



ARIZONA BOARD OF FINGERPRINTING

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FINAL Minutes for Public Meeting Held September 6, 2019, at 9:15 a.m. 4205 North 7th Avenue, Suite 206 Phoenix, Arizona

Board Members

Garnett Burns, Department of Education, Chairperson
Mark Koch, Administrative Office of the Courts, Vice Chairperson
Kim Pipersburgh, Department of Health Services
Shamiran Warda, Department of Juvenile Corrections
John Piccarreta, Department of Child Safety
Elanie Estrada, Department of Economic Security

Executive Director

Matthew A. Scheller

I. CALL TO ORDER AND ROLL CALL

Ms. Burns called the meeting to order at 9:15 a.m. The following Board members were present: Garnett Burns, Mark Koch, Kim Pipersburgh, John Piccarreta, and Elanie Estrada. The following Board member was absent: Shamiran Warda.

Also in attendance was Matthew A. Scheller, Executive Director (ED).

II. CALL TO THE PUBLIC

Ms. Burns made a call to the public. There were no members of the public present who wished to comment.

III. APPROVAL OF MINUTES FROM DECEMBER 28, 2018

Mr. Koch made a motion to approve the draft minutes from December 28, 2018, and Ms. Pipersburgh seconded. The motion passed 5–0.

IV. EXECUTIVE DIRECTOR'S REPORT

Ms. Burns requested that Mr. Scheller provide a summary of the memos that he authored and submitted to the Board for review. Mr. Scheller provided a summary of the fiscal year (FY) 2019 budget report memo dated August 21, 2019 (see Attachment 1) and the FY 2019 strategic-plan performance memo dated August 21, 2019 (see Attachment 2).

Mr. Scheller spoke about the positive financial position of the Board and that the current fund balance increased in FY 2019 because of the large number of applications received by the Department of Public Safety (DPS). The final bullet point under the Summary Section on Page 1 needs to be updates with the following fund balance at the end of FY 2019 - \$3,554,920.00. The Board had \$549,170.03 in expenditures.

DPS received a record number of applications, 170,671 applications, which translates into \$1,194,697.00 in revenues for the Board. This is an increase of 8,480 applications from FY 2018 and 23,284 more applications than FY 2017. Along with the increase in applications, the Board realized significant cost savings in several areas that were enumerated by Mr. Scheller.

In specific spending categories, Mr. Scheller explained that in under Personal Services (6000) the Board was \$36,941.99 below the budgeted expenditures. We were below budget because an Administrative Law Judges (ALJ) resigned his position in April 2019 for a position at the Arizona Court of Appeals. In the category Other Professional and Outside Services (6100) the spending in this category was slightly above the budgeted amount by \$399.70. The Board hired a temporary Administrative Staff to assist with the processing of applications and the Board's day-to-day functions.

On the strategic-plan performance for FY 2019, Mr. Scheller commented on the quality of the recommendations of the Board's investigator, as reflected in the percentage of recommendations adopted by the Board. On Goal 1¹, the Board exceeded the goal of 96% with an average over the fiscal year of 99.69%. There were only 11 cases in FY 2019 in which the Board modified the original recommendation of the investigator at an expedited review consideration. This year the Board's approval rate by expedited review and by administrative hearing essentially stayed the same as in FY 2018. There were slightly more approvals from the area of expedited reviews vs. administrative hearings. This fiscal year there were fifteen (15) fewer cases referred to Administrative Hearing from FY 2018.

¹ To Make Fair and Consistent Determinations On Good-Cause Exceptions.

Mr. Scheller pointed out that on Goal 2² the Board has made progress in reducing the average time to process applications in all areas. The Board received 3,650 applications and disposed of 3,723 cases this year (284 fewer cases disposed of than FY 2018, which is a 7.1% decrease). Both of these number remain significantly above the Board's prediction. The average number of days to dispose of a case and the average number of days spent processing applications remains similar to the positive number of last fiscal year. The numbers are well below the estimates for both of these areas (10 days and 6.6 days, respectively). The Board continues to improve on the average number of days spent processing applications from receipt to expedited review, which is 7.74 days for applicants. This is a 6.97% decrease over last year. This is more than 4 days below the Board's estimate and 12.2 days below the statutory time frame of 20 days.

The Board added a new performance measure in FY 2017 – “Average days from scheduled hearing to hearing decision/completion.” This number gives the Board an indication of the average number of days that the Administrative Law Judge (“ALJ”) spends processing a case before the Board makes a final determination. The FY 2019 estimate was 55 days based upon the prior fiscal years. This fiscal year the average ALJ processing time was up by 20 days from FY 2018 and 10 days above the Board's estimate. While this is still 15 days below the statutorily required 80 days, we will monitor this measurement throughout the new fiscal year. The main reason for the significant change in this area is the fact that we had an ALJ that left the employment of the Board for the Arizona Court of Appeals. This shows the Board how efficient the ALJs are with processing cases that are assigned to them.

The Board has three statutory time frames (although there are no penalties for failing to comply with the statute). In FY 2019, four cases failed to meet the 20 day time frame for expedited review to give an average of 99.89%. In FY 2019, there were no cases that failed to meet the time frame hearing timeframe of 45 days. And, no cases went beyond the 80-day timeframe from a scheduled hearing to Board decision. The Board is in 100% compliance with this performance measure.

In addition, on Goal 3³ the Board surpassed the intended goal of 85%. The Board is nearing 90% of all cases that are complete upon original submission. Mr. Scheller indicated that the Board should be pleased with this increase as it shows the diligent efforts being made to communicate with applicants about the Board's application process. The Board Administrative Assistant and Board Investigator do an outstanding job communicating with Applicants and this is directly reflected in these results.

² To Provide Applicants with Timely Decisions On Their Good-Cause-Exception Applications.

³ To Develop Fair and Comprehensible Rules, Policies, And Procedures for Determining Good-Cause Exceptions.

V. ADOPTION OF BUDGET FOR FISCAL YEAR 2020

Ms. Burns referred the Board members to Mr. Scheller's August 21, 2019 memo proposing a budget for FY 2020 (see Attachment 3). Mr. Scheller indicated that the Board's Budget proposal was submitted to the Governor's Office on Friday, August 30, 2019.

Mr. Scheller indicated that the proposed budget includes \$3,416,139.82 in total expenditures. This amount includes Board expenditures in the amount of \$707,039.82 and a one-time legislative fund sweep that was included in HB 2748 in the amount of \$2,709,000.

Mr. Scheller pointed out that the primary increase in the budget proposal for FY 2019 is in Personal Services (COBJ 6000). The three main areas are: (1) allow the Executive Director to hire another Administrative Law Judge (ALJ) to fill the position currently vacant, (2) Board's half time ALJ increased his hours to 30 hours per week (3/4 time) in order to assist with the increased caseload upon the departure of our full time ALJ, (3) increase the responsibility and salary of our current Administrative Assistant II position by creating an Office Manager Position, and hiring another Administrative Assistant on a full time basis to assist with the significant increase in the Board's caseload, (4) merit based employee incentive payments by no more than 2% of the total personal services base (excluding ERE) in accordance with the Compensation Plan, and (5) base salary increases for some of the Board staff within the guidelines established by the Arizona.

The next area of focus is the enhancement to the Board database management system. Mr. Scheller specifically referred the Board members to item 6299 – Other Professional & Outside Services. He provided a breakdown which includes the cost of the off-duty police officers for security, document destruction, language interpreters and database programming. The Board will maintain the same level of funding from last fiscal year for our database enhancements. The proposed budget increase will cover the cost of hiring a consultant to write a Scope of Work (SOW) for our database project. The SOW will document our specific project goals, deliverables, features, functions, tasks, deadlines, and costs. This will allow the Board to engage with outside vendors and get the best possible price for our new database and online application process.

The category on Rental of Land and Buildings (7221) is for leasing our office space. The amount proposed is a spending increase from last fiscal year since there was an invoice from June 2019 that was not paid in FY 2019 and will be paid in FY 2020. The category for Office Supplies (7321) covers all purchases of office supplies throughout the year. The proposed budget is \$500 more than the previous fiscal year based upon the increased staffing/caseload and the need to purchase additional paper and supplies.

Mr. Scheller referred the Board to the final page of the report to category Operating Transfers Out (9101) and indicated that Laws 2019, Ch. 264, appropriated approximately 2.7 million from the Board's fund to DPS in fiscal year 2020 for the

construction of a radio communication tower and remote housing replacement. The specific language of the statutory language was provided.

Ms. Pipersburgh asked about getting some help for the Board Investigator. Mr. Scheller indicated that he will cross train the new staff in assisting the Board Investigator, especially when he is on leave. Mr. Scheller will keep the Board informed if there is a pressing need to get a half time assistant to assist the Investigator.

Mr. Koch made a motion to adopt the FY 2020 budget as proposed, and Ms. Estrada seconded. The motion passed, 5–0.

VI. ELECTIONS

Ms. Burns explained that the annual election for the Chairperson and Vice Chairperson will be held today. Ms. Burns referred the Board members to Mr. Scheller's August 21, 2019 memo regarding election procedures (see Attachment 4).

Ms. Burns requested nominations for the Chairperson position. Ms. Pipersburgh made a motion to re-elect Ms. Burns as Chairperson of the Arizona Board of Fingerprinting, and Ms. Estrada seconded. Ms. Burns accepted the nomination. The motion passed unanimous, 5–0.

Ms. Burns requested a nomination for the Vice Chairperson position. Ms. Pipersburgh made a motion to re-elect Mr. Koch as Vice Chairperson of the Arizona Board of Fingerprinting, and Ms. Estrada seconded. Mr. Koch accepted the nomination. The motion passed unanimous, 5–0.

VII. ADJOURNMENT

Ms. Burns adjourned the meeting at 9:45 a.m.

Minutes approved on February 21, 2020

Matthew A. Scheller, Executive Director



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 21, 2019
SUBJECT FY 2019 Budget Report

The agenda for the September 6, 2019 meeting includes a report from the Executive Director on the Board's fiscal year FY 2019 budget performance. To help expedite the meeting, I have prepared this memo, which summarizes the Board's budget performance in FY 2019. Attachment 1 details the Board's expenditures and revenues, with a comparison to the approved FY 2019 budget.

SUMMARY

- The fund balance at the beginning of FY 2019 was \$2,909,393.03.
- The Board had \$1,194,697.00 in revenues.
- The Board had \$549,170.03 in expenditures.
- Total actual expenditures were below the budget amount by \$69,575.94.
- The fund balance at the end of FY 2019 was \$2,909,393.03.

DISCUSSION

Balance of the Board of Fingerprinting Fund continues to increase

The list below shows the end-of-FY balances for the Board of Fingerprinting Fund since the end of FY 2015 to the present.

- End of FY 2015: \$1,626,106.87
- End of FY 2016: \$1,923,004.84
- End of FY 2017: \$2,363,165.15
- End of FY 2018: \$2,909,393.03
- End of FY 2019 \$3,554,920.00

Revenues were up significantly, because of the large number of Fingerprint Clearance Card applications received by the Arizona Department of Public Safety (DPS).

The Board's revenues in FY 2019 were \$59,360 higher than in FY 2018. There have been many changes over the past decade to the number of programs in the fingerprint clearance card system; therefore, it is difficult to draw reliable comparisons of the number of fingerprint-clearance-card applications (which is the basis for the Board's revenues) among fiscal years. What is evident is that the additions to the fingerprint clearance card system have had a significant increase in the number of applications received by the Department of Public Safety. To account for this increase DPS has added additional managers and investigators. In FY 2019, based upon the Board revenues, DPS received 170,671 applications. This is an increase of 8,480 applications from FY 2018 and 23,284 more applications than FY 2017.

The Board has seen an increase with the number of new professions required to obtain a fingerprint clearance card. In FY 2015, the legislature added Dentist Licensure (ARS §32-1232), Dental Hygienist Licensure (ARS §32-1284) and Denturist Certification (ARS §32-1297.01). In FY 2016, Pharmacist Licensure (ARS §32-1904) was added, and FY 2017, added: Physical Therapists and Physical Therapist Assistants (ARS §32-2022), Alarm Installers (ARS §32-121), and School Bus Drivers (ARS §28-3228). In FY 2018, Industrial Hemp Licenses (ARS §3-314), Home Inspector Certification (ARS §32-122.02), Department of Economic Security Employees who have access to federal tax information (ARS § 41-1969), and Dental Therapist Licensure (ARS § 32-1276.01) were added.

Specific areas of difference between expenditures and budget

Attachment 1 provides a comparison of actual expenditures and revenues with the FY 2019 budget. The list below explains areas where there are notable differences in spending. The Board members are welcome to contact me with questions about any areas of spending not discussed below.

- 6000 – Personal Services. This category refers to costs for employee salaries. Spending in this category was \$36,941.99 lower than the budgeted expenditures. We were below budget because an Administrative Law Judges (ALJ) resigned his position in April 2019 for a position at the Arizona Court of Appeals. At the present time, the Board has not filed this position. The plan is to fill the open position this year and will be covered in the FY 2020 budget proposal.
- 6100 – Employee-Related Expenditures (ERE). This category refers to costs for benefits, FICA, and pro-rata charges. ERE was 20,211.10 below the budgeted amount. This difference resulted from an ALJ leaving the Board's employment almost four months prior to the end of the Fiscal Year. This will be accounted for in the FY 2020 budget proposal with a slightly lower calculation.
- 6299 – Other Professional and Outside Services. This category includes miscellaneous costs from external sources and professional consultations, such as off duty police officers for security, document destruction, language interpreters and database programming. The Board authorized \$10,080.00 in FY

2019. The spending in this category was slightly above the budgeted amount by \$399.70. The Board hired a temporary Administrative Staff to assist with the processing of applications and the Board's day-to-day functions. I will address adding this position as a permanent staff with the Board in the FY 2020 budget proposal. In addition, I will address the next phase of the database conversion.

- 7151 - Internal Service Computer Processing - PC / LAN. This category includes costs associated with internal service data processing – including maintenance, processing, and support computer equipment. The Board overall in these two categories was \$546.34 below the budgeted amount.
- 7172 - Other External Communication. This area covers all telecommunications, phone and internet charges. The actual expenditures were \$174.77 above the budget amount. This area continues to increase over the past several years.
- 7221 – Rental of Land and Buildings. The category is for leasing our office space. The actual expenditures were \$3169.70 below the budget because the June rent not being included in FY 2019 expenditures. This will be accounted for in the FY 2020 budget proposal.
- 7321 - Office Supplies. This category covers all office supplies that the office needs to run our day-to-day operations. The actual expenditures were \$15.77 below the budgeted amount.
- 8531 – Computer Equipment (Non-capital). This category covers computer costs. The expenditures show that we were under budget in this area by \$5,470.03. The Board's need were not great in this area since the purchase of four new computers in FY 2018. The purchase of computer equipment will be addressed in the FY 2020 budget proposal.
- 8581 – Purchase or License Software. This category covers software purchases. The expenditures were under budget by 684.60 since most of the Board's machines received updated software licenses in FY 2018.

Attachment 1 - FY 2019 Budget Report

	FY19 Actual	FY19 Budget	Difference	Perc. of Budget
REVENUES				
4900 - Operating Transfers In				
Prior FY Carryover	\$ 2,909,393.03	\$ 2,909,393.03	\$ -	100.00%
4901 - Oper. Transfers In	\$ 1,194,697.00	\$ 910,000.00	\$ 284,697.00	131.29%
Total 4900 - Oper. Trans. In	\$ 4,104,090.03	\$ 3,819,393.03	\$ 284,697.00	107.45%
TOTAL REVENUES	\$ 4,104,090.03	\$ 3,819,393.03	\$ 284,697.00	107.45%
EXPENDITURES				
6000 - Personal Services				
	\$ 321,755.40	\$ 358,697.39	\$ (36,941.99)	89.70%
6100 - Employee-related exp.				
	\$ 130,441.80	\$ 150,652.90	\$ (20,211.10)	86.58%
6200 - Prof. & Outside Svcs.				
6299 - Other Prof. & Out. Svcs.	\$ 10,479.70	\$ 10,080.00	\$ 399.70	103.97%
Total 6200 - Prof. & Outside Svcs.	\$ 10,479.70	\$ 10,080.00	\$ 399.70	103.97%
7000 - Other Operating				
7111 - Insurance & Related Chgs	\$ 1,900.00	\$ 2,000.00	\$ (100.00)	95.00%
7151 - Internal Svc. Data Proc. - AFIS	\$ 10,453.66	\$ 11,000.00	\$ (546.34)	95.03%
7161 - AFIS Development & Usage	\$ 588.13	\$ 1,500.00	\$ (911.87)	39.21%
7172 - External Telecommunications	\$ 14,174.77	\$ 14,000.00	\$ 174.77	101.25%
7221 - Rental of Land & Bldgs.	\$ 34,805.98	\$ 37,975.68	\$ (3,169.70)	91.65%
7241 - Int Acctg, Budg, Fin Svc.	\$ 3,840.00	\$ 3,840.00	\$ -	100.00%
7266 - Repair/Maint-Other Equip	\$ 1,032.24	\$ 1,400.00	\$ (367.76)	73.73%
7321 - Office Supplies	\$ 5,984.23	\$ 6,000.00	\$ (15.77)	99.74%
7381 - Office Operating Supplies	\$ -	\$ 100.00	\$ (100.00)	0.00%
7472 - External Printing	\$ -	\$ 1,000.00	\$ (1,000.00)	0.00%
7481 - Postage & Delivery	\$ 12,414.75	\$ 11,000.00	\$ 1,414.75	112.86%
7482 - Document Shredding/Destruction	\$ 280.00	\$ -	\$ 280.00	
7541 - Books, Subscr., & Pubs.	\$ 149.00	\$ 400.00	\$ (251.00)	37.25%
7599 - Other Misc. Operating	\$ 25.00	\$ 600.00	\$ (575.00)	4.17%
Total 7000 - Other Operating	\$ 85,647.76	\$ 90,815.68	\$ (5,167.92)	94.31%
8500 - Non-capital Equipment				
8521 - Furniture Non-capital	\$ -	\$ 1,500.00	\$ (1,500.00)	0.00%
8531 - Computer Equip. Non-cap.	\$ 529.97	\$ 6,000.00	\$ (5,470.03)	8.83%
8581 - Purch. or lic. software	\$ 315.40	\$ 1,000.00	\$ (684.60)	31.54%
Total 8500 - Non-capital Equip.	\$ 845.37	\$ 8,500.00	\$ (7,654.63)	9.95%
9100 - Transfers Out				
9101 - Op Trans Out: Fund Sweeps	\$ -	\$ -	\$ -	
Total 9100 - Oper. Trans. Out	\$ -	\$ -	\$ -	
TOTAL EXPENDITURES	\$ 549,170.03	\$ 618,745.97	\$ (69,575.94)	88.76%
NET INCOME	\$ 3,554,920.00	\$ 3,200,647.06	\$ 354,272.94	111.07%

*7482 New Addition



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 21, 2019
SUBJECT FY 2019 Strategic-Plan Report

The agenda for the Board's September 6, 2019 meeting includes a report from the Executive Director on the Board's strategic-plan performance during Fiscal Year (FY) 2019. To help expedite the meeting, I have prepared this memo, which offers background and analysis on some of the performance measures.

Attached to this memo is a detailed report on the Board's performance measures for FY 2018 and FY 2019.

SUMMARY

- The Board Investigator has exceeded the Board's goal for the percentage of recommendations accepted. This very high acceptance rate makes Board meetings more efficient.
- The Board received a slight decrease (8.93%) in applications this Fiscal Year after a record high in FY 2018.
- The Board continues to process applications very efficiently.
- Overall wait times for applicants continues to decline.
- Average number of days spent processing applications from receipt to expedited review decrease by 6.97%.
- The Board is in near 100% compliance with all statutory time frames.
- The Board communicates with applicants effectively and efficiently based on the high level of applications completed on initial submission.

DISCUSSION

Below is a discussion of some of the performance measures that merit close attention from the Board.

Goal 1: To Make Fair And Consistent Determinations On Good-Cause Exceptions.

The primary purpose of the measurements under this goal is to determine whether the Board grants applications at a rate consistent with previous years. Since the Board's criteria for granting applications have not changed significantly over the past few years, the Board's approval rate should remain constant from year to year. (The performance measures for application-approval rate are based on rates from previous fiscal years and should not be understood as the ideal percentage that the Board should necessarily strive for.)

Investigator recommendations adopted at a high rate

For expedited reviews, the Board receives a recommendation from the investigator to approve an application or refer the case to a hearing. The Board exceeded its goal of 96% with an average over the fiscal year of 99.69%. There were only 11 cases in FY 2019 in which the Board modified the original recommendation of the investigator at an expedited review consideration.

The investigator's recommendation is based on what he believes the Board will decide, not necessarily what he believes the Board should decide. (In that respect, his recommendation is different from a hearing officer's recommendation.) However, the recommendation forms the basis of the Board's consent agendas. If the investigator achieves a high rate of accepted recommendations, then the Board's meetings run more efficiently.

Approval rate

This year the Board's approval rate by expedited review and by administrative hearing essentially stayed the same as in FY 2018. There were slightly more approvals from the area of expedited reviews vs. administrative hearings. This fiscal year there were fifteen (15) fewer cases referred to Administrative Hearing from FY 2018. (142 in FY 2019 vs. 157 in FY 2018) The rate of approval does not include cases that are decided administratively (e.g., DPS issues card based on dismissal or the applicant withdraws) but only includes cases where the Board makes a final decision.

Goal 2: To Provide Applicants With Timely Decisions On Their Good-Cause-Exception Applications.

While Goal 1 above mostly deals with the quality and consistency of the Board's decisions, this goal addresses how quickly the Board makes decisions by measuring caseload and processing time. The Board has continued to build on improvements in the previous fiscal year.

Caseload is above projection and Board disposed of more cases than last Fiscal Year

The Board's caseload continues to be above the estimated amount over the past two fiscal years and the Board continues to resolve as many cases as it receives. This measure is important because if the Board were to fall behind in resolving cases, a backlog would develop. The Board received 3,650 applications and disposed of 3,723 cases this year (284 fewer cases disposed of than FY 2018, which is a 7.1% decrease). Both of these number remain significantly above the Board's prediction.

Processing time continues to be impressive

In the past three fiscal years, the Board has made significant progress in reducing the average time to process applications in all areas. Processing time is the time the Board and its staff spend working on an application; it excludes time spent waiting on applicants (application deficiencies) or other agencies to submit information (criminal records) – wait time which is beyond the Board's control. The average number of days to dispose of a case and the average number of days spent processing applications remains similar to the positive number of last fiscal year. The numbers are well below the estimates for both of these areas (10 days and 6.6 days, respectively). The Board continues to improve on the average number of days spent processing applications from receipt to expedited review, which is 7.74 days for applicants. This is a 6.97% decrease over last year. This is more than 4 days below the Board's estimate and 12.2 days below the statutory time frame of 20 days.

The Board added a new performance measure in FY 2017 – "Average days from scheduled hearing to hearing decision/completion." This number gives the Board an indication of the average number of days that the Administrative Law Judge ("ALJ") spends processing a case before the Board makes a final determination. The FY 2019 estimate was 55 days based upon the prior fiscal years. This fiscal year the average ALJ processing time was up by 20 days from FY 2018 and 10 days above the Board's estimate. While this is still 15 days below the statutorily required 80 days, we will monitor this measurement throughout the new fiscal year. The main reason for the significant change in this area is the fact that we had an ALJ that left the employment of the Board for the Arizona Court of Appeals. Since April of 2019, the Board has been operating with two ALJs. The Board's ALJs remain very efficient in processing cases assigned to them.

The Board has nearly achieved full compliance with time frames

The Board has three statutory time frames (although there are no penalties for failing to comply with the statute):

- Expedited review: 20 days from receipt of a complete application to an expedited review. In FY 2019, four cases failed to meet this time frame to give an average

of 99.89%. This remains a very high percentage and the staff continues to monitor every case to ensure that no cases go even one day beyond the statutorily prescribed timeframe. In addition, the Board will be developing and implementing a checklist for staff use to ensure that all required application materials are received, reviewed and retained in a timely manner.

- Hearing: 45 days from expedited review to hearing (unless the applicant requests that a hearing be rescheduled). In FY 2019, there were no cases that failed to meet the time frame. This area achieved 100% compliance and measures are in place to ensure that cases are always set within prescribed timeframes.
- Board decision: 80 days from a scheduled hearing to Board decision (unless the applicant requests that a hearing be rescheduled). No cases went beyond the 80-day timeframe. The Board is in 100% compliance with this performance measure.

Goal 3: To Develop Fair And Comprehensible Rules, Policies, And Procedures For Determining Good-Cause Exceptions.

The purpose of this goal is to measure how difficult the Board's application process is for applicants and whether improvements would make the process easier to understand, without sacrificing adherence to Board standards.

There is only one measurement under this goal, but it effectively shows how well the Board communicates with applicants about the good-cause-exception process. The Board measures the percentage of applications that are complete on submission. If the Board is able to communicate its expectations clearly to applicants, then there should be a higher number of applications complete on submission. The Board stayed consistent with the very impressive number from FY 2018 and again surpassed the estimated goal of 85%. The Board is nearing 90% of all cases that are complete upon original submission.

The Board should be encouraged with this high percentage as it shows the diligent efforts made to communicate with applicants about the Board's application process. Board staff members do an outstanding job communicating with Applicants and it is reflected in these results. In addition, the Board website (<https://fingerprint.az.gov/>) was recently redesigned to help facilitate clear, concise communication with Applicants. This should show a positive impact and continued improvement on this performance measurement in the current Fiscal Year.

Arizona Board of Fingerprinting Fiscal Year 2019 Performance Measures

Goal 1. To make fair and consistent determinations on good-cause exceptions

Performance Measure	FY 18 Actual	FY 19 Estimate	FY 19 Actual
Percent of investigator recommendations for expedited reviews accepted	99.59%	96.00%	99.69%
Percent of applications approved	98.96%	96.00%	98.81%
Percent of approvals by expedited review	95.86%	95.00%	95.93%
Percent of approvals by administrative hearing	4.14%	5.00%	4.07%

Goal 2. To provide applicants with timely decisions on their good-cause-exception applications

Performance Measure	FY 18 Actual	FY 19 Estimate	FY 19 Actual
Number of applications received	4,008	3,000	3,650
Number of applications disposed	4,007	3,000	3,723
Ratio of cases opened to cases closed	1:99	1:1	1:1.02
Average number of days to dispose	19.32	30.00	20.01
Average number of days spent processing applications	13.35	20.00	13.42
Average number of days spent processing applications from receipt to expedited review	8.32	12.00	7.74
Average days from expedited review to hearing	34.95	35.00	35.25
Average days from scheduled hearing to hearing decision/completion	45.56	55.00	65.47
Percent of applications with an expedited review within 20 days of receipt of a complete application	99.97%	100.00%	99.89%
Percent of applications with a hearing within 45 days of an expedited review	100.00%	100.00%	100.00%
Percent of applications decided within 80 days of a hearing	100.00%	100.00%	100.00%

Goal 3. To develop fair and comprehensible rules, policies, and procedures for determining good-cause exceptions

Performance Measure	FY 17 Actual	FY 18 Estimate	FY 18 Actual
Percent of applications complete on initial submission	89.80%	85.00%	89.72%



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 21, 2019
SUBJECT FY 2020 Budget Proposal

This memo discusses a proposed budget for Fiscal Year (“FY”) 2020 for the Arizona Board of Fingerprinting (“Board”) to adopt at its September 6, 2019 meeting. This memo also provides financial information to assist the Board in its deliberations about the budget.

SUMMARY

- The Board should adopt a budget that includes \$3,416,139.82 in total expenditures. This amount includes Board expenditures in the amount of \$626,807.95 and a one-time legislative fund sweep that was included in HB 2748 in the amount of \$2,709,000. (This will be discussed in detail below)
- The proposed budget projects \$1,050,000 in revenues. This projection assumes that DPS will receive 150,000 fingerprint clearance card applications in FY 2020. (DPS received 170,671 applications in FY 2019 for revenues of \$1,194,697.00)
- If the revenues match projections, after the legislative fund sweep, the Board’s fund balance at the end of FY 2020 will be \$1,188,880.18.

FUND BALANCE

- At the end of FY 2019 (as of June 30, 2019), the Board’s fund balance was \$3,554,920.00. This is an increase of \$645,526.97 from FY 2018 (\$2,909,393.03).
- The Board is beginning FY 2020 on solid financial footing.

BUDGET PROPOSAL FOR FY 2020

Attachment 1 proposes a budget that includes \$626,807.95 in Board expenditures and assumes \$1,050,000 in revenues.

Attachment 1 also provides a comparison of FY 2019 actual expenditures and revenues with the FY 2020 budget proposal. The list below explains areas where there are notable differences in spending between FY 2019 and the proposed FY 2020 budget. Board members may request additional details about the proposed budget.

- 6000 – Personal Services. This category refers to expenditures from wages and salaries. The proposed budget includes a spending increase of \$86,680.87 from the FY 2019 actual spending. The large increase is due to five factors:
 1. A full time Administrative Law Judge left the employment of the Board in April 2019 leaving over 3 months of vacancy savings. This position is currently vacant and the intention is to fill this position with another full time staff member in October 2019.
 2. At the end of the Fiscal Year, the Board's half time ALJ increased his hours to 30 hours per week (3/4 time) in order to assist with the increased caseload upon the departure of our full time ALJ.
 3. The Executive Director will increase the responsibility and salary of our current Administrative Assistant II position by creating an Office Manager Position, and hiring another Administrative Assistant on a full time basis to assist with the significant increase in the Board's caseload.
 4. The Executive Director will provide merit based employee incentive payments (except to the Executive Director who is not eligible to receive merit pay) by no more than 2% of the total personal services base (excluding ERE). These incentive payments directly depend on how well the employees score on the MAP performance appraisals. This would be no more than \$7,635.32 over the course of the fiscal year, and any incentive payments cannot exceed 10% of an employee's annual base salary. This approach would give discretion to the Executive Director to reward performance according to the Compensation Plan and criteria established by the Arizona Department of Administration.
 5. The Executive Director will have the ability to provide base salary increases for some of the Board staff within the guidelines established by the Arizona Department of Administration. ADOA has provided some options that would allow agencies to request justifiable increases. These increases must be approved by ADOA and any base salary increases will not exceed 5% of an employee's current salary. This would be no more than \$19,085.81 (total) over the course of the fiscal year.

- 6100 – Employee-Related Expenditures. This category refers to expenditures from benefits and withholdings, such as medical benefits, retirement, and Social Security. These expenditures are based on benefit choices by employees and include other costs that represent a percentage of personal services. The proposed increase in this category is for the same reasons outlined under the personal-services category above.

- 6299 – Other Professional & Outside Services. This category includes miscellaneous costs from external sources and professional consultations, such

as language interpreters and database programming. (This previously included off duty police officers for security and that has been given a separate category – COBJ 7565) The Board will maintain the same level of funding from last fiscal year for our database enhancements. The proposed budget increase will cover the cost of hiring a consultant to write a Scope of Work (SOW) for our database project. The SOW will document our specific project goals, deliverables, features, functions, tasks, deadlines, and costs. This will allow the Board to engage with outside vendors and get the best possible price for our new database and online application process.

The Board is working to be in alignment with the ADOA-ASET's Digital Government Initiative. The goal is to enable Arizona's governmental agencies to provide citizens, businesses, and other government entities, with faster, easier and more intuitive access to all of the State's services. To this end, the Board will be focused on having our application processes available for submission online by FY 2021.

- 7172 - External Communication. The spending in the category covers all telecommunications, phone and internet charges. The proposal is a slight increase from last year to account for the increase in telecommunication costs.
- 7221 – Rental of Land and Buildings. This category is for leasing our office space. The current yearly rent for our space is \$37,975.68. The Board pays \$12.36 per sq/ft, which is well below the average rental cost that agencies pay on an annual basis. The amount proposed is a spending increase from last fiscal year since there was an invoice from June 2019 that was not paid in FY 2019 and will be paid in FY 2020.
- 7266 – Repair/Maintenance – Other Equipment. This category covers the maintenance of our copy machine. The proposal is the same as last fiscal year.
- 7321 – Office Supplies. This category covers all purchases of office supplies throughout the year. The proposed budget is \$500 more than the previous fiscal year based upon the increased staffing/caseload and the need to purchase additional paper and supplies.
- 7472 - External Printing. This category covers external printing of envelopes and stationary. The proposal is the same as last fiscal year.
- 7482 - Document Shredding/Destruction. This category is new and was previously listed in COBJ 6299 and covers document destruction.
- 7565 - Security, Off Duty Police. This category is new and was previously listed in COBJ 6299 and covers off duty police coverage for Board Meetings.

- 8521 – Furniture (Non-capital). This category covers authorized spending to replace old furniture and improve the Board’s public spaces. The proposed budget amount in this area for FY 2020 is in the event that any items, such as a desk or desk chairs, need to be replaced.
- 8531 – Computer Equipment (Non-capital). The proposed increase in spending includes purchasing two new desktop computers and two monitors to replace existing units, which have not been replaced since 2012.
- 8581 – Purchase or license software. If a new computer purchase is necessary (see the previous category), it may be necessary to purchase new software licenses.
- 9101 – Operating Transfers Out. Laws 2019, Ch. 264, appropriated approximately 2.7 million from the Board’s fund to DPS in fiscal year 2020 for the construction of a radio communication tower and remote housing replacement. The specific language of the statute states:

“Sec. 14. Appropriation; department of public safety; Loop 202 radio tower; review

A. The sum of \$309,000 is appropriated from the board of fingerprinting fund established by section 41-619.56, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of public safety to construct a radio communicationstower near the Loop202 freeway extension.

B. Before spending the appropriation made in subsection A of this section, the department of public safety shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 15. Appropriation; department of public safety; remote housing replacement; review

A. The sum of \$2,400,000 is appropriated from the board of fingerprinting fund established by section 41-619.56, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of public safety for remote housing replacement.

B. Before spending the appropriation made in subsection A of this section, the department of public safety shall:

1. Submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

2. On or before December 31, 2019, submit to the joint committee on capital review for its review a report comparing the cost of providing housing and cost of providing a housing allowance for state troopers stationed in remote areas.”

Attachment 1 - FY 2020 Budget Proposal

	FY19 Actual	FY20 Proposed Budget	Difference
REVENUES			
4900 - Operating Transfers In			
Prior FY Carryover	\$ 2,909,393.03	\$ 3,554,920.00	\$ 645,526.97
4901 - Oper. Transfers In	\$ 1,194,697.00	\$ 1,050,000.00	\$ (144,697.00)
Total 4900 - Oper. Trans. In	\$ 4,104,090.03	\$ 4,604,920.00	\$ 500,829.97
TOTAL REVENUES	\$ 4,104,090.03	\$ 4,604,920.00	\$ 500,829.97
EXPENDITURES			
6000 - Personal Services			
	\$ 321,755.40	\$ 408,436.27	\$ 86,680.87
6100 - Employee-related exp.			
	\$ 130,441.80	\$ 171,543.23	\$ 41,101.43
6200 - Prof. & Outside Svcs.			
6299 - Other Prof. & Out. Svcs.	\$ 10,479.70	\$ 22,180.00	\$ 11,700.30
Total 6200 - Prof. & Outside Svcs.	\$ 10,479.70	\$ 22,180.00	\$ 11,700.30
7000 - Other Operating			
7111 - Insurance & Related Chgs	\$ 1,900.00	\$ 2,000.00	\$ 100.00
7151 - Internal Svc. Data Proc. - Pc/Lan	\$ 10,453.66	\$ 11,000.00	\$ 546.34
7161 - AFIS Development & Usage	\$ 588.13	\$ 1,500.00	
7172 - External Telecommunications	\$ 14,174.77	\$ 14,500.00	
7221 - Rental of Land & Bldgs.	\$ 34,805.98	\$ 41,140.32	\$ 6,334.34
7241 - Int Acctg, Budg, Fin Svc.	\$ 3,840.00	\$ 3,840.00	\$ -
7266 - Repair/Maint-Other Equip	\$ 1,032.24	\$ 1,400.00	\$ 367.76
7321 - Office Supplies	\$ 5,984.23	\$ 6,500.00	\$ 515.77
7472 - External Printing	\$ -	\$ 1,000.00	\$ 1,000.00
7481 - Postage & Delivery	\$ 12,414.75	\$ 13,000.00	\$ 585.25
7482 - Document Shredding/Destruction	\$ 280.00	\$ 400.00	\$ 120.00
7541 - Books, Subscr., & Pubs.	\$ 149.00	\$ 400.00	\$ 251.00
7565 - Security, Off Duty Police (New)	\$ -	\$ 2,600.00	\$ 2,600.00
7599 - Other Misc. Operating	\$ 25.00	\$ 600.00	\$ 575.00
Total 7000 - Other Operating	\$ 85,647.76	\$ 99,880.32	\$ 12,995.46
8500 - Non-capital Equipment			
8521 - Furniture Non-capital	\$ -	\$ 1,000.00	\$ 1,000.00
8531 - Computer Equip. Non-cap.	\$ 529.97	\$ 3,000.00	\$ 2,470.03
8581 - Purch. or lic. software	\$ 315.40	\$ 1,000.00	\$ 684.60
Total 8500 - Non-capital Equip.	\$ 845.37	\$ 5,000.00	\$ 4,154.63
9100 - Transfers Out			
9101 - Op Trans Out: Fund Sweeps	\$ -	\$ 2,709,000.00	\$ 2,709,000.00
Total 9100 - Oper. Trans. Out	\$ -	\$ 2,709,000.00	\$ 2,709,000.00
TOTAL EXPENDITURES	\$ 549,170.03	\$ 3,416,039.82	\$ 2,865,632.69
NET INCOME	\$ 3,554,920.00	\$ 1,188,880.18	\$ (2,364,802.72)



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 21, 2019
SUBJECT Chairperson Election

Under A.R.S. § 41–619.52(B), the Board must annually elect a chairperson and vice-chairperson from among its members. (The Board may also elect “any other officers that are deemed necessary or advisable,” but the Board has never elected additional officers.) The last election was held on August 24, 2018 for the chairperson and vice-chairperson position.

At its September 6, 2019 meeting, the Board will elect a chairperson and vice-chairperson. This memo explains the duties of the officers and discusses how the Board should conduct its election.

DUTIES OF OFFICERS

The chairperson presides over Board meetings and hearings and sets the agendas for Board meetings (often with input from the executive director). In general, the executive director keeps the chairperson informed about issues that could affect the Board. (Board members who may be interested in the office should be aware that the executive director communicates regularly with the chairperson, usually a couple of times a month and sometimes more, especially during legislative sessions.)

The vice-chairperson assumes the chairperson’s duties when the chairperson is absent.

There are no restrictions on how many times a Board member may serve in an office.

PROCEDURES

The Board’s statutes do not prescribe procedures for conducting elections. However, open-meeting laws prohibit secret ballots or elections conducted in executive session. Although the Board has options for conducting its elections, the most straightforward procedure would be the following, which the Board has used in previous elections:

1. The Board has discussion, if necessary.
2. A member makes a motion to elect a specific person as chairperson, and the motion is seconded.
3. A vote is taken. If the motion passes by a majority, the person is elected chairperson.
4. The procedure is repeated for the office of vice-chairperson.

When the Board has elected new officers, it has been common practice for the current officers to continue their role for the remainder of the meeting and for the newly elected officers to preside at the next meeting.