



STATE OF ARIZONA

## Joint Legislative Budget Committee

STATE  
SENATE

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RICK GRAY  
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VINCE LEACH  
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BEN TOMA

### MINUTES OF THE MEETING

#### JOINT LEGISLATIVE BUDGET COMMITTEE

December 14, 2021

The Chairman called the meeting to order at 1:35 p.m., Tuesday, December 14, 2021, in House Hearing Room 1. The following were present:

Members:	Senator Gowan, Vice-Chairman	Representative Cobb, Chairman
	Senator Bowie	Representative Bolick
	Senator Gray	Representative Butler
	Senator Leach	Representative Chávez
	Senator Otondo	Representative Kaiser (Temporary Member in place of Representative Osborne)
		Representative Longdon
		Representative Nguyen (Temporary Member in place of Representative Kavanagh)
		Representative Toma
Absent:	Senator Alston	Representative Kavanagh
	Senator Kerr	Representative Osborne
	Senator Livingston	

#### APPROVAL OF MINUTES

Senator Gowan moved that the Committee approve the minutes of October 5, 2021. The motion carried.

#### CONSENT AGENDA

The following items were considered without further discussion.

(Continued)

**DEPARTMENT OF CHILD SAFETY (DCS) - Review of Line Item Transfers.**

The FY 2021 and FY 2022 General Appropriation Act footnotes require DCS to submit for Committee review any transfers between line items or the operating budget. DCS requested Committee review of the transfer of \$115,000 in FY 2021 Expenditure Authority and \$300,000 of FY 2022 Expenditure Authority from the Foster Home Placement line item into the Kinship Care line item. The JLBC Staff provided options.

**JLBC STAFF - Consider Approval of Index for Arizona Department of Administration (ADOA) - School Facilities Division Construction Costs.**

A.R.S. § 41-5741D3(c) requires that the cost-per-square-foot factors used in School Facilities Board new school construction financing be adjusted annually for construction market considerations based on an index identified or developed by the Joint Legislative Budget Committee as necessary but not less than once each year. The JLBC Staff provided the following option that the Committee approved:

Approve a 6.63% adjustment in the cost-per-square-foot factors. The adjustment is based on the change in the Rider Levett Bucknall (RLB) Phoenix construction cost index since the cost factors were last adjusted in December 2020. The new revised per square foot dollar amounts apply to districts that were awarded new schools by the School Facilities Division on December 15, 2021 for funding in FY 2023. The revised rates are as follows:

<u>Grade</u>	<u>\$ per square foot</u>
K-6	\$288.16
7-8	\$304.22
9-12	\$352.20

Senator Gowan moved that the Committee give a favorable review, or approval, as appropriate, of the 2 consent agenda items. The motion carried.

**EXECUTIVE SESSION**

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

At 1:38 p.m. the Joint Legislative Budget Committee went into Executive Session.

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

At 2:11 p.m. the Committee reconvened into open session.

**A. Arizona Department of Administration, Risk Management Services - Consideration of Proposed Settlements under Rule 14.**

Senator Gowan moved that the Committee approve the recommended settlements proposed by the Attorney General's office in the cases of:

1. *Myohanen v. State of Arizona*
2. *Schoen v. State of Arizona*
3. *Wallace/Flores v. State of Arizona*

(Continued)

The motion carried.

**B. ARIZONA DEPARTMENT OF ADMINISTRATION - Risk Management Annual Report.**

This item was for information only and no Committee action was required. The Committee received the Risk Management Annual Report pursuant to JLBC Rule 14. The Committee requests that future annual reports continue to include the following information:

- Status of open claims and lawsuits.
- Status of claims and lawsuits reported on the prior year annual report.
- Total number of claims and lawsuits filed with Risk Management during the prior fiscal year.
- Total settlement and judgment costs during the prior fiscal year.
- Number of liability settlements greater than the JLBC level and cost of each settlement.
- Number of liability cases taken to trial by Risk Management categorized by:
  - Number of verdicts for the state with detail of the associated judgment amounts.
  - Number of verdicts against the state with detail of the associated judgment amounts.
- Projected Risk Management Fund balance.
- Proposed changes to state insurance coverage, state statutes, and claim procedures.

**C. JLBC Annual Performance Review per Rule 7**

This item was for information only and no Committee action was required.

**REGULAR AGENDA**

**ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA)/AUTOMATION PROJECTS FUND (APF) - Review of Child Care Attendance Tracker Project (Department of Economic Security Subaccount).**

Ms. Alexis Pagel, JLBC Staff, stated pursuant to A.R.S. § 41-714, ADOA requested that the Committee review \$2,532,800 in proposed FY 2022 expenditures from the Automation Projects Fund (APF) - Department of Economic Security (DES) Subaccount for development of a child care attendance tracker. The FY 2022 budget included an appropriation of \$9,000,000 for the project. DES estimates the total project cost at \$4,982,800. The JLBC Staff provided options.

*Senator Gowan moved that the Committee favorably review the FY 2022 expenditure plan of \$2,532,800 from the APF - DES Subaccount for development of a child care attendance tracker. The motion carried.*

**ATTORNEY GENERAL (AG) - Review of Consumer Restitution and Remediation Revolving Fund - McKinsey Settlement Expenditure Plan.**

Mr. Ryan Fleischman, JLBC Staff, stated A.R.S. § 44-1531.02C requires the AG to submit an expenditure plan for review by the Committee prior to spending any monies from the Consumer Remediation Subaccount of the Consumer Protection and Restitution Revolving Fund. The AG requested the Committee review its plan to spend \$12,000,000 from a settlement with McKinsey & Company, Inc. for grants to support opioid remediation and abatement programs at \$3,000,000 per year from FY 2022 through FY 2025. The JLBC Staff provided options.

(Continued)

Ms. Edith Lefevre, Legislative Liaison, Attorney General's Office, responded to member questions.

Senator Gowan moved that the Committee give a favorable review to the Attorney General's plan to spend \$12,000,000 from a settlement with McKinsey & Company, Inc. for grants to support opioid remediation and abatement programs at \$3,000,000 per year from FY 2022 through FY 2025. The motion carried.

**DEPARTMENT OF CHILD SAFETY (DCS) - Review of FY 2021 Quarterly Benchmarks.**

Ms. Nicole Lovato, JLBC Staff, stated pursuant to an FY 2021 General Appropriation Act footnote, DCS submitted for Committee review a report of quarterly benchmarks for assessing progress made in increasing the department's number of Full-Time Equivalent (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. The JLBC Staff provided options.

Mr. Mike Faust, Director, DCS, responded to member questions and circulated a document. (Attachment 1).

Senator Leach moved that the Committee favorably review the department's FY 2021 fourth quarter benchmark report. The motion carried.

Without objection, the meeting adjourned at 2:52 p.m.

Respectfully submitted:

  
\_\_\_\_\_  
Kristy Paddack, Secretary

Richard Stavneak  
\_\_\_\_\_  
Richard Stavneak, Director

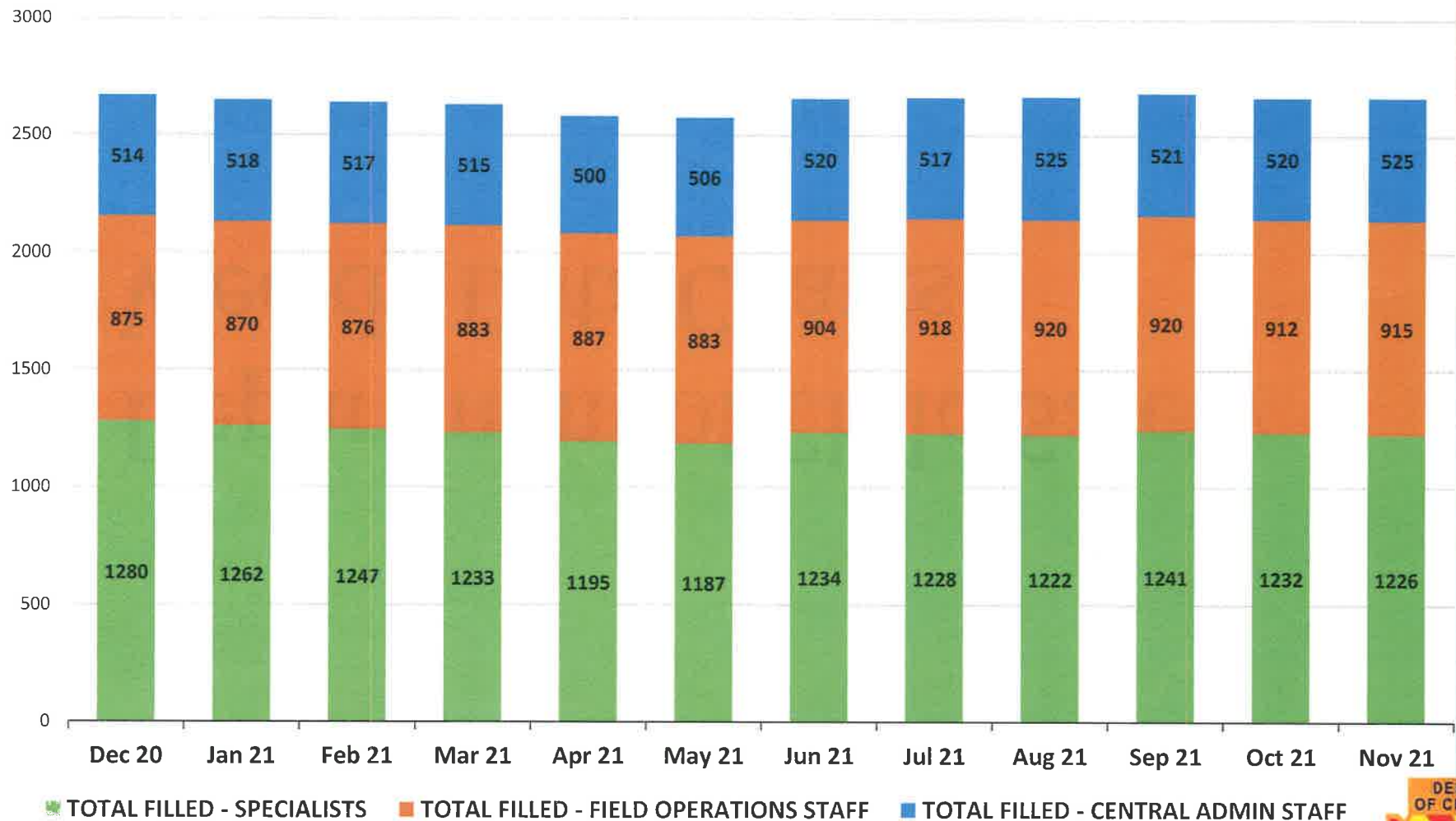
  
\_\_\_\_\_  
Representative Regina Cobb, Chairman

# Department of Child Safety Weekly Data Charts

\*Extract from full deck –includes updated charts only  
Data as of week beginning 12.6.2021



# Total Agency Staff

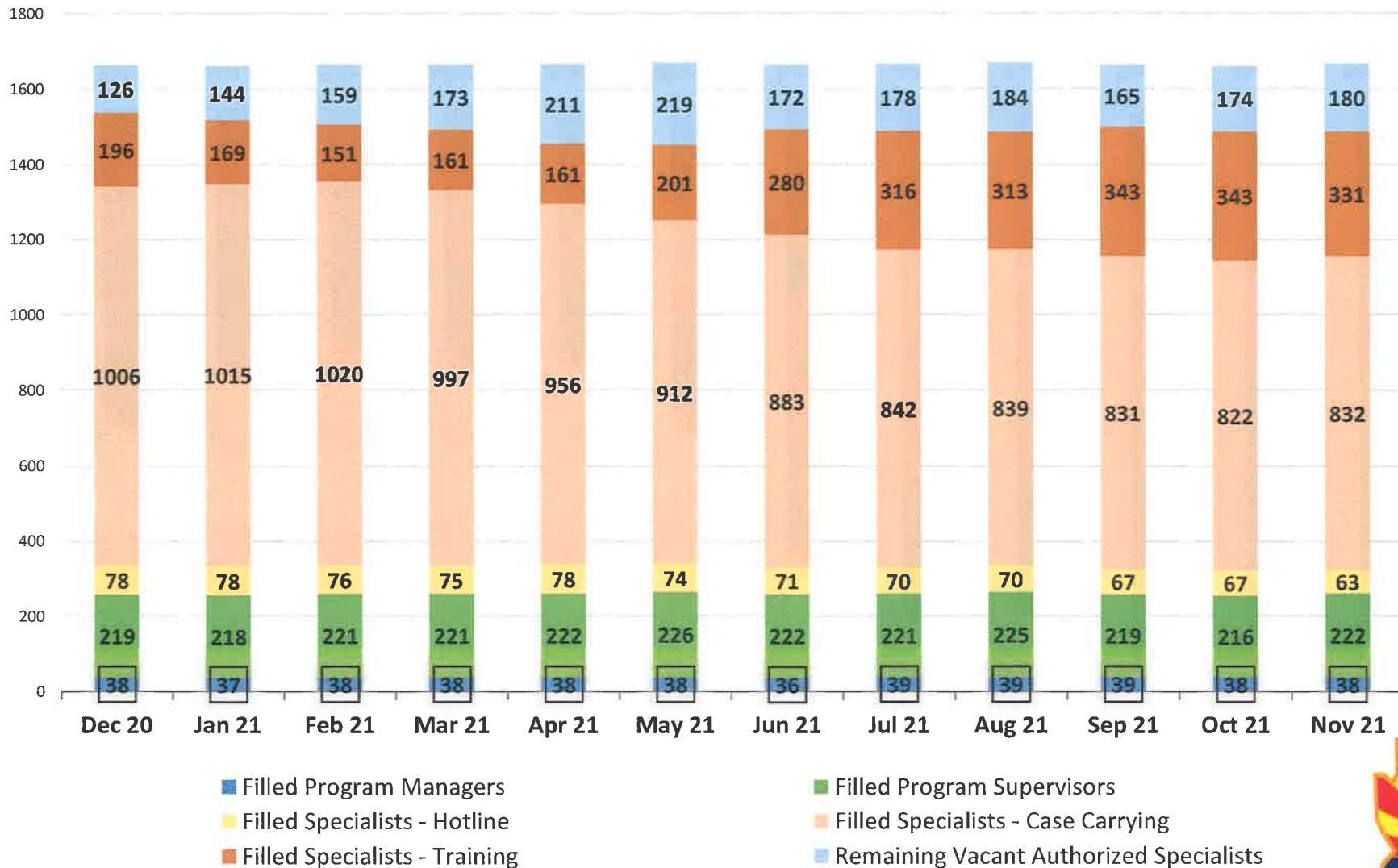


Note: Chart is updated bi-monthly. Current month data is preliminary.  
Data Source: Director's Monthly Staff Chart via HR Team, 12.6.2021



# Field Staff

Number of Field Staff - Managers, Supervisors, Specialists, Trainees and Vacant Specialists



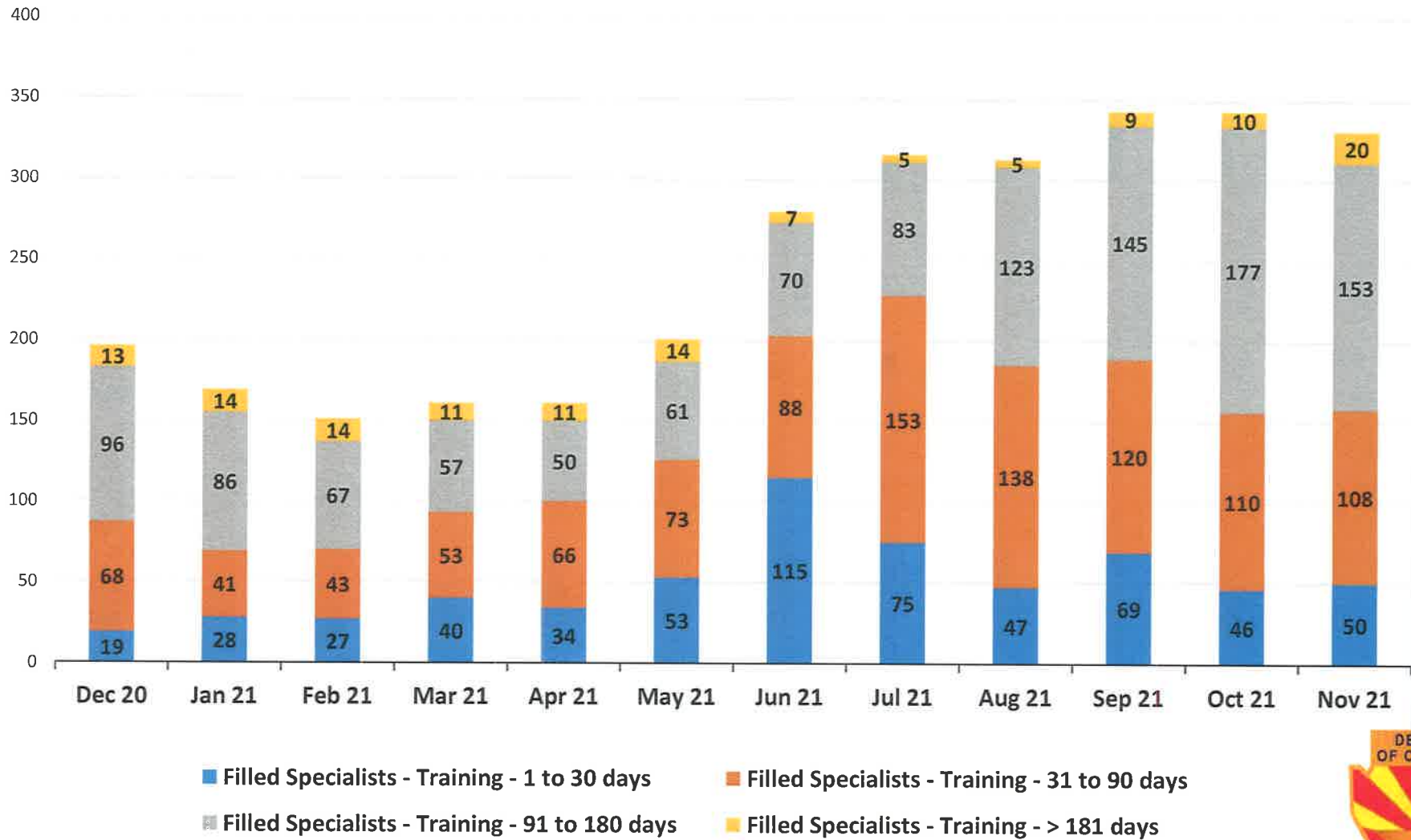
Note: Chart is updated bi-monthly. Current month data is preliminary.  
Data Source: Director's Monthly Staff Chart via HR Team, 12.6.2021





# Field Specialists in Training

Number of Field Specialists in Training by Days of Service

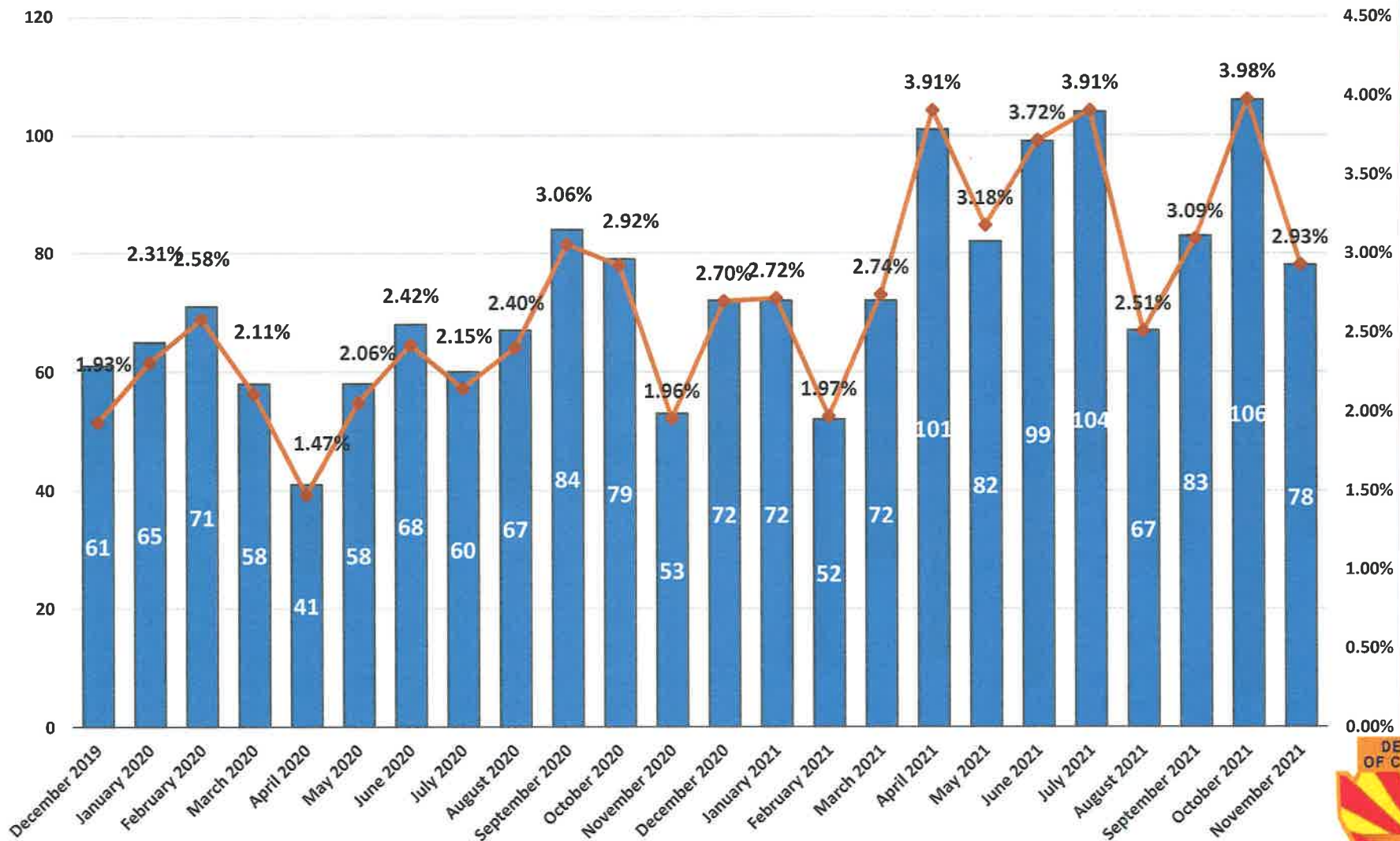


Note: Chart is updated bi-monthly. Last update 12.6.2021  
Data Source: Director's Monthly Staff Chart via HR Team





# Agency Turnover and Separation

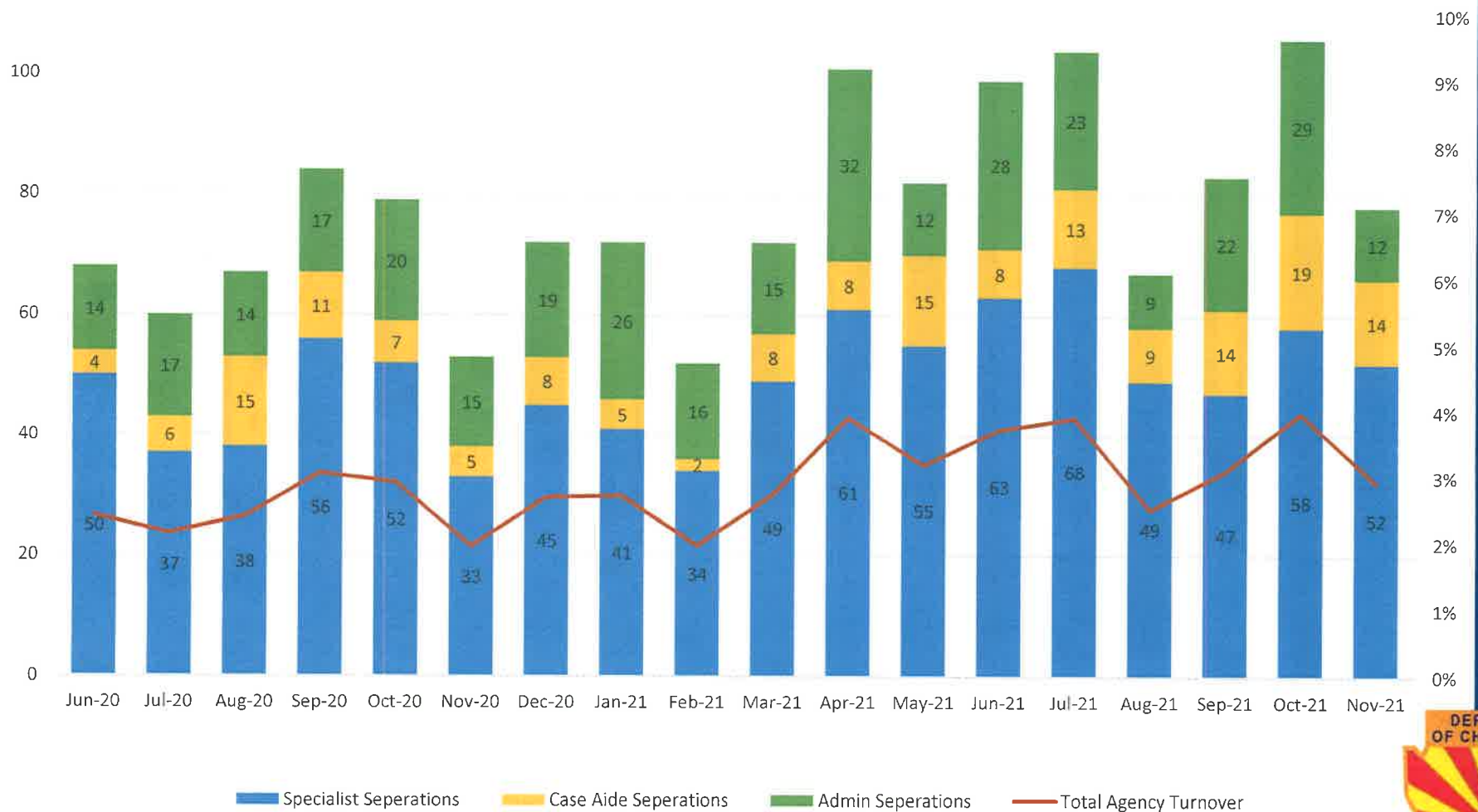


Note: Chart updated monthly.

Data Source: DCS Monthly Staffing Report via HR Team, 12.6.2021



# Agency Turnover and Separation by Position

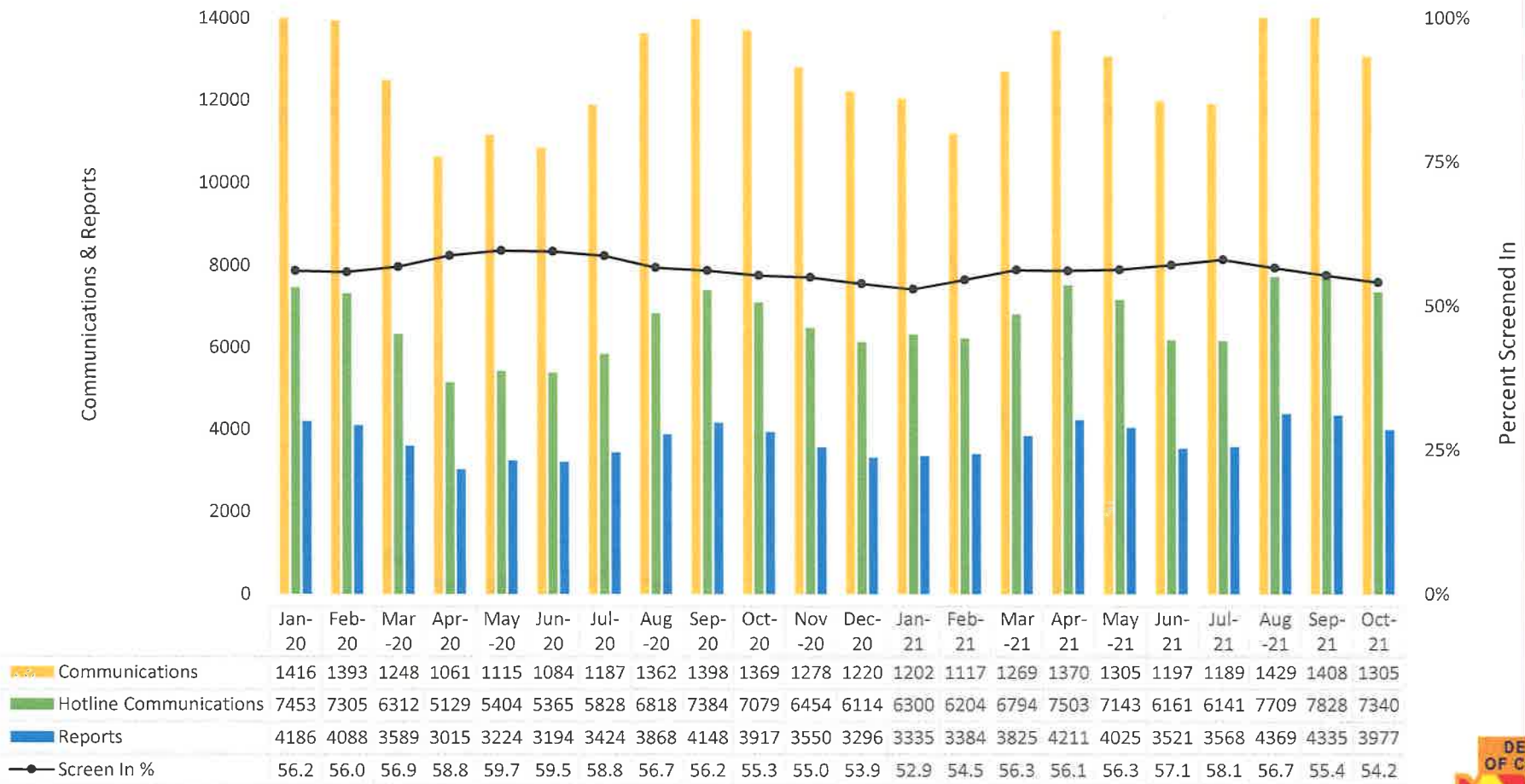


Note: Chart updated monthly  
Data Source: DCS Monthly Staffing Report via HR Team, 12.6.2021



# Communications & Reports to the Hotline

by date Intake received



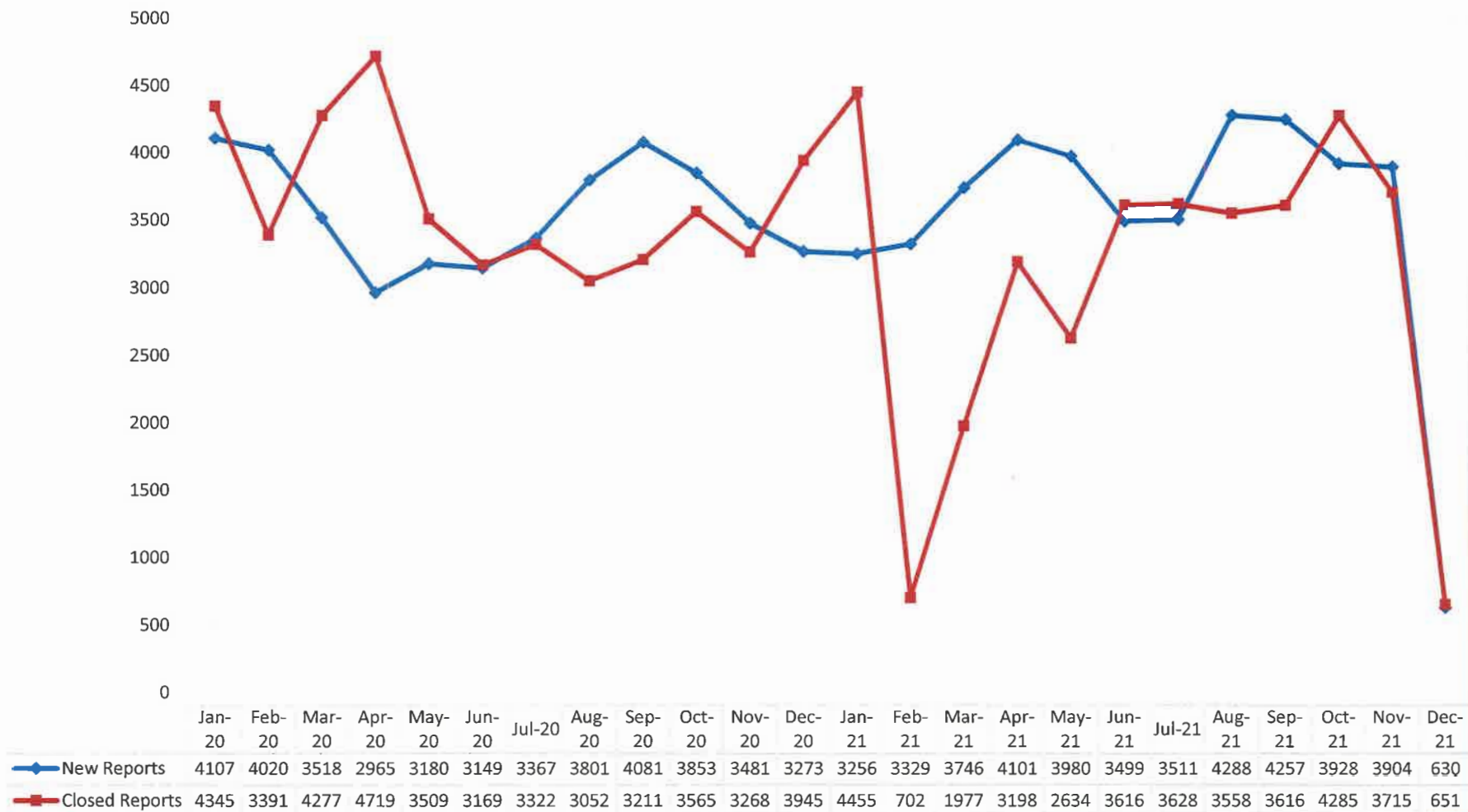
*Note: Period reported is based on Intake call date/time. Data is refreshed Jan 2021-date. All counts include finalized Intakes. Intake report counts include all dispositions (no jurisdiction, QA review, Action Taken, Field Investigation, null). Screen In % shows reports as a percentage of total Hotline Communications.*

*Data Source 1/1/2021 – 12/6/2021: Guardian Advance Find extract.*

*Data Source through 12/31/2020: Hotline Scorecard*



# Completed Reports vs. Assigned New Report



*Note: Updates to Jan-Sept data resulted in a decrease in closed reports due to Assessments re-opened to complete required process/data entry. Counts exclude Intake reports with disposition of no jurisdiction, QA review and action taken.*

*Data Source 1/1/2021 – 12/6/2021: Guardian Advance Find extract. New Intake report period is based on Intake Finalization Date. Closed Reports is based on Assessment End Date.*

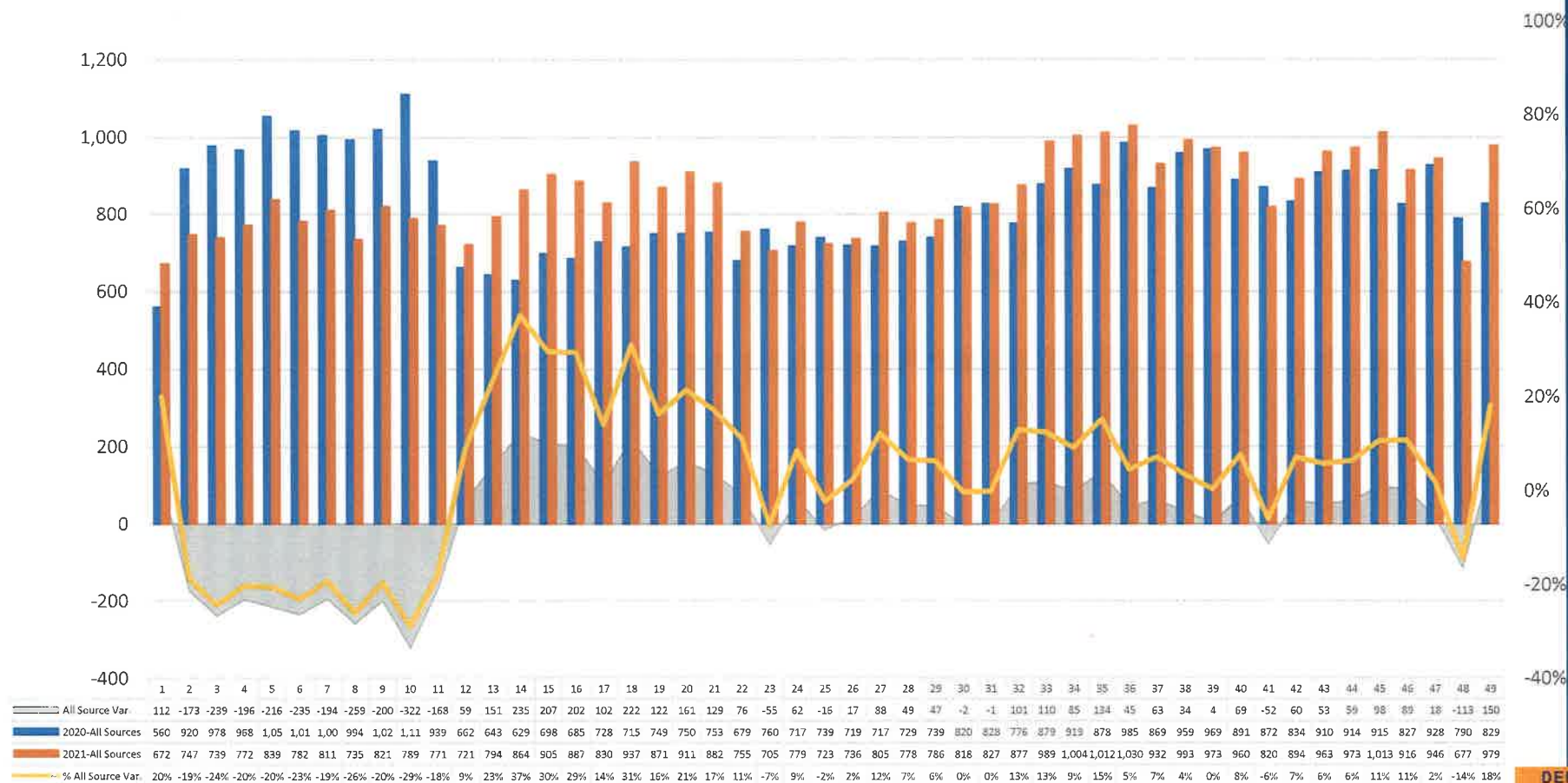
*Data Source through 12/31/2020: Tableau – CPS Reports Open and Closed*





# Reports Received - All Sources

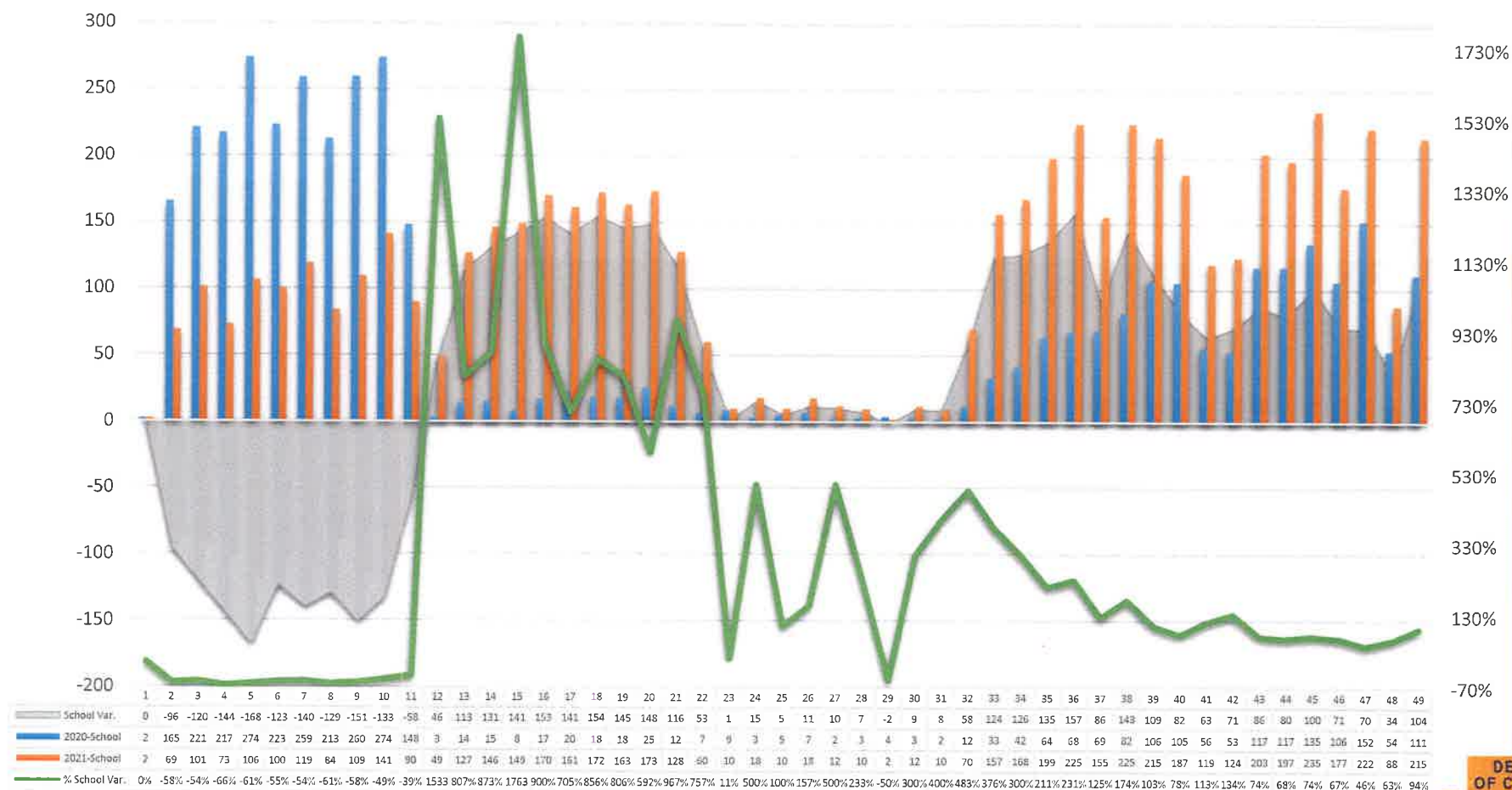
## 2020 vs. 2021 weekly comparison



Data Source: Dynamics CE Advance Find via Intake team 12/6/2021



# Reports Received – \*School Setting Source 2020 vs. 2021 weekly comparison



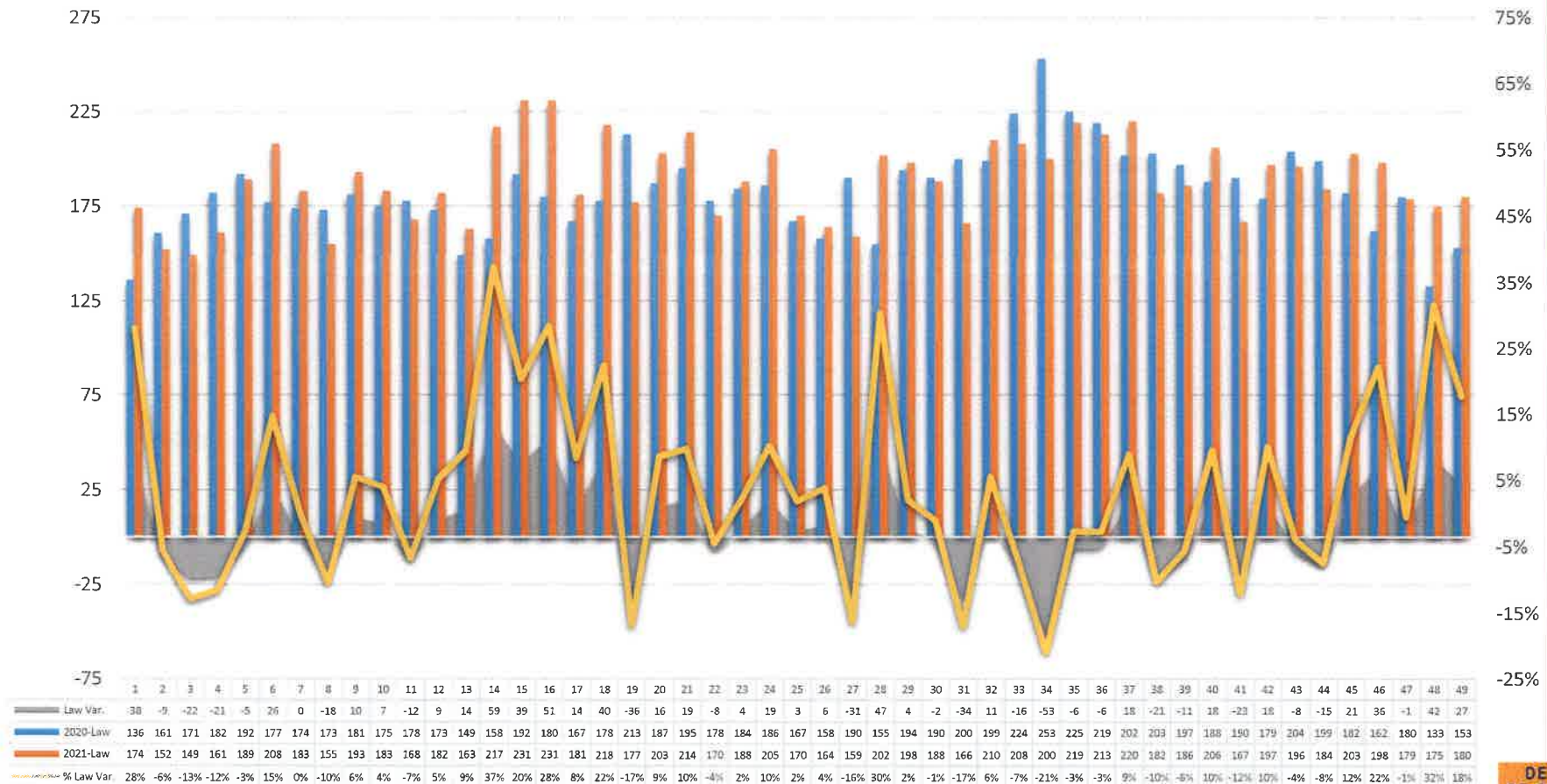
Data Source: Dynamics CE Advance Find via Intake team 12/6/2021.

\*School setting parameters changed Week 5 of 2021 due to change in Source Type options with Guardian implementation. Week 25 replaced "Teacher" option with "School Personnel" to reduce frequency of "Other" being selected. All Guardian parameters for School Source Types are summarized in chart to the right.

Guardian Source Types	Parameters
Teachers/School Personnel	All
Counselor	Employers containing these words:
Therapist	
Nurse	
Psychologist	
Other	
Social Worker	School



# Reports Received – Law Enforcement Source 2020 vs. 2021 weekly comparison

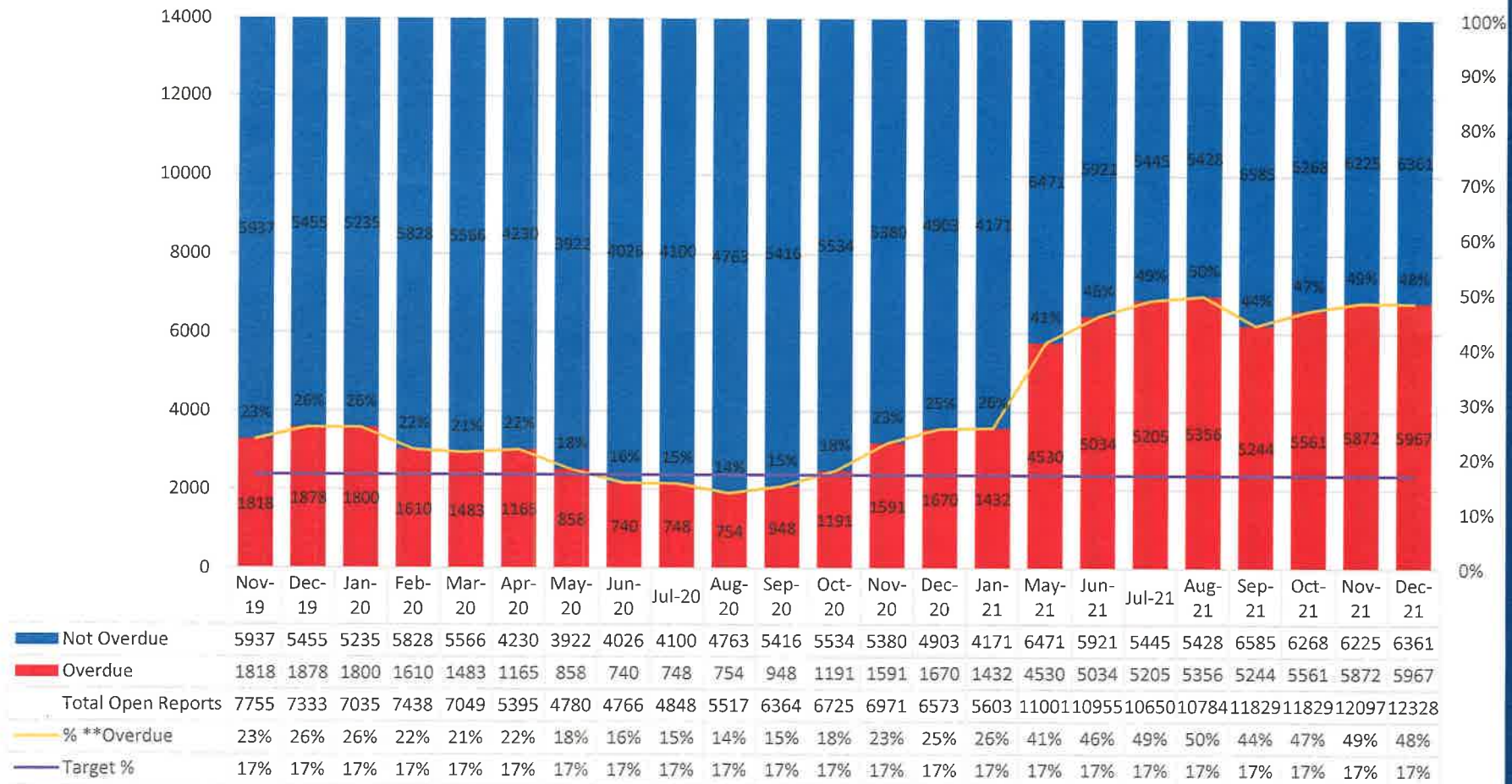


Data Source: Dynamics CE Advance Find via Intake team 12/6/2021





# Reports - Open vs. Overdue



Note: Updates to Jan-Sept data resulted in an increase to Open/Overdue reports due to Assessments re-opened to complete required process/data entry.  
 Counts exclude Intake reports with disposition of no jurisdiction, QA review and action taken.  
 Counts exclude Intake reports with disposition of no jurisdiction, QA review and action taken.  
 Data Source 1/1/2021 – 12/6/2021: Guardian Advance Find extract. Intake report period is based on Intake Finalization Date.  
 Data Source through 12/31/2020: DCS Tableau Dashboard, Overdue Reports



# Entries & Exits

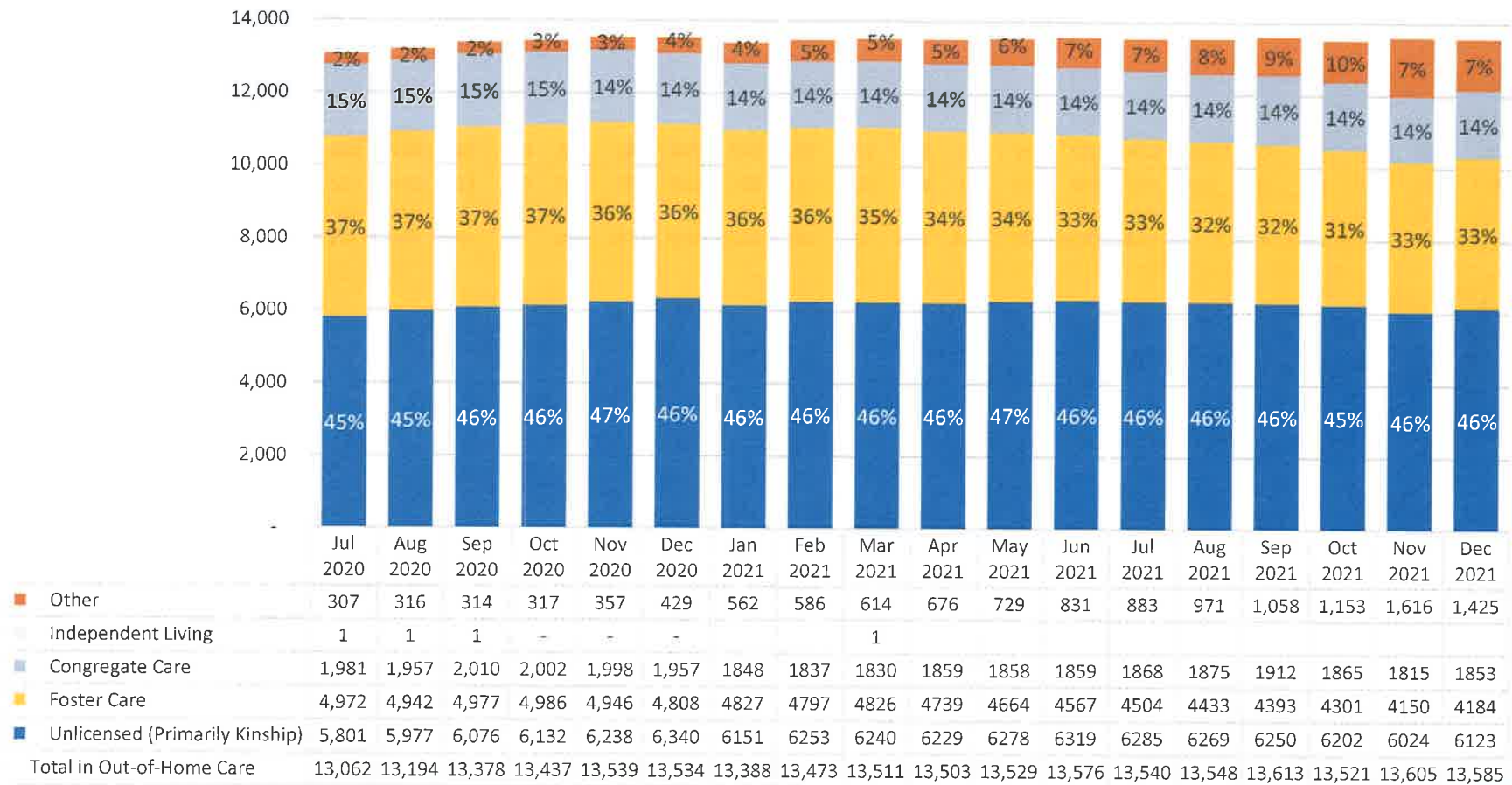


## Notes:

1. Counts exclude entries added in error.
  2. Counts include removal entries in Guardian without the child's name - this issue has been resolved and is being monitored
  3. Comprehensive data validation is still in process. Currently estimating ~5% error margin on removals with removal date after Feb 1, 2021.
- Data Source as of 12/6/2021: Guardian Advance Find extract.



# Children in Out-of-Home Care (0-17 years old)



NOTE: Sep-Nov 2021 updated to capture lagging data. Other category includes Runaway, Missing/Abducted & No Placement Entry (placement not yet entered or date is misaligned). Data includes: Child removal date is <= report period end date, return date is null or > than report period end date, most recent caregiver date entered on Guardian Placement table is >= removal date, caregiver end date is null or > report period end date. Estimated margins of error in distribution of caregiver categories Jan-Oct 2021 is ~4-10%.

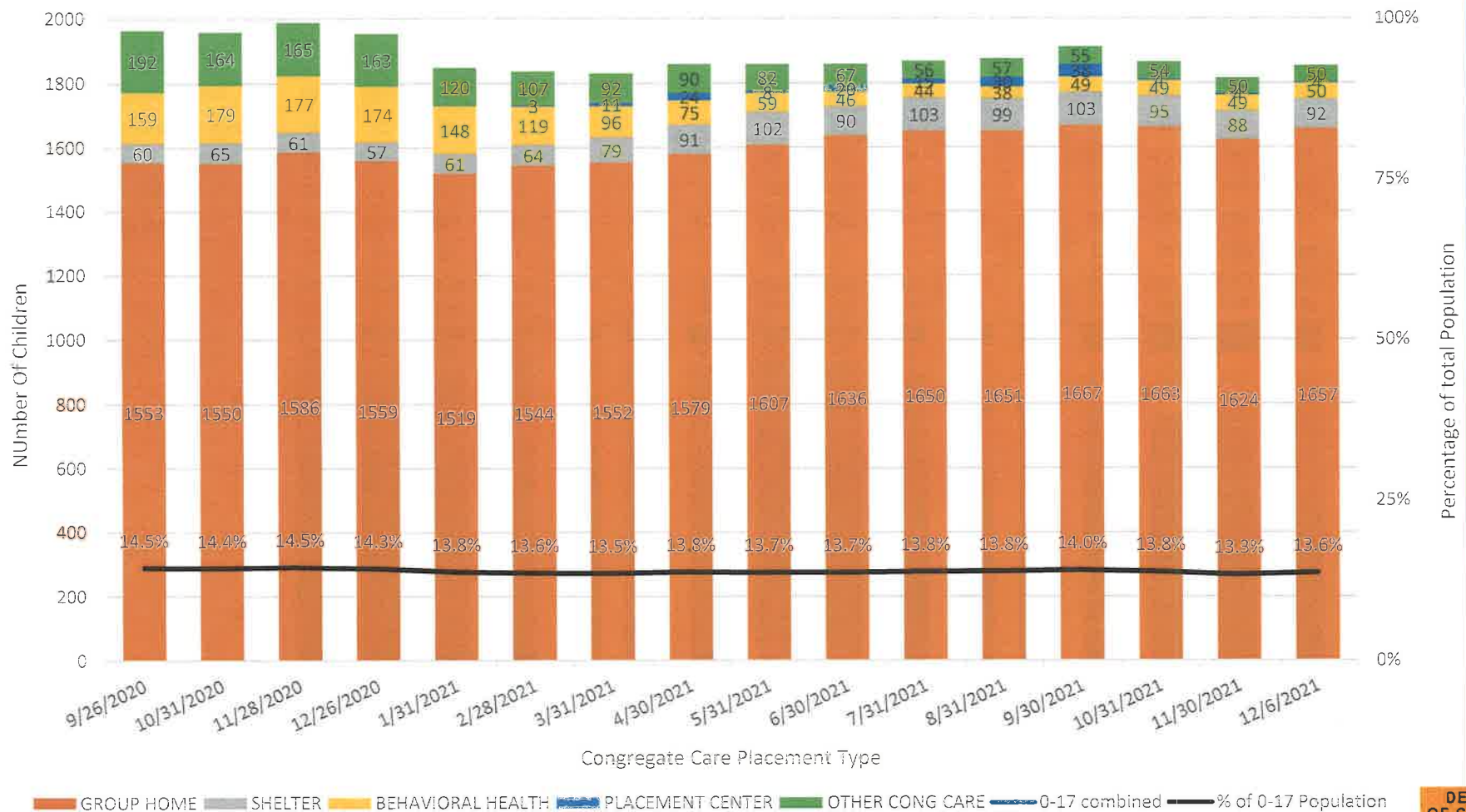
Data Source 1/1/2021-12/8/2021: CE Advance Find exports

Data Source through 12/31/2020: DCS Monthly Out-of-Home Care Report





# Children Age 0 -17 in Congregate Care



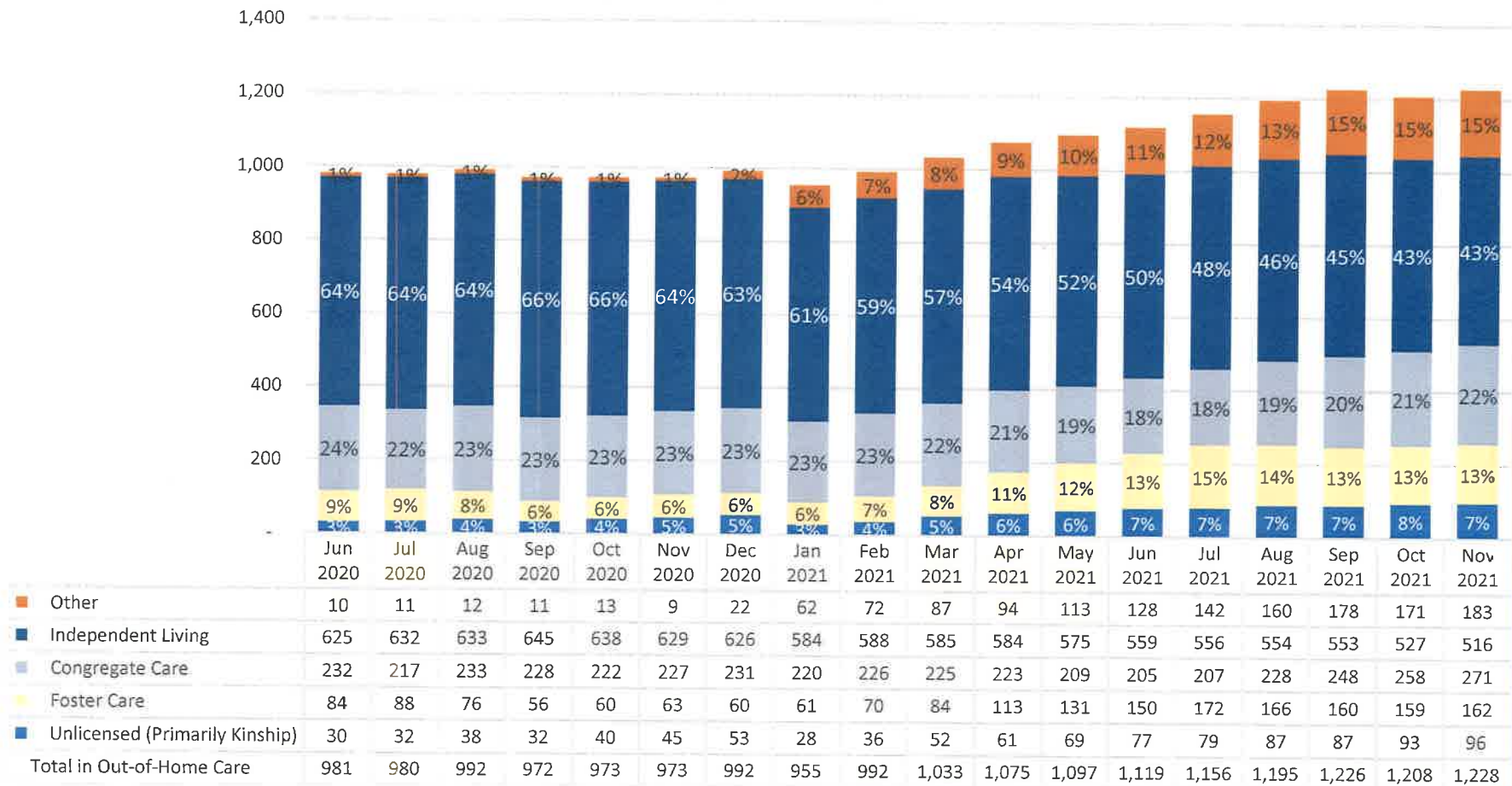
NOTE: Sep-Nov 2021 updated to capture lagging data. Data inclusions - Child removal date is <= report period end date, return date is null or > than report period end date, most recent caregiver date entered on Guardian Placement table is >= removal date, caregiver end date is null or > report period end date. Estimated margins of error in distribution of all caregiver categories is ~4-10% Jan-Oct 2021. Margins of error in distribution of Shelter and Other Congregate Care buckets is higher – root cause analysis was performed and a solution is in process.

Data Source 1/1/2021-12/8/2021: CE Advance Find exports

Data Source through 12/31/2020: DCS Monthly Out-of-Home Care Report



# Young People in Extended Foster Care (18-21 years old)



NOTE: Sep-Nov 2021 updated to capture lagging data. Data inclusions: Child removal date is <= report period end date, return date is null or > than report period end date, most recent caregiver date entered on Guardian Placement table is >= removal date, caregiver end date is null or > report period end date. Estimated 6-14% margin of error in distribution of caregiver categories Jan-Oct 2021.

Data Source 1/1/2021-11/28/2021: CE Advance Find exports

Data Source: DCS Monthly Out-of-Home Care Report, 1.20.2021

