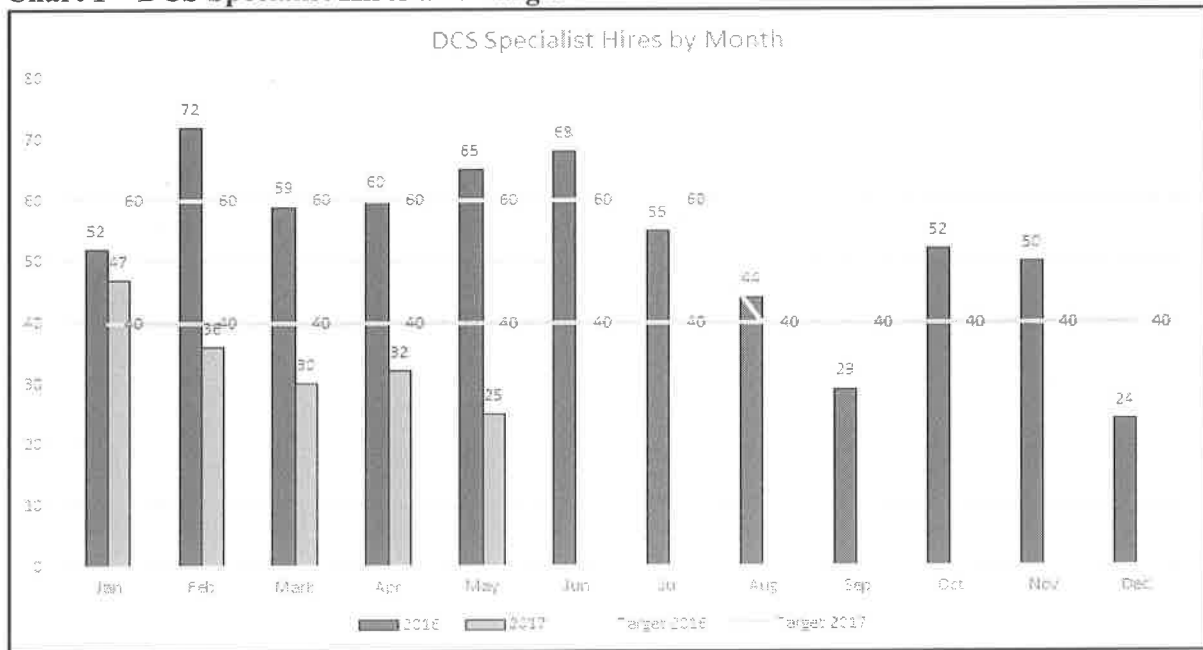
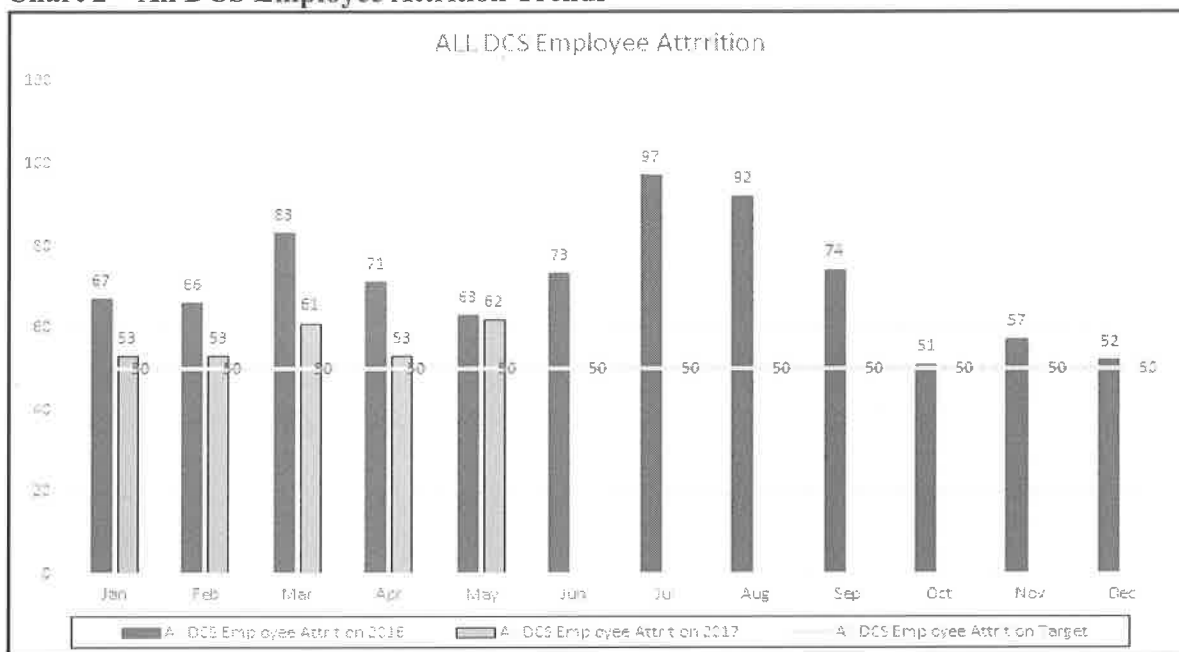


Chart 2 – All DCS Employee Attrition Trends



*DCS Employee Turnover is not available for the month of June at the time this report was due and will be updated in the next quarterly report.

PROGRESS REDUCING INACTIVE CASES AND IMPROVING CASELOADS

During the fourth quarter of FY 2017, the Department maintained activities and initiatives across the state to continue reducing the backlog and total number of open reports. Additionally, the DCS human resources department has made concerted efforts to hire and place specialists at a rate equal to any departures from the Department. As a result of the sustained staffing levels, reduced number of backlog inactive cases and total open reports, and reduced foster care population, the overall caseloads for DCS investigators have reduced this quarter. It is important to note that the Department realigned several units in the Central and Southwest Regions.

The Department achieved another milestone this quarter in its effort to reduce the backlog and open reports. In March 2017, DCS fell below the legislatively required benchmark of 1,000 backlog cases. From a peak of 16,014 in January of 2015, the Department now has only 354 backlog cases as of June 19, 2017, representing a 98 percent decrease. The Department's efforts now focus on maintenance of caseload levels to avoid a return to higher numbers of backlog cases. Already, in many portions of the state, efforts transitioned from reduction initiatives to sustainment activities as a means of maintaining the positive gains achieved and preventing the recurrence of an investigative backlog. In those particular offices, sustainment measures include the implementation of performance management metrics to monitor and control the total number of open reports and the percentage of those reports that are overdue, and the implementation of leader standard work to ensure routine follow-up.

DCS continues the use of selected assistance work teams and, Regional action plans, while leveraging provider partnerships and maintaining weekly performance huddle calls as a means of maintaining progress and establishing performance accountability. As a result of these efforts, the

DCS Quarterly Benchmark Progress Report
June 2017

Department has achieved the benchmark of less than 13,000 open reports six months ahead of the established target date. From a peak of 33,245 open reports in April 2015, the Department has reduced that to only 5,644 open reports as of June 19, 2017 representing an 83 percent reduction (see Table 2).

PROGRESS MADE REDUCING THE OUT-OF-HOME POPULATION

While much of the emphasis has been focused on continued reduction of the backlog and total number of open reports, additional efforts have been made to reduce the out-of-home foster care population. The Department continues to realize progress in fiscal quarter 3, reducing the out-of-home foster care population by 4.25 percent (762 children) ending with 17,174 children in care. The progress made since the baseline period of March 31, 2016 is a 9.2 percent reduction (1,743 children). These gains represent the first continued and sustainable population reduction in nearly a decade. The reduction of the foster care population can be attributed to several key factors: slowing of the entry rate and sustained performance in children exiting care.

Over the past three fiscal quarters, investigative case manager workload has dropped appreciably as the backlog has been eliminated (see Table 3). This coupled with the additional standardized process tools including supervisory administrative and case progress review checklists, as well as standardized safety discussions guides, have contributed to the reduced number of children entering the out-of-home care population.

Through the continued application of monthly clinical staffings on reunification cases using a standardized process, ongoing workers have been able to maintain the rate of children exiting care. Through these standard process activities, paired with the continued to use of cursory case reviews and Fostering Sustainable Connections (the Title IV-E Waiver demonstration project), the Department seeks to continue realizing safe and sustainable out-of-home care population reductions.

Table 2 – Benchmark Performance

		Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18
Backlog Cases	<i>Benchmark (less than)</i>	10,000	7,000	4,000	1,000	1,000	1,000	1,000	1,000
	<i>Actual</i>	4,790	2,854	746	354				
Backlog Case by disposition	<i>Investigation Phase</i>	4,554	2,671	633	222				
	<i>In-Home Cases</i>	222	160	99	111				
	<i>Out-of-Home Cases</i>	14	23	14	21				
Number of Open Reports	<i>Benchmark (less than)</i>	---	---	---	13,000	13,000	13,000	13,000	13,000
	<i>Actual</i>	13,477	9,611	6,610	5,644				
Number of Out-of-Home Children	<i>Benchmark (less than)</i>	---	---						17,500
	<i>Benchmark (% reduction)</i>			2%	2%	2%	2%	2%	2%
	<i>Actual</i>	18,183	17,936	17,174	16,917				
Footnotes									
- Number of open reports is the actual figure as of the Monday before the legislatively required reporting period based on the automated report run.									
- Number of inactive cases is the actual figure as of the Monday before the legislatively required reporting period based on the automated report run.									
- Out-of-home population figures are directly from the 29th of the Month "TIGGER" report which is a lagging 60 day metric.									

DCS Quarterly Benchmark Progress Report
June 2017

Table 3 – Headcount and Caseload Performance

Region			March 31, 2016 Baseline			Quarter 3 FY 2017						Quarter 4 FY 2017										
			Caseload			FTE		Caseload						FTE		Caseload						
			# of open reports (Investigations)	# of In home cases	# of Out-of-Home Children	Investigators	Case managers	# of open reports (Investigations)	# of In home cases	# of Out-of-Home Children	Investigation (reports per worker)	In Home (cases per worker)	Out of Home (children per worker)	Investigators	Case managers	# of open reports (Investigations)	# of In home cases	# of Out-of-Home Children	Investigation (reports per worker)	In Home (cases per worker)	Out of Home (children per worker)	
10 - Central	0, 1	Apache Junction/Kearney	576	0	601	14	14	369		632	27		48	13	13	218		617	16		46	
	2	Casa Grande/Coolidge	824	0	668	15	15	320		618	23		42	18	18	230		627	14		39	
	3	Osborn	1005	0	542	14	14	359		546	26		39	14	14	112		568	8		41	
	4	In Home	17	495	111		31	25	457	10	1	15	0		31	21	502	7	1	16	0	
	5	Mesa	1423	0	615	15	15	174		570	12		38	12	12	216		605	12		33	
	6	Gilbert	1236	0	324	20	20	399		641	15		32	19	19	163		629	9		33	
	7	Tempe	1796	0	911	20	20	400		665	20		33	20	20	288		535	14		32	
	8	South Mountain	1493	0	663	17	17	413		744	24		43	16	16	220		581	14		43	
	9	North Central	1922	0	775	13	13	363		538	20		29	13	13	248		501	17		34	
	10	19th Avenue	2	0	1530		38	0		1584	0		42		39	0		1626	0		41	
20-Pima	1	East Broadway	980	49	342	20	27	222	52	350	11	2	13	19	24	193	40	303	10	2	12	
	2	Wetmore	227	27	398	11	21	201	29	444	29	1	21	11	21	207	19	448	19	2	21	
	3	Country Club	132	18	370	11	21	83	34	439	8	1	21	11	22	66	20	407	6	1	18	
	4	Wetmore	128	19	319	12	23	134	13	254	11	1	11	11	22	191	21	252	17	1	11	
	5	Madera A	599	39	164	11	21	113	12	301	11	1	15	11	21	208	0	333	19	0	16	
	6, 0	AHIT/Adoptions*	7	0	355	2	20	13	0	376	9	0	19	5	27	4	0	656	1	0	24	
	7	22nd/Alvernon	326	33	375	10	20	129	42	316	13	2	17	10	23	102	29	309	10	1	14	
	8	Madera B	124	15	312	10	20	139	23	299	14	1	15	10	20	114	33	248	11	3	13	
	9	Alvernon	82	0	340	10	20	50	0	246	5	0	13	5	5	37	0	65	7	0	13	
	10																					
30 - Northern	1	Prescott/Frescott Valley	266	---	398	12	12	242	28	229	21	2	19	13	13	205	19	252	16	1	20	
	2	St. Johns/Winflow/Show Low	127	---	198	6	9	43	13	150	7	2	39	8	8	55	18	221	7	2	40	
	3	Flagstaff/Huge/Cottonwood/Fredonia	200	---	220	12	12	107	9	149	9	1	13	11	11	129	3	151	12	0	14	
	4	Bullhead City/Lake Havasu	176	---	299	6	8	127	77	278	15	9	23	8	8	162	11	313	20	1	16	
	5, 00	Kingman	198	---	132	10	10	71	6	327	7	1	32	11	11	91	12	304	9	1	28	
40 - Southeast	1	Benson, Douglas, Nogales, SV	254	30	243	5	9	18	9	196	4	1	21	6	11	20	4	188	4	0	17	
	2	SV, Sahndi	645	34	169	7	13	123	33	194	19	3	15	5	10	178	8	197	24	1	15	
	3	Globe, Rayson	383	14	119	3	5	35	4	102	13	1	19	3	5	46	11	119	18	2	22	
50 - Southwest	0, 1	CHILDHELP Advocacy	482	0	4		0	3		8	0		0		0	0		1	0		0	
	3	In Home	44	---	101		41	35	502	133	1	12	3		38	36	486	27	1	13	1	
	4	Thunderbird	937	0	C	19	19	245		606	13		32	19	19	238		573	12		30	
	5	Phoenix	1399	0	839	19	19	300		631	18		34	19	19	281		623	15		33	
	6	Glendale/Paranjo	1524	0	594	21	21	293		566	14		27	23	21	330		629	14		27	
	7	Avondale/Advocacy	514	0	804	20	20	296		745	15		37	19	19	183		631	10		38	
	8	Adoptions	0	0	1867		21	0		1318	0		72		42	0		1509	0		37	
	9	Yuma, Parker, Summerton	347	0	418	16	16	153		442	5		27	16	16	112		436	7		27	
	12	West 101	953	0	675	18	18	319		563	17		31	17	17	288		582	17		35	
	13	Pinnacle Peak	597	0	713	15	15	219		458	15		31	17	17	227		431	13		26	
	9, 105 - Other	various	Various	170		48			352		66						220		42			
	Totals			22608	793	18143			6580	1333	17174						5644	1268	18917			

Footnotes

- * FTE reporting for March 31, 2016: The process of reporting FTE, in particular the specific section assignment of trainees, was not yet established in March 2016. As a result the FTE counts for that period are not available since they do not match the information on the total number of filled FTE positions as is required by the monthly hiring report.
- Number of open reports is the actual figure as of the Monday before the legislatively required reporting period based on the automated report run.
- Number of inactive cases is the actual figure as of the Monday before the legislatively required reporting period based on the automated report run.
- Trainees are accounted for in FTE figures in each section with an equal distribution of 20% caseload.
- Out-of-home population figures are directly from the 20th of the Month Tigger which is a lagging 60 day metric.
- In Home cases are based on a handcount of cases actively managed in each respective region. March values for Northern Region are not available given that the region counted the number of children and not the number of cases.
- In Home case figures were not handcounted in Southwest Region in March 2016. The handcount only included total child count.
- In Home cases assignments differ regionally. Central and Southwest Regions employ specific in home units who manage in home cases only while Northern, Pima and Southeast Regions have mixed units that may carry in home or out of home cases.
- FTE assignments to investigations or case management are based on assignment of 50% investigative and 50% ongoing in Central, Northern and Southwest Regions. Pima and Southeast Regions employ a distribution of 34% investigations and 66% ongoing.
- Southwest Region Section 3 managers both in home cases and permanency planning units. The workload distribution is based on one unit of Permanency Planning Specialist and the remaining Specialist assigned to In Home.
- * Pima Region Section 6, Quarter 3, was updated as adoption cases have been centralized to this unit after transitioning from a Vendor managed unit. As a result an additional adoption unit was created and updates to the total number case managers was required.



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Micaela Larkin, Senior Fiscal Analyst *ML*

SUBJECT: Arizona Department of Corrections - Review of FY 2017 Bed Capacity Report

Request

Pursuant to a FY 2018 General Appropriation Act footnote (Laws 2017, Chapter 305), the Arizona Department of Corrections (ADC) has submitted for review a report detailing the bed capacity changes in FY 2017, and the proposed changes in FY 2018.

Committee Options

The Committee has at least the following 3 options:

1. A favorable review of the report.
2. An unfavorable review of the report.

Key Points

- 1) In FY 2017, ADC opened 1,000 new budgeted private beds. Using their discretionary authority, ADC closed a net (436) state-operated beds for a net increase in operating capacity of 564 beds.
- 2) In comparison, the inmate population fell by (702) in FY 2017.
- 3) At the end of FY 2017, ADC has a permanent bed shortfall of (2,925), but through the use of temporary beds, has an overall surplus of 2,373.
- 4) FY 2018 plans include the deactivation of 620 of the 2,398 beds at the state facility at Douglas. ADC will use the savings to address systemwide vacancy and overtime issues.

(Continued)

Analysis

Apart from any legislative changes, ADC may alter its bed capacity during the year. The department can establish or decommission beds and also has flexibility to shift beds between inmate classifications. To better track the impact of the department's revisions, the FY 2018 General Appropriation Act requires ADC to submit bed capacity data for FY 2017, explain any adjustments since FY 2016, and provide projections for FY 2018.

Total Capacity

The department's total capacity is the sum of permanent and temporary beds at both state operated and private prisons. Permanent (rated) beds are, by physical design or as defined by law, a permanent part of a unit. Temporary beds are added to areas that were not originally intended to house inmates or double-bunked beds in areas that were intended for single beds.

For FY 2017, ADC reported a total capacity increase of 564 beds for a total capacity of 44,573 beds. As described in *Table 1*, the net increase included an increase of 1,142 permanent beds and the closure of (578) temporary beds.

Table 1 FY 2017 Bed Capacity Changes				
<u>Custody Level</u>	<u>Permanent</u>	<u>Temporary</u>	<u>Total Operating Capacity</u>	<u>Description</u>
Minimum	130	(614)	(484)	<ul style="list-style-type: none"> Reopened 130 male permanent beds at ASPC - Douglas. Eliminated male temporary beds at various state prisons: (90) beds at ASPC - Douglas Papago Unit, (52) beds at ASPC - Florence, (256) beds at ASPC - Safford, (216) beds at ASPC - Winslow.
Medium	500	(24)	476	<ul style="list-style-type: none"> As funded in the budget, added 1,000 private male permanent medium custody beds at ASP - Red Rock. Redesignated (500) male permanent medium custody beds as close custody at ASPC - Eyman. Eliminated (24) male temporary medium custody beds at ASP - Tucson.
Close	927	132	1,059	<ul style="list-style-type: none"> Redesignated 88 female permanent beds and 36 female temporary beds from maximum custody to close custody at ASPC - Perryville. 500 male permanent beds redesignated from medium custody at ASPC - Eyman. Redesignated male maximum custody beds as close custody: 96 beds at ASPC - Eyman, 40 beds at ASPC - Florence, 132 beds at ASPC - Lewis, 35 beds at ASPC - Phoenix, 36 beds at ASPC - Tucson. Redesignated 96 male maximum custody beds as close custody at ASPC - Eyman.
Maximum	(535)	(72)	(607)	<ul style="list-style-type: none"> Added 120 male temporary maximum custody beds at ASPC - Eyman. Redesignated (196) female permanent maximum custody beds and (96) female temporary beds to close custody and to a female assessment unit. Redesignated permanent male maximum custody beds as close custody beds: (36) beds at ASPC - Tucson, (35) beds at ASPC - Phoenix, (132) beds at ASPC - Lewis, (40) beds at ASPC - Florence, (96) beds at ASPC - Eyman. Redesignated (96) temporary male maximum custody beds as close custody beds at ASPC - Eyman.
Reception	120	0	120	<ul style="list-style-type: none"> Redesignated 120 female permanent maximum custody beds to an intake/assessment unit for prisoners at ASPC - Perryville. ADC designated these beds as Other in the bed report. ADC uses 336 male maximum custody beds for intake/reception at ASPC - Phoenix for the same purpose. While reported as maximum custody by ADC and on this chart, the other tables represent these 207 permanent beds and 129 temporary beds as male reception beds for the purpose of comparison.
Total	1,142	(578)	564	

(Continued)

The increase primarily consisted of the opening of an additional 1,000 male private medium custody beds at ASP - Red Rock. The decrease included the following major changes:

- The elimination of 614 male minimum temporary beds to align the bed capacity with the lower population and create operational efficiencies.
- The department also reported the reallocation of 500 male permanent close custody beds to medium custody at ASPC - Eyman to align with population needs as well as moving 435 male maximum custody beds to close custody.

By the end of FY 2018, ADC anticipates the number of total beds will decrease from June 30, 2017 by (620) to a total capacity of 43,953 beds. The projected FY 2018 changes include the deactivation of 3 male minimum units at ASPC - Douglas. The (620) male beds were part of an operating capacity of 2,398 at the facility. The first of the units no longer housed inmates as of March 10, 2017, and as of September 1, 2017, ADC no longer houses inmates in the other 2 units.

The closure of a unit reduces the staffing costs for a prison. The cost of staffing the closed units was about \$6.5 million in FY 2016. Unlike other ADC facilities with higher vacancy rates, ASPC - Douglas at the end of August reported a 1.91% vacancy rate for correctional officers. For comparison, ASPC - Eyman reported a vacancy rate of 27.52% for the same period. ADC will redirect the savings and efficiencies from closing the 3 units at ASPC - Douglas towards systemwide vacancy and overtime issues.

Appendix A provides a summary of the adjustments for FY 2017 and the proposed adjustments for FY 2018.

FY 2017 Bed Surplus/Shortfall

Table 2 illustrates 2 different ways to evaluate whether the department is experiencing a bed surplus or shortfall. When counting only permanent beds in relation to the inmate population, ADC has a shortfall of (2,925) beds. The second method of evaluating bed status is to determine ADC's total bed capacity, including both permanent and temporary beds. After adjusting for 5,298 temporary beds in the ADC system, the permanent bed shortfall of (2,925) becomes a 2,373 total bed surplus.

	Permanent Beds	Total Beds (Incl. Temp.)	Inmate Population 6/30/17	Permanent Surplus (+) Shortfall (-)	Total Surplus (+) Shortfall (-)
ADC System					
Minimum	14,175	14,939	13,843	332	1,096
Medium	15,727	19,478	19,118	(3,391)	360
Close	6,694	6,936	6,383	311	553
Maximum	2,352	2,764	2,488	(136)	276
Reception ^{1/}	327	456	368	(41)	88
Total – ADC System	39,275	44,573	42,200	(2,925)	2,373
^{1/} Reception: These units are used for intake of inmates before the assessment of the custody level. ADC's capacity report shows the 120 female beds for this purpose as other and the 336 male beds as maximum custody (comprised of 207 permanent beds and 129 temporary beds). This table shows these beds in a reception category for comparison purposes.					

(Continued)

At the end of FY 2017, male inmate beds represented the majority of the bed surplus as shown in *Table 3*. *Appendix B* details the capacity and population by custody level and gender. For the purposes of comparison between genders, this table includes a Reception category. These Reception units are used for intake of inmates before the assessment of the custody level. ADC's capacity report shows the 120 female beds for this purpose as Other permanent beds and the 336 male beds as Maximum custody - Reception in the bed report and daily count sheet. *Table 3* breaks out the reception beds into a separate category, and only shows as Maximum custody the male units dedicated to holding prisoners classified at that custody level in the system.

Table 3			
End of FY 2017 Total Bed Surplus (+) / Shortfall (-)			
	<u>Male</u>	<u>Female</u>	<u>Systemwide</u>
Minimum	1,095	1	1,096
Medium	365	(5)	360
Close	381	172	553
Maximum	276	0	276
Reception	<u>49</u>	<u>39</u>	<u>88</u>
Total	2,166	207	2,373

RS/ML:kp
Attachment

(Continued)

Appendix A: FY 2017 and FY 2018 Total Operating Capacity Adjustments

FY 2017 and FY 2018 Operating Capacity Adjustments															
	Permanent					Temporary					Total Operating Capacity				
	June 2016	Change in Beds	June 2017	Change in Beds	June 2018	June 2016	Change in Beds	June 2017	Change in Beds	June 2018	June 2016	Change in Beds	June 2017	Change in Beds	June 2018
State Prisons															
Minimum	10,545	130	10,675	(620)	10,055	1,128	(614)	514	0	514	11,673	(484)	11,189	(620)	10,569
Medium	11,827	(500)	11,327	0	11,327	3,387	(24)	3,363	0	3,363	15,214	(524)	14,690	0	14,690
Close	5,767	927	6,694	597	7,291	110	132	242	24	266	5,877	1,059	6,936	621	7,557
Maximum	3,094	(742)	2,352	(597)	1,755	613	(201)	412	(24)	388	3,707	(943)	2,764	(621)	2,143
Reception	0	327	327	0	327	0	129	129	0	129	0	456	456	0	456
Total - State Prisons	31,233	142	31,375	(620)	30,755	5,238	(578)	4,660	0	4,660	36,471	(436)	36,035	(620)	35,415
Private Prisons															
Minimum	3,500	0	3,500	0	3,500	250	0	250	0	250	3,750	0	3,750	0	3,750
Medium	3,400	1,000	4,400	0	4,400	388	0	388	0	388	3,788	1,000	4,788	0	4,788
Total - Private Prisons	6,900	1,000	7,900	0	7,900	638	0	638	0	638	7,538	1,000	8,538	(8,538)	8,538
Total															
Minimum	14,045	130	14,175	(620)	13,555	1,378	(614)	764	0	764	15,423	(484)	14,939	(620)	14,319
Medium	15,227	500	15,727	0	15,727	3,775	(24)	3,751	0	3,751	19,002	476	19,478	0	19,478
Close	5,767	927	6,694	597	7,291	110	132	242	24	266	5,877	1,059	6,936	621	7,557
Maximum	3,094	(742)	2,352	(597)	1,755	613	(201)	412	(24)	388	3,707	(943)	2,764	(621)	2,143
Reception	0	327	327	0	327	0	129	129	0	129	0	456	456	0	456
Total - ADC System	38,133	1,142	39,275	(620)	38,655	5,876	(578)	5,298	0	5,298	44,009	564	44,573	(620)	43,953

1/ Reception: These units are used for intake of inmates before the assessment of the custody level. ADC's capacity report shows the 120 female beds for this purpose as other and the 336 male beds as maximum custody beds. This table breaks out the reception beds in FY 2017 and FY 2018 for comparison purposes.

Appendix B: End of FY 2017 Bed Surplus/Shortfall by Gender

End of FY 2017 Male Bed Surplus(+)/Shortfall (-)					
	Permanent Beds	Total Operating Capacity (Perm. + Temp. Beds)	Inmate Population June 30, 2017	Permanent Beds Surplus (Shortfall)	Total (Operating) Capacity Surplus (Shortfall)
State Prisons					
Minimum	8,343	8,857	7,957	386	900
Medium	10,175	13,538	13,240	(3,065)	298
Close	6,064	6,270	5,889	175	381
Maximum	2,352	2,764	2,488	(136)	276
Reception <u>1/</u>	207	336	287	(80)	49
Total - State Prisons	27,141	31,765	29,861	(2,720)	1,904
Private Prisons					
Minimum	3,500	3,750	3,555	(55)	195
Medium	4,400	4,788	4,721	(321)	67
Total - Private Prisons	7,900	8,538	8,276	(376)	262
ADC System					
Minimum	11,843	12,607	11,512	331	1,095
Medium	14,575	18,326	17,961	(3,386)	365
Close	6,064	6,270	5,889	175	381
Maximum	2,352	2,764	2,488	(136)	276
Reception <u>1/</u>	207	336	287	(80)	49
Total - Male ADC System	35,041	40,303	38,137	(3,096)	2,166
<u>1/</u> Reception: These units are used for intake of inmates before the assessment of the custody level. ADC's capacity report shows the male beds as maximum custody beds. This table classifies these maximum custody beds used for intake as reception beds for comparison purposes.					

End of FY 2017 Female Bed Surplus(+)/Shortfall (-)					
	Permanent Beds	Total Operating Capacity (Perm. + Temp. Beds)	Inmate Population June 30, 2017	Permanent Beds Surplus (Shortfall)	Total (Operating) Capacity Surplus (Shortfall)
State Prisons					
Minimum	2,332	2,332	2,331	1	1
Medium	1,152	1,152	1,157	(5)	(5)
Close	630	666	494	136	172
Maximum	0	0	0	0	0
Reception <u>1/</u>	120	120	81	39	39
Total - Female ADC System <u>2/</u>	4,234	4,270	4,063	171	207
<u>1/</u> Reception: These units are used for intake of inmates before the assessment of the custody level. ADC's capacity report shows the 120 female beds as Other permanent beds. This table classifies these Other permanent beds used for intake as reception beds for comparison purposes.					
<u>2/</u> There are no female prisoners in contract beds.					



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CHARLES L. RYAN
DIRECTOR

July 31, 2017

The Honorable Don Shooter, Chairman 2017
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007



Dear Representative Shooter:

Enclosed you will find the Arizona Department of Corrections Bed Capacity Report which is being submitted pursuant to Laws 2017, 1st Regular Session, Chapter 305 (SB 1522), Section 24.

As required by statute the report reflects the bed capacity of each custody level by gender at each state-run and private institution, divided by rated and total beds. The reporting period is for June 30, 2016 to June 30, 2017 and includes an explanation for each change that occurred within this time period. In addition to the actual bed capacity, the enclosed report also includes the projected bed capacity through June 30, 2018 and provides an explanation for the anticipated changes.

ADC beds are defined, categorized, tracked and utilized in a variety of ways. For the purposes of this report and by policy the ADC defines beds as outlined below:

- **Rated Beds (R):** Rated beds are by physical design or as defined by law or court order, or as determined in relation to staffing level, food service, water and sewage capabilities, and a permanent part of a unit.
- **Temporary Beds (T):** Temporary beds are added to a unit in addition to rated beds assigned to that unit such as tents, or beds in day rooms. Temporary beds are not part of the physical design of a unit and can result in overcrowding, impact staff and inmate safety and create a strain on the physical plant such as water and sewage capabilities.
- **Operating Capacity (R+T=OC):** Operating capacity is the sum of rated beds and temporary beds only.
- **Special Use Beds (SU):** Special use beds are used for maximum behavior control, mental health observation or medical inpatient care, and investigative detention. Special use beds are short-term and not part of the operating capacity.

During FY 2017 the ADC operating capacity (rated beds + temporary beds = operating capacity) was increased by 564 beds from 44,009 on June 30, 2016 to 44,573 on June 30, 2017. In addition, special use beds were increased by 32 from 1,692 on June 30, 2016 to 1,724 on June 30, 2017.

During FY 2017 ADC activated 1,000 medium custody beds at ASP-Red Rock. The beds were authorized pursuant to Laws 2015, 1st Regular Session, Chapter 17 (SB 1478), Section 11. Activation and loading began in July 2016 and were fully activated by January 2017.

The Honorable Don Shooter
July 31, 2017
Page 2

Additional changes to rated and temporary beds were at existing prison units and were the result of population management needs such as custody level, gender, and specialized inmate populations. For example, 500 rated beds at the ASPC-Eyman Rynning Unit were reallocated from medium custody to close custody to expand the capacity for housing close custody inmates. In addition, 427 additional close custody rated beds came from reallocated beds that had been classified as maximum custody. Temporary bed changes include the deactivation of 614 minimum custody beds across 6 units due to reduced bed need in minimum custody.

Additional detail on changes that occurred during FY 2017 can be found in Section I of the enclosed report.

No new prison units will be activated during FY 2018. ADC does anticipate reducing male minimum custody beds by deactivating 620 rated beds at ASPC-Douglas. The anticipated bed changes include the closure of three units, the Maricopa Unit (130 beds), Eggers Unit (240 beds), and the Papago Unit (250 beds). Further, additional changes to temporary beds and reallocations between custody levels are anticipated as bed needs change among specialized populations and/or custody levels.

As always, if I can provide additional information, please do not hesitate to contact me.

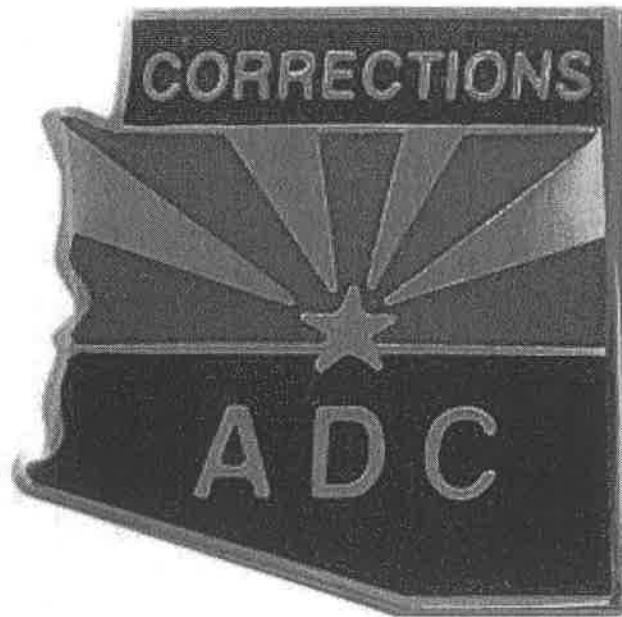
Sincerely,



Charles L. Ryan
Director

Enclosure

cc: The Honorable Debbie Lesko, Chairman 2018, Joint Legislative Budget Committee
Matthew Gress, Director, Governor's Office of Strategic Planning and Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee
Ryan Vergara, Budget Analyst, Governor's Office of Strategic Planning and Budgeting
Micaela Larkin, Fiscal Analyst, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF CORRECTIONS
Charles L. Ryan, Director

Bed Capacity Report

June 2017

**ARIZONA DEPARTMENT OF CORRECTIONS
BED CAPACITY REPORT**

Pursuant to Laws 2017, Fifty-third Legislature, First Regular Session, Chapter 305 (SB 1522) the ADC is required to "provide a report on bed capacity to the joint legislative budget committee for its review on or before August 1, 2017. The report shall reflect the bed capacity for each security classification by gender at each state-run and private institution, divided by rated and total beds. The report shall include bed capacity data for June 30, 2016 and June 30, 2017 and the projected capacity for June 30, 2018, as well as the reasons for any change within that time period. Within the total bed count, the department shall provide the number of temporary and special use beds."

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Arizona Department of Corrections

Bed Capacity Report

Section I

Change from June 30, 2016 to June 30, 2017

Arizona Department of Corrections
Bed Capacity Report
ADC Summary - Change from June 30, 2016 to June 30, 2017

<u>Complex</u>	<u>Rated</u>	<u>Temporary</u>	<u>Operating Capacity</u>	<u>Special Use</u>	<u>Total Beds</u>
State Operated					
Minimum	130	(614)	(484)	0	(484)
Medium	(500)	(24)	(524)	0	(524)
Close	927	132	1,059	0	1,059
Maximum	(535)	(72)	(607)	(16)	(623)
Other	120	0	120	26	146
Total State Operated	<u>142</u>	<u>(578)</u>	<u>(436)</u>	<u>10</u>	<u>(426)</u>
Private Prisons					
Minimum	0	0	0	0	0
Medium	1,000	0	1,000	0	1,000
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	22	22
Total Private Prisons	<u>1,000</u>	<u>0</u>	<u>1,000</u>	<u>22</u>	<u>1,022</u>

ADC Summary					
Minimum	130	(614)	(484)	0	(484)
Medium	500	(24)	476	0	476
Close	927	132	1,059	0	1,059
Maximum	(535)	(72)	(607)	(16)	(623)
Other	120	0	120	48	168
Total ADC Summary	<u>1,142</u>	<u>(578)</u>	<u>564</u>	<u>32</u>	<u>596</u>

Arizona Department of Corrections
Bed Capacity Report

State & Privately Operated Prisons - Detail of Bed Changes from June 30, 2016 to June 30, 2017

Complex	Custody	Gender	Comment	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC-Douglas								
Maricopa Unit	Minimum	Male	Reopened Maricopa Unit	130	0	130	0	130
Papago Unit	Minimum	Male	Temporary beds removed from general population housing	0	(90)	(90)	0	(90)
Total ASPC-Douglas				130	(90)	40	0	40
ASPC-Eyman								
Browning Unit	Maximum	Male	Addition of maximum custody temporary beds to accommodate housing needs	0	120	120	0	120
Rynning Unit	Medium	Male	Reallocated from medium custody housing to close custody	(500)	0	(500)	0	(500)
Rynning Unit	Close	Male	Reallocated from medium custody housing to close custody	500	0	500	0	500
Special Management Unit	Maximum	Male	Reallocated sex offender beds from maximum custody to close custody	(96)	(96)	(192)	0	(192)
Special Management Unit	Close	Male	Reallocated sex offender beds from maximum custody to close custody	96	96	192	0	192
Total ASPC-Eyman				0	120	120	0	120
ASPC-Florence								
Central Unit	Maximum	Male	Reallocated beds from maximum to close custody	(40)	0	(40)	0	(40)
Central Unit	Close	Male	Reallocated beds from maximum to close custody	40	0	40	0	40
Globe Unit	Minimum	Male	Eliminated temporary beds	0	(52)	(52)	0	(52)
Total ASPC-Florence				0	(52)	(52)	0	(52)
ASPC-Lewis								
Medical Unit	Other	Male	Added special use beds	0	0	0	4	4
Rast Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(132)	0	(132)	0	(132)
Rast Unit	Close	Male	Reallocated from maximum custody to close custody housing	132	0	132	0	132
Total ASPC-Lewis				0	0	0	4	4
ASPC-Perryville								
Lumley Unit	Maximum	Female	Reallocated from maximum custody to close custody housing	(100)	(48)	(148)	0	(148)
Lumley Unit	Close	Female	Reallocated from maximum custody to close custody housing	88	36	124	0	124
Reception & Assessment	Maximum	Female	Reallocated from maximum custody to close custody housing	(96)	(48)	(144)	0	(144)
Reception & Assessment	Other	Female	Reallocated from maximum custody to close custody housing	120	0	120	0	120
Complex Detention	Other	Female	Added special use beds	0	0	0	6	6
Total ASPC-Perryville				12	(60)	(48)	6	(42)
ASPC-Phoenix								
Flanenco Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(35)	0	(35)	0	(35)
Flanenco Unit	Close	Male	Reallocated from maximum custody to close custody housing	35	0	35	0	35
Total ASPC-Phoenix				0	0	0	0	0
ASPC-Safford								
Fort Grant Unit	Minimum	Male	Temporary beds removed from general population housing	0	(160)	(160)	0	(160)
Graham Unit	Minimum	Male	Temporary beds removed from general population housing	0	(96)	(96)	0	(96)
Total ASPC-Safford				0	(256)	(256)	0	(256)
ASPC-Tucson								
Minors Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(36)	0	(36)	(16)	(52)
Minors Unit	Close	Male	Reallocated from maximum custody to close custody housing	36	0	36	0	36
Minors Unit	Other	Male	Reallocated beds to intake housing from maximum custody	0	0	0	16	16
Manzanita	Medium	Male	Eliminated temporary beds in general population	0	(24)	(24)	0	(24)
Total ASPC-Tucson				0	(24)	(24)	0	(24)
ASPC-Winslow								
Apache Unit	Minimum	Male	Temporary beds removed from general population housing	0	(80)	(80)	0	(80)
Coronado Unit	Minimum	Male	Temporary beds removed from general population housing	0	(136)	(136)	0	(136)
Total ASPC-Winslow				0	(216)	(216)	0	(216)
State Operated				130	(614)	(484)	0	(484)
Minimum				(500)	(24)	(524)	0	(524)
Medium				927	132	1,059	0	1,059
Close				(535)	(72)	(607)	(16)	(623)
Maximum				120	0	120	26	146
Other				142	(578)	(436)	10	(426)
Total State Operated								
Private Prisons				1,000	0	1,000	0	1,000
Red Rock - CCA				0	0	0	22	22
Red Rock - CCA				1,000	0	1,000	22	1,022
Total Private Prisons								
All Bed Changes				130	(614)	(484)	0	(484)
Minimum				500	(24)	476	0	476
Medium				927	132	1,059	0	1,059
Close				(535)	(72)	(607)	(16)	(623)
Maximum				120	0	120	48	168
Other				1,142	(578)	564	32	596
Total Bed Changes								

Arizona Department of Corrections

Bed Capacity Report

Section II

Projected Change from June 30, 2017 to June 30, 2018

Arizona Department of Corrections
Bed Capacity Report
ADC Summary - Projected Change from June 30, 2017 to June 30, 2018

<u>Complex</u>	<u>Rated</u>	<u>Temporary</u>	<u>Operating Capacity</u>	<u>Special Use</u>	<u>Total Beds</u>
State Operated					
Minimum	(620)	0	(620)	0	(620)
Medium	0	0	0	0	0
Close	597	24	621	0	621
Maximum	(597)	(24)	(621)	0	(621)
Other	0	0	0	0	0
Total State Operated	<u>(620)</u>	<u>0</u>	<u>(620)</u>	<u>0</u>	<u>(620)</u>
Private Prisons					
Minimum	0	0	0	0	0
Medium	0	0	0	0	0
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
ADC Summary					
Minimum	(620)	0	(620)	0	(620)
Medium	0	0	0	0	0
Close	597	24	621	0	621
Maximum	(597)	(24)	(621)	0	(621)
Other	0	0	0	0	0
Total ADC Summary	<u>(620)</u>	<u>0</u>	<u>(620)</u>	<u>0</u>	<u>(620)</u>

Arizona Department of Corrections
Bed Capacity Report
State & Privately Operated Prisons - Detail of Projected Bed Changes from June 30, 2017 to June 30, 2018

Complex	Custody	Gender	Comment	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC Unit	Various	Male/ Female	Additions/closures/changes to temporary bed use may be required as the bed need changes among specialized population and/or custody level needs.	0	0	0	0	0
Total ASPC - Unit				0	0	0	0	0
ASPC-Douglas Eggers Unit	Minimum	Male	Deactivation of unit due to decreased minimum custody inmate population	(240)	0	(240)	0	(240)
Maricopa Unit	Minimum	Male	Deactivation of unit due to decreased minimum custody inmate population	(130)	0	(130)	0	(130)
Papago Unit	Minimum	Male	Deactivation of unit due to decreased minimum custody inmate population	(250)	0	0	0	0
Total ASPC-Douglas				(620)	0	(370)	0	(370)
ASPC-Eyman Browning Unit	Close	Male	Reallocated from maximum custody to close custody housing	24	24	48	0	48
Browning Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(24)	(24)	(48)	0	(48)
SMU I	Close	Male	Reallocated from maximum custody to close custody housing	200	0	0	0	0
SMU I	Maximum	Male	Reallocated from maximum custody to close custody housing	(200)	0	0	0	0
Total ASPC-Eyman				0	0	0	0	0
ASPC-Florence Central Unit	Close	Male	Reallocated from maximum custody to close custody housing	325	0	325	0	325
Central Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(325)	0	(325)	0	(325)
Total ASPC-Florence				0	0	0	0	0
ASPC-Lewis Rast Unit	Close	Male	Reallocated from maximum custody to close custody housing	48	0	48	0	48
Rast Unit	Maximum	Male	Reallocated from maximum custody to close custody housing	(48)	0	(48)	0	(48)
Total ASPC-Lewis				0	0	0	0	0
State Operated				(620)	0	(620)	0	(620)
Minimum				0	0	0	0	0
Medium				597	24	621	0	621
Close				(597)	(24)	(621)	0	(621)
Maximum				0	0	0	0	0
Other				(620)	0	(620)	0	(620)
Total State Operated								
Private Prisons				0	0	0	0	0
N/A				0	0	0	0	0
Total Private Prisons								
All Bed Changes				(620)	0	(620)	0	(620)
Minimum				0	0	0	0	0
Medium				597	24	621	0	621
Close				(597)	(24)	(621)	0	(621)
Maximum				0	0	0	0	0
Other				(620)	0	(620)	0	(620)
Total Bed Changes								

Arizona Department of Corrections

Bed Capacity Report

Section III

Status of ADC Prison Beds as of June 30, 2016

Arizona Department of Corrections
Bed Capacity Report
ADC Summary as of June 30, 2016

<u>Complex</u>	<u>Rated</u>	<u>Temporary</u>	<u>Operating Capacity</u>	<u>Special Use</u>	<u>Total Beds</u>
State Operated					
Minimum	10,545	1,128	11,673	0	11,673
Medium	11,827	3,387	15,214	0	15,214
Close	5,767	110	5,877	128	6,005
Maximum	3,094	613	3,707	47	3,754
Other	0	0	0	1,217	1,217
Total State Operated	<u>31,233</u>	<u>5,238</u>	<u>36,471</u>	<u>1,392</u>	<u>37,863</u>
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	3,400	388	3,788	113	3,901
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	56	56
Total Private Prisons	<u>6,900</u>	<u>638</u>	<u>7,538</u>	<u>300</u>	<u>7,838</u>

ADC Summary					
Minimum	14,045	1,378	15,423	131	15,554
Medium	15,227	3,775	19,002	113	19,115
Close	5,767	110	5,877	128	6,005
Maximum	3,094	613	3,707	47	3,754
Other	0	0	0	1,273	1,273
Total ADC Summary	<u>38,133</u>	<u>5,876</u>	<u>44,009</u>	<u>1,692</u>	<u>45,701</u>

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	1,122	293	1,415	0	1,415
Medium	Male	803	140	943	0	943
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		1,925	433	2,358	89	2,447
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	2,092	967	3,059	0	3,059
Close	Male	300	80	380	0	380
Maximum	Male	1,584	360	1,944	8	1,952
Other	Male	0	0	0	272	272
Total ASPC - Eyman		3,976	1,407	5,383	280	5,663
ASPC - Florence						
Minimum	Male	1,222	176	1,398	0	1,398
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	578	0	578	0	578
Maximum	Male	496	20	516	23	539
Other	Male	0	0	0	73	73
Total ASPC - Florence		3,440	697	4,137	96	4,233
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	522	0	522	3	525
Maximum	Female	196	96	292	0	292
Other	Female	0	0	0	52	52
Total ASPC - Perryville		4,202	96	4,298	55	4,353
ASPC - Phoenix						
Minimum	Male	30	31	61	0	61
Medium	Male	150	0	150	0	150
Close	Male	70	0	70	9	79
Close	Female	20	0	20	2	22
Maximum	Male	282	137	419	0	419
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	168	720	11	731
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	792	2,692	0	2,692
Close	Male	2,004	0	2,004	32	2,036
Maximum	Male	500	0	500	0	500
Other	Male	0	0	0	243	243
Total ASPC - Lewis		5,104	868	5,972	275	6,247

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Safford						
Minimum	Male	1,203	256	1,459	0	1,459
Medium	Male	250	160	410	0	410
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	416	1,869	55	1,924
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	487	2,373	0	2,373
Close	Male	1,073	30	1,103	66	1,169
Maximum	Male	36	0	36	16	52
Other	Male	0	0	0	223	223
Total ASPC - Tucson		4,605	517	5,122	305	5,427
ASPC - Winslow						
Minimum	Male	826	216	1,042	0	1,042
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	216	1,842	51	1,893
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	340	2,390	0	2,390
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	420	4,770	175	4,945

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	8,213	1,128	9,341	0	9,341
Medium	Male	10,675	3,387	14,062	0	14,062
Close	Male	5,225	110	5,335	123	5,458
Maximum	Male	2,898	517	3,415	47	3,462
Other	Male	0	0	0	1,165	1,165
Male State Operated		27,011	5,142	32,153	1,335	33,488
Female State Operated						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	542	0	542	5	547
Maximum	Female	196	96	292	0	292
Other	Female	0	0	0	52	52
Female State Operated		4,222	96	4,318	57	4,375
Total State Operated						
Minimum	Total	10,545	1,128	11,673	0	11,673
Medium	Total	11,827	3,387	15,214	0	15,214
Close	Total	5,767	110	5,877	128	6,005
Maximum	Total	3,094	613	3,707	47	3,754
Other	Total	0	0	0	1,217	1,217
Total State Operated		31,233	5,238	36,471	1,392	37,863

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - RTC						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - RTC		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Hualapai						
Minimum	Male			0		0
Medium	Male	1,400	108	1,508	73	1,581
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Hualapai		1,400	108	1,508	73	1,581
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2016

<u>Complex</u>	<u>Gender</u>	<u>Rated</u>	<u>Temporary</u>	<u>Operating Capacity</u>	<u>Special Use</u>	<u>Total Beds</u>
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		<u>500</u>	<u>0</u>	<u>500</u>	<u>7</u>	<u>507</u>
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	0	1,000	0	1,000
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	56	56
Total Red Rock		<u>1,000</u>	<u>0</u>	<u>1,000</u>	<u>56</u>	<u>1,056</u>
Private Prisons						
Minimum		3,500	250	3,750	131	3,881
Medium		3,400	388	3,788	113	3,901
Close		0	0	0	0	0
Maximum		0	0	0	0	0
Other		0	0	0	56	56
Total Private Prisons		<u>6,900</u>	<u>638</u>	<u>7,538</u>	<u>300</u>	<u>7,838</u>

Arizona Department of Corrections

Bed Capacity Report

Section IV

Status of ADC Prison Beds as of June 30, 2017

Arizona Department of Corrections
Bed Capacity Report
ADC Summary as of June 30, 2017

Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	10,675	514	11,189	0	11,189
Medium	11,327	3,363	14,690	0	14,690
Close	6,694	242	6,936	128	7,064
Maximum	2,559	541	3,100	31	3,131
Other	120	0	120	1,243	1,363
Total State Operated	31,375	4,660	36,035	1,402	37,437
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	4,400	388	4,788	113	4,901
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	78	78
Total Private Prisons	7,900	638	8,538	322	8,860
ADC Summary					
Minimum	14,175	764	14,939	131	15,070
Medium	15,727	3,751	19,478	113	19,591
Close	6,694	242	6,936	128	7,064
Maximum	2,559	541	3,100	31	3,131
Other	120	0	120	1,321	1,441
Total ADC Summary	39,275	5,298	44,573	1,724	46,297

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2017

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	1,252	203	1,455	0	1,455
Medium	Male	803	140	943	0	943
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		2,055	343	2,398	89	2,487
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	1,592	967	2,559	0	2,559
Close	Male	896	176	1,072	0	1,072
Maximum	Male	1,488	384	1,872	8	1,880
Other	Male	0	0	0	272	272
Total ASPC - Eyman		3,976	1,527	5,503	280	5,783
ASPC - Florence						
Minimum	Male	1,222	124	1,346	0	1,346
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	618	0	618	0	618
Maximum	Male	456	20	476	23	499
Other	Male	0	0	0	73	73
Total ASPC - Florence		3,440	645	4,085	96	4,181
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	610	36	646	3	649
Maximum	Female	0	0	0	0	0
Other	Female	120	0	120	58	178
Total ASPC - Perryville		4,214	36	4,250	61	4,311
ASPC - Phoenix						
Minimum	Male	30	31	61	0	61
Medium	Male	150	0	150	0	150
Close	Male	105	0	105	9	114
Close	Female	20	0	20	2	22
Maximum	Male	247	137	384	0	384
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	168	720	11	731
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	792	2,692	0	2,692
Close	Male	2,136	0	2,136	32	2,168
Maximum	Male	368	0	368	0	368
Other	Male	0	0	0	247	247
Total ASPC - Lewis		5,104	868	5,972	279	6,251

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2017

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Safford						
Minimum	Male	1,203	0	1,203	0	1,203
Medium	Male	250	160	410	0	410
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	160	1,613	55	1,668
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	463	2,349	0	2,349
Close	Male	1,109	30	1,139	66	1,205
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	239	239
Total ASPC - Tucson		4,605	493	5,098	305	5,403
ASPC - Winslow						
Minimum	Male	826	0	826	0	826
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	0	1,626	51	1,677
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	340	2,390	0	2,390
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	420	4,770	175	4,945

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2017

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	8,343	514	8,857	0	8,857
Medium	Male	10,175	3,363	13,538	0	13,538
Close	Male	6,064	206	6,270	123	6,393
Maximum	Male	2,559	541	3,100	31	3,131
Other	Male	0	0	0	1,185	1,185
Male State Operated		27,141	4,624	31,765	1,339	33,104
Female State Operated						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	630	36	666	5	671
Maximum	Female	0	0	0	0	0
Other	Female	120	0	120	58	178
Female State Operated		4,234	36	4,270	63	4,333
Total State Operated						
Minimum	Total	10,675	514	11,189	0	11,189
Medium	Total	11,327	3,363	14,690	0	14,690
Close	Total	6,694	242	6,936	128	7,064
Maximum	Total	2,559	541	3,100	31	3,131
Other	Total	120	0	120	1,243	1,363
Total State Operated		31,375	4,660	36,035	1,402	37,437

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2017

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - GP						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - GP		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Huachuca						
Minimum	Male	0	0	0	0	0
Medium	Male	1,400	108	1,508	73	1,581
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Huachuca		1,400	108	1,508	73	1,581
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2017

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		500	0	500	7	507
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	2,000	0	2,000	0	2,000
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	78	78
Total Red Rock		2,000	0	2,000	78	2,078
Private Prisons						
Minimum	Male	3,500	250	3,750	131	3,881
Medium	Male	4,400	388	4,788	113	4,901
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	78	78
Total Private Prisons		7,900	638	8,538	322	8,860

Arizona Department of Corrections

Bed Capacity Report

Section V

Projected Status of ADC Prison Beds as of June 30, 2018

Arizona Department of Corrections
Bed Capacity Report
ADC Summary Projected as of June 30, 2018

Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	10,055	514	10,569	0	10,569
Medium	11,327	3,363	14,690	0	14,690
Close	7,291	266	7,557	128	7,685
Maximum	1,962	517	2,479	31	2,510
Other	120	0	120	1,243	1,363
Total State Operated	30,755	4,660	35,415	1,402	36,817
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	4,400	388	4,788	113	4,901
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	78	78
Total Private Prisons	7,900	638	8,538	322	8,860

ADC Summary					
Minimum	13,555	764	14,319	131	14,450
Medium	15,727	3,751	19,478	113	19,591
Close	7,291	266	7,557	128	7,685
Maximum	1,962	517	2,479	31	2,510
Other	120	0	120	1,321	1,441
Total ADC Summary	38,655	5,298	43,953	1,724	45,677

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons Projected as of June 30, 2018

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	632	203	835	0	835
Medium	Male	803	140	943	0	943
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		1,435	343	1,778	89	1,867
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	1,592	967	2,559	0	2,559
Close	Male	1,120	200	1,320	0	1,320
Maximum	Male	1,264	360	1,624	8	1,632
Other	Male	0	0	0	272	272
Total ASPC - Eyman		3,976	1,527	5,503	280	5,783
ASPC - Florence						
Minimum	Male	1,222	124	1,346	0	1,346
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	943	0	943	0	943
Maximum	Male	131	20	151	23	174
Other	Male	0	0	0	73	73
Total ASPC - Florence		3,440	645	4,085	96	4,181
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	610	36	646	3	649
Maximum	Female	0	0	0	0	0
Other	Female	120	0	120	58	178
Total ASPC - Perryville		4,214	36	4,250	61	4,311
ASPC - Phoenix						
Minimum	Male	30	31	61	0	61
Medium	Male	150	0	150	0	150
Close	Male	105	0	105	9	114
Close	Female	20	0	20	2	22
Maximum	Male	247	137	384	0	384
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	168	720	11	731

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons Projected as of June 30, 2018

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	792	2,692	0	2,692
Close	Male	2,184	0	2,184	32	2,216
Maximum	Male	320	0	320	0	320
Other	Male	0	0	0	247	247
Total ASPC - Lewis		5,104	868	5,972	279	6,251
ASPC - Safford						
Minimum	Male	1,203	0	1,203	0	1,203
Medium	Male	250	160	410	0	410
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	160	1,613	55	1,668
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	463	2,349	0	2,349
Close	Male	1,109	30	1,139	66	1,205
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	239	239
Total ASPC - Tucson		4,605	493	5,098	305	5,403
ASPC - Winslow						
Minimum	Male	826	0	826	0	826
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	0	1,626	51	1,677
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	340	2,390	0	2,390
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	420	4,770	175	4,945

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons Projected as of June 30, 2018

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	7,723	514	8,237	0	8,237
Medium	Male	10,175	3,363	13,538	0	13,538
Close	Male	6,661	230	6,891	123	7,014
Maximum	Male	1,962	517	2,479	31	2,510
Other	Male	0	0	0	1,185	1,185
Male State Operated		26,521	4,624	31,145	1,339	32,484
Female State Operated						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	630	36	666	5	671
Maximum	Female	0	0	0	0	0
Other	Female	120	0	120	58	178
Female State Operated		4,234	36	4,270	63	4,333
Total State Operated						
Minimum	Total	10,055	514	10,569	0	10,569
Medium	Total	11,327	3,363	14,690	0	14,690
Close	Total	7,291	266	7,557	128	7,685
Maximum	Total	1,962	517	2,479	31	2,510
Other	Total	120	0	120	1,243	1,363
Total State Operated		30,755	4,660	35,415	1,402	36,817

Arizona Department of Corrections
Bed Capacity Report
Private Prisons Projected as of June 30, 2018

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - GP						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - GP		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Huachuca						
Minimum	Male	0	0	0	0	0
Medium	Male	1,400	108	1,508	73	1,581
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Huachuca		1,400	108	1,508	73	1,581
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons Projected as of June 30, 2018

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		500	0	500	7	507
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	2,000	0	2,000	0	2,000
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	78	78
Total Red Rock		2,000	0	2,000	78	2,078
Private Prisons						
Minimum		3,500	250	3,750	131	3,881
Medium		4,400	388	4,788	113	4,901
Close		0	0	0	0	0
Maximum		0	0	0	0	0
Other		0	0	0	78	78
Total Private Prisons		7,900	638	8,538	322	8,860



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Geoffrey Paulsen, Fiscal Analyst *GP*

SUBJECT: Department of Public Safety - Review of the Revised Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount

Request

Pursuant to Laws 2017, Chapter 303 (the FY 2018 Criminal Justice Budget Reconciliation Bill) and A.R.S. § 41-1724G, the Arizona Department of Public Safety (DPS) is required to submit for Committee review the FY 2018 expenditure plan for the GIITEM Border Security and Law Enforcement Subaccount prior to expending any monies. DPS submitted their initial FY 2018 expenditure plan in June 2017 which was given a favorable review by the Committee. Of the original \$2,390,000 expenditure plan, DPS has revised its \$1,050,000 allocation for Border Security and Law Enforcement Grants and is requesting Committee review of the revised plan. Distributions in the expenditure plans for the other programs remain unchanged.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Key Points

- 1) The June 2017 DPS expenditure plan reviewed by JLBC allocated \$1.1 million for Border Security and Law Enforcement Grants evenly to all counties (\$70,000 per county).
- 2) DPS proposes reallocating the grants evenly to Cochise, Santa Cruz and Yuma Counties (\$350,000).
- 3) The new allocation plan is supported by the Arizona Sheriffs Association.

(Continued)

Analysis

Pursuant to A.R.S. § 12-116.04, the GITEM Border Security and Law Enforcement Subaccount receives revenues from a \$4.00 criminal fee assessed on fines, violations, forfeitures and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.

The subaccount is one of 4 funding sources for local government gang and immigration enforcement (see *Table 1*). The subaccount monies are distributed by DPS to county sheriffs and other local law enforcement agencies to fund border security programs, personnel, and safety equipment. Of the \$2.4 million subaccount appropriation, DPS originally allocated \$1.1 million for Border Security and Law Enforcement Grants. The Committee favorably reviewed that plan at its June 2017 meeting. At the time, DPS proposed an even allocation of \$70,000 for each county for Border Security and Law Enforcement Grants.

At the request of the Arizona Sheriffs Association, DPS now proposes reallocating these grants evenly to the 3 border counties: Cochise, Santa Cruz and Yuma (\$350,000 each). (*See Table 2 for detail*). This reallocation is intended to focus the resources on border security efforts. All other distributions from the June DPS proposal remain the same.

Table 1

Local Government – 4 Funding Sources

- Subaccount - \$2.4 million
 - Funded from \$4 Criminal Fee Surcharge
 - DPS determines distribution
- General Fund Local Immigration Enforcement Grants - \$1.4 million
 - \$500,000 Pinal and \$400,000 Pima Statutory Allocations
 - Maricopa Prohibition
- General Fund DPS Gang Enforcement - \$1.5 million
 - DPS uses most of the \$9.8 million for its own expenses
 - DPS has allocated \$1.5 million to locals
- Border Strike Task Force (BSTF) - \$1.3 million
 - \$761,700 for local law enforcement BSTF officers
 - \$500,000 for local grants for prosecution and imprisonment costs

While 3 border counties receive funding under the proposed DPS plan, the remaining border county, Pima, would not receive funding under this particular distribution. Pima County did, however, receive a similar amount of funding under the direct GITEM appropriation. The FY 2018 budget specifically designated \$400,000 to Pima County for immigration enforcement. *Table 3* provides the total allocations by county across the 4 funding sources.

(Continued)

Table 2

**FY 2018 GIITEM Border Security and Law Enforcement Grants
Revised Expenditure Plan**

<u>County Sheriff</u>	<u>FY 2018 Approved Allocation</u>	<u>FY 2018 Revised Allocation</u>
Apache County	\$ 70,000	\$ 0
Cochise County	70,000	350,000
Coconino County	70,000	0
Gila County	70,000	0
Graham County	70,000	0
Greenlee County	70,000	0
La Paz County	70,000	0
Maricopa County	70,000	0
Mohave County	70,000	0
Navajo County	70,000	0
Pima County	70,000	0
Pinal County	70,000	0
Santa Cruz County	70,000	350,000
Yavapai County	70,000	0
Yuma County	70,000	350,000
Total	\$1,050,000	\$1,050,000

Table 3

FY 2018 Local Law Enforcement Funding Sources

<u>County</u>	<u>\$4 Fee Subaccount</u>	<u>1/</u>	<u>Immigration Enforcement Grants</u>	<u>DPS Gang Enforcement</u>	<u>BSTF</u>	<u>Total</u>
Cochise	\$ 589,400		\$ 0	\$ 0	\$ 541,666	\$1,131,066
Pima	437,300		400,000	0	391,666	1,228,966
Pinal	47,700		500,000	0	0	547,700
Santa Cruz	402,100		0	0	166,666	568,766
Yuma	402,100		0	0	0	402,100
Unallocated 2/	0		503,400	1,500,000	161,700	2,165,100
Total	\$1,878,600	3/	\$1,403,400	\$1,500,000	\$1,261,700	\$6,043,700

1/ Includes the \$1,050,000 from Table 2.

2/ Additional information has been requested of DPS.

3/ This includes only the county allocations. The full appropriation from the Subaccount was \$2,390,000.



ARIZONA DEPARTMENT OF PUBLIC SAFETY

2102 WEST ENCANTO BLVD. P.O. BOX 6638 PHOENIX, ARIZONA 85005-6638 (602) 223-2000

"Courteous Vigilance"

DOUGLAS A. DUCEY FRANK L. MILSTEAD
Governor Director

August 15, 2017

The Honorable Don Shooter, Chairman
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007



Dear Representative Shooter:

The Department of Public Safety is submitting a revision to the FY2018 expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount ("Subaccount"). Pursuant to Laws 2017, Chapter 303, Section 19, the Department previously submitted its entire FY 2018 expenditure plan for the Subaccount to the Joint Legislative Budget Committee and received a favorable review at the June 20, 2017 meeting.

The Department intends to maintain the spending plan for the three program areas listed in the chart below that were given a favorable review by JLBC at the June 20, 2017 meeting, while requesting a revision to the spending plan for the Border Security and Law Enforcement Grants.

Detention Liaison Officer Program	\$515,000	No change from expenditure plan that received a favorable review by JLBC June 20, 2017.
Border County Officers	475,000	
Border Crimes Unit	350,000	
Border Security and Law Enforcement Grants	1,050,000	See revision request below.
TOTAL	\$2,390,000	

Border Security and Law Enforcement Grants

The Arizona Sheriffs' Association (ASA) met on July 20, 2017 during which they discussed the FY2018 distribution of the Border Security and Law Enforcement Grants. As an association, they voted for the money to be directed to border counties to provide increased resources for border security efforts. The FY 2018 revised plan would provide \$350,000 to Cochise, Santa Cruz, and Yuma counties, based on the request and support of the ASA for this distribution. The following table shows the FY 2018 distribution plan reviewed by JLBC on June 20, 2017 alongside the revised allocation plan:

County Sheriff	FY 2018 Plan as reviewed by JLBC 6/20/17	FY 2018 Revised Plan
Apache	\$70,000	\$0
Cochise	70,000	350,000

Senator Shooter
July XX, 2017

Coconino	70,000	0
Gila	70,000	0
Graham	70,000	0
Greenlee	70,000	0
La Paz	70,500	0
Maricopa	70,000	0
Mohave	70,000	0
Navajo	70,000	0
Pima ^{1/}	70,000	0
Pinal	70,000	0
Santa Cruz	70,000	350,000
Yavapai	70,000	0
Yuma	70,000	350,000
TOTAL	\$1,050,000	\$1,050,000

^{1/} Chapter 303 allocates \$400,000 from the GIITEM Fund to PCSD.

Recipient agencies may use the funding for any purpose consistent with statute. As required by statute, in order to receive the funding, recipient agencies must certify each fiscal year to the DPS Director that the agency is complying with A.R.S. §11-1051 to the fullest extent of the law.

If you have any questions, please contact Phil Case, DPS Budget Director, at 602-223-2463 or pcase@azdps.gov.

Sincerely,



Frank L. Milstead, Colonel
Director

C: The Honorable Debbie Lesko, Vice-Chairman
Matthew Gress, OSPB Director
Richard Stavneak, JLBC Director



ARIZONA SHERIFFS ASSOCIATION

1910 W. JEFFERSON • PHOENIX, ARIZONA • 85009
TELEPHONE: (602) 252-6563 • FACSIMILE: (602) 254-0969

MARK DANNELS, COCHISE COUNTY SHERIFF, PRESIDENT
JIM DRISCOLL, COCONINO COUNTY SHERIFF, VICE PRESIDENT

THE ARIZONA SHERIFFS ASSOCIATION IS THE ONE UNITED CREDIBLE VOICE REPRESENTING LAW
ENFORCEMENT AND PUBLIC SAFETY FOR THE COUNTIES OF ARIZONA

August 15, 2017

The Honorable Debbie Lesko, Vice-Chairman
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007

Dear Senator Lesko:

On behalf of the Arizona Sheriffs Association, we are writing to express our support for the Department of Public Safety's (DPS) revision to the FY2018 expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount.

As you are aware, DPS previously submitted a complete FY2018 expenditure plan for the GIITEM subaccount to the Joint Legislative Budget Committee and received approval on June 20, 2017. The Arizona Sheriffs' Association (ASA) held a meeting on July 20, 2017, where we reconsidered the FY 2018 distribution of the Border Security and Law Enforcement Grants. As an association representing all fifteen county Sheriffs, we agree that the money should be redirected toward border counties to provide for increased security efforts along our Southern border. Under the previously approved distribution, each county would be provided with \$70,000; however, the ASA has requested that DPS direct \$350,000 to Yuma, Santa Cruz and Cochise Counties.

Recipient agencies must use the funding for purposes identified in statute and will continue to certify expenses for each fiscal year to the DPS Director, ensuring that those agencies are complying with statute to the fullest extent of the law.

Thank you for your attention to this matter and if you have any questions, please feel free to contact us.

Sincerely,

The Hon. Mark Dannels
President, Arizona Sheriffs Association
Cochise County Sheriff

C: The Honorable Don Shooter, Chairman
Richard Stavneak, JLBC Director
Matthew Gress, OSPB Director



STATE OF ARIZONA

Joint Legislative Budget Committee

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MICHELLE UGENTI-RITA

DATE: September 12, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Rebecca Perrera, Senior Fiscal Analyst *RP*

SUBJECT: Arizona Department of Administration - Consider Approval of Maximum Lodging
Reimbursement Rates

Request

A.R.S. § 38-624C requires the Arizona Department of Administration (ADOA) to establish maximum reimbursement amounts for lodging and meal expenses taking into consideration the amounts established by the federal government. These reimbursements compensate state employees traveling on official state business. Statute requires Committee approval of any rate change.

ADOA proposes adjusting the maximum lodging rates to match the new federal government rates, which are effective on October 1, 2017.

Committee Options

The Committee has at least the following 2 options:

1. Approve the ADOA recommended maximum lodging rates.
2. Approve some other adjustment or maintain the current lodging reimbursement rates.

Under either option, the Committee may consider the following provisions:

- A. Committee approval does not constitute an endorsement of additional appropriations to cover higher reimbursement costs.

(Continued)

Key Points

- 1) ADOA proposes increasing the lodging rates. The standard rates would increase by \$2 or 2% to match the federal rate. Non-standard lodging rates will increase on average \$4 or 2.3%. There are no proposed changes to the meal reimbursement rates.
- 2) ADOA cannot estimate the fiscal impact of the proposed changes.
- 3) ADOA has the authority to waive the reimbursement caps if circumstances warrant.

Analysis

Lodging

The U.S. General Services Administration annually publishes a reimbursement schedule for room rentals based on lodging industry economic data, effective at the beginning of the federal fiscal year (FFY) (October). The federal rate schedule establishes a standard rate but specifies additional non-standard rates for many cities, with seasonal distinctions in some cases. Lodging is more expensive in non-standard areas than in standard areas, depending on the season. For example, the current federal rate in the District of Columbia (DC) in March is \$242 while the rate in July is \$172.

In each of the last 2 years, the Committee has approved adjustments to match the federal rate. ADOA recommends adopting the FFY 2018 federal lodging rate, effective October 1, 2017, as the state's maximum lodging reimbursement rate. ADOA's request would change the standard rate from \$91 to \$93, which is an increase of \$2, or 2%. In addition, the request would increase most of the non-standard rates and make a few decreases. For non-standard locations, the average change is \$4 or 2.3%. Due to its length, the list of federal rates appears as an attachment only in the JLBC's online agenda materials.

ADOA does not have an estimated fiscal impact for their proposal. In addition, ADOA does not have an estimate for the fiscal impact from last year's rate adjustment because it does not have data for travel reimbursements by location. ADOA reports that once it fully implements its Travel Module in the Arizona Financial Information System (AFIS), it will be better able to track travel expenses.

Lodging Waivers

There are 2 mitigating factors in evaluating the state lodging rate:

1. The state rate does not apply to conference meetings. State agencies are allowed to pay the conference rate regardless of the specific city rate but are encouraged to ensure the conference rate is the lowest available rate or adequate housing is located within walking distance of the event.
2. The General Accounting Office (GAO) can waive the state rate for non-conference meetings. In addition, GAO may approve reimbursements above the federal rate. At its April 2016 meeting, the Committee favorably reviewed GAO's formal guidelines for reviewing and approving waivers. If the federal rate is not adopted, GAO would likely receive more requests for rate waivers.

(Continued)

Meals Per Diem

Per diem rates are used to reimburse meal expenses for in-state and out-of-state travel. The federal government conducts a nationwide meals study every 3 to 5 years to determine the average prices charged by restaurants in areas frequented by federal travelers. There are no proposed changes to these rates. The FFY 2018 standard per diem rate is \$51. Depending on the geographic area this federal schedule has 5 other tiers that increase in \$5 increments to \$74 per day. ADOA sets the state per diem rates to be \$10 less than the federal reimbursement rates in every tier. ADOA recommends the lower rates due to its belief that the amounts provide for reasonable reimbursements. These rates apply to employees who are on travel status with an overnight stay. *Table 1* shows the federal and ADOA recommended per diem rates For Arizona.

Table 1		
Comparison of Federal and State Per Diem Rates		
<u>Location</u> ^{1/}	<u>FY 2018 Federal Rate</u>	<u>FY 2018 State Rate</u>
Yuma	\$51.00	\$41.00
Sierra Vista	\$51.00	\$41.00
Flagstaff/Grand Canyon	\$64.00	\$54.00
Tucson	\$59.00	\$49.00
Kayenta	\$59.00	\$49.00
Phoenix/Scottsdale	\$59.00	\$49.00
Sedona	\$74.00	\$64.00
All Other Areas in Arizona	\$51.00	\$41.00
^{1/} Rates for locations outside Arizona vary.		

RS/RP:kp



Douglas A. Ducey
Governor

Craig Brown
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

GENERAL ACCOUNTING OFFICE

100 NORTH FIFTEENTH AVENUE • SUITE 302
PHOENIX, ARIZONA 85007

Phone: (602) 542-5601 • Fax: (602) 542-5749

August 30, 2017

The Honorable Don Shooter, Chairman 2017
Joint Legislative Budget Committee
Arizona Senate
1700 West Washington
Phoenix, AZ 85007

Dear Senator Shooter:

We request placement on the next Joint Legislative Budget Committee (JLBC) meeting agenda to address State travel rate changes for lodging and meal reimbursement. The Federal government has announced changes in lodging and meals for the upcoming Federal fiscal year, effective October 1. Consistent with our established approach, we are recommending adopting the Federal lodging rate as the State's maximum lodging reimbursement rate, and adjusting the State meal rate for the Federal changes. Essentially, the State meal rate is \$10 less than the applicable Federal meal rate.

As you are aware, the government lodging rate generally offered by establishments is essentially driven by the Federal lodging rates. The Federal Government annually adjusts their lodging allowances for several locations. The Federal adjustments incorporate many seasonal adjustments as well. Although most of the Federal adjustments are increases (which is reflective of the overall industry), there are some decreases. We have reviewed these changes and have provided the rate detail to staff.

Thank you for your attention to this request. If you have any questions or need any additional information, please call me at 602-542-5405.

Sincerely,

D. Clark Partridge
State Comptroller

cc: Richard Stavneak
Rebecca Perrera
Craig Brown
Derik Leavitt

Matthew Gress
Bill Greeney
Ashley Beason
Elizabeth Bartholomew

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	FY18 Lodging Rate	FY18 M&IE Rate	FY17 Lodging Rate	FY17 M&IE Rate	Lodging Increase / (-Decrease)	Increase / (-Decrease)
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.				\$93	\$41	\$91	\$41	\$2	\$0
	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	October 1	October 31	\$142	\$54	\$143	\$54	-\$1	\$0
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	November 1	February 28	\$93	\$54	\$91	\$54	\$2	\$0
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	March 1	April 30	\$110	\$54	\$127	\$54	-\$17	\$0
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	May 1	September 30	\$142	\$54	\$143	\$54	-\$1	\$0
AZ	Kayenta	Navajo	October 1	October 31	\$126	\$49	\$131	\$49	-\$5	\$0
AZ	Kayenta	Navajo	November 1	February 28	\$104	\$49	\$103	\$49	\$1	\$0
AZ	Kayenta	Navajo	March 1	September 30	\$126	\$49	\$131	\$49	-\$5	\$0
AZ	Phoenix / Scottsdale	Maricopa	October 1	December 31	\$124	\$49	\$118	\$49	\$6	\$0
AZ	Phoenix / Scottsdale	Maricopa	January 1	March 31	\$174	\$49	\$169	\$49	\$5	\$0
AZ	Phoenix / Scottsdale	Maricopa	April 1	May 31	\$133	\$49	\$130	\$49	\$3	\$0
AZ	Phoenix / Scottsdale	Maricopa	June 1	August 31	\$93	\$49	\$91	\$49	\$2	\$0
AZ	Phoenix / Scottsdale	Maricopa	September 1	September 30	\$124	\$49	\$118	\$49	\$6	\$0
AZ	Sedona	City limits of Sedona			\$162	\$64	\$153	\$64	\$9	\$0
AZ	Sedona	City limits of Sedona			\$162	\$64	\$193	\$64	-\$31	\$0
AZ	Sedona	City limits of Sedona			\$162	\$64	\$153	\$64	\$9	\$0
AZ	Tucson	Pima	October 1	December 31	\$93	\$49	\$91	\$49	\$2	\$0
AZ	Tucson	Pima	January 1	February 28	\$118	\$49	\$113	\$49	\$5	\$0
AL	Tucson	Pima	March 1	September 30	\$93	\$49	\$91	\$49	\$2	\$0
AL	Birmingham	Jefferson / Shelby			\$101	\$49	\$96	\$49	\$5	\$0
AL	Gulf Shores	Baldwin	October 1	February 28	\$106	\$54	\$105	\$54	\$1	\$0
AL	Gulf Shores	Baldwin	March 1	May 31	\$125	\$54	\$122	\$54	\$3	\$0
AL	Gulf Shores	Baldwin	June 1	July 31	\$160	\$54	\$156	\$54	\$4	\$0
AL	Gulf Shores	Baldwin	August 1	September 30	\$106	\$54	\$105	\$54	\$1	\$0
AL	Mobile	Mobile	October 1	December 31	\$93	\$49	\$91	\$49	\$2	\$0
AL	Mobile	Mobile	January 1	February 28	\$98	\$49	\$99	\$49	-\$1	\$0
AR	Mobile	Mobile	March 1	September 30	\$93	\$49	\$91	\$49	\$2	\$0
AR	Hot Springs	Garland			\$104	\$49	\$101	\$49	\$3	\$0
CA	Little Rock	Pulaski			\$96	\$49	\$94	\$49	\$2	\$0
CA	Antioch / Brentwood / Concord	Contra Costa			\$154	\$54	\$145	\$54	\$9	\$0
CA	Bakersfield / Ridgecrest	Kern			\$100	\$49	\$96	\$49	\$4	\$0
CA	Barstow / Ontario / Victorville	San Bernardino			\$95	\$44	\$92	\$44	\$3	\$0
CA	Death Valley	Inyo			\$112	\$54	\$106	\$54	\$6	\$0

CA	Eureka / Arcata / McKinleyville	Humboldt	October 1	May 31	\$101	\$64	\$100	\$ 64	\$1	\$0
CA	Eureka / Arcata / McKinleyville	Humboldt	June 1	August 31	\$129	\$64	\$126	\$ 64	\$3	\$0
CA	Eureka / Arcata / McKinleyville	Humboldt	September 1	September 30	\$101	\$64	\$100	\$ 64	\$1	\$0
CA	Fresno	Fresno			\$103	\$54	\$97	\$ 54	\$6	\$0
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica			\$173	\$54	\$158	\$ 54	\$15	\$0
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica			\$173	\$54	\$175	\$ 54	-\$2	\$0
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica			\$173	\$54	\$158	\$ 54	\$15	\$0
CA	Mammoth Lakes	Mono			\$131	\$64	\$133	\$ 64	-\$2	\$0
CA	Mill Valley / San Rafael / Novato	Marin	October 1	October 31	\$184	\$64	\$175	\$ 64	\$9	\$0
CA	Mill Valley / San Rafael / Novato	Marin	November 1	May 31	\$151	\$64	\$149	\$ 64	\$2	\$0
CA	Mill Valley / San Rafael / Novato	Marin	June 1	September 30	\$184	\$64	\$175	\$ 64	\$9	\$0
CA	Monterey	Monterey	October 1	June 30	\$142	\$64	\$140	\$ 64	\$2	\$0
CA	Monterey	Monterey	July 1	August 31	\$198	\$64	\$188	\$ 64	\$10	\$0
CA	Monterey	Monterey	September 1	September 30	\$142	\$64	\$140	\$ 64	\$2	\$0
CA	Napa	Napa	October 1	October 31	\$215	\$59	\$207	\$ 59	\$8	\$0
CA	Napa	Napa	November 1	April 30	\$165	\$59	\$158	\$ 59	\$7	\$0
CA	Napa	Napa	May 1	September 30	\$215	\$59	\$207	\$ 59	\$8	\$0
CA	Oakhurst	Madera	October 1	May 31	\$98	\$54	\$94	\$ 54	\$4	\$0
CA	Oakhurst	Madera	June 1	August 31	\$127	\$54	\$117	\$ 54	\$10	\$0
CA	Oakhurst	Madera	September 1	September 30	\$98	\$54	\$94	\$ 54	\$4	\$0
CA	Oakland	Alameda	October 1	October 31	\$171	\$59	\$161	\$ 59	\$10	\$0
CA	Oakland	Alameda	November 1	December 31	\$152	\$59	\$161	\$ 59	-\$9	\$0
CA	Oakland	Alameda	January 1	September 30	\$171	\$59	\$161	\$ 59	\$10	\$0
CA	Palm Springs	Riverside	October 1	April 30	\$133	\$54	\$101	\$ 54	\$32	\$0
CA	Palm Springs	Riverside	May 1	September 30	\$104	\$54	\$131	\$ 54	-\$27	\$0
CA	Palm Springs	Riverside	May 1	September 30	\$104	\$54	\$101	\$ 54	\$3	\$0
CA	Point Arena / Gualala	Mendocino			\$116	\$59	\$112	\$ 59	\$4	\$0
CA	Redding				\$93	\$41	\$93	\$ 54	\$0	-\$13
CA	Sacramento	Sacramento			\$128	\$54	\$119	\$ 54	\$9	\$0
CA	San Diego	San Diego	October 1	December 31	\$153	\$54	\$149	\$ 54	\$4	\$0
CA	San Diego	San Diego	January 1	July 31	\$167	\$54	\$162	\$ 54	\$5	\$0
CA	San Diego	San Diego	August 1	September 30	\$153	\$54	\$149	\$ 54	\$4	\$0
CA	San Francisco	San Francisco	October 1	October 31	\$302	\$64	\$267	\$ 64	\$35	\$0
CA	San Francisco	San Francisco	November 1	December 31	\$222	\$64	\$267	\$ 64	-\$45	\$0
CA	San Francisco	San Francisco	January 1	August 31	\$276	\$64	\$267	\$ 64	\$9	\$0
CA	San Francisco	San Francisco	September 1	September 30	\$302	\$64	\$267	\$ 64	\$35	\$0
CA	San Luis Obispo	San Luis Obispo			\$123	\$54	\$117	\$ 54	\$6	\$0
CA	San Luis Obispo	San Luis Obispo			\$123	\$54	\$138	\$ 54	-\$15	\$0
CA	San Luis Obispo	San Luis Obispo			\$123	\$54	\$117	\$ 54	\$6	\$0
CA	San Mateo / Foster City / Belmont	San Mateo	October 1	October 31	\$213	\$59	\$199	\$ 59	\$14	\$0
CA	San Mateo / Foster City / Belmont	San Mateo	November 1	December 31	\$180	\$59	\$199	\$ 59	-\$19	\$0

CA	San Mateo / Foster City / Belmont	San Mateo	January 1	September 30	\$213	\$59	\$199	\$ 59	\$14	\$0
CA	Santa Barbara	Santa Barbara	October 1	June 30	\$167	\$64	\$164	\$ 64	\$3	\$0
CA	Santa Barbara	Santa Barbara	July 1	August 31	\$222	\$64	\$219	\$ 64	\$3	\$0
CA	Santa Barbara	Santa Barbara	September 1	September 30	\$167	\$64	\$164	\$ 64	\$3	\$0
CA	Santa Cruz	Santa Cruz	October 1	May 31	\$122	\$49	\$138	\$ 49	-\$16	\$0
CA	Santa Cruz	Santa Cruz	June 1	August 31	\$152	\$49	\$175	\$ 49	-\$23	\$0
CA	Santa Cruz	Santa Cruz	September 1	September 30	\$122	\$49	\$138	\$ 49	-\$16	\$0
CA	Santa Monica	City limits of Santa Monica	October 1	June 30	\$253	\$54	\$237	\$ 54	\$16	\$0
CA	Santa Monica	City limits of Santa Monica	July 1	August 31	\$307	\$54	\$281	\$ 54	\$26	\$0
CA	Santa Monica	City limits of Santa Monica	September 1	September 30	\$253	\$54	\$237	\$ 54	\$16	\$0
CA	Santa Rosa	Sonoma	October 1	October 31	\$162	\$54	\$148	\$ 54	\$14	\$0
CA	Santa Rosa	Sonoma	November 1	May 31	\$134	\$54	\$129	\$ 54	\$5	\$0
CA	Santa Rosa	Sonoma	June 1	September 30	\$162	\$54	\$148	\$ 54	\$14	\$0
CA	South Lake Tahoe	El Dorado	October 1	November 30	\$112	\$54	\$112	\$ 54	\$0	\$0
CA	South Lake Tahoe	El Dorado	December 1	June 30	\$125	\$54	\$127	\$ 54	-\$2	\$0
CA	South Lake Tahoe	El Dorado	July 1	August 31	\$154	\$54	\$148	\$ 54	\$6	\$0
CA	South Lake Tahoe	El Dorado	September 1	September 30	\$112	\$54	\$112	\$ 54	\$0	\$0
CA	Stockton	San Joaquin			\$107	\$54	\$100	\$ 54	\$7	\$0
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	October 1	December 31	\$218	\$54	\$206	\$ 54	\$12	\$0
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	January 1	March 31	\$228	\$54	\$223	\$ 54	\$5	\$0
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	April 1	September 30	\$218	\$54	\$206	\$ 54	\$12	\$0
CO	Tahoe City	Placer			\$103	\$54	\$100	\$ 54	\$3	\$0
CO	Truckee	Nevada			\$126	\$64	\$126	\$ 64	\$0	\$0
CO	Visalia / Lemoore	Tulare / Kings			\$100	\$49	\$94	\$ 49	\$6	\$0
CO	West Sacramento / Davis	Yolo			\$117	\$54	\$115	\$ 54	\$2	\$0
CO	Yosemite National Park	Mariposa	October 1	December 31	\$123	\$59	\$124	\$ 59	-\$1	\$0
CO	Yosemite National Park	Mariposa	January 1	May 31	\$111	\$59	\$109	\$ 59	\$2	\$0
CO	Yosemite National Park	Mariposa	June 1	September 30	\$123	\$59	\$124	\$ 59	-\$1	\$0
CO	Aspen	Pitkin	October 1	November 30	\$164	\$64	\$141	\$ 64	\$23	\$0
CO	Aspen	Pitkin	December 1	March 31	\$424	\$64	\$338	\$ 64	\$86	\$0
CO	Aspen	Pitkin	April 1	May 31	\$181	\$64	\$153	\$ 64	\$28	\$0
CO	Aspen	Pitkin	June 1	August 31	\$236	\$64	\$191	\$ 64	\$45	\$0
CO	Aspen	Pitkin	September 1	September 30	\$164	\$64	\$141	\$ 64	\$23	\$0
CO	Boulder / Broomfield	Boulder / Broomfield	October 1	April 30	\$130	\$49	\$132	\$ 49	-\$2	\$0
CO	Boulder / Broomfield	Boulder / Broomfield	May 1	August 31	\$153	\$49	\$132	\$ 49	\$21	\$0
CO	Boulder / Broomfield	Boulder / Broomfield	September 1	September 30	\$130	\$49	\$132	\$ 49	-\$2	\$0
CO	Colorado Springs	El Paso			\$106	\$49	\$97	\$ 49	\$9	\$0
CO	Cortez	Montezuma	October 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
CO	Cortez	Montezuma	June 1	September 30	\$115	\$49	\$114	\$ 49	\$1	\$0
CO	Crested Butte / Gunnison	Gunnison	October 1	November 30	\$105	\$54	\$108	\$ 54	-\$3	\$0
CO	Crested Butte / Gunnison	Gunnison	December 1	March 31	\$154	\$54	\$146	\$ 54	\$8	\$0
CO	Crested Butte / Gunnison	Gunnison	April 1	August 31	\$119	\$54	\$108	\$ 54	\$11	\$0
CO	Crested Butte / Gunnison	Gunnison	September 1	September 30	\$105	\$54	\$108	\$ 54	-\$3	\$0
CO	Denver / Aurora	Denver / Adams / Arapahoe / Jefferson			\$180	\$59	\$178	\$ 59	\$2	\$0
CO	Denver / Aurora	Denver / Adams / Arapahoe / Jefferson			\$180	\$59	\$149	\$ 59	\$31	\$0
CO	Denver / Aurora	Denver / Adams / Arapahoe / Jefferson			\$180	\$59	\$178	\$ 59	\$2	\$0

CO	Douglas	Douglas			\$127	\$49	\$123	\$ 49	\$4	\$0
CO	Durango	La Plata	October 1	May 31	\$105	\$54	\$102	\$ 54	\$3	\$0
CO	Durango	La Plata	June 1	September 30	\$160	\$54	\$152	\$ 54	\$8	\$0
CO	Fort Collins / Loveland	Larimer			\$109	\$49	\$109	\$ 49	\$0	\$0
CO	Grand Lake	Grand	October 1	November 30	\$117	\$54	\$112	\$ 54	\$5	\$0
CO	Grand Lake	Grand	December 1	March 31	\$182	\$54	\$180	\$ 54	\$2	\$0
CO	Grand Lake	Grand	April 1	May 31	\$101	\$54	\$98	\$ 54	\$3	\$0
CO	Grand Lake	Grand	June 1	September 30	\$117	\$54	\$112	\$ 54	\$5	\$0
CO	Montrose	Montrose			\$95	\$54	\$94	\$ 54	\$1	\$0
CO	Silverthorne / Breckenridge	Summit	October 1	November 30	\$121	\$54	\$116	\$ 54	\$5	\$0
CO	Silverthorne / Breckenridge	Summit	December 1	March 31	\$196	\$54	\$185	\$ 54	\$11	\$0
CO	Silverthorne / Breckenridge	Summit	April 1	May 31	\$105	\$54	\$105	\$ 54	\$0	\$0
CO	Silverthorne / Breckenridge	Summit	June 1	September 30	\$121	\$54	\$116	\$ 54	\$5	\$0
CO	Steamboat Springs	Routt	October 1	November 30	\$114	\$64	\$106	\$ 64	\$8	\$0
CO	Steamboat Springs	Routt	December 1	March 31	\$187	\$64	\$188	\$ 64	-\$1	\$0
CO	Steamboat Springs	Routt	April 1	May 31	\$102	\$64	\$95	\$ 64	\$7	\$0
CO	Steamboat Springs	Routt	June 1	September 30	\$114	\$64	\$106	\$ 64	\$8	\$0
CO	Telluride	San Miguel	October 1	December 31	\$219	\$64	\$140	\$ 64	\$79	\$0
CO	Telluride	San Miguel	January 1	March 31	\$370	\$64	\$362	\$ 64	\$8	\$0
CO	Telluride	San Miguel	April 1	September 30	\$219	\$64	\$150	\$ 64	\$69	\$0
CO	Telluride	San Miguel	April 1	September 30	\$219	\$64	\$187	\$ 64	\$32	\$0
CO	Telluride	San Miguel	April 1	September 30	\$219	\$64	\$140	\$ 64	\$79	\$0
CO	Vail	Eagle	October 1	November 30	\$140	\$64	\$134	\$ 64	\$6	\$0
CO	Vail	Eagle	December 1	March 31	\$377	\$64	\$261	\$ 64	\$116	\$0
CO	Vail	Eagle	April 1	June 30	\$149	\$64	\$134	\$ 64	\$15	\$0
CO	Vail	Eagle	July 1	August 31	\$192	\$64	\$134	\$ 64	\$58	\$0
CO	Vail	Eagle	September 1	September 30	\$140	\$64	\$134	\$ 64	\$6	\$0
CT	Bridgeport / Danbury	Fairfield			\$130	\$54	\$130	\$ 54	\$0	\$0
CT	Cromwell / Old Saybrook	Middlesex			\$94	\$54	\$96	\$ 54	-\$2	\$0
CT	Hartford	Hartford			\$125	\$49	\$124	\$ 49	\$1	\$0
CT	New Haven	New Haven			\$107	\$54	\$104	\$ 54	\$3	\$0
CT	New London / Groton	New London			\$105	\$54	\$102	\$ 54	\$3	\$0
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	October 1	October 31	\$250	\$59	\$231	\$ 59	\$19	\$0
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	November 1	February 28	\$201	\$59	\$182	\$ 59	\$19	\$0

DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	March 1	June 30	\$253	\$59	\$242	\$ 59	\$11	\$0
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	July 1	August 31	\$175	\$59	\$172	\$ 59	\$3	\$0
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	September 1	September 30	\$250	\$59	\$231	\$ 59	\$19	\$0
DE	Dover	Kent	October 1	April 30	\$93	\$44	\$91	\$ 44	\$2	\$0
DE	Dover	Kent	May 1	September 30	\$110	\$44	\$105	\$ 44	\$5	\$0
DE	Lewes	Sussex	October 1	April 30	\$95	\$49	\$95	\$ 49	\$0	\$0
DE	Lewes	Sussex	May 1	June 30	\$128	\$49	\$153	\$ 49	-\$25	\$0
DE	Lewes	Sussex	July 1	August 31	\$181	\$49	\$95	\$ 49	\$86	\$0
DE	Lewes	Sussex	September 1	September 30	\$95	\$49	\$95	\$ 49	\$0	\$0
DE	Wilmington	New Castle			\$127	\$44	\$124	\$ 44	\$3	\$0
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	October 1	December 31	\$136	\$49	\$117	\$ 49	\$19	\$0
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	January 1	April 30	\$195	\$49	\$182	\$ 49	\$13	\$0
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	May 1	September 30	\$110	\$49	\$100	\$ 49	\$10	\$0
FL	Bradenton	Manatee	October 1	January 31	\$102	\$44	\$102	\$ 44	\$0	\$0
FL	Bradenton	Manatee	February 1	March 31	\$161	\$44	\$159	\$ 44	\$2	\$0
FL	Bradenton	Manatee	April 1	September 30	\$102	\$44	\$102	\$ 44	\$0	\$0
FL	Cocoa Beach	Brevard	October 1	January 31	\$121	\$54	\$113	\$ 54	\$8	\$0
FL	Cocoa Beach	Brevard	February 1	March 31	\$149	\$54	\$146	\$ 54	\$3	\$0
FL	Cocoa Beach	Brevard	April 1	September 30	\$121	\$54	\$113	\$ 54	\$8	\$0
FL	Daytona Beach	Volusia	October 1	January 31	\$97	\$49	\$91	\$ 49	\$6	\$0
FL	Daytona Beach	Volusia	February 1	March 31	\$131	\$49	\$125	\$ 49	\$6	\$0
FL	Daytona Beach	Volusia	April 1	July 31	\$108	\$49	\$102	\$ 49	\$6	\$0
FL	Daytona Beach	Volusia	August 1	September 30	\$97	\$49	\$91	\$ 49	\$6	\$0
FL	Fort Lauderdale	Broward	October 1	December 31	\$148	\$54	\$151	\$ 54	-\$3	\$0
FL	Fort Lauderdale	Broward	January 1	April 30	\$195	\$54	\$200	\$ 54	-\$5	\$0
FL	Fort Lauderdale	Broward	May 1	September 30	\$121	\$54	\$118	\$ 54	\$3	\$0
FL	Fort Myers	Lee	October 1	January 31	\$110	\$49	\$100	\$ 49	\$10	\$0
FL	Fort Myers	Lee	February 1	March 31	\$190	\$49	\$165	\$ 49	\$25	\$0
FL	Fort Myers	Lee	April 1	September 30	\$110	\$49	\$100	\$ 49	\$10	\$0
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	October 1	October 31	\$141	\$54	\$135	\$ 54	\$6	\$0

FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	November 1	February 28	\$93	\$54	\$94	\$ 54	-\$1	\$0
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	March 1	May 31	\$156	\$54	\$158	\$ 54	-\$2	\$0
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	June 1	July 31	\$221	\$54	\$215	\$ 54	\$6	\$0
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	August 1	September 30	\$141	\$54	\$135	\$ 54	\$6	\$0
FL	Gainesville	Alachua			\$102	\$49	\$102	\$ 49	\$0	\$0
FL	Gulf Breeze	Santa Rosa	October 1	February 28	\$93	\$54	\$91	\$ 54	\$2	\$0
FL	Gulf Breeze	Santa Rosa	March 1	May 31	\$102	\$54	\$98	\$ 54	\$4	\$0
FL	Gulf Breeze	Santa Rosa	June 1	July 31	\$138	\$54	\$127	\$ 54	\$11	\$0
FL	Gulf Breeze	Santa Rosa	August 1	September 30	\$93	\$54	\$91	\$ 54	\$2	\$0
FL	Key West	Monroe	October 1	November 30	\$209	\$59	\$210	\$ 59	-\$1	\$0
FL	Key West	Monroe	December 1	January 31	\$268	\$59	\$279	\$ 59	-\$11	\$0
FL	Key West	Monroe	February 1	April 30	\$294	\$59	\$311	\$ 59	-\$17	\$0
FL	Key West	Monroe	May 1	September 30	\$201	\$59	\$204	\$ 59	-\$3	\$0
FL	Miami	Miami-Dade	October 1	November 30	\$140	\$54	\$145	\$ 54	-\$5	\$0
FL	Miami	Miami-Dade	December 1	March 31	\$176	\$54	\$196	\$ 54	-\$20	\$0
FL	Miami	Miami-Dade	April 1	May 31	\$148	\$54	\$156	\$ 54	-\$8	\$0
FL	Miami	Miami-Dade	June 1	September 30	\$119	\$54	\$119	\$ 54	\$0	\$0
FL	Naples	Collier	October 1	November 30	\$145	\$54	\$143	\$ 54	\$2	\$0
FL	Naples	Collier	December 1	January 31	\$210	\$54	\$214	\$ 54	-\$4	\$0
FL	Naples	Collier	February 1	April 30	\$247	\$54	\$268	\$ 54	-\$21	\$0
FL	Naples	Collier	May 1	September 30	\$132	\$54	\$130	\$ 54	\$2	\$0
FL	Orlando	Orange	October 1	March 31	\$129	\$49	\$133	\$ 49	-\$4	\$0
FL	Orlando	Orange	April 1	July 31	\$121	\$49	\$114	\$ 49	\$7	\$0
FL	Orlando	Orange	August 1	September 30	\$129	\$49	\$114	\$ 49	\$15	\$0
FL	Panama City	Bay	October 1	February 28	\$93	\$49	\$91	\$ 49	\$2	\$0
FL	Panama City	Bay	March 1	May 31	\$116	\$49	\$115	\$ 49	\$1	\$0
FL	Panama City	Bay	June 1	July 31	\$153	\$49	\$139	\$ 49	\$14	\$0
FL	Panama City	Bay	August 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
FL	Pensacola	Escambia	October 1	February 28	\$106	\$49	\$105	\$ 49	\$1	\$0
FL	Pensacola	Escambia	March 1	May 31	\$124	\$49	\$122	\$ 49	\$2	\$0
FL	Pensacola	Escambia	June 1	July 31	\$159	\$49	\$150	\$ 49	\$9	\$0
FL	Pensacola	Escambia	August 1	September 30	\$106	\$49	\$105	\$ 49	\$1	\$0
FL	Punta Gorda	Charlotte	October 1	January 31	\$93	\$49	\$91	\$ 49	\$2	\$0
FL	Punta Gorda	Charlotte	February 1	March 31	\$150	\$49	\$146	\$ 49	\$4	\$0
FL	Punta Gorda	Charlotte	April 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
FL	Sarasota	Sarasota	October 1	November 30	\$103	\$49	\$103	\$ 49	\$0	\$0
FL	Sarasota	Sarasota	December 1	April 30	\$148	\$49	\$151	\$ 49	-\$3	\$0
FL	Sarasota	Sarasota	May 1	September 30	\$103	\$49	\$103	\$ 49	\$0	\$0
FL	Sebring	Highlands			\$99	\$44	\$99	\$ 44	\$0	\$0
FL	St. Augustine	St. Johns			\$121	\$49	\$119	\$ 49	\$2	\$0
FL	Stuart	Martin	October 1	January 31	\$98	\$49	\$95	\$ 49	\$3	\$0
FL	Stuart	Martin	February 1	March 31	\$152	\$49	\$146	\$ 49	\$6	\$0
FL	Stuart	Martin	April 1	September 30	\$98	\$49	\$95	\$ 49	\$3	\$0
FL	Tallahassee	Leon	October 1	December 31	\$98	\$44	\$98	\$ 44	\$0	\$0
FL	Tallahassee	Leon	January 1	April 30	\$116	\$44	\$117	\$ 44	-\$1	\$0
FL	Tallahassee	Leon	May 1	September 30	\$98	\$44	\$98	\$ 44	\$0	\$0
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	October 1	December 31	\$120	\$44	\$114	\$ 44	\$6	\$0
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	January 1	March 31	\$154	\$44	\$147	\$ 44	\$7	\$0
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	April 1	September 30	\$120	\$44	\$114	\$ 44	\$6	\$0
FL	Vero Beach	Indian River	October 1	November 30	\$131	\$49	\$134	\$ 49	-\$3	\$0
FL	Vero Beach	Indian River	December 1	April 30	\$173	\$49	\$177	\$ 49	-\$4	\$0

FL	Vero Beach	Indian River	May 1	September 30	\$131	\$49	\$134	\$ 49	-\$3	\$0
GA	Athens	Clarke			\$101	\$49	\$98	\$ 49	\$3	\$0
GA	Atlanta	Fulton / Dekalb / Cobb	October 1	October 31	\$166	\$59	\$140	\$ 59	\$26	\$0
GA	Atlanta	Fulton / Dekalb / Cobb	November 1	August 31	\$148	\$59	\$148	\$ 59	\$0	\$0
GA	Atlanta	Fulton / Dekalb / Cobb	September 1	September 30	\$166	\$59	\$140	\$ 59	\$26	\$0
GA	Augusta	Richmond			\$101	\$49	\$100	\$ 49	\$1	\$0
GA	Jekyll Island / Brunswick	Glynn	October 1	February 28	\$122	\$54	\$125	\$ 54	-\$3	\$0
GA	Jekyll Island / Brunswick	Glynn	March 1	July 31	\$154	\$54	\$151	\$ 54	\$3	\$0
GA	Jekyll Island / Brunswick	Glynn	August 1	September 30	\$122	\$54	\$125	\$ 54	-\$3	\$0
GA	Savannah	Chatham	October 1	February 28	\$117	\$49	\$115	\$ 49	\$2	\$0
GA	Savannah	Chatham	March 1	April 30	\$132	\$49	\$132	\$ 49	\$0	\$0
GA	Savannah	Chatham	May 1	September 30	\$117	\$49	\$115	\$ 49	\$2	\$0
IA	Dallas	Dallas			\$118	\$44	\$120	\$ 44	-\$2	\$0
IA	Des Moines	Polk			\$109	\$49	\$107	\$ 49	\$2	\$0
ID	Coeur d'Alene	Kootenai	October 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
ID	Coeur d'Alene	Kootenai	June 1	August 31	\$126	\$49	\$129	\$ 49	-\$3	\$0
ID	Coeur d'Alene	Kootenai	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
ID	Sun Valley / Ketchum	Blaine / Elmore	October 1	May 31	\$110	\$44	\$110	\$ 44	\$0	\$0
ID	Sun Valley / Ketchum	Blaine / Elmore	June 1	August 31	\$133	\$44	\$110	\$ 44	\$23	\$0
ID	Sun Valley / Ketchum	Blaine / Elmore	September 1	September 30	\$110	\$44	\$110	\$ 44	\$0	\$0
IL	Bolingbrook / Romeoville / Lemont	Will			\$105	\$44	\$95	\$ 44	\$10	\$0
IL	Chicago	Cook / Lake	October 1	November 30	\$226	\$64	\$212	\$ 64	\$14	\$0
IL	Chicago	Cook / Lake	December 1	March 31	\$130	\$64	\$137	\$ 64	-\$7	\$0
IL	Chicago	Cook / Lake	April 1	June 30	\$215	\$64	\$222	\$ 64	-\$7	\$0
IL	Chicago	Cook / Lake	July 1	August 31	\$193	\$64	\$192	\$ 64	\$1	\$0
IL	Chicago	Cook / Lake	September 1	September 30	\$226	\$64	\$212	\$ 64	\$14	\$0
IL	Oak Brook Terrace	Dupage			\$114	\$49	\$112	\$ 49	\$2	\$0
IL	O'Fallon / Fairview Heights / Collinsville	Bond / Calhoun / Clinton / Jersey / Macoupin / Madison / Monroe / St. Clair			\$130	\$44	\$125	\$ 44	\$5	\$0
IN	Bloomington	Monroe			\$104	\$59	\$104	\$ 59	\$0	\$0
IN	Ft. Wayne	Allen			\$100	\$44	\$92	\$ 44	\$8	\$0
IN	Hammond / Munster / Merrillville	Lake			\$97	\$49	\$99	\$ 49	-\$2	\$0
IN	Indianapolis / Carmel	Marion / Hamilton			\$119	\$44	\$107	\$ 44	\$12	\$0
IN	Indianapolis / Carmel	Marion / Hamilton			\$119	\$44	\$121	\$ 44	-\$2	\$0
IN	Indianapolis / Carmel	Marion / Hamilton			\$119	\$44	\$107	\$ 44	\$12	\$0
IN	Lafayette / West Lafayette	Tippecanoe			\$103	\$44	\$97	\$ 44	\$6	\$0
IN	South Bend	St. Joseph			\$97	\$49	\$96	\$ 49	\$1	\$0
KS	Kansas City / Overland Park	Wyandotte / Johnson / Leavenworth			\$121	\$54	\$117	\$ 54	\$4	\$0
KS	Wichita	Sedgwick			\$100	\$49	\$99	\$ 49	\$1	\$0
KY	Boone	Boone			\$105	\$44	\$98	\$ 44	\$7	\$0
KY	Kenton	Kenton			\$141	\$59	\$136	\$ 59	\$5	\$0
KY	Lexington	Fayette	October 1	October 31	\$109	\$44	\$108	\$ 44	\$1	\$0
KY	Lexington	Fayette	November 1	March 31	\$101	\$44	\$108	\$ 44	-\$7	\$0
KY	Lexington	Fayette	April 1	September 30	\$109	\$44	\$108	\$ 44	\$1	\$0
KY	Louisville	Jefferson	October 1	January 31	\$118	\$49	\$121	\$ 49	-\$3	\$0
KY	Louisville	Jefferson	February 1	May 31	\$138	\$49	\$113	\$ 49	\$25	\$0
KY	Louisville	Jefferson	June 1	September 30	\$118	\$49	\$134	\$ 49	-\$16	\$0
KY	Louisville	Jefferson	June 1	September 30	\$118	\$49	\$121	\$ 49	-\$3	\$0

LA	Alexandria / Leesville / Natchitoches	Allen / Jefferson Davis / Natchitoches / Rapides / Vernon Parishes			\$96	\$54	\$97	\$ 54	-\$1	\$0
LA	Baton Rouge	East Baton Rouge Parish			\$105	\$49	\$97	\$ 49	\$8	\$0
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	October 1	January 31	\$148	\$54	\$156	\$ 54	-\$8	\$0
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	February 1	April 30	\$173	\$54	\$128	\$ 54	\$45	\$0
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	May 1	June 30	\$152	\$54	\$128	\$ 54	\$24	\$0
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	July 1	August 31	\$109	\$54	\$128	\$ 54	-\$19	\$0
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	September 1	September 30	\$148	\$54	\$128	\$ 54	\$20	\$0
MA	Andover	Essex			\$118	\$49	\$114	\$ 49	\$4	\$0
MA	Boston / Cambridge	Suffolk, city of Cambridge	October 1	November 30	\$287	\$59	\$296	\$ 59	-\$9	\$0
MA	Boston / Cambridge	Suffolk, city of Cambridge	December 1	February 28	\$169	\$59	\$204	\$ 59	-\$35	\$0
MA	Boston / Cambridge	Suffolk, city of Cambridge	March 1	August 31	\$267	\$59	\$275	\$ 59	-\$8	\$0
MA	Boston / Cambridge	Suffolk, city of Cambridge	September 1	September 30	\$287	\$59	\$262	\$ 59	\$25	\$0
MA	Boston / Cambridge	Suffolk, city of Cambridge	September 1	September 30	\$287	\$59	\$296	\$ 59	-\$9	\$0
MA	Burlington / Woburn	Middlesex less the city of Cambridge			\$150	\$54	\$147	\$ 54	\$3	\$0
MA	Falmouth	City limits of Falmouth	October 1	April 30	\$129	\$54	\$146	\$ 54	-\$17	\$0
MA	Falmouth	City limits of Falmouth	May 1	June 30	\$154	\$54	\$107	\$ 54	\$47	\$0
MA	Falmouth	City limits of Falmouth	July 1	August 31	\$257	\$54	\$151	\$ 54	\$106	\$0
MA	Falmouth	City limits of Falmouth	September 1	September 30	\$129	\$54	\$242	\$ 54	-\$113	\$0
MA	Falmouth	City limits of Falmouth	September 1	September 30	\$129	\$54	\$146	\$ 54	-\$17	\$0
MA	Hyannis	Barnstable less the city of Falmouth	October 1	June 30	\$126	\$54	\$105	\$ 54	\$21	\$0
MA	Hyannis	Barnstable less the city of Falmouth	July 1	August 31	\$215	\$54	\$165	\$ 54	\$50	\$0
MA	Hyannis	Barnstable less the city of Falmouth	September 1	September 30	\$126	\$54	\$105	\$ 54	\$21	\$0
MA	Martha's Vineyard	Dukes	October 1	May 31	\$146	\$64	\$130	\$ 64	\$16	\$0
MA	Martha's Vineyard	Dukes	June 1	September 30	\$322	\$64	\$290	\$ 64	\$32	\$0
MA	Nantucket	Nantucket	October 1	May 31	\$141	\$64	\$162	\$ 64	-\$21	\$0
MA	Nantucket	Nantucket	June 1	September 30	\$300	\$64	\$131	\$ 64	\$169	\$0
MA	Nantucket	Nantucket	October 1	May 31	\$141	\$64	\$294	\$ 64	-\$153	\$0
MA	Nantucket	Nantucket	June 1	September 30	\$300	\$64	\$162	\$ 64	\$138	\$0
MA	Northampton	Hampshire			\$107	\$54	\$110	\$ 54	-\$3	\$0
MA	Pittsfield	Berkshire			\$126	\$54	\$126	\$ 54	\$0	\$0
MA	Plymouth / Taunton / New Bedford	Plymouth / Bristol			\$115	\$49	\$113	\$ 49	\$2	\$0
MA	Quincy	Norfolk	October 1	October 31	\$161	\$49	\$160	\$ 49	\$1	\$0

MA	Quincy	Norfolk	November 1	April 30	\$136	\$49	\$136	\$ 49	\$0	\$0
MA	Quincy	Norfolk	May 1	September 30	\$161	\$49	\$160	\$ 49	\$1	\$0
MA	Springfield	Hampden			\$110	\$49	\$110	\$ 49	\$0	\$0
MA	Worcester	Worcester			\$127	\$49	\$118	\$ 49	\$9	\$0
MD	Aberdeen / Bel Air / Belcamp	Harford			\$106	\$49	\$104	\$ 49	\$2	\$0
MD	Annapolis	Anne Arundel	October 1	October 31	\$130	\$59	\$126	\$ 59	\$4	\$0
MD	Annapolis	Anne Arundel	November 1	April 30	\$106	\$59	\$103	\$ 59	\$3	\$0
MD	Annapolis	Anne Arundel	May 1	September 30	\$130	\$59	\$126	\$ 59	\$4	\$0
MD	Baltimore City	Baltimore City	October 1	November 30	\$160	\$59	\$159	\$ 59	\$1	\$0
MD	Baltimore City	Baltimore City	December 1	February 28	\$121	\$59	\$122	\$ 59	-\$1	\$0
MD	Baltimore City	Baltimore City	March 1	June 30	\$161	\$59	\$156	\$ 59	\$5	\$0
MD	Baltimore City	Baltimore City	July 1	August 31	\$140	\$59	\$140	\$ 59	\$0	\$0
MD	Baltimore City	Baltimore City	September 1	September 30	\$160	\$59	\$159	\$ 59	\$1	\$0
MD	Baltimore County	Baltimore			\$103	\$49	\$101	\$ 49	\$2	\$0
MD	Cambridge / St. Michaels	Dorchester / Talbot	October 1	October 31	\$144	\$54	\$120	\$ 54	\$24	\$0
MD	Cambridge / St. Michaels	Dorchester / Talbot	November 1	March 31	\$103	\$54	\$151	\$ 54	-\$48	\$0
MD	Cambridge / St. Michaels	Dorchester / Talbot	April 1	September 30	\$144	\$54	\$120	\$ 54	\$24	\$0
MD	Centreville	Queen Anne			\$117	\$59	\$117	\$ 59	\$0	\$0
MD	Columbia	Howard			\$107	\$54	\$109	\$ 54	-\$2	\$0
MD	Frederick	Frederick			\$98	\$49	\$98	\$ 49	\$0	\$0
MD	Ocean City	Worcester	October 1	June 30	\$108	\$54	\$92	\$ 54	\$16	\$0
MD	Ocean City	Worcester	July 1	August 31	\$239	\$54	\$212	\$ 54	\$27	\$0
MD	Ocean City	Worcester	September 1	September 30	\$108	\$54	\$92	\$ 54	\$16	\$0
ME	Bar Harbor	Hancock	October 1	October 31	\$167	\$64	\$144	\$ 64	\$23	\$0
ME	Bar Harbor	Hancock	November 1	June 30	\$122	\$64	\$115	\$ 64	\$7	\$0
ME	Bar Harbor	Hancock	July 1	August 31	\$218	\$64	\$188	\$ 64	\$30	\$0
ME	Bar Harbor	Hancock	September 1	September 30	\$167	\$64	\$144	\$ 64	\$23	\$0
ME	Kennebunk / Kittery / Sanford	York	October 1	October 31	\$108	\$49	\$106	\$ 49	\$2	\$0
ME	Kennebunk / Kittery / Sanford	York	November 1	June 30	\$93	\$49	\$91	\$ 49	\$2	\$0
ME	Kennebunk / Kittery / Sanford	York	July 1	August 31	\$145	\$49	\$101	\$ 49	\$44	\$0
ME	Kennebunk / Kittery / Sanford	York	September 1	September 30	\$108	\$49	\$149	\$ 49	-\$41	\$0
ME	Kennebunk / Kittery / Sanford	York	September 1	September 30	\$108	\$49	\$106	\$ 49	\$2	\$0
ME	Portland	Cumberland / Sagadahoc	October 1	October 31	\$147	\$49	\$136	\$ 49	\$11	\$0
ME	Portland	Cumberland / Sagadahoc	November 1	June 30	\$109	\$49	\$106	\$ 49	\$3	\$0
ME	Portland	Cumberland / Sagadahoc	July 1	August 31	\$170	\$49	\$157	\$ 49	\$13	\$0
ME	Portland	Cumberland / Sagadahoc	September 1	September 30	\$147	\$49	\$136	\$ 49	\$11	\$0
ME	Rockport	Knox	October 1	June 30	\$101	\$59	\$91	\$ 59	\$10	\$0
ME	Rockport	Knox	July 1	August 31	\$133	\$59	\$114	\$ 59	\$19	\$0
ME	Rockport	Knox	September 1	September 30	\$101	\$59	\$91	\$ 59	\$10	\$0
MI	Ann Arbor	Washtenaw			\$120	\$49	\$115	\$ 49	\$5	\$0
MI	Benton Harbor / St. Joseph / Stevensville	Berrien	October 1	June 30	\$93	\$44	\$96	\$ 44	-\$3	\$0
MI	Benton Harbor / St. Joseph / Stevensville	Berrien	July 1	August 31	\$116	\$44	\$96	\$ 44	\$20	\$0
MI	Benton Harbor / St. Joseph / Stevensville	Berrien	September 1	September 30	\$93	\$44	\$96	\$ 44	-\$3	\$0
MI	Detroit	Wayne			\$126	\$44	\$122	\$ 44	\$4	\$0
MI	East Lansing / Lansing	Ingham / Eaton			\$103	\$49	\$100	\$ 49	\$3	\$0

MI	Grand Rapids	Kent			\$113	\$49	\$109	\$ 49	\$4	\$0
MI	Holland	Ottawa			\$111	\$49	\$100	\$ 49	\$11	\$0
MI	Kalamazoo / Battle Creek	Kalamazoo / Calhoun			\$100	\$44	\$98	\$ 44	\$2	\$0
MI	Mackinac Island	Mackinac	October 1	June 30	\$93	\$49	\$91	\$ 49	\$2	\$0
MI	Mackinac Island	Mackinac	July 1	August 31	\$119	\$49	\$108	\$ 49	\$11	\$0
MI	Mackinac Island	Mackinac	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
MI	Midland	Midland			\$113	\$44	\$110	\$ 44	\$3	\$0
MI	Muskegon	Muskegon	October 1	May 31	\$93	\$44	\$91	\$ 44	\$2	\$0
MI	Muskegon	Muskegon	June 1	August 31	\$122	\$44	\$114	\$ 44	\$8	\$0
MI	Muskegon	Muskegon	September 1	September 30	\$93	\$44	\$91	\$ 44	\$2	\$0
MI	Petoskey	Emmet	October 1	June 30	\$108	\$49	\$106	\$ 49	\$2	\$0
MI	Petoskey	Emmet	July 1	August 31	\$181	\$49	\$171	\$ 49	\$10	\$0
MI	Petoskey	Emmet	September 1	September 30	\$108	\$49	\$106	\$ 49	\$2	\$0
MI	Pontiac / Auburn Hills	Oakland			\$113	\$44	\$108	\$ 44	\$5	\$0
MI	South Haven	Van Buren	October 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
MI	South Haven	Van Buren	June 1	August 31	\$118	\$49	\$112	\$ 49	\$6	\$0
MI	South Haven	Van Buren	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
MI	Traverse City / Leland	Grand Traverse / Leelanau	October 1	June 30	\$107	\$64	\$109	\$ 64	-\$2	\$0
MI	Traverse City / Leland	Grand Traverse / Leelanau	July 1	August 31	\$179	\$64	\$93	\$ 64	\$86	\$0
MI	Traverse City / Leland	Grand Traverse / Leelanau	September 1	September 30	\$107	\$64	\$178	\$ 64	-\$71	\$0
MI	Traverse City / Leland	Grand Traverse / Leelanau	September 1	September 30	\$107	\$64	\$109	\$ 64	-\$2	\$0
MN	Duluth	St. Louis	October 1	October 31	\$154	\$54	\$147	\$ 54	\$7	\$0
MN	Duluth	St. Louis	November 1	May 31	\$120	\$54	\$114	\$ 54	\$6	\$0
MN	Duluth	St. Louis	June 1	August 31	\$173	\$54	\$160	\$ 54	\$13	\$0
MN	Duluth	St. Louis	September 1	September 30	\$154	\$54	\$147	\$ 54	\$7	\$0
MN	Eagan / Burnsville / Mendota Heights	Dakota			\$96	\$49	\$96	\$ 49	\$0	\$0
MN	Minneapolis / St. Paul	Hennepin / Ramsey			\$149	\$54	\$145	\$ 54	\$4	\$0
MN	Rochester	Olmsted			\$122	\$54	\$120	\$ 54	\$2	\$0
MO	Kansas City	Jackson / Clay / Cass / Platte			\$121	\$54	\$117	\$ 54	\$4	\$0
MO	St. Louis	St. Louis / St. Louis City / St. Charles / Crawford / Franklin / Jefferson / Lincoln / Warren / Washington			\$130	\$44	\$125	\$ 44	\$5	\$0
MS	Oxford	Lafayette	October 1	July 31	\$99	\$54	\$107	\$ 54	-\$8	\$0
MS	Oxford	Lafayette	August 1	September 30	\$114	\$54	\$107	\$ 54	\$7	\$0
MS	Southaven	Desoto			\$108	\$49	\$105	\$ 49	\$3	\$0
MS	Starkville	Oktibbeha			\$100	\$44	\$98	\$ 44	\$2	\$0
MT	Big Sky / West Yellowstone	Gallatin	October 1	May 31	\$94	\$49	\$93	\$ 49	\$1	\$0
MT	Big Sky / West Yellowstone	Gallatin	June 1	September 30	\$157	\$49	\$152	\$ 49	\$5	\$0
MT	Butte	Silver Bow			\$95	\$54	\$94	\$ 54	\$1	\$0
MT	Glendive / Sidney	Dawson / Richland			\$94	\$59	\$122	\$ 59	-\$28	\$0
MT	Helena	Lewis and Clark			\$99	\$54	\$95	\$ 54	\$4	\$0
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	October 1	June 30	\$94	\$49	\$95	\$ 49	-\$1	\$0
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	July 1	August 31	\$135	\$49	\$140	\$ 49	-\$5	\$0
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	September 1	September 30	\$94	\$49	\$95	\$ 49	-\$1	\$0
NC	Asheville	Buncombe	October 1	December 31	\$126	\$49	\$117	\$ 49	\$9	\$0
NC	Asheville	Buncombe	January 1	February 28	\$95	\$49	\$95	\$ 49	\$0	\$0

NC	Asheville	Buncombe	March 1	September 30	\$118	\$49	\$117	\$ 49	\$1	\$0
NC	Atlantic Beach / Morehead City	Carteret	October 1	May 31	\$93	\$54	\$91	\$ 54	\$2	\$0
NC	Atlantic Beach / Morehead City	Carteret	June 1	August 31	\$121	\$54	\$118	\$ 54	\$3	\$0
NC	Atlantic Beach / Morehead City	Carteret	September 1	September 30	\$93	\$54	\$91	\$ 54	\$2	\$0
NC	Chapel Hill	Orange			\$118	\$59	\$115	\$ 59	\$3	\$0
NC	Charlotte	Mecklenburg			\$127	\$49	\$122	\$ 49	\$5	\$0
NC	Durham	Durham			\$105	\$49	\$102	\$ 49	\$3	\$0
NC	Fayetteville	Cumberland			\$106	\$44	\$102	\$ 44	\$4	\$0
NC	Greensboro	Guilford	October 1	October 31	\$101	\$44	\$101	\$ 44	\$0	\$0
NC	Greensboro	Guilford	November 1	March 31	\$93	\$44	\$93	\$ 44	\$0	\$0
NC	Greensboro	Guilford	April 1	September 30	\$101	\$44	\$101	\$ 44	\$0	\$0
NC	Kill Devil Hills	Dare	October 1	March 31	\$93	\$54	\$96	\$ 54	-\$3	\$0
NC	Kill Devil Hills	Dare	April 1	September 30	\$154	\$54	\$122	\$ 54	\$32	\$0
NC	Kill Devil Hills	Dare	April 1	September 30	\$154	\$54	\$185	\$ 54	-\$31	\$0
NC	Kill Devil Hills	Dare	April 1	September 30	\$154	\$54	\$96	\$ 54	\$58	\$0
NC	Raleigh	Wake			\$115	\$49	\$111	\$ 49	\$4	\$0
NC	Wilmington	New Hanover			\$101	\$49	\$98	\$ 49	\$3	\$0
ND	Williston	Williams / Mountrail / McKenzie			\$94	\$59	\$123	\$ 59	-\$29	\$0
NE	Omaha	Douglas			\$109	\$54	\$107	\$ 54	\$2	\$0
NH	Concord	Merrimack			\$102	\$49	\$102	\$ 49	\$0	\$0
NH	Conway	Carroll	October 1	February 28	\$130	\$44	\$126	\$ 44	\$4	\$0
NH	Conway	Carroll	March 1	June 30	\$116	\$44	\$110	\$ 44	\$6	\$0
NH	Conway	Carroll	July 1	August 31	\$158	\$44	\$154	\$ 44	\$4	\$0
NH	Conway	Carroll	September 1	September 30	\$130	\$44	\$126	\$ 44	\$4	\$0
NH	Durham	Strafford	October 1	April 30	\$104	\$44	\$104	\$ 44	\$0	\$0
NH	Durham	Strafford	May 1	August 31	\$121	\$44	\$104	\$ 44	\$17	\$0
NH	Durham	Strafford	September 1	September 30	\$104	\$44	\$104	\$ 44	\$0	\$0
NH	Laconia	Belknap	October 1	October 31	\$142	\$59	\$134	\$ 59	\$8	\$0
NH	Laconia	Belknap	November 1	May 31	\$116	\$59	\$112	\$ 59	\$4	\$0
NH	Laconia	Belknap	June 1	September 30	\$142	\$59	\$134	\$ 59	\$8	\$0
NH	Lebanon / Lincoln / West Lebanon	Grafton / Sullivan			\$131	\$54	\$126	\$ 54	\$5	\$0
NH	Manchester	Hillsborough			\$107	\$54	\$108	\$ 54	-\$1	\$0
NH	Portsmouth	Rockingham	October 1	June 30	\$116	\$49	\$114	\$ 49	\$2	\$0
NH	Portsmouth	Rockingham	July 1	August 31	\$158	\$49	\$150	\$ 49	\$8	\$0
NH	Portsmouth	Rockingham	September 1	September 30	\$116	\$49	\$114	\$ 49	\$2	\$0
NJ	Atlantic City / Ocean City / Cape May	Atlantic / Cape May	October 1	December 31	\$99	\$54	\$99	\$ 54	\$0	\$0
NJ	Atlantic City / Ocean City / Cape May	Atlantic / Cape May	January 1	February 28	\$93	\$54	\$91	\$ 54	\$2	\$0
NJ	Atlantic City / Ocean City / Cape May	Atlantic / Cape May	March 1	September 30	\$99	\$54	\$99	\$ 54	\$0	\$0
NJ	Cherry Hill / Moorestown	Camden / Burlington			\$103	\$49	\$100	\$ 49	\$3	\$0
NJ	Eatontown / Freehold	Monmouth			\$106	\$49	\$103	\$ 49	\$3	\$0
NJ	Edison / Piscataway	Middlesex			\$109	\$49	\$108	\$ 49	\$1	\$0
NJ	Flemington	Hunterdon			\$121	\$54	\$119	\$ 54	\$2	\$0
NJ	Newark	Essex / Bergen / Hudson / Passaic			\$141	\$54	\$140	\$ 54	\$1	\$0
NJ	Parsippany	Morris			\$149	\$49	\$145	\$ 49	\$4	\$0
NJ	Princeton / Trenton	Mercer			\$129	\$49	\$127	\$ 49	\$2	\$0
NJ	Somerset	Somerset			\$148	\$49	\$148	\$ 49	\$0	\$0
NJ	Springfield / Cranford / New Providence	Union			\$119	\$49	\$118	\$ 49	\$1	\$0
NJ	Toms River	Ocean			\$109	\$54	\$91	\$ 54	\$18	\$0
NJ	Toms River	Ocean			\$109	\$54	\$103	\$ 54	\$6	\$0

NJ	Toms River	Ocean			\$109	\$54	\$91	\$ 54	\$18	\$0
NM	Carlsbad	Eddy			\$125	\$44	\$153	\$ 44	-\$28	\$0
NM	Las Cruces	Dona Ana			\$94	\$49	\$95	\$ 49	-\$1	\$0
NM	Santa Fe	Santa Fe	October 1	December 31	\$119	\$54	\$100	\$ 54	\$19	\$0
NM	Santa Fe	Santa Fe	January 1	February 28	\$97	\$54	\$100	\$ 54	-\$3	\$0
NM	Santa Fe	Santa Fe	March 1	September 30	\$119	\$54	\$100	\$ 54	\$19	\$0
NM	Taos	Taos			\$101	\$59	\$92	\$ 59	\$9	\$0
NV	Incline Village / Reno / Sparks	Washoe	October 1	June 30	\$105	\$54	\$102	\$ 54	\$3	\$0
NV	Incline Village / Reno / Sparks	Washoe	July 1	August 31	\$135	\$54	\$134	\$ 54	\$1	\$0
NV	Incline Village / Reno / Sparks	Washoe	September 1	September 30	\$105	\$54	\$102	\$ 54	\$3	\$0
NV	Las Vegas	Clark	October 1	December 31	\$106	\$54	\$102	\$ 54	\$4	\$0
NV	Las Vegas	Clark	January 1	March 31	\$134	\$54	\$102	\$ 54	\$32	\$0
NV	Las Vegas	Clark	April 1	September 30	\$106	\$54	\$102	\$ 54	\$4	\$0
NY	Albany	Albany			\$115	\$49	\$116	\$ 49	-\$1	\$0
NY	Binghamton / Owego	Broome / Tioga			\$95	\$49	\$98	\$ 49	-\$3	\$0
NY	Buffalo	Erie			\$104	\$54	\$107	\$ 54	-\$3	\$0
NY	Floral Park / Garden City / Great Neck	Nassau			\$152	\$59	\$148	\$ 59	\$4	\$0
NY	Glens Falls	Warren	October 1	June 30	\$102	\$54	\$100	\$ 54	\$2	\$0
NY	Glens Falls	Warren	July 1	August 31	\$167	\$54	\$159	\$ 54	\$8	\$0
NY	Glens Falls	Warren	September 1	September 30	\$102	\$54	\$100	\$ 54	\$2	\$0
NY	Ithaca / Waterloo / Romulus	Tompkins / Seneca			\$122	\$49	\$124	\$ 49	-\$2	\$0
NY	Kingston	Ulster			\$119	\$59	\$117	\$ 59	\$2	\$0
NY	Lake Placid	Essex	October 1	November 30	\$126	\$64	\$122	\$ 64	\$4	\$0
NY	Lake Placid	Essex	December 1	February 28	\$139	\$64	\$139	\$ 64	\$0	\$0
NY	Lake Placid	Essex	March 1	June 30	\$112	\$64	\$112	\$ 64	\$0	\$0
NY	Lake Placid	Essex	July 1	August 31	\$179	\$64	\$179	\$ 64	\$0	\$0
NY	Lake Placid	Essex	September 1	September 30	\$126	\$64	\$122	\$ 64	\$4	\$0
NY	New York City	Bronx / Kings / New York / Queens / Richmond	October 1	December 31	\$291	\$64	\$301	\$ 64	-\$10	\$0
NY	New York City	Bronx / Kings / New York / Queens / Richmond	January 1	February 28	\$164	\$64	\$168	\$ 64	-\$4	\$0
NY	New York City	Bronx / Kings / New York / Queens / Richmond	March 1	June 30	\$253	\$64	\$267	\$ 64	-\$14	\$0
NY	New York City	Bronx / Kings / New York / Queens / Richmond	July 1	August 31	\$230	\$64	\$239	\$ 64	-\$9	\$0
NY	New York City	Bronx / Kings / New York / Queens / Richmond	September 1	September 30	\$291	\$64	\$301	\$ 64	-\$10	\$0
NY	Niagara Falls	Niagara	October 1	June 30	\$93	\$49	\$91	\$ 49	\$2	\$0
NY	Niagara Falls	Niagara	July 1	August 31	\$125	\$49	\$120	\$ 49	\$5	\$0
NY	Niagara Falls	Niagara	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
NY	Nyack / Palisades	Rockland			\$118	\$54	\$119	\$ 54	-\$1	\$0
NY	Poughkeepsie	Dutchess			\$111	\$54	\$109	\$ 54	\$2	\$0
NY	Riverhead / Ronkonkoma / Melville	Suffolk			\$134	\$54	\$130	\$ 54	\$4	\$0
NY	Rochester	Monroe			\$106	\$49	\$104	\$ 49	\$2	\$0
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	October 1	June 30	\$124	\$54	\$124	\$ 54	\$0	\$0
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	July 1	August 31	\$192	\$54	\$188	\$ 54	\$4	\$0
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	September 1	September 30	\$124	\$54	\$124	\$ 54	\$0	\$0
NY	Syracuse / Oswego	Onondaga / Oswego			\$103	\$49	\$102	\$ 49	\$1	\$0

NY	Tarrytown / White Plains / New Rochelle	Westchester			\$146	\$54	\$152	\$ 54	-\$6	\$0
NY	Troy	Rensselaer			\$111	\$54	\$110	\$ 54	\$1	\$0
NY	West Point	Orange			\$108	\$49	\$109	\$ 49	-\$1	\$0
OH	Akron	Summit			\$104	\$44	\$103	\$ 44	\$1	\$0
OH	Canton	Stark			\$101	\$49	\$101	\$ 49	\$0	\$0
OH	Cincinnati	Hamilton / Clermont			\$141	\$59	\$136	\$ 59	\$5	\$0
OH	Cleveland	Cuyahoga			\$141	\$59	\$134	\$ 59	\$7	\$0
OH	Columbus	Franklin			\$119	\$49	\$115	\$ 49	\$4	\$0
OH	Dayton / Fairborn	Greene / Darke / Montgomery			\$101	\$49	\$97	\$ 49	\$4	\$0
OH	Hamilton	Butler / Warren			\$111	\$44	\$112	\$ 44	-\$1	\$0
OH	Medina / Wooster	Wayne / Medina			\$105	\$44	\$103	\$ 44	\$2	\$0
OH	Mentor	Lake			\$106	\$49	\$99	\$ 49	\$7	\$0
OH	Sandusky / Bellevue	Erie / Huron	October 1	May 31	\$102	\$44	\$101	\$ 44	\$1	\$0
OH	Sandusky / Bellevue	Erie / Huron	June 1	August 31	\$120	\$44	\$113	\$ 44	\$7	\$0
OH	Sandusky / Bellevue	Erie / Huron	September 1	September 30	\$102	\$44	\$101	\$ 44	\$1	\$0
OK	Oklahoma City	Oklahoma			\$95	\$49	\$130	\$ 49	-\$35	\$0
OR	Beaverton	Washington			\$136	\$49	\$105	\$ 49	\$31	\$0
OR	Bend	Deschutes	October 1	May 31	\$112	\$49	\$138	\$ 49	-\$26	\$0
OR	Bend	Deschutes	June 1	August 31	\$151	\$49	\$105	\$ 49	\$46	\$0
OR	Bend	Deschutes	September 1	September 30	\$112	\$49	\$105	\$ 49	\$7	\$0
OR	Clackamas	Clackamas			\$123	\$49	\$116	\$ 49	\$7	\$0
OR	Eugene / Florence	Lane			\$118	\$49	\$110	\$ 49	\$8	\$0
OR	Lincoln City	Lincoln	October 1	June 30	\$99	\$49	\$97	\$ 49	\$2	\$0
OR	Lincoln City	Lincoln	July 1	August 31	\$131	\$49	\$130	\$ 49	\$1	\$0
OR	Lincoln City	Lincoln	September 1	September 30	\$99	\$49	\$97	\$ 49	\$2	\$0
OR	Portland	Multnomah	October 1	October 31	\$182	\$54	\$169	\$ 54	\$13	\$0
OR	Portland	Multnomah	November 1	February 28	\$149	\$54	\$169	\$ 54	-\$20	\$0
OR	Portland	Multnomah	March 1	September 30	\$182	\$54	\$169	\$ 54	\$13	\$0
OR	Seaside	Clatsop	October 1	June 30	\$108	\$59	\$110	\$ 59	-\$2	\$0
OR	Seaside	Clatsop	July 1	August 31	\$175	\$59	\$171	\$ 59	\$4	\$0
OR	Seaside	Clatsop	September 1	September 30	\$108	\$59	\$110	\$ 59	-\$2	\$0
PA	Allentown / Easton / Bethlehem	Lehigh / Northampton			\$102	\$49	\$98	\$ 49	\$4	\$0
PA	Bucks	Bucks			\$104	\$49	\$101	\$ 49	\$3	\$0
PA	Chester / Radnor / Essington	Delaware			\$117	\$54	\$111	\$ 54	\$6	\$0
PA	Erie	Erie			\$97	\$44	\$97	\$ 44	\$0	\$0
PA	Gettysburg	Adams	October 1	October 31	\$106	\$54	\$104	\$ 54	\$2	\$0
PA	Gettysburg	Adams	November 1	March 31	\$93	\$54	\$91	\$ 54	\$2	\$0
PA	Gettysburg	Adams	April 1	September 30	\$106	\$54	\$104	\$ 54	\$2	\$0
PA	Harrisburg	Dauphin County excluding Hershey			\$114	\$59	\$110	\$ 59	\$4	\$0
PA	Hershey	Hershey	October 1	October 31	\$133	\$59	\$125	\$ 59	\$8	\$0
PA	Hershey	Hershey	November 1	May 31	\$115	\$59	\$109	\$ 59	\$6	\$0
PA	Hershey	Hershey	June 1	August 31	\$182	\$59	\$180	\$ 59	\$2	\$0
PA	Hershey	Hershey	September 1	September 30	\$133	\$59	\$125	\$ 59	\$8	\$0
PA	Lancaster	Lancaster	October 1	May 31	\$106	\$49	\$112	\$ 49	-\$6	\$0
PA	Lancaster	Lancaster	June 1	August 31	\$122	\$49	\$112	\$ 49	\$10	\$0
PA	Lancaster	Lancaster	September 1	September 30	\$106	\$49	\$112	\$ 49	-\$6	\$0
PA	Malvern / Frazer / Berwyn	Chester			\$129	\$49	\$125	\$ 49	\$4	\$0
PA	Montgomery	Montgomery			\$128	\$54	\$126	\$ 54	\$2	\$0
PA	Philadelphia	Philadelphia	October 1	November 30	\$185	\$54	\$183	\$ 54	\$2	\$0
PA	Philadelphia	Philadelphia	December 1	March 31	\$148	\$54	\$151	\$ 54	-\$3	\$0
PA	Philadelphia	Philadelphia	April 1	August 31	\$202	\$54	\$188	\$ 54	\$14	\$0

PA	Philadelphia	Philadelphia	September 1	September 30	\$185	\$54	\$183	\$ 54	\$2	\$0
PA	Pittsburgh	Allegheny			\$129	\$44	\$129	\$ 44	\$0	\$0
PA	Reading	Berks			\$103	\$44	\$102	\$ 44	\$1	\$0
PA	State College	Centre			\$102	\$49	\$98	\$ 49	\$4	\$0
RI	East Greenwich / Warwick / North Kingstown	Kent / Washington			\$101	\$49	\$99	\$ 49	\$2	\$0
RI	Jamestown / Middletown / Newport	Newport	October 1	October 31	\$180	\$49	\$171	\$ 49	\$9	\$0
RI	Jamestown / Middletown / Newport	Newport	November 1	May 31	\$114	\$49	\$103	\$ 49	\$11	\$0
RI	Jamestown / Middletown / Newport	Newport	June 1	August 31	\$212	\$49	\$171	\$ 49	\$41	\$0
RI	Jamestown / Middletown / Newport	Newport	September 1	September 30	\$180	\$49	\$209	\$ 49	-\$29	\$0
RI	Providence / Bristol	Providence / Bristol			\$151	\$49	\$147	\$ 49	\$4	\$0
SC	Aiken	Aiken			\$96	\$49	\$94	\$ 49	\$2	\$0
SC	Charleston	Charleston / Berkeley / Dorchester	October 1	November 30	\$192	\$59	\$178	\$ 59	\$14	\$0
SC	Charleston	Charleston / Berkeley / Dorchester	December 1	February 28	\$157	\$59	\$146	\$ 59	\$11	\$0
SC	Charleston	Charleston / Berkeley / Dorchester	March 1	May 31	\$219	\$59	\$211	\$ 59	\$8	\$0
SC	Charleston	Charleston / Berkeley / Dorchester	June 1	August 31	\$177	\$59	\$178	\$ 59	-\$1	\$0
SC	Charleston	Charleston / Berkeley / Dorchester	September 1	September 30	\$192	\$59	\$178	\$ 59	\$14	\$0
SC	Columbia	Richland / Lexington			\$105	\$49	\$101	\$ 49	\$4	\$0
SC	Hilton Head	Beaufort	October 1	March 31	\$117	\$54	\$110	\$ 54	\$7	\$0
SC	Hilton Head	Beaufort	April 1	July 31	\$158	\$54	\$151	\$ 54	\$7	\$0
SC	Hilton Head	Beaufort	August 1	September 30	\$117	\$54	\$110	\$ 54	\$7	\$0
SC	Myrtle Beach	Horry	October 1	February 28	\$93	\$49	\$91	\$ 49	\$2	\$0
SC	Myrtle Beach	Horry	March 1	May 31	\$103	\$49	\$105	\$ 49	-\$2	\$0
SC	Myrtle Beach	Horry	June 1	August 31	\$157	\$49	\$156	\$ 49	\$1	\$0
SC	Myrtle Beach	Horry	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
SD	Hot Springs	Fall River / Custer	October 1	October 31	\$98	\$49	\$93	\$ 49	\$5	\$0
SD	Hot Springs	Fall River / Custer	November 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
SD	Hot Springs	Fall River / Custer	June 1	August 31	\$133	\$49	\$136	\$ 49	-\$3	\$0
SD	Hot Springs	Fall River / Custer	September 1	September 30	\$98	\$49	\$93	\$ 49	\$5	\$0
SD	Rapid City	Pennington	October 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
SD	Rapid City	Pennington	June 1	August 31	\$148	\$49	\$131	\$ 49	\$17	\$0
SD	Rapid City	Pennington	September 1	September 30	\$93	\$49	\$131	\$ 49	-\$38	\$0
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	October 1	May 31	\$93	\$49	\$91	\$ 49	\$2	\$0
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	June 1	September 30	\$124	\$49	\$142	\$ 49	-\$18	\$0
TN	Brentwood / Franklin	Williamson			\$127	\$49	\$121	\$ 49	\$6	\$0
TN	Chattanooga	Hamilton			\$103	\$54	\$100	\$ 54	\$3	\$0
TN	Knoxville	Knox			\$98	\$49	\$96	\$ 49	\$2	\$0
TN	Memphis	Shelby			\$117	\$49	\$113	\$ 49	\$4	\$0
TN	Nashville	Davidson	October 1	June 30	\$170	\$49	\$161	\$ 49	\$9	\$0
TN	Nashville	Davidson	July 1	August 31	\$162	\$49	\$151	\$ 49	\$11	\$0
TN	Nashville	Davidson	September 1	September 30	\$170	\$49	\$161	\$ 49	\$9	\$0
TX	Arlington / Fort Worth / Grapevine	Tarrant County / City of Grapevine			\$163	\$49	\$152	\$ 49	\$11	\$0
TX	Austin	Travis	October 1	December 31	\$146	\$49	\$141	\$ 49	\$5	\$0

TX	Austin	Travis	January 1	March 31	\$165	\$49	\$158	\$ 49	\$7	\$0
TX	Austin	Travis	April 1	September 30	\$146	\$49	\$141	\$ 49	\$5	\$0
TX	Big Spring	Howard	October 1	October 31	\$97	\$44	\$124	\$ 44	-\$27	\$0
TX	Big Spring	Howard	November 1	March 31	\$93	\$44	\$124	\$ 44	-\$31	\$0
TX	Big Spring	Howard	April 1	September 30	\$97	\$44	\$124	\$ 44	-\$27	\$0
TX	College Station	Brazos			\$107	\$49	\$110	\$ 49	-\$3	\$0
TX	Corpus Christi	Nueces			\$101	\$49	\$106	\$ 49	-\$5	\$0
TX	Dallas	Dallas	October 1	December 31	\$142	\$54	\$135	\$ 54	\$7	\$0
TX	Dallas	Dallas	January 1	June 30	\$155	\$54	\$146	\$ 54	\$9	\$0
TX	Dallas	Dallas	July 1	September 30	\$142	\$54	\$135	\$ 54	\$7	\$0
TX	El Paso	El Paso			\$98	\$49	\$98	\$ 49	\$0	\$0
TX	Galveston	Galveston	October 1	May 31	\$99	\$54	\$100	\$ 54	-\$1	\$0
TX	Galveston	Galveston	June 1	August 31	\$121	\$54	\$125	\$ 54	-\$4	\$0
TX	Galveston	Galveston	September 1	September 30	\$99	\$54	\$100	\$ 54	-\$1	\$0
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	October 1	January 31	\$121	\$49	\$135	\$ 49	-\$14	\$0
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	February 1	May 31	\$137	\$49	\$135	\$ 49	\$2	\$0
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	June 1	September 30	\$121	\$49	\$135	\$ 49	-\$14	\$0
TX	Midland	Midland			\$105	\$54	\$127	\$ 54	-\$22	\$0
TX	Pecos	Reeves			\$105	\$44	\$133	\$ 44	-\$28	\$0
TX	Plano	Collin			\$120	\$49	\$120	\$ 49	\$0	\$0
TX	Round Rock	Williamson			\$101	\$49	\$99	\$ 49	\$2	\$0
TX	San Antonio	Bexar			\$124	\$54	\$121	\$ 54	\$3	\$0
TX	South Padre Island	Cameron	October 1	February 28	\$93	\$49	\$91	\$ 49	\$2	\$0
TX	South Padre Island	Cameron	March 1	May 31	\$100	\$49	\$101	\$ 49	-\$1	\$0
TX	South Padre Island	Cameron	June 1	August 31	\$110	\$49	\$116	\$ 49	-\$6	\$0
TX	South Padre Island	Cameron	September 1	September 30	\$93	\$49	\$91	\$ 49	\$2	\$0
TX	Waco	McLennan			\$102	\$49	\$99	\$ 49	\$3	\$0
UT	Moab	Grand	October 1	October 31	\$168	\$54	\$162	\$ 54	\$6	\$0
UT	Moab	Grand	November 1	February 28	\$93	\$54	\$91	\$ 54	\$2	\$0
UT	Moab	Grand	March 1	September 30	\$168	\$54	\$162	\$ 54	\$6	\$0
UT	Park City	Summit	October 1	November 30	\$130	\$64	\$126	\$ 64	\$4	\$0
UT	Park City	Summit	December 1	March 31	\$254	\$64	\$235	\$ 64	\$19	\$0
UT	Park City	Summit	April 1	September 30	\$130	\$64	\$126	\$ 64	\$4	\$0
UT	Provo	Utah			\$100	\$49	\$95	\$ 49	\$5	\$0
UT	Salt Lake City	Salt Lake / Tooele	October 1	December 31	\$117	\$49	\$115	\$ 49	\$2	\$0
UT	Salt Lake City	Salt Lake / Tooele	January 1	August 31	\$124	\$49	\$121	\$ 49	\$3	\$0
UT	Salt Lake City	Salt Lake / Tooele	September 1	September 30	\$117	\$49	\$115	\$ 49	\$2	\$0
VA	Abingdon	Washington			\$99	\$59	\$101	\$ 59	-\$2	\$0
VA	Blacksburg	Montgomery			\$108	\$49	\$101	\$ 49	\$7	\$0
VA	Charlottesville	City of Charlottesville / Albemarle / Greene			\$128	\$59	\$126	\$ 59	\$2	\$0
VA	Loudoun	Loudoun			\$101	\$49	\$97	\$ 49	\$4	\$0
VA	Lynchburg	Campbell / Lynchburg City			\$97	\$49	\$96	\$ 49	\$1	\$0
VA	Richmond	City of Richmond	October 1	October 31	\$146	\$54	\$143	\$ 54	\$3	\$0
VA	Richmond	City of Richmond	November 1	August 31	\$139	\$54	\$132	\$ 54	\$7	\$0
VA	Richmond	City of Richmond	September 1	September 30	\$146	\$54	\$143	\$ 54	\$3	\$0
VA	Roanoke	City limits of Roanoke			\$107	\$49	\$107	\$ 49	\$0	\$0
VA	Virginia Beach	City of Virginia Beach	October 1	May 31	\$99	\$49	\$99	\$ 49	\$0	\$0
VA	Virginia Beach	City of Virginia Beach	June 1	August 31	\$180	\$49	\$185	\$ 49	-\$5	\$0
VA	Virginia Beach	City of Virginia Beach	September 1	September 30	\$99	\$49	\$99	\$ 49	\$0	\$0
VA	Wallops Island	Accomack	October 1	June 30	\$108	\$54	\$103	\$ 54	\$5	\$0

VA	Wallops Island	Accomack	July 1	August 31	\$205	\$54	\$184	\$ 54	\$21	\$0
VA	Wallops Island	Accomack	September 1	September 30	\$108	\$54	\$103	\$ 54	\$5	\$0
VA	Warrenton	Fauquier			\$97	\$49	\$94	\$ 49	\$3	\$0
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	October 1	December 31	\$101	\$54	\$91	\$ 54	\$10	\$0
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	January 1	August 31	\$108	\$54	\$104	\$ 54	\$4	\$0
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	September 1	September 30	\$101	\$54	\$91	\$ 54	\$10	\$0
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	October 1	October 31	\$132	\$54	\$125	\$ 54	\$7	\$0
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	November 1	April 30	\$102	\$54	\$101	\$ 54	\$1	\$0
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	May 1	September 30	\$132	\$54	\$125	\$ 54	\$7	\$0
VT	Manchester	Bennington	October 1	October 31	\$124	\$59	\$121	\$ 59	\$3	\$0
VT	Manchester	Bennington	November 1	June 30	\$104	\$59	\$101	\$ 59	\$3	\$0
VT	Manchester	Bennington	July 1	September 30	\$124	\$59	\$121	\$ 59	\$3	\$0
VT	Montpelier	Washington			\$125	\$64	\$115	\$ 64	\$10	\$0
VT	Stowe	Lamoille			\$135	\$64	\$126	\$ 64	\$9	\$0
VT	White River Junction	Windsor	October 1	October 31	\$111	\$59	\$103	\$ 59	\$8	\$0
VT	White River Junction	Windsor	November 1	May 31	\$96	\$59	\$97	\$ 59	-\$1	\$0
VT	White River Junction	Windsor	June 1	September 30	\$111	\$59	\$103	\$ 59	\$8	\$0
WA	Everett / Lynnwood	Snohomish	October 1	May 31	\$112	\$54	\$117	\$ 54	-\$5	\$0
WA	Everett / Lynnwood	Snohomish	June 1	August 31	\$135	\$54	\$117	\$ 54	\$18	\$0
WA	Everett / Lynnwood	Snohomish	September 1	September 30	\$112	\$54	\$117	\$ 54	-\$5	\$0
WA	Ocean Shores	Grays Harbor	October 1	June 30	\$101	\$59	\$94	\$ 59	\$7	\$0
WA	Ocean Shores	Grays Harbor	July 1	August 31	\$128	\$59	\$123	\$ 59	\$5	\$0
WA	Ocean Shores	Grays Harbor	September 1	September 30	\$101	\$59	\$94	\$ 59	\$7	\$0
WA	Olympia / Tumwater	Thurston	October 1	October 31	\$112	\$59	\$103	\$ 59	\$9	\$0
WA	Olympia / Tumwater	Thurston	November 1	August 31	\$128	\$59	\$103	\$ 59	\$25	\$0
WA	Olympia / Tumwater	Thurston	September 1	September 30	\$112	\$59	\$103	\$ 59	\$9	\$0
WA	Port Angeles / Port Townsend	Clallam / Jefferson	October 1	June 30	\$107	\$64	\$102	\$ 64	\$5	\$0
WA	Port Angeles / Port Townsend	Clallam / Jefferson	July 1	August 31	\$159	\$64	\$144	\$ 64	\$15	\$0
WA	Port Angeles / Port Townsend	Clallam / Jefferson	September 1	September 30	\$107	\$64	\$102	\$ 64	\$5	\$0
WA	Richland / Pasco	Benton / Franklin			\$96	\$49	\$96	\$ 49	\$0	\$0
WA	Seattle	King	October 1	May 31	\$179	\$64	\$167	\$ 64	\$12	\$0
WA	Seattle	King	June 1	September 30	\$244	\$64	\$240	\$ 64	\$4	\$0
WA	Spokane	Spokane			\$102	\$54	\$99	\$ 54	\$3	\$0
WA	Tacoma	Pierce			\$117	\$54	\$120	\$ 54	-\$3	\$0
WA	Vancouver	Clark / Cowlitz / Skamania	October 1	October 31	\$182	\$54	\$169	\$ 54	\$13	\$0
WA	Vancouver	Clark / Cowlitz / Skamania	November 1	February 28	\$149	\$54	\$169	\$ 54	-\$20	\$0
WA	Vancouver	Clark / Cowlitz / Skamania	March 1	September 30	\$182	\$54	\$169	\$ 54	\$13	\$0
WI	Appleton	Outagamie			\$99	\$54	\$97	\$ 54	\$2	\$0
WI	Brookfield / Racine	Waukesha / Racine			\$104	\$49	\$100	\$ 49	\$4	\$0
WI	Madison	Dane	October 1	October 31	\$122	\$49	\$115	\$ 49	\$7	\$0
WI	Madison	Dane	November 1	January 31	\$107	\$49	\$115	\$ 49	-\$8	\$0
WI	Madison	Dane	February 1	September 30	\$122	\$49	\$115	\$ 49	\$7	\$0
WI	Milwaukee	Milwaukee			\$120	\$54	\$119	\$ 54	\$1	\$0
WI	Sheboygan	Sheboygan	October 1	May 31	\$93	\$49	\$94	\$ 49	-\$1	\$0
WI	Sheboygan	Sheboygan	June 1	August 31	\$104	\$49	\$94	\$ 49	\$10	\$0

[illegible]



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

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DATE: September 15, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Rebecca Perrera, Senior Fiscal Analyst

SUBJECT: Arizona Department of Administration - Review of E-Procurement Project (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Arizona Department of Administration (ADOA) has requested that the Committee review \$8,700,000 in proposed FY 2018 expenditures from the Automation Projects Fund (APF) for the replacement of the state's e-procurement system.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may consider the following provisions:

- A. Committee review does not commit the Legislature to any additional funding above the currently appropriated \$9,000,000 to replace the e-procurement system.
- B. ADOA shall report on or before November 3, 2017 any project modifications required to keep the development costs within the \$9,000,000 available.

(Continued)

- C. ADOA shall use its remaining \$8,700,000 to pay the e-procurement vendor. Any other use of the funding would require further JLBC review.
- D. ADOA shall provide the Committee by November 3, 2017: 1) a more detailed analysis of the derivation of ADOA's internal costs for the project and 2) options for funding these costs.
- E. ADOA shall submit monthly reports beginning November 1, 2017 to the JLBC Staff with detailed project expenditures, cost projections, and progress in meeting the projects timeline and deliverables.
- F. Should the final costs exceed the estimated costs by 10% or more, or should there be significant changes to the proposed technology, scope of work or implementation schedule, the ADOA must amend the Project Investment Justification (PIJ) to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds.

Key Points

- 1) The one-time e-procurement project development cost is \$12.1 million, including \$10.4 million for the vendor and \$1.7 million for internal ADOA costs.
- 2) The available appropriation, however, is only \$9.0 million. As a result, favorably reviewing the project will either require additional FY 2019 funding of \$3.1 million or ADOA modifying the project to absorb the \$3.1 million difference.
- 3) ADOA appears unwilling to absorb the \$1.7 million for internal ADOA costs, stating that the lack of funding for themselves "could impede a successful transition."
- 4) There has been insufficient time to analyze the merit of ADOA's internal costs or vendor modifications necessary to keep the project within budget.
- 5) Beyond the development cost, the ongoing licensing fee is \$1.3 million. ADOA has not yet identified a funding source for this cost.

Analysis

Background

The state's e-procurement system, ProcureAZ, was implemented in 2009. The system serves as an online, publicly available, official procurement record and allows state agencies to manage solicitations, requisitions, and purchase orders, as well as to notify registered vendors of available solicitations.

ADOA reports that the current system lacks the ability to fully integrate with the state's accounting system, the Arizona Financial Information System (AFIS), to record purchase order and invoice transactions. In addition, the current system lacks data analytic capabilities to track data such as contract utilization of cross-agency contracts. ADOA reports that this data could help the state save money as the state could use the data to negotiate better contracts. ADOA has included several state agencies in its planning and procurement process to help ensure that the new e-procurement system meets the needs of agencies not currently or fully utilizing ProcureAZ.

The FY 2017 budget appropriated \$15.1 million to replace the e-procurement system. Based on the Executive's subsequent estimate that the project could be implemented less expensively, the FY 2018 budget reduced the available funding to \$9.0 million.

(Continued)

At its September 2016 meeting, the Committee favorably reviewed \$300,000 for initial project expenses including project management, developing the business and technology integration requirements, and the third-party oversight.

Current Request

ADOA is requesting a review of the remaining \$8.7 million from the FY 2017 appropriation.

On March 27, 2017, ADOA awarded a contract to a vendor, Ivalua, to implement the new e-procurement system, "Source to Pay." The vendor provides a commercial off-the-shelf software which can be configured to meet the state's procurement requirements. At the time, ADOA expected its total cost to be \$14.3 million (*see Table 1*). Of that amount, the vendor would receive \$10.4 million for software development.

While the cost for the vendor has not changed, ADOA has since revised its other project costs including costs associated with integrating the new system with AFIS and ADOA's internal project costs. ADOA now estimates the total project development cost at \$12.1 million.

Because ADOA has not yet provided details justifying its internal project costs, the Committee may consider a Provision D requiring ADOA to provide the Committee by November 3, 2017 a more detailed analysis of the derivation of ADOA's internal costs for the project and options for funding these costs. In addition, the Committee may consider Provision E to require ADOA to provide monthly reports to the JLBC Staff beginning November 1, 2017 with detailed project expenditures, cost projections, and progress in meeting the projects timeline and deliverables.

Table 1		
e-Procurement Project Development Costs		
<u>Component</u>	<u>March 2017</u>	<u>September 2017</u>
Software Development	\$10,381,400	\$10,381,400
AFIS Integration/ ProcureAZ Decommission	1,750,000	1,000,000
ADOA Internal Cost	<u>2,241,800</u>	<u>700,000</u>
Total	\$14,310,200	\$12,081,400

In its FY 2019 budget request, ADOA has requested an additional \$3.1 million from the APF to make the project's development budget whole. The APF does not have its own revenue source as it receives transfers from other fund sources to fund its projects. ADOA has not identified the originating fund sources for their request. As a result, the Committee may consider Provision A that Committee review does not commit the Legislature to any additional funding above the currently allocated \$9.0 million to replace the e-procurement system. Further, the Committee may consider Provision B requiring ADOA to report on or before November 3, 2017 any project modifications required to keep the development costs within the \$9.0 million available.

ADOA reports that the new system will be operational by the end of FY 2018. To help ensure that the department is able to meet the project timeline, the Committee may consider Provision C requiring ADOA to spend all of the remaining \$8.7 million to pay the e-procurement vendor.

The ongoing operating costs for the new system are \$1.3 million annually for its 10-year contract. In its FY 2019 budget request, ADOA has requested an additional \$1.3 million from the APF to fund the

(Continued)

licensing costs in FY 2019. This amount is in addition to the \$3.1 million requested for development costs. Again, ADOA has not identified an originating fund source for this request. One potential method to fund the ongoing licensing costs is to allocate costs by system usage similar to how ADOA funds AFIS operating costs. The annual cost to operate the current system, ProcureAZ, is also approximately \$1.3 million. ADOA uses its non-appropriated Cooperative Purchasing Fund to pay the ProcureAZ licensing cost. ADOA reports that due to the timing to the transition to the new system, it may not be able to use its current funding mechanism for the new system's licensing cost.

The project was approved by the Information Technology Authorization Committee (ITAC) on March 22, 2017 with the provision that should the final costs exceed the estimated costs by 10% or more, or should there be significant changes to the proposed technology, scope of work or implementation schedule, the ADOA must amend the PIJ to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds. The Committee may consider adopting the ITAC provision as Provision F and require further review by the Committee.

Third-Party Review

Pursuant to A.R.S. § 41-3504, any large-scale Information Technology (IT) projects with a total cost greater than \$5.0 million must receive relevant third-party analysis from an independent contracted vendor before receiving approval from ITAC. The third-party consultant is required to review and provide guidance on the technology approach, scope, estimated cost, timeline for completion and overall feasibility of the project.

ADOA has selected Public Consultant Group (PCG) for the third-party oversight of the project. PCG is also the third-party consultant for the Department of Child Safety (DCS) Children's Information Library and Data System (CHILDS) replacement project.

PCG submitted its first report on the project in March 2017. Because a vendor had not been selected when the report had been submitted, the report focused on the procurement phase of the project. The report highlighted the strength and expertise of the project team and the detailed planning and procurement process. In addition, the March 2017 report identified risks associated with the project and made recommendations for the implementation phase, including the following:

1. PCG reported that the \$15.1 million budget for the project appeared adequate to cover the project costs. However, because the vendor had not been selected, PCG was unable to evaluate the budget.
2. PCG reported that ADOA's plans to implement the project within 1 year of selecting the vendor was an aggressive timeline. PCG recommended that ADOA remain flexible in its overall project timeline by modifying the scope of the project or extending the timeline.

PCG submitted its second report in June 2017. The report highlighted ADOA's work to engage stakeholders in the project. In addition, the report provided an update on previously reported risks by stating that these risks continued to exist due to the decreased project budget and delayed timeline.

RS/RP:kp

Douglas A. Ducey
Governor



Craig C. Brown
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401
PHOENIX, ARIZONA 85007
(602) 542-1500

September 1, 2017

The Honorable Don Shooter, Chairman
Arizona House of Representatives
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007

The Honorable Debbie Lesko, Vice-Chairman
Arizona State Senate
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007



Dear Representative Shooter and Senator Lesko:

In accordance with Arizona Revised Statutes § 41-714, the Arizona Department of Administration (ADOA) is requesting review of Automation Projects Fund (APF) monies appropriated for the E-Procurement project. The project was given a favorable review for \$300,000 during the September 21, 2016 JLBC meeting. The Department requests review of \$8,700,000 currently remaining in the project's appropriation to forward the work begun by the contracted vendor.

The PIJ and other project documentation shared with ITAC and with JLBC staff previously remains unchanged. We would be happy to provide this information again or meet with your staff to provide further explanation as appropriate.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Brown".

Craig C. Brown
Director

cc: Richard Stavneak, Director, JLBC
Matthew Gress, Director, OSPB
Derik Leavitt, Assistant Director, ADOA
Rebecca Perrera, JLBC Staff
Ashely Beason, OSPB Staff
Morgan Reed, State CIO



STATE OF ARIZONA

Joint Legislative Budget Committee

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MICHELLE UGENTI-RITA

DATE: September 15, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Rebecca Perrera, Senior Fiscal Analyst

SUBJECT: Arizona Department of Administration - Review of Human Resources Information
System Replacement Study (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Arizona Department of Administration (ADOA) is requesting Committee review of \$500,000 in proposed FY 2018 expenditures from the Automation Projects Fund (APF) for a feasibility study to replace the state's Human Resource Information System (HRIS).

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may consider the following provisions:

- A. ADOA shall report to the Committee within 10 days of awarding the contract for the study on: 1) the number of respondents solicited for a bid by the department, 2) the number of bids submitted along with the dollar value for each, and 3) the justification for selecting the winning bidder.
- B. ADOA shall report to the Committee by February 28, 2018 on the outcome of the study including the expected project costs, timeline, deliverables, and proposed funding sources.

(Continued)

Key Points

- 1) ADOA is requesting review of \$500,000 to study the replacement of the state's current human resources information system (HRIS).
- 2) The current 15-year old software program includes payroll, benefits, and employee evaluations.
- 3) The study will allow a better assessment of the cost to replace the entire system.

Analysis

Background

HRIS is the state's system for human resource management including payroll, benefits, and employee performance management. The current system was implemented in 2002. The system was funded through a lease-purchase option with the vendor. The total cost of the system was approximately \$80 million over the 12-year lease-purchase period. This amount included system development, interest, and operating costs. To fund the lease-purchase payment, the pro rata on personal services for the Personnel Division Fund was increased to 1.04%, compared to the current 0.86% rate. This funding mechanism spread the cost across most state funds. The system has an annual operating cost of \$4.6 million.

ADOA reports that the system consists of multiple integrated components that do not interface seamlessly. In addition, the system has security vulnerabilities. ADOA would like to implement a new system which can be more easily modified to meet evolving business requirements.

The Executive's FY 2018 budget included \$6.0 million to fund Phase 1 of the system replacement. Ultimately, the FY 2018 budget funded \$500,000 from the APF fund balance for an assessment of the project.

Current Request

ADOA is currently requesting a review of its FY 2018 APF appropriation of \$500,000 to complete a study to replace HRIS.

ADOA reports that it will use a consultant currently on statewide contract to complete the study. Because the state has multiple consultants on state contract, ADOA can select a vendor without a competitive bidding process. However, ADOA may also choose to solicit the vendors on state contract to determine which vendor's cost and timeline meet the department's needs. To gauge the extent of the competitive bidding process, the Committee may consider a provision requiring ADOA to report to the Committee within 10 days of awarding the contract for the study on: 1) the number of respondents solicited for a bid by the department, 2) the number of bids submitted along with the dollar value for each, and 3) the justification for selecting the winning bidder.

ADOA expects the study to be complete by the beginning of Calendar Year 2018. Given the potential cost of a new system, the Committee may consider a provision requiring ADOA to report on outcome of the assessment including the expected project costs, timeline, deliverables, and proposed funding sources by February 28, 2018.

RS/RP:kp

Douglas A. Ducey
Governor



Craig C. Brown
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401
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(602) 542-1500

August 31, 2017

The Honorable Don Shooter, Chairman
Arizona House of Representatives
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007



The Honorable Debbie Lesko, Vice-Chairman
Arizona State Senate
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007

Dear Representative Shooter and Senator Lesko:

In accordance with Arizona Revised Statutes § 41-714, the Arizona Department of Administration (ADOA) is submitting this request for review of fiscal years 2017 and 2018 Automation Projects Fund (APF) projects. Monies to support the expenditure plans have already been appropriated to the APF.

The attached documents contain a detailed explanation of the proposed projects. We will be happy to meet with your staff to provide further explanation as appropriate.

Sincerely,

Craig Brown
Craig Brown (Sep 8, 2017)

Craig C. Brown
Director

Enclosures

cc: Richard Stavneak, Director, JLBC
Matthew Gress, Director, OSPB
Derik Leavitt, Assistant Director, ADOA
Rebecca Perrera, JLBC Staff
Ashely Beason, OSPB Staff
Morgan Reed, State CIO

Joint Legislative Budget Committee (JLBC)
Favorable Review Request
Arizona Department of Administration, Arizona Strategic Enterprise Technology (ADOA-ASET)

The Arizona Department of Administration (ADOA) requests favorable review of an expenditure of \$500,000 from the Fiscal Year 2018 Automation Projects Fund (APF) in accordance with Laws 2017, Chapter 305, Section 115 for the purposes described below.

Human Resource Information System – Feasibility Study

Laws 2017, First Regular Session, Chapter 305 Section 115(A2) mandated ADOA-ASET to complete a statewide analysis of Information Technology systems and appropriated \$500,000.

Project

HR Feasibility Study

Request Amount

\$500,000

Description

The implementation of HRIS was approximately in 2002. Today the State faces business and technical challenges due to numerous customizations, which inhibit the ability to update the current platform in a timely and resource effective manner. There are several business challenges with the current system that make it difficult and time consuming to operate (production and/or disaster recovery environments: posting a position, inter-agency transfers, lack of data integrity, position control, re-organizations, onboarding, and MAP (performance). Furthermore, the current system has very limited audit capabilities, especially in the cyber security arena, which limits our ability to monitor and investigate security issues.

ADOA in support of the State of Arizona Agencies and Boards is seeking to engage one or more of the qualified Contractors under Contracts awarded for Organizational, Assessment, Consulting and Deployment Services. The intent is to obtain an as-is/to-be business process and system analysis with recommendations for next steps. This includes an as-is and To-Be business process analysis and optimization that would feed new system requirements.

Goals

- HRIS to align with the State's current lean strategy
- Simplify the existing processes, optimize technologies, enhance data quality, reduce risks, and gain efficiencies across various agency services, without having to write custom code for every change.
- The creation of a data warehouse to facilitate more around talent management and a host of other areas.



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MICHELLE UGENTI-RITA

DATE: September 15, 2017

TO: Representative Don Shooter, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Geoffrey Paulsen, Fiscal Analyst *GP*

SUBJECT: Arizona Department of Administration/ Department of Public Safety - Review of
Criminal Justice Information System Replacement (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Department of Public Safety (DPS) has requested that the Committee review \$2,343,000 in proposed FY 2018 expenditures from the Automation Projects Fund (APF) for upgrades to the Criminal Justice Information System (CJIS). This is the first year of a 3-year project. DPS plans to request additional funding to complete the project in FY 2019 and FY 2020 totaling \$5,107,200.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may also consider the following provision:

- A. A favorable review does not constitute endorsement of General Fund appropriations to pay for future development costs or operating costs.
- B. DPS shall report to the Committee by September 29, 2017 on 1) the number of respondents solicited for a bid on the message switch contract by the department, 2) the number of bids submitted along with the dollar value for each, and 3) the justification for selecting the winning vendor.

(Continued)

Key Points

- 1) DPS proposes expending \$2.3 million for the first year of a 3-year project to modernize and move applications in the Criminal Justice Information System off the DPS Mainframe.
- 2) DPS projects the total 3-year cost of the project to be \$7.5 million. Without funding in FY 2019 and FY 2020, DPS reports no part of the project could not be completed which could complicate how users of CJIS get their information from DPS.
- 3) DPS has identified \$2.8 million of non-General Fund monies available for the project in FY 2019, leaving \$2.4 million of FY 2020 project funding to be determined.

Analysis

Background

CJIS is the state's central repository for criminal history information including criminal history records, wanted persons, stolen vehicles, stolen property, and other information used in background checks.

In 2015, DPS modernized their "message switch" application which manages the receipt, processing, and dissemination of CJIS information between local, state and federal law enforcement agencies. DPS used a third-party vendor, Computer Projects of Illinois (CPI), through a state contract to customize the product to meet Arizona's needs. To assess the level of competitive bidding, the Committee may consider Provision B which requires DPS to report on the number of bidders for this contract.

Current Request

The FY 2018 budget appropriated \$2.3 million to the APF for DPS to upgrade CJIS. Currently, CJIS utilizes an old coding language which is incompatible with many applications. DPS proposes to modernize the applications, databases, and software languages. Some of these applications are more than 30 years old and DPS has difficulty finding qualified employees to maintain the software. DPS reports that the upgrade to new systems will allow for a more flexible environment for future support and future applications, and will allow for the hiring of developers with modern skills.

With FY 2018 funding, DPS will upgrade their "hot files," which includes information to identify and locate wanted and missing persons, unidentified persons and stolen property (such as vehicles, guns, boats and other personal property). DPS expects that the hot files upgrade will take 22 months once started.

In addition to modernizing the CJIS applications, the project will complete the migration of all CJIS components from the DPS mainframe to existing servers in the DPS Data Center.

Completion of the project is contingent upon additional funding in FY 2019 and FY 2020 totaling \$5.1 million. Without this funding, DPS reports that none of the components could be completed and that an incomplete project could complicate how users get their information from DPS. With future funding in FY 2019 and FY 2020, DPS will also upgrade their criminal history database. Given the need for added funding to complete the project, the Committee may consider Provision A. This provision states that a favorable review does not constitute endorsement of a General Fund appropriation for the remaining unfunded costs.

In their FY 2019 budget request, DPS has requested \$2.8 million in funding from the Highway Patrol

(Continued)

Fund to be used for project costs in FY 2019. This would leave \$2.4 million of additional funding to be determined to pay for FY 2020 project costs. There are at least 3 potential fund sources for FY 2020: 1) Fingerprint Clearance Card Fund; 2) Concealed Weapons Permit Fund; and 3) Highway Patrol Fund. Once completed, DPS expects ongoing maintenance costs of \$300,000 to \$400,000, which DPS plans to pay for using their existing base budget.

DPS has provided an expenditure plan for the project's FY 2018 funding (*see Table 1 below*). The expenditures in FY 2018 are all one-time development costs.

Table 1	
DPS CJIS Project Phase 1 Expenditure Plan	
<u>Expense</u>	<u>Amount</u>
Software Licensing Purchase (One-Time)	\$1,606,800
Hardware	20,600
Database Setup	412,000
Application Development (partial payment)	195,600
Third-Party Review	<u>108,000</u>
Total	\$2,343,000

DPS chose the same vendor from its recent message switch project to maintain the CJIS applications to achieve a cohesive system maintained by one vendor. This vendor has similar systems in place in more than 30 other states.

The Information Technology Authorization Committee (ITAC) approved the project at their August 30, 2017 meeting.

Third-Party Review

Pursuant to A.R.S. § 18-104A1g, DPS has contracted with an independent third-party vendor to provide quarterly reports on the project. The August third-party review, noting that the project is still in the planning phase, does not identify any significant risks. The report does, however, identify a few concerns:

- A. The project still needs project management and planning documents.
- B. The project schedule includes only high-level tasks, but only minimal planning and deliverable tasks are included.
- C. The project does not have formally documented requirements with the vendor, which could lead to lack of agreement between DPS and the vendor throughout the project.
- D. The project lacks a documented quality management plan that provides quality and performance measures for deliverables.

The August review also reports that DPS has assigned a dedicated project manager and team to the project, and that the team has provided timely responses to the vendor and expressed optimism moving forward.

RS/GP:kp



ARIZONA DEPARTMENT OF PUBLIC SAFETY

2102 WEST ENCANTO BLVD. P.O. BOX 6638 PHOENIX, ARIZONA 85005-6638 (602) 223-2000

"Courteous Vigilance"

DOUGLAS A. DUCEY FRANK L. MILSTEAD
Governor Director

August 24, 2017



The Honorable Don Shooter, Chairman
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007

Dear Representative Shooter:

Pursuant to A.R.S. §41-714 Automation Projects Fund (APF), the Department of Public Safety (DPS) requests to be placed on the Joint Legislative Budget Committee's September agenda for review of its expenditure plan for the Arizona Criminal Justice Information System (Project Information and Justification: CJIS Applications Conversion from Mainframe to Open Systems) technology project.

In conjunction with a multiphase project to replace an old Message Switch, DPS will need to move remaining Criminal Justice Applications (e.g., Hot Files, Wanted Persons and Stolen Vehicles and Criminal History Files) from the existing Mainframe to the new Open System. The move of these CJIS applications to the new Open System will allow DPS to continue to provide databases and applications for the Arizona Criminal Justice Information System to all law enforcement and criminal justice agencies, in state and across the country, as mandated by A.R.S. §41-1750.

In addition, archaic applications, databases and languages will be transitioned to the new system. This will allow for a more flexible environment for future applications, and will allow for the hiring of developers with modern system skills. The proposed multi-year solution will include software licensing, software configuration, consulting, on-going maintenance and support.

DPS has been appropriated funding in the amount of \$2,343,000.00 from the APF for FY18. DPS plans to expend the funds in the following manner:

The Honorable Don Shooter, Chairman
Page 2
August 24, 2017

Milestone	Amount	Projected Date of Expenditure
Public Consulting Group - Quarter 1 (1st Report)	\$27,000.00	September-17
Hot File Licensing	\$515,000.00	October-17
Hot File Hardware set up & configuration	\$20,600.00	November-17
Public Consulting Group - Quarter 2	\$27,000.00	December-17
Criminal History Licensing	\$1,030,000.00	March-18
Public Consulting Group Quarter 3	\$27,000.00	March-18
DB Model Setup, hot files data base architecture, data mapping & data conversion roles	\$412,000.00	April-18
Online Validation Licensing	\$61,800.00	May-18
Partial Payment of Application Development, Unit Test and Promoting to Test	\$195,600.00	June-18
Public Consulting Group Quarter 4	\$27,000.00	June-18
Total	\$2,343,000.00	

DPS will need to request funding for FY19 (\$2,806,200.00) and FY20 (estimated \$2,301,000.00) for project completion. Attached for your information is a copy of the Project Information and Justification document.

If you have any questions, please contact Phil Case, DPS Budget Officer, at 602-223-2463 or pcase@azdps.gov.

Sincerely,



Frank L. Milstead, Colonel
Director

cc: The Honorable Debbie Lesko, Vice-Chairman
Matthew Gress, OSPB Director
Richard Stavneak, JLBC Director

Attachment