



ARIZONA BOARD OF FINGERPRINTING

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Final Minutes for Public Meeting

Held February 6, 2009, at 9:00 a.m.

3839 North 3rd Street, Suite 107, Phoenix, Arizona

Board Members

Charles Easaw, Department of Education, Chair
Kim Pipersburgh, Department of Health Services, Vice Chair
Ellen Kirschbaum, Administrative Office of the Courts
Mike LeHew, Department of Economic Security
Arthur W. Baker, Department of Juvenile Corrections

Executive Director

Dennis Seavers

CALL TO ORDER AND ROLL CALL

Mr. Easaw called the meeting to order at 9:02 a.m. The following Board members were present: Charles Easaw, Kim Pipersburgh, Ellen Kirschbaum, Brad Willis (alternate Board member for the Department of Economic Security), and Arthur W. Baker. No Board members were absent.

Also in attendance was Dennis Seavers, Executive Director.

CALL TO THE PUBLIC

Mr. Easaw made a call to the public. There were no members of the public present.

APPROVAL OF MINUTES

Ms. Pipersburgh made a motion to approve the draft minutes from October 31, 2008. Mr. Baker seconded the motion, which passed 3-0. (Ms. Kirschbaum and Mr. Willis did not vote.)

ADJUSTMENTS TO FISCAL YEAR 2009 BUDGET

Mr. Easaw referred Board members to Mr. Seavers's February 3, 2009 memo on the fiscal year ("FY") 2009 budget-reconciliation bills and their impact on the Board of Fingerprinting Fund ("BOFF"). (See Attachment 1.)

Mr. Baker expressed concern about the Board's declining fund balance. He believed that the Board should consider furloughs to ensure the health of the BOFF. Mr. Willis asked what the Senate and House Appropriations chairmen had proposed in FY 2010 for the BOFF. Mr. Seavers said that the chairmen had proposed a \$59,500 fund sweep and 10% in personnel-cost reductions.

Mr. Baker asked what Mr. Seavers expected for revenues for the rest of the fiscal year. Mr. Seavers responded that revenues could improve, since revenues for part of the beginning of FY 2009 were based on the Board's old fee. In addition, DPS was not able to quickly transfer fee collections to the Board because of staffing shortages. However, he noted that the revenues have been unpredictable for the past few years and that the calendar-year-2008 revenues were lower than anticipated. Mr. Easaw noted that although the Board may want to consider personnel actions, the Board was not compelled to do so by the legislation. He added that the Board did not have to make a decision at the current meeting.

The Board agreed to continue discussion of the topic at a February 20, 2009 meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. Seavers referred Board members to the report on FY 2009 budget performance through the second quarter. (See Attachment 2.)

Mr. Seavers said that he would report to Board members on the FY 2009 strategic-plan performance at the next Board meeting.

Mr. Seavers referred Board members to his February 4, 2009 memo on pending legislation. (See Attachment 3.) Mr. Baker reiterated concerns he had expressed last year about the impact of Senate Bill 1049 on the Board, particularly given the Board's inability to always make determinations about the designation of offenses. Mr. Seavers said that the Board's position last year was neutral, and it would remain neutral unless the Board formally took a different position.

ADJOURNMENT

Ms. Pipersburgh made a motion to adjourn the meeting. The motion passed, 5–0. Mr. Easaw adjourned the meeting at 9:37 a.m.

Minutes approved on February 20, 2009

Dennis Seavers, Executive Director



Arizona Board of Fingerprinting Memo

TO: Board members
FROM: Dennis Seavers, Executive Director
C: Board alternates
Date: February 3, 2009
SUBJECT FY09 legislative budget; impact on Board of Fingerprinting Fund

On January 31, 2009, the Arizona State Legislature passed a series of bills to eliminate the state's budget shortfall for FY09. This memo identifies the impact of the budget-reconciliation bill on the Board of Fingerprinting Fund ("BOFF"). It describes actions the Board must take to transfer funds to the General Fund and actions the Board could take to mitigate the impact of fund sweeps.¹

SUMMARY

- In FY09, the BOFF will have \$30,000 swept, and the Board will be required to transfer to the General Fund approximately \$15,800 in personnel-reduction costs.
- The Board probably will not be able to rely on a fee increase to offset the fund sweep.
- The Board should consider at least \$16,656 (and up to \$30,551) in spending cuts to avoid potential cash-flow issues.

BACKGROUND

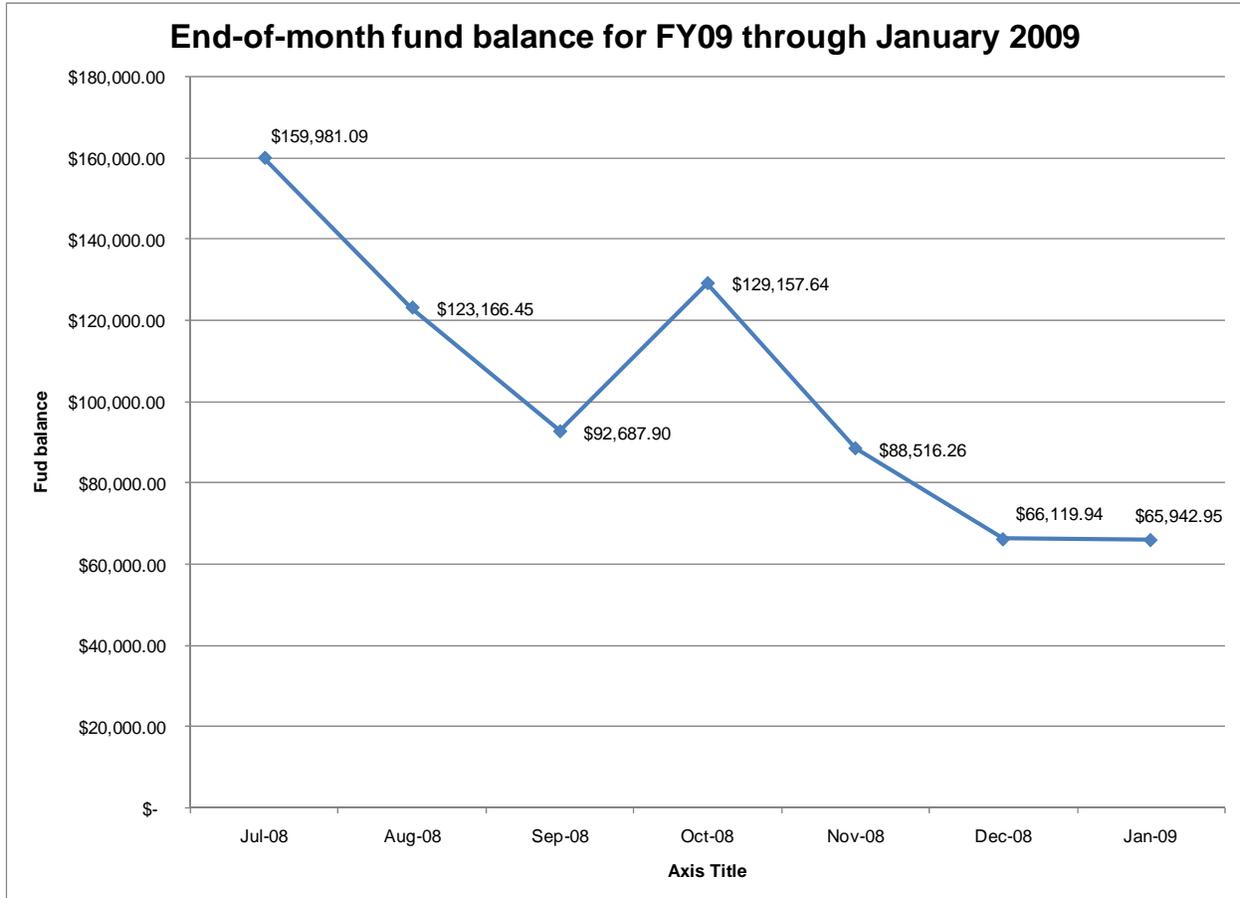
Board of Fingerprinting Fund

The BOFF is established by A.R.S. § 41-619.56 and is the Board's only fund. It consists of the Board's portion (currently \$7.00) of the fingerprint-clearance-card fee, which is collected by DPS and transferred monthly to the fund.

¹ A fund sweep occurs when the Legislature takes special action to transfer monies from an agency fund to another fund, normally the General Fund. The purpose of a fund sweep is to increase the amount of funds available in the General Fund.

- As of December 31, 2008—the last date when there was an end-of-month reconciliation with AFIS (the state accounting system) data—the BOFF balance was \$66,119.94.
- As of February 2, 2009, the BOFF balance was \$65,942.95, with \$72,050.00 in pending deposits and \$138.41 in pending expenditures. (See Attachment 1.)
- As of February 3, 2009, the Board’s annual-leave liability was \$22,542.60.²

The table below shows the balance of the BOFF at the end of each month in FY09.



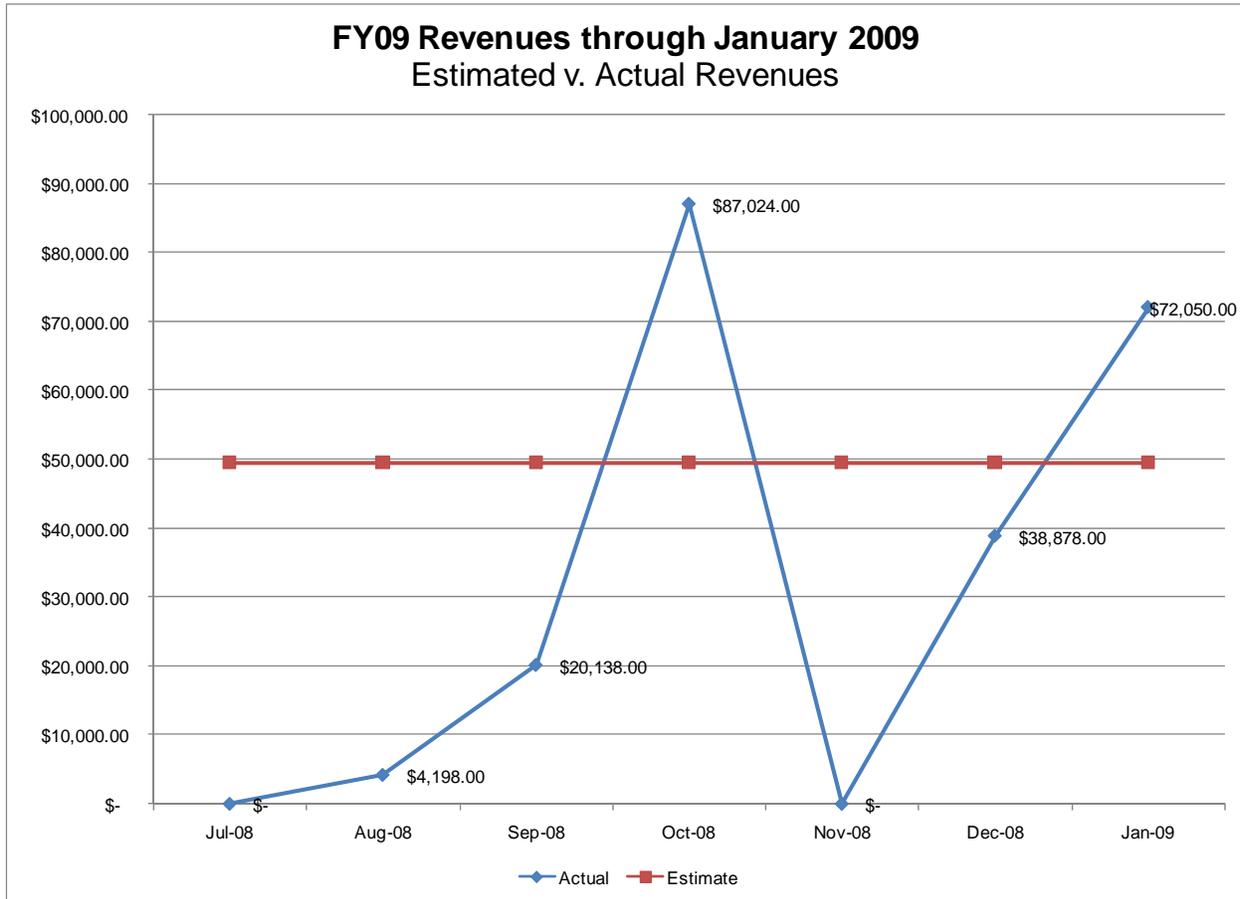
Revenues

The Board’s budget assumed that the Board would collect \$595,000 in fee revenues in FY09. The Board’s projection of revenue collections through January 2009 was \$347,083.33.³ The actual fiscal-year-to-date collections have been \$222,288.00, or

² Annual-leave liability refers to accrued vacation hours. If a Board employee with accrued vacation hours were to separate from the state and not take a position immediately with another state agency, then the Board would have to make a one-time payout for the accrued hours.

³ For ease of calculation, the estimate assumes that each monthly collection will be equal. In reality, monthly revenues vary significantly, as indicated in the table entitled “FY09 Revenues through January 2009.”

\$124,795.33 less than estimated. The chart below shows revenue collections by month for the fiscal year to date.



There are insufficient data to determine with certainty whether the Board's revenues will continue to be as high as the January 2009 collections.⁴ However, there is an indication that collections will be lower than anticipated by the end of FY09. The Board's FY09 projections were based on historical data on the number of fingerprint-clearance-card applications and recent legislation that added new populations to the fingerprint-clearance-card system. But the number of applications in CY08 was about 9,000 below the prediction. If the FY09 fingerprint-clearance-card applications also will have been about 9,000 fewer than anticipated, then the Board's FY09 revenues would drop by \$63,000.00, or 10.59% of the anticipated revenues.

In addition, the Board's monthly revenue collections have been erratic, as indicated by the chart above. This trend appears to be consistent with previous years, though in previous FYs, the collections were quarterly rather than monthly. However, the Board should be aware that the combination of variations in collections and significant fund sweeps could lead to cash-flow problems. Although revenue collections could catch up to revenue projections, it appears unlikely. Also, other factors could affect the

⁴ The October 2008 collections actually represent two months' worth of revenues.

availability of funds, including staffing issues at DPS, which collects the funds on the Board's behalf.

Expenditures

For FY09 through December 31, 2008, the Board has spent consistent with its budget. The Board estimated \$290,152.98 in expenditures; it actually spent \$297,447.23—\$7,294.25 or about 2.5% more than anticipated. These expenditure include \$5,200 in a JLBC personnel-vacancy assessment that was unanticipated (since the Board had no vacancies); about \$300 in higher costs from GAO accounting services; and about \$500 in increased data-service (i.e., e-mail) costs.

LEGISLATIVE BUDGET FIX FOR FY09

Fund sweeps

The budget bill requires that the Board transfer \$30,000 to the General Fund “as soon as is practicable” The Legislature indicated a preference that the transfer take place by February 28, 2009. Although this memo does not focus on the FY10 budget, which the Board has not yet set, the Board should be aware that for FY10 the Legislature has proposed taking \$59,500 from the BOFF.⁵

Cuts to personnel costs

The Legislature has mandated that the Board transfer monies from the BOFF to the General Fund based on personnel-cost reductions. “Personnel costs” includes both salaries (i.e., personal services) and associated benefits (i.e., employee-related expenditures). The Board's reduction is expected to be approximately \$15,800.00.⁶

According to OSPB, since the BOFF is nonappropriated, the Board is not required to reduce personnel costs *if* the Board can cover the \$15,800 transfer, in addition to the \$30,000 transfer from the fund sweep. If the Board cannot cover the \$15,800 transfer with the existing fund balance or with other spending cuts, it must reduce personnel costs.

The Legislature has given agencies discretion in how to achieve the reductions. The Board can rely on salary cuts or a reduction in force (RIF). RIF plans must be approved

⁵ The executive budget proposal recommended a \$100,000 sweep of the BOFF in FY10. However, this proposal was made by a previous governor, and it was based on an assumption that the BOFF would not be swept in FY09.

⁶ The budget bill requires JLBC to determine the amount of each agency's reduction for those agencies whose reductions were not specifically listed in the bill, such as the Board of Fingerprinting. As of February 3, 2009, JLBC had not published the agency reductions, but the amount may be available by the Board's February 6, 2009 meeting. A January 30, 2009 JLBC document suggested personnel-cost reductions of \$15,800 for the BOFF, and it is likely that JLBC will stick with this number when it makes the final assessment.

by ADOA and must comply with personnel rules. ADOA recommends that agencies not use furloughs for covered employees because of certain legal obstacles.

Spending cuts

The BOFF is nonappropriated, so the Legislature has not required spending cuts.⁷ However, the Board should consider spending cuts in order to avoid cash-flow problems, particularly if the Legislature sweeps \$59,500 from the BOFF.

At the beginning of January, I submitted to GAO and OSPB revised end-of-fiscal-year projections for the Board's fund balance. The revision accounted for lower-than-expected revenues (see "Background: Revenues" above). According to the revised projections, which have a more pessimistic outlook about revenues, the BOFF balance on June 30, 2009, would be about \$119,800. (In contrast, the October submission estimated a fiscal-year-end balance of about \$222,400.)

Assuming the revised fiscal-year-end projection, if the Board did not make any spending reductions, then the fund balance on June 30 would be about \$74,000. If the Legislature were to require a reduction of \$59,500 at the beginning of FY10, then the fund balance could be approximately \$74,500.⁸

REQUIRED ACTIONS

- By February 28, 2009, the Board's executive director will transfer \$30,000 from the BOFF to the General Fund. This transfer is required by SB1001 and does not require Board approval.
- The Board must transfer \$15,800 in personnel reductions.⁹ The Board is not required to reduce personnel costs *if* the BOFF has sufficient monies to cover the \$15,800 transfer, in addition to the \$30,000 fund sweep. If the Board reduces actual personnel costs, the Board is authorized to achieve the reductions through salary cuts or a RIF. I recommend that the Board not reduce actual personnel costs because there should be sufficient monies in the BOFF to cover the transfers, but the Board should be aware of the possibility of a relatively low fund balance.

⁷ The Board's \$30,000 sweep was listed in the section of the budget for fund reductions and transfers ("FRAT"s) rather than the section for excess balance transfers ("EBT"s). EBTs are transfers of monies from the agency fund to the General Fund based on estimates of available monies at the end of the fiscal year. FRATs require spending reductions, and the savings generated by the spending reductions would be transferred to the General Fund. Since the Board's \$30,000 reduction was a FRAT rather than an EBT, it might appear as though the Board would have to transfer \$30,000 *and* reduce spending by \$30,000, regardless of whether the money could be transferred without spending reductions. However, OSPB has indicated that the Board would not be required to reduce spending by \$30,000 because the BOFF is nonappropriated.

⁸ This estimate assumes that revenues in July 2009 will be \$60,000. The FY10 budget bill likely would include provisions for agencies to make delayed or multiple transfers to the General Fund to help agencies avoid cash-flow problems.

⁹ The date of the transfer has not been established, though it probably will be in April or May.

RECOMMENDED ACTIONS

- The Board should reduce estimated budgeted expenditures by \$16,656, as indicated in Attachment 2. These reductions would increase the projected fiscal-year-end balance from \$74,000 to \$90,656.
- The Board should consider additional spending cuts of up to \$13,895, as indicated in Attachment 2. Although I am not currently proposing these cuts, the Board should be aware that the estimated amounts in the additional possible cuts would decrease as the end of FY09 approaches.
- The Board should review expenditures at the beginning of March 2009 to make additional spending cuts if revenues do not match projections.

OTHER POSSIBLE ACTION

- The Board could consider an increase to its portion of the fingerprint clearance card fee. However, I do not believe that this is a feasible option. First, the governor has halted all new regulations, and the Board might have to receive special permission from the Governor's Office to raise the fee. Second, the fingerprint-clearance-card fee has been raised twice in the past year, and the Board's stakeholders—including provider agencies that will experience funding cuts—would bear the additional financial burden.

Minutes, 2/6/2009 meeting
ATTACHMENT 1

FY09 legislative budget; impact on BOFF
Attachment 1 - Balance Sheet as of February 3, 2009

	<u>Feb 2, 09</u>
ASSETS	
Current Assets	
Checking/Savings	
Board of Fingerprinting Fund	\$ 65,942.95
Total Checking/Savings	<u>\$ 65,942.95</u>
Total Current Assets	<u>\$ 65,942.95</u>
TOTAL ASSETS	<u><u>\$ 65,942.95</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$ (71,911.59)
Total Accounts Payable	<u>\$ (71,911.59)</u>
Total Current Liabilities	<u>\$ (71,911.59)</u>
Total Liabilities	\$ (71,911.59)
Equity	
Net Income	\$ 137,854.54
Total Equity	<u>\$ 137,854.54</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 65,942.95</u></u>

Attachment 2 - FY09 Spending Reductions: Proposed and Possible

Expenditure	Budgeted	Proposed change	Revised budget	Additional possible cuts
6000 - Personal Services	\$ 310,662.03	\$ -	\$ 310,662.03	\$ -
6100 - Employee-related exp.	\$ 118,051.57	\$ -	\$ 118,051.57	\$ -
6200 - Prof. & Outside Svcs.				
6211 - Bond Issuance Cost	\$ 1,800.00	\$ 300.00	\$ 2,100.00	\$ -
6271 - Education & Training	\$ 100.00	\$ (52.00)	\$ 48.00	\$ -
6299 - Other Prof. & Out. Svcs.	\$ 10,000.00	\$ (700.00)	\$ 9,300.00	\$ (3,375.00)
Total 6200 - Prof. & Outside Svcs.	\$ 11,900.00	\$ (452.00)	\$ 11,448.00	\$ (3,375.00)
7000 - Other Operating				
7153 - Internal Svc. Data Proc.	\$ 8,400.00	\$ 1,200.00	\$ 9,600.00	\$ -
7172 - Ext. Comm. Long Dist.	\$ 13,000.00	\$ -	\$ 13,000.00	\$ -
7179 - Other External Comm.	\$ 2,500.00	\$ -	\$ 2,500.00	\$ (330.00)
7221 - Rental of Land & Bldgs.*	\$ 65,124.60	\$ -	\$ 65,124.60	\$ (5,490.00)
7266 - Repair/Maint-Other Equip	\$ 1,240.00	\$ -	\$ 1,240.00	\$ (100.00)
7269 - Repair & Maint (Other)**	\$ -	\$ 4,500.00	\$ 4,500.00	\$ (4,500.00)
7321 - Office Supplies	\$ 12,000.00	\$ (5,500.00)	\$ 6,500.00	\$ -
7471 - Internal Printing	\$ 100.00	\$ (100.00)	\$ -	\$ -
7481 - Postage & Delivery	\$ 15,000.00	\$ (4,500.00)	\$ 10,500.00	\$ -
7511 - Awards	\$ 200.00	\$ (100.00)	\$ 100.00	\$ (100.00)
7541 - Books, Subscr., & Pubs.	\$ 8,500.00	\$ (2,700.00)	\$ 5,800.00	\$ -
Total 7000 - Other Operating	\$ 126,064.60	\$ (7,200.00)	\$ 118,864.60	\$ (10,520.00)
8500 - Non-capital Equipment				
8551 - EDP Equip. Non-cap.	\$ 8,000.00	\$ (8,000.00)	\$ -	\$ -
8583 - PC/LAN Softw. Non-cap.	\$ 1,000.00	\$ (290.00)	\$ 710.00	\$ -
Total 8500 - Non-capital Equip.	\$ 9,000.00	\$ (8,290.00)	\$ 710.00	\$ -
9100 - Transfers Out				
9101 - Oper. Transfers Out***	\$ 1,714.00	\$ (714.00)	\$ 1,000.00	\$ -
Total 9100 - Oper. Trans. Out	\$ 1,714.00	\$ (714.00)	\$ 1,000.00	\$ -

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
ATTACHMENT 2

	<u>Jul - Sep 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income						
4900 - Transfers In						
4901 - Operating Transfers In	24,336.00	148,749.99	-124,413.99	125,902.00	148,749.99	-22,847.99
Total 4900 - Transfers In	<u>24,336.00</u>	<u>148,749.99</u>	<u>-124,413.99</u>	<u>125,902.00</u>	<u>148,749.99</u>	<u>-22,847.99</u>
FY08 Carryover	<u>213,329.17</u>	<u>165,000.00</u>	<u>48,329.17</u>	<u>0.00</u>		
Total Income	<u>237,665.17</u>	<u>313,749.99</u>	<u>-76,084.82</u>	<u>125,902.00</u>	<u>148,749.99</u>	<u>-22,847.99</u>
Expense						
6000 - Personal Services						
6010 - Basic Compensation						
6011 - Regular Base Salary	<u>67,127.64</u>			<u>71,130.13</u>		
Total 6010 - Basic Compensation	67,127.64			71,130.13		
6030 - Exception Compensation						
6028 - 2.75% Performance Pay	2,158.92			2,267.16		
6031 - Overtime	<u>215.90</u>			<u>0.00</u>		
Total 6030 - Exception Compensation	2,374.82			2,267.16		
6040 - Leave Compensation						
6041 - Annual Leave	4,618.73			5,053.14		
6042 - Sick Leave	3,356.10			1,690.12		
6048 - Holiday Leave Taken	2,261.69			4,568.34		
6049 - Other Compensated Leave	<u>1,000.00</u>			<u>0.00</u>		
Total 6040 - Leave Compensation	11,236.52			11,311.60		
6000 - Personal Services - Other	<u>0.00</u>	<u>77,665.50</u>	<u>-77,665.50</u>	<u>0.00</u>	<u>77,665.50</u>	<u>-77,665.50</u>
Total 6000 - Personal Services	<u>80,738.98</u>	<u>77,665.50</u>	<u>3,073.48</u>	<u>84,708.89</u>	<u>77,665.50</u>	<u>7,043.39</u>
6100 - ERE						
6110 - Insurance						

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
ATTACHMENT 2

	<u>Jul - Sep 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>
6111 - FICA	5,745.40			6,103.21		
6113 - Medical Insurance	14,084.77			15,562.54		
6114 - Basic Life	74.40			75.95		
6116 - Long-term Disability	403.73			423.64		
6117 - Unemployment Insurance	112.60			117.45		
6118 - Dental Insurance	1,138.02			924.98		
6119 - Worker's Compensation	1,056.76			1,109.71		
Total 6110 - Insurance	<u>22,615.68</u>			<u>24,317.48</u>		
6150 - Retirement Plan Payments						
6155 - ASRS	7,240.94			7,581.47		
Total 6150 - Retirement Plan Payments	<u>7,240.94</u>			<u>7,581.47</u>		
6180 - Other ERE						
6183 - Personal Services	863.95			906.43		
6185 - GITA Charge	161.45			169.40		
6186 - Atty. Gen. Pro Rata Chg.	545.02			490.14		
6189 - Sick Leave Accumulation	322.87			420.42		
Total 6180 - Other ERE	<u>1,893.29</u>			<u>1,986.39</u>		
6100 - ERE - Other	0.00	29,512.89	-29,512.89	0.00	29,512.89	-29,512.89
Total 6100 - ERE	<u>31,749.91</u>	<u>29,512.89</u>	<u>2,237.02</u>	<u>33,885.34</u>	<u>29,512.89</u>	<u>4,372.45</u>
6200 - Prof. & Outside Services						
6210 - Financial Services						
6211 - Bond Issuance Cost	927.48	450.00	477.48	236.93	450.00	-213.07
Total 6210 - Financial Services	<u>927.48</u>	<u>450.00</u>	<u>477.48</u>	<u>236.93</u>	<u>450.00</u>	<u>-213.07</u>
6270 - Education & Training						
6271 - Education & Training	48.00	100.00	-52.00	0.00		

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
ATTACHMENT 2

	<u>Jul - Sep 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Total 6270 - Education & Training	48.00	100.00	-52.00	0.00		
6290 - Other Prof. & Out. Svcs.						
6299 - Other Prof. & Out. Svcs.	3,112.50	2,700.00	412.50	1,816.00	2,700.00	-884.00
Total 6290 - Other Prof. & Out. Svcs.	<u>3,112.50</u>	<u>2,700.00</u>	<u>412.50</u>	<u>1,816.00</u>	<u>2,700.00</u>	<u>-884.00</u>
Total 6200 - Prof. & Outside Services	4,087.98	3,250.00	837.98	2,052.93	3,150.00	-1,097.07
7000 - Other Operating						
7150 - IT Services						
7153 - Internal Svc. Data Proc.	3,114.55	2,100.00	1,014.55	2,414.58	2,100.00	314.58
7172 - External Comm. Long Dist	1,131.13	3,249.99	-2,118.86	5,836.63	3,249.99	2,586.64
7179 - Other External Comm.	1,035.39	624.99	410.40	795.47	624.99	170.48
Total 7150 - IT Services	<u>5,281.07</u>	<u>5,974.98</u>	<u>-693.91</u>	<u>9,046.68</u>	<u>5,974.98</u>	<u>3,071.70</u>
7200 - Rental Expenditures						
7221 - Rental of Land & Bldgs.	16,281.15	16,281.15	0.00	9,072.43	16,281.15	-7,208.72
Total 7200 - Rental Expenditures	<u>16,281.15</u>	<u>16,281.15</u>	<u>0.00</u>	<u>9,072.43</u>	<u>16,281.15</u>	<u>-7,208.72</u>
7250 - Repair & Maintenance						
7266 - Repair/Maint-Other Equip	557.10	309.99	247.11	423.21	309.99	113.22
Total 7250 - Repair & Maintenance	<u>557.10</u>	<u>309.99</u>	<u>247.11</u>	<u>423.21</u>	<u>309.99</u>	<u>113.22</u>
7300 - Operating Supplies						
7321 - Office Supplies	1,523.12	3,000.00	-1,476.88	2,110.74	3,000.00	-889.26
Total 7300 - Operating Supplies	<u>1,523.12</u>	<u>3,000.00</u>	<u>-1,476.88</u>	<u>2,110.74</u>	<u>3,000.00</u>	<u>-889.26</u>
7470 - Printing & Photography						
7471 - Internal Printing	0.00	100.00	-100.00	0.00		
Total 7470 - Printing & Photography	<u>0.00</u>	<u>100.00</u>	<u>-100.00</u>	<u>0.00</u>		

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
ATTACHMENT 2

	<u>Jul - Sep 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>
7480 - Postage & Delivery						
7481 - Postage & Delivery	1,684.16	3,750.00	-2,065.84	2,457.09	3,750.00	-1,292.91
Total 7480 - Postage & Delivery	<u>1,684.16</u>	<u>3,750.00</u>	<u>-2,065.84</u>	<u>2,457.09</u>	<u>3,750.00</u>	<u>-1,292.91</u>
7500 - Miscellaneous Operating						
7511 - Awards	0.00	200.00	-200.00	0.00		
7531 - Dues	0.00			94.00		
7541 - Books, Subscr., & Pubs.	1,948.80	2,124.99	-176.19	2,835.25	2,124.99	710.26
Total 7500 - Miscellaneous Operating	<u>1,948.80</u>	<u>2,324.99</u>	<u>-376.19</u>	<u>2,929.25</u>	<u>2,124.99</u>	<u>804.26</u>
Total 7000 - Other Operating	27,275.40	31,741.11	-4,465.71	26,039.40	31,441.11	-5,401.71
8500 - Non-capital Equipment						
8550 - EDP Equip PC/LAN Non-cap						
8551 - EDP Equip. Non-cap Purch	0.00	1,999.98	-1,999.98	0.00	2,000.00	-2,000.00
Total 8550 - EDP Equip PC/LAN Non-cap	<u>0.00</u>	<u>1,999.98</u>	<u>-1,999.98</u>	<u>0.00</u>	<u>2,000.00</u>	<u>-2,000.00</u>
8580 - Non-capitalized Software						
8583 - PC/LAN Software Non-cap.	125.00	250.00	-125.00	583.40	250.00	333.40
Total 8580 - Non-capitalized Software	<u>125.00</u>	<u>250.00</u>	<u>-125.00</u>	<u>583.40</u>	<u>250.00</u>	<u>333.40</u>
Total 8500 - Non-capital Equipment	125.00	2,249.98	-2,124.98	583.40	2,250.00	-1,666.60
9100 - Transfers Out						
9101 - Operating Transfers Out	1,000.00	1,714.00	-714.00	5,200.00		
Total 9100 - Transfers Out	<u>1,000.00</u>	<u>1,714.00</u>	<u>-714.00</u>	<u>5,200.00</u>		
Total Expense	144,977.27	146,133.48	-1,156.21	152,469.96	144,019.50	8,450.46

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
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	<u>Jul - Sep 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Net Income	<u>92,687.90</u>	<u>167,616.51</u>	<u>-74,928.61</u>	<u>-26,567.96</u>	<u>4,730.49</u>	<u>-31,298.45</u>

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

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	TOTAL			
	Jul - Dec 08	Budget	\$ Over Budget	% of Budget
Income				
4900 - Transfers In				
4901 - Operating Transfers In	150,238.00	297,499.98	-147,261.98	50.5%
Total 4900 - Transfers In	150,238.00	297,499.98	-147,261.98	50.5%
FY08 Carryover	213,329.17	165,000.00	48,329.17	129.29%
Total Income	363,567.17	462,499.98	-98,932.81	78.61%
Expense				
6000 - Personal Services				
6010 - Basic Compensation				
6011 - Regular Base Salary	138,257.77			
Total 6010 - Basic Compensation	138,257.77			
6030 - Exception Compensation				
6028 - 2.75% Performance Pay	4,426.08			
6031 - Overtime	215.90			
Total 6030 - Exception Compensation	4,641.98			
6040 - Leave Compensation				
6041 - Annual Leave	9,671.87			
6042 - Sick Leave	5,046.22			
6048 - Holiday Leave Taken	6,830.03			
6049 - Other Compensated Leave	1,000.00			
Total 6040 - Leave Compensation	22,548.12			
6000 - Personal Services - Other	0.00	155,331.00	-155,331.00	0.0%
Total 6000 - Personal Services	165,447.87	155,331.00	10,116.87	106.51%
6100 - ERE				
6110 - Insurance				

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

	TOTAL			
	<u>Jul - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6111 - FICA	11,848.61			
6113 - Medical Insurance	29,647.31			
6114 - Basic Life	150.35			
6116 - Long-term Disability	827.37			
6117 - Unemployment Insurance	230.05			
6118 - Dental Insurance	2,063.00			
6119 - Worker's Compensation	2,166.47			
Total 6110 - Insurance	<u>46,933.16</u>			
6150 - Retirement Plan Payments				
6155 - ASRS	14,822.41			
Total 6150 - Retirement Plan Payments	<u>14,822.41</u>			
6180 - Other ERE				
6183 - Personal Services	1,770.38			
6185 - GITA Charge	330.85			
6186 - Atty. Gen. Pro Rata Chg.	1,035.16			
6189 - Sick Leave Accumulation	743.29			
Total 6180 - Other ERE	<u>3,879.68</u>			
6100 - ERE - Other	0.00	59,025.78	-59,025.78	0.0%
Total 6100 - ERE	<u>65,635.25</u>	<u>59,025.78</u>	<u>6,609.47</u>	<u>111.2%</u>
6200 - Prof. & Outside Services				
6210 - Financial Services				
6211 - Bond Issuance Cost	1,164.41	900.00	264.41	129.38%
Total 6210 - Financial Services	<u>1,164.41</u>	<u>900.00</u>	<u>264.41</u>	<u>129.38%</u>
6270 - Education & Training				
6271 - Education & Training	48.00	100.00	-52.00	48.0%

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

Minutes, 2/6/2009 meeting
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	TOTAL			
	<u>Jul - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Total 6270 - Education & Training	48.00	100.00	-52.00	48.0%
6290 - Other Prof. & Out. Svcs.				
6299 - Other Prof. & Out. Svcs.	4,928.50	5,400.00	-471.50	91.27%
Total 6290 - Other Prof. & Out. Svcs.	<u>4,928.50</u>	<u>5,400.00</u>	<u>-471.50</u>	<u>91.27%</u>
Total 6200 - Prof. & Outside Services	6,140.91	6,400.00	-259.09	95.95%
7000 - Other Operating				
7150 - IT Services				
7153 - Internal Svc. Data Proc.	5,529.13	4,200.00	1,329.13	131.65%
7172 - External Comm. Long Dist	6,967.76	6,499.98	467.78	107.2%
7179 - Other External Comm.	1,830.86	1,249.98	580.88	146.47%
Total 7150 - IT Services	<u>14,327.75</u>	<u>11,949.96</u>	<u>2,377.79</u>	<u>119.9%</u>
7200 - Rental Expenditures				
7221 - Rental of Land & Bldgs.	25,353.58	32,562.30	-7,208.72	77.86%
Total 7200 - Rental Expenditures	<u>25,353.58</u>	<u>32,562.30</u>	<u>-7,208.72</u>	<u>77.86%</u>
7250 - Repair & Maintenance				
7266 - Repair/Maint-Other Equip	980.31	619.98	360.33	158.12%
Total 7250 - Repair & Maintenance	<u>980.31</u>	<u>619.98</u>	<u>360.33</u>	<u>158.12%</u>
7300 - Operating Supplies				
7321 - Office Supplies	3,633.86	6,000.00	-2,366.14	60.56%
Total 7300 - Operating Supplies	<u>3,633.86</u>	<u>6,000.00</u>	<u>-2,366.14</u>	<u>60.56%</u>
7470 - Printing & Photography				
7471 - Internal Printing	0.00	100.00	-100.00	0.0%
Total 7470 - Printing & Photography	<u>0.00</u>	<u>100.00</u>	<u>-100.00</u>	<u>0.0%</u>

Arizona Board of Fingerprinting
Budget vs. Actual
FY2009 - July through December 2008

	TOTAL			
	<u>Jul - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7480 - Postage & Delivery				
7481 - Postage & Delivery	4,141.25	7,500.00	-3,358.75	55.22%
Total 7480 - Postage & Delivery	<u>4,141.25</u>	<u>7,500.00</u>	<u>-3,358.75</u>	<u>55.22%</u>
7500 - Miscellaneous Operating				
7511 - Awards	0.00	200.00	-200.00	0.0%
7531 - Dues	94.00			
7541 - Books, Subscr., & Pubs.	4,784.05	4,249.98	534.07	112.57%
Total 7500 - Miscellaneous Operating	<u>4,878.05</u>	<u>4,449.98</u>	<u>428.07</u>	<u>109.62%</u>
Total 7000 - Other Operating	53,314.80	63,182.22	-9,867.42	84.38%
8500 - Non-capital Equipment				
8550 - EDP Equip PC/LAN Non-cap				
8551 - EDP Equip. Non-cap Purch	0.00	3,999.98	-3,999.98	0.0%
Total 8550 - EDP Equip PC/LAN Non-cap	<u>0.00</u>	<u>3,999.98</u>	<u>-3,999.98</u>	<u>0.0%</u>
8580 - Non-capitalized Software				
8583 - PC/LAN Software Non-cap.	708.40	500.00	208.40	141.68%
Total 8580 - Non-capitalized Software	<u>708.40</u>	<u>500.00</u>	<u>208.40</u>	<u>141.68%</u>
Total 8500 - Non-capital Equipment	708.40	4,499.98	-3,791.58	15.74%
9100 - Transfers Out				
9101 - Operating Transfers Out	6,200.00	1,714.00	4,486.00	361.73%
Total 9100 - Transfers Out	<u>6,200.00</u>	<u>1,714.00</u>	<u>4,486.00</u>	<u>361.73%</u>
Total Expense	297,447.23	290,152.98	7,294.25	102.51%

Arizona Board of Fingerprinting
Budget vs. Actual
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TOTAL

	<u>Jul - Dec 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Net Income	<u>66,119.94</u>	<u>172,347.00</u>	<u>-106,227.06</u>	<u>38.36%</u>



Arizona Board of Fingerprinting Memo

TO: Board members
FROM: Dennis Seavers, Executive Director
C: Board alternates
Date: February 4, 2009
SUBJECT: Pending legislation

This memo summarizes proposed legislation that would significantly affect the Board of Fingerprinting. (Budget bills are not discussed in this memo.)

The Board should note that Senate legislation is currently on hold until the FY10 budget is addressed.

BOARD-PROPOSED LEGISLATION

SB1009 (board of fingerprinting; hearings)

Sen. Linda Gray, chairperson of the Senate Committee on Public Safety and Human Services, has sponsored SB1009 for the Board. The legislation would do the following.

- Permit the board to consider substantiated allegations of vulnerable-adult abuse or neglect when deciding whether to grant an application;
- Permit the Board to deny an application if an applicant fails to appear at an administrative hearing without good cause.

OTHER LEGISLATION

SB1049 (fingerprint clearance cards)

This legislation is essentially the same as last year's HB2727, which was intended to bring DES into compliance with provisions of the Adam Walsh Act ("AWA") that apply to adoptive and foster-care parents. The bill would make the following changes relevant to the Board.

- Create a two-tiered fingerprint-clearance-card system, consisting of a Level I fingerprint clearance card, which is AWA compliant, and a regular fingerprint

clearance card, which basically corresponds to the current card. The Level I card is more restrictive than the regular card;

- Requires individuals under DES programs to have a Level I card;
- Requires Board members and employees to have a Level I card;
- In the criminal code, changes the designation of a certain form of criminal damage from a class-six felony to a class-one misdemeanor;
- Adds the crimes of unlawful sale of children and child bigamy to the list of nonappealable crimes for the regular fingerprint clearance card;
- Allows a Level I card to satisfy any requirement that a person have a regular fingerprint clearance card;
- Creates the lists of appealable and nonappealable crimes for a Level I card. The designation of many of these crimes—that is, whether they are felonies or misdemeanors—is important, and will become a factor for the Board to consider if the legislation passes;
- Empowers any agencies that are authorized to require fingerprint clearance cards to instead require Level I cards;
- Allows a fingerprint clearance card issued before the effective date of the legislation to serve in the stead of a Level I card until the regular card expires, unless the card is used for foster-care parents or adoption. For foster-care and adoptive parents, the regular card is good only if the cardholder has been certified by the court to adopt or has been issued a foster-home license before the effective date of the legislation.

The introduced version of the legislation has an emergency clause, which means that the legislation would become effective immediately on the governor's signature rather than 90 days after the Legislature adjourns *sine die*. However, the bill will be amended to remove the emergency clause.

HB2031 (schools; contractors; fingerprint clearance cards)

This bill would mandate that school districts require contractors, subcontractors, or vendors or employees of contractors, subcontractors, or vendors to have a fingerprint clearance card.