



ARIZONA BOARD OF FINGERPRINTING

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FINAL Minutes for Public Meeting

Held August 21, 2020, at 9:00 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 9:00 a.m. The following Board members were present by teleconference: Garnett Burns, Kim Pipersburgh, Elanie Estrada, Christina Ralls, and Jennifer Wydra. The following Board members were 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 FEBRUARY 21, 2020

Ms. Pipersburgh made a motion to approve the draft minutes from February 21, 2020, and Ms. Ralls seconded. The motion passed 5–0.

IV. EXECUTIVE DIRECTOR'S REPORT

A. Report on fiscal year 2020 budget

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) 2020 budget report memo dated August 14, 2020 (see Attachment 1).

Mr. Scheller spoke about the positive financial position of the Board and that the current fund balance at the end of FY 2020 is significantly lower than the end of FY 2019. This difference is attributed to a one-time Legislative Fund sweep of \$2,709,000.00. Even with the fund sweep, the Board fund is in a very healthy position moving into the new fiscal year.

Mr. Scheller reported that he Board's revenues in FY 2020 were \$220,213.00 lower than in FY 2019. The number of applications received by the Department of Public Safety, this year has not been the norm. In FY 2020, based upon the Board revenues, DPS received 139,212 applications. This is a decrease of 31,459 applications from FY 2019 (170,671).

Mr. Scheller indicated that the Board fund balance at the end of FY 2020 stands at a healthy \$1,254,464.61. The significant savings this year was in the spending categories of "6000 – Personal Services" and "6299 – Other Professional and Outside Services." The Board has vacancy savings because of an unfilled Administrative Law Judge (ALJ) position. In addition, because of the global pandemic, spending for off duty police security, language interpreters and database programming was significantly below the budgeted amount.

B. Report on fiscal year 2020 strategic plan

Mr. Scheller provided a summary of the FY 2020 strategic-plan performance memo dated August 14, 2020 (see Attachment 2). 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 99.95%. There were only 2 cases in FY

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

2020 in which the Board modified the original recommendation of the investigator at an expedited review consideration.

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 4,460 applications and disposed of 4496 cases this year. The applications received represents a 22.2% increase in applications from FY 2019.

Even with the increase in applications, the average number of days to dispose of a case decreased by 4.05% and the average number of days spent processing applications continues to decrease. The numbers are well below the estimates for both of these areas. The Board continues to improve on the average number of days spent processing applications from receipt to expedited review which is 8.45 days for applicants.

Mr. Scheller indicated that the Board has three statutory time frames that it must comply with and this year the Board is in 100% compliance with all statutory time frames!

The Board saw a slight decline in our newest Performance Measure – “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 spends processing a case before the Board makes a final determination. The FY 2020 estimate was 65 days based upon the prior 3 fiscal years. This fiscal year the average ALJ processing time was 69.71. While this is above the projection, it is still more than 10 days below the statutorily required 80 days. This shows the Board how efficient the ALJs are with processing cases that are assigned to them.

On Goal 3³ the Board surpassed the intended goal of 85%. For the first time the Board is above 90% of all cases that are complete upon original submission – 91.18%. 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 staff do an outstanding job communicating with Applicants and this is directly reflected in these results.

Ms. Burns and Ms. Pipersburgh remarked about the outstanding statistics for FY 2020.

V. ADOPTION OF BUDGET FOR FISCAL YEAR 2021

Ms. Burns referred the Board members to Mr. Scheller’s August 14, 2020 memo proposing a budget for FY 2021 (see Attachment 3). Mr. Scheller indicated that the proposed budget includes \$690,636.14 in expenditures and assumes \$720,000.00 in revenues. This projection assumes that DPS will receive 150,000 fingerprint clearance

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.

card applications in FY 2021. In addition, the projection assumes the Board's Rules package will be approved and implemented by October 2020. The Draft Rules include a reduction in the charge made for a fingerprint clearance card from \$7.00 to \$4.00 for each individual who applies. The projection is to receive revenues of \$7.00 x 40,000 applications and \$4.00 x 110,000 applications.

Mr. Scheller pointed out that the primary increase in the budget proposal for FY 2021 is in Personal Services (COBJ 6000). The three main areas are: (1) maintain the funding for the Administrative Law Judge that left the employment of the Board in the spring of 2019, (2) 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 criteria established by the Arizona Department of Administration, and (3) base salary increases for some of the Board staff within the guidelines established by the Arizona Department of Administration and will not exceed 5% of an employee's current salary.

Mr. Scheller indicated that there is also a proposed budget increase to 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. Mr. Scheller indicated that DPS's new fingerprint application database project will be coming online in October 2020. It is the hope of the Board in the near future to be able to integrate the communication and secure document exchange with DPS through this database project.

Mr. Scheller indicated that he has proposed additional funding in 8531 – Computer Equipment (Non-capital) which covers computer costs. He stated that the Board will upgrade several computers to laptops to enable some staff to telecommute.

Ms. Pipersburgh made a motion to adopt the FY 2021 budget as proposed, and Ms. Ralls seconded. The motion passed, 5–0.

VI. ELECTIONS

Ms. Burns explained that the annual election for the Chairperson position and Vice Chairperson positions will be held today. Ms. Burns referred the Board members to Mr. Scheller's August 14, 2020 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. Ralls 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. Ralls seconded. Mr. Koch was not present to accept the nomination. The motion passed unanimous, 5–0.

VII. ADJOURNMENT

Ms. Burns adjourned the meeting at 9:18 AM.

Minutes approved on September 4, 2020

Matthew A. Scheller, Executive Director



Arizona Board of Fingerprinting Memo

TO: Board Members
 FROM: Matthew A. Scheller
 Date: August 14, 2020
SUBJECT FY 2020 Budget Report

The agenda for the August 21, 2020 meeting includes a report from the Executive Director on the Board's fiscal year FY 2020 budget performance. To help expedite the meeting, I have prepared this memo, which summarizes the Board's budget performance in FY 2020. Attachment 1 details the Board's expenditures and revenues, with a comparison to the approved FY 2020 budget.

SUMMARY

- The fund balance at the beginning of FY 2020 was \$3,554,920.00.
- There was a Legislative Sweep of \$2,709,000.00.
- The Board had \$974,484.00 in revenues.
- The Board had \$565,939.39 in expenditures.
- Total actual expenditures were below the budget amount by \$141,100.43.
- The fund balance at the end of FY 2020 was \$1,254,464.61.

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 2016 to the present.

- 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
- End of FY 2020 \$1,254,464.61

Revenues were below FY 2019, but the Arizona Department of Public Safety (DPS) continues to receive a large number of Fingerprint Clearance Card applications.

The Board's revenues in FY 2020 were \$220,213.00 lower than in FY 2019. 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. While the recent additions to the fingerprint clearance card system have had a significant increase in the number of applications received by the Department of Public Safety, this year has not been the norm. In FY 2020, based upon the Board revenues, DPS received 139,212 applications. This is a decrease of 31,459 applications from FY 2019 (170,671).

The decrease in revenue this year can also be attributed to the global pandemic that began in early in 2020 and has had a significant impact on the local economy. Even with the decrease in revenue and the one time Legislative Fund sweep, the Board fund is in a very healthy position moving into the new fiscal year.

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 \$82,532.21 lower than the budgeted expenditures. We were below budget because an Administrative Law Judges (ALJ) resigned his position in the spring of 2019 and the position was not filled this fiscal year. The two ALJs for the Board have done an outstanding job with the current caseload. The plan is ultimately to fill the open full time position and will be covered in the FY 2021 budget proposal. The additional funds in this area were due to fact that ADOA placed a moratorium on employee incentive payments. These appropriated funds were not distributed to Board staff this fiscal year.
- 6100 – Employee-Related Expenditures (ERE). This category refers to costs for benefits, FICA, and pro-rata charges. ERE was \$31,322.41 below the budgeted amount. This difference resulted for the same reasons stated above. This will be accounted for in the FY 2021 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 \$22,180.00 in FY 2020. The spending in this category was significantly below the budgeted amount. Our external IT consultant, Gould Intelligent, was needed for less hours than anticipated. In addition, database enhancements were delayed as DPS engaged a new provider (Accenture) for their online application process. The

Board hopes to work with this provider to assist with our needs going forward. I will address the next phase of the database conversion in the FY 2021 Budget Proposal.

- 7111 – Insurance & Related Charges. This category includes our Risk Management cost allocation. This was \$600 higher than anticipated this year and will be accounted for in the FY 2021 Budget Proposal.
- 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 \$3,388.65 below the budgeted amount.
- 7172 - Other External Communication. This area covers all telecommunications, phone and internet charges. The actual expenditures were \$248.65 above the budget amount. This area has increased over the past several years and the demand has been much higher under the current condition.
- 7221 – Rental of Land and Buildings. This category is for leasing our office space. The actual expenditures were slightly below the budgeted amount.
- 7321 - Office Supplies. This category covers all office supplies that the office needs to run our day-to-day operations. The actual expenditures were \$155.89 below the budgeted amount.
- 7481 – Postage & Delivery. This category covers all postage and billing from the ADOA Mailroom. There was a significant increase in this area (\$2,906.93) and will be accounted for in the FY 2021 Budget Proposal.
- 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. The spending in this category was significantly below the budgeted amount. With the onset of the Covid-19 pandemic, the Board held its meetings by teleconference and in person off duty police security was no longer necessary.
- 8531 – Computer Equipment (Non-capital). This category covers computer costs. The expenditures show that we were under budget in this area by \$3,000.00 (the full amount). The Board did not need to replace any computer equipment this fiscal year. The purchase of computer equipment, specifically new laptop computers, will be addressed in the FY 2021 budget proposal.
- 9101 – Operating Transfers Out – Fund Sweeps. This area covers Legislative Transfers. As the Board is aware, Laws 2019, Ch. 264, appropriated \$2,709,000.00 from the Board’s fund to DPS in fiscal year 2020 for the construction of a radio communication tower and remote housing replacement.

Attachment 1 - FY 2020 Budget Report

	FY20 Actual	FY20 Budget	Difference	Perc. of Budget
REVENUES				
4900 - Operating Transfers In				
Prior FY Carryover	\$ 3,554,920.00	\$ 3,554,920.00	\$ -	100.00%
4901 - Oper. Transfers In	\$ 974,484.00	\$ 1,050,000.00	\$ (75,516.00)	92.81%
Total 4900 - Oper. Trans. In	\$ 4,529,404.00	\$ 4,604,920.00	\$ (75,516.00)	98.36%
TOTAL REVENUES	\$ 4,529,404.00	\$ 4,604,920.00	\$ (75,516.00)	98.36%
EXPENDITURES				
6000 - Personal Services				
	\$ 325,904.06	\$ 408,436.27	\$ (82,532.21)	79.79%
6100 - Employee-related exp.				
	\$ 140,220.82	\$ 171,543.23	\$ (31,322.41)	81.74%
6200 - Prof. & Outside Svcs.				
6299 - Other Prof. & Out. Svcs.	\$ 3,256.32	\$ 22,180.00	\$ (18,923.68)	14.68%
Total 6200 - Prof. & Outside Svcs.	\$ 3,256.32	\$ 22,180.00	\$ (18,923.68)	14.68%
7000 - Other Operating				
7111 - Insurance & Related Chgs	\$ 2,600.00	\$ 2,000.00	\$ 600.00	130.00%
7151 - Internal Svc. Data Proc. - AFIS	\$ 7,611.35	\$ 11,000.00	\$ (3,388.65)	69.19%
7161 - AFIS Development & Usage	\$ 563.29	\$ 1,500.00	\$ (936.71)	37.55%
7172 - External Telecommunications	\$ 14,748.65	\$ 14,500.00	\$ 248.65	101.71%
7221 - Rental of Land & Bldgs.	\$ 41,134.34	\$ 41,140.32	\$ (5.98)	99.99%
7241 - Int Acctg, Budg, Fin Svc.	\$ 4,000.00	\$ 3,840.00	\$ 160.00	104.17%
7266 - Repair/Maint-Other Equip	\$ 927.69	\$ 1,400.00	\$ (472.31)	66.26%
7321 - Office Supplies	\$ 6,344.11	\$ 6,500.00	\$ (155.89)	97.60%
7472 - External Printing	\$ 955.88	\$ 1,000.00	\$ (44.12)	95.59%
7481 - Postage & Delivery	\$ 15,906.93	\$ 13,000.00	\$ 2,906.93	122.36%
7482 - Document Shredding/Destruction	\$ 202.00	\$ 400.00	\$ (198.00)	50.50%
7541 - Books, Subscr., & Pubs.	\$ 114.05	\$ 400.00	\$ (285.95)	28.51%
7565 - Security, Off Duty Police (New)	\$ 1,300.00	\$ 2,600.00	\$ (1,300.00)	50.00%
7599 - Other Misc. Operating	\$ 149.90	\$ 600.00	\$ (450.10)	24.98%
Total 7000 - Other Operating	\$ 96,558.19	\$ 99,880.32	\$ (3,322.13)	96.67%
8500 - Non-capital Equipment				
8521 - Furniture Non-capital	\$ -	\$ 1,000.00	\$ (1,000.00)	0.00%
8531 - Computer Equip. Non-cap.	\$ -	\$ 3,000.00	\$ (3,000.00)	0.00%
8581 - Purch. or lic. software	\$ -	\$ 1,000.00	\$ (1,000.00)	0.00%
Total 8500 - Non-capital Equip.	\$ -	\$ 5,000.00	\$ (5,000.00)	0.00%
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	\$ 3,274,939.39	\$ 3,416,039.82	\$ (141,100.43)	95.87%
NET INCOME	\$ 1,254,464.61	\$ 1,188,880.18	\$ 65,584.43	105.52%



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 14, 2020
SUBJECT FY 2020 Strategic-Plan Report

The agenda for the Board's August 21, 2020 meeting includes a report from the Executive Director on the Board's strategic-plan performance during Fiscal Year (FY) 2020. 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 2019 and FY 2020.

SUMMARY

- The Board Investigator has exceeded the Board's goal for the percentage of recommendations accepted at an expedited review. This very high acceptance rate makes Board meetings more efficient.
- The Board received a record number of case this year – 4,460. This represents a 22.2% increase in applications from FY 2019.
- The Board continues to processes applications very efficiently.
- Overall wait times for applicants continues to decline.
- Even with the record increase in applications received, the average number of days to dispose of cases decreased by 4.05%.
- The Board is in 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 99.95%. There were only 2 cases in FY 2020 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 2019. There were slightly more approvals from the area of expedited reviews vs. administrative hearings. This fiscal year there were twenty (20) more cases referred to Administrative Hearing from FY 2019. (162 in FY 2020 vs. 142 in FY 2019) 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 4,460 applications and disposed of 4,496 cases this year (810 more cases were received than in FY 2019, which is a **22.2% increase**). Both of these number remain significantly above the Board's prediction.

Processing time continues to be impressive

In the past four 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 is slightly below last year's number and the average number of days spent processing applications is slightly above last fiscal year. The numbers are well below the estimates for both of these areas (10.8 days below the estimate and 6.3 days below the estimate, respectively). The average number of days spent processing applications from receipt to expedited review is an impressive 8.45 days for all applicants. This is 3.5 days below the Board's estimate and 11.5 days below the statutory time frame of 20 days.

Three years ago (in FY 2017), the Board added a new performance measure – "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 2020 estimate was 65 days based upon the prior fiscal years. This fiscal year the average ALJ processing time was a total of 69.71 days. While this is slightly up from FY 2019 and the estimate, this is still 10.3 days below the statutorily required 80 days. This number remains very impressive as the Board did not replace the ALJ that left the employment of the Board for the Arizona Court of Appeals in the spring of 2019. The Board has been operating efficiently and effectively with two ALJs for all of FY 2020.

The Board has 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 2020, there were no that failed to meet this time frame. This is the first time we have achieved 100% in this category! The staff has been laser-

focused and continues to monitor every case to ensure that no cases goes even one day beyond the statutorily prescribed timeframe. The Board has developed and implemented 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 2020, 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 improved on the very impressive number from FY 2019 and again surpassed the estimated goal of 85%. The percentage of completed applications upon original submission was 91.18% in FY 2020.

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. The Board website (<https://fingerprint.az.gov/>) redesign has also helped to facilitate clear, concise communication with Applicants.

Arizona Board of Fingerprinting Fiscal Year 2020 Performance Measures

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

Performance Measure	FY 19 Actual	FY 20 Estimate	FY 20 Actual
Percent of investigator recommendations for expedited reviews accepted	99.69%	96.00%	99.95%
Percent of applications approved	98.81%	96.00%	98.62%
Percent of approvals by expedited review	95.93%	95.00%	96.15%
Percent of approvals by administrative hearing	4.07%	5.00%	3.85%

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

Performance Measure	FY 19 Actual	FY 20 Estimate	FY 20 Actual
Number of applications received	3,650	3,200	4,460
Number of applications disposed	3,723	3,200	4,496
Ratio of cases opened to cases closed	1:1.02	1:1	1:1.01
Average number of days to dispose	20.01	30.00	19.20
Average number of days spent processing applications	13.42	20.00	13.68
Average number of days spent processing applications from receipt to expedited review	7.74	12.00	8.45
Average days from expedited review to hearing	35.25	35.00	35.73
Average days from scheduled hearing to hearing decision/completion	65.47	65.00	69.71
Percent of applications with an expedited review within 20 days of receipt of a complete application	99.89%	100.00%	100.00%
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 19 Actual	FY 20 Estimate	FY 20 Actual
Percent of applications complete on initial submission	89.72%	85.00%	91.18%



Arizona Board of Fingerprinting Memo

TO: Board Members
 FROM: Matthew A. Scheller
 Date: August 14, 2020
SUBJECT FY 2021 Budget Proposal

This memo discusses a proposed budget for Fiscal Year (“FY”) 2021 for the Arizona Board of Fingerprinting (“Board”) to adopt at its August 21, 2020 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 \$690,636.14 in total expenditures.
- The proposed budget projects \$720,000.00¹ in revenues. This projection assumes that DPS will receive 150,000 fingerprint clearance card applications in FY 2021. (DPS received 139,212 applications in FY 2020 for revenues of \$974,484.00) The projection also assumes that the Board’s Rules package will be adopted and the fingerprint clearance card fee will be reduced from \$7.00 dollars to \$4.00 dollars per application.
- If the revenues match projections, after the legislative fund sweep, the Board’s fund balance at the end of FY 2021 will be \$1,283,828.47.

FUND BALANCE

- At the end of FY 2020 (as of June 30, 2020), the Board’s fund balance was \$1,254,464.61. This is a significant decrease of \$2,300,455.39 from FY 2019 because of the Legislative Fund Sweep.
- The Board is beginning FY 2021 on solid financial footing.

¹ This projection is assumes the Board’s Rules package will be approved and implemented by October 2020. The Draft Rules include a reduction in the charge made for a fingerprint clearance card from \$7.00 to \$4.00 for each individual who applies. The projection is to receive revenues of \$7.00 x 40,000 applications and \$4.00 x 110,000 applications.

BUDGET PROPOSAL FOR FY 2021

Attachment 1 proposes a budget that includes \$690,636.14 in Board expenditures and assumes \$720,000.00 in revenues.

Attachment 1 also provides a comparison of FY 2020 actual expenditures and revenues with the FY 2021 budget proposal. The list below explains areas where there are notable differences in spending between FY 2020 and the proposed FY 2021 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 \$82,532.21 in spending above the FY 2020 actual spending. This large increase is due to the following three factors:
 1. A full time Administrative Law Judge left the employment of the Board in the spring of 2019 and the Board had 12 full months of vacancy savings in FY 2020. This position is currently vacant and the intention is to fill this position with another full time staff member in FY 2021.
 2. 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). Because of the Covid-19 pandemic, ADOA placed a moratorium on employee incentive payments in FY 2020. These incentive payments directly depend on how well the employees score on the MAP performance appraisals. This would be no more than \$7,718.09 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.
 3. 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 \$19,295.21 (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.² 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 2022.

- 7172 - External Communication. The spending in the category covers all telecommunications, phone and internet charges. The proposal is an 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 \$37,970.16. The Board pays \$12.36 per sq./ft., which is well below the average rental cost that agencies pay on an annual basis.
- 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.
- 7481 – Postage & Delivery. This category covers all postage and billing from the ADOA Mailroom. The proposed budget is \$3,000.00 more than the previous fiscal year based upon the large increase in mailing from the number of applications received and documents mailed.

² The breakdown of the proposed amount is \$700.00 for language interpreters, \$6,480.00 (\$81.00 x 80 hours) for Gould Intelligent to maintain the Board's current database, and \$20,000 to hire a consultant to write a Scope of Work (SOW) for our database project.

- 7482 - Document Shredding/Destruction. This category is new and was previously listed in COBJ 6299 and covers document destruction. The proposal is for the same amount as last fiscal years.
- 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. Because of Covid-19 and the Board not meeting in person since March 2020, the spending was half of what was expected. The proposal this year is the same amount as previous fiscal years in the hope that the Board will be able to meet in person.
- 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 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 four new laptop computers to replace existing units. With some staff members having the ability to telework, replacing some of the outdated desktop computers is the recommendation by ADOA-ASET. In addition, one of the computer will be assigned to the Boardroom to assist with online meetings.
- 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. No Legislative Sweeps are anticipated for this fiscal year.

Attachment 1 - FY 2021 Budget Proposal

	FY20 Actual	FY21 Proposed Budget	Difference
REVENUES			
4900 - Operating Transfers In			
Prior FY Carryover	\$ 3,554,920.00	\$ 1,254,464.61	\$ (2,300,455.39)
4901 - Oper. Transfers In	\$ 974,484.00	\$ 720,000.00	\$ (254,484.00)
Total 4900 - Oper. Trans. In	\$ 4,529,404.00	\$ 1,974,464.61	\$ (2,554,939.39)
TOTAL REVENUES	\$ 4,529,404.00	\$ 1,974,464.61	\$ (2,554,939.39)
EXPENDITURES			
6000 - Personal Services	\$ 325,904.06	\$ 389,849.28	\$ 63,945.22
6100 - Employee-related exp.	\$ 140,220.82	\$ 163,736.70	\$ 23,515.88
6200 - Prof. & Outside Svcs.			
6299 - Other Prof. & Out. Svcs.	\$ 3,256.32	\$ 27,180.00	\$ 23,923.68
Total 6200 - Prof. & Outside Svcs.	\$ 3,256.32	\$ 27,180.00	\$ 23,923.68
7000 - Other Operating			
7111 - Insurance & Related Chgs	\$ 2,600.00	\$ 2,600.00	\$ -
7151 - Internal Svc. Data Proc. - Pc/Lan	\$ 7,611.35	\$ 11,000.00	\$ 3,388.65
7161 - AFIS Development & Usage	\$ 563.29	\$ 1,500.00	\$ 936.71
7172 - External Telecommunications	\$ 14,748.65	\$ 15,000.00	\$ 251.35
7221 - Rental of Land & Bldgs.	\$ 41,134.34	\$ 37,970.16	\$ (3,164.18)
7241 - Int Acctg, Budg, Fin Svc.	\$ 4,000.00	\$ 4,000.00	\$ -
7266 - Repair/Maint-Other Equip	\$ 927.69	\$ 1,400.00	\$ 472.31
7321 - Office Supplies	\$ 6,344.11	\$ 7,000.00	\$ 655.89
7472 - External Printing	\$ 955.88	\$ 1,000.00	\$ 44.12
7481 - Postage & Delivery	\$ 15,906.93	\$ 16,000.00	\$ 93.07
7482 - Document Shredding/Destruction	\$ 202.00	\$ 400.00	\$ 198.00
7541 - Books, Subscr., & Pubs.	\$ 114.05	\$ 400.00	\$ 285.95
7565 - Security, Off Duty Police (New)	\$ 1,300.00	\$ 2,600.00	\$ 1,300.00
7599 - Other Misc. Operating	\$ 149.90	\$ 600.00	\$ 450.10
Total 7000 - Other Operating	\$ 96,558.19	\$ 101,470.16	\$ 4,911.97
8500 - Non-capital Equipment			
8521 - Furniture Non-capital	\$ -	\$ 1,000.00	\$ 1,000.00
8531 - Computer Equip. Non-cap.	\$ -	\$ 6,400.00	\$ 6,400.00
8581 - Purch. or lic. software	\$ -	\$ 1,000.00	\$ 1,000.00
Total 8500 - Non-capital Equip.	\$ -	\$ 8,400.00	\$ 8,400.00
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	\$ 3,274,939.39	\$ 690,636.14	\$ (2,584,303.25)
NET INCOME	\$ 1,254,464.61	\$ 1,283,828.47	\$ 29,363.86



Arizona Board of Fingerprinting Memo

TO: Board Members
FROM: Matthew A. Scheller
Date: August 14, 2020
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 September 6, 2019 for the chairperson and vice-chairperson position.

At its August 21, 2020 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.