



Children's Action Alliance

A Voice for Arizona's Children since 1988

THE ARIZONA FY 2015 BUDGET: HOW THE NUMBERS ADD UP FOR KIDS

April 14, 2014

Except where noted, amounts shown are changes above current (FY 14) funding levels.

STATE SERVICE	FINAL DOLLAR CHANGE IN FY 15 BUDGET	ANALYSIS
DEPARTMENT OF ECONOMIC SECURITY		
Child Care	ZERO DOLLARS	Continues the enrollment freeze contributing to the rise in child neglect.
CPS caseworkers, supervisors and support staff	\$3.5 million for 50 additional caseworkers and support staff. (This is on top of the \$11.8 million approved in January for 192 new full time employees such as caseworkers and support staff.)	Governor Brewer proposed \$9.7 million for 140 additional staff. The enacted budget does not address the backlog of more than 12,000 inactive cases nor growth in reports or cases, nor best practices.
Office of Child Welfare Investigations	\$1.8 million for 20 additional investigators	Adds staff capacity, but does not allow for 100% investigation of all criminal conduct reports throughout the state.
Attorney General's Office - CPS Legal Representation	\$1 million for 12 additional staff	Provides additional legal staff to handle the increase in the number of dependency cases.
Children Support Services	\$6.4 million	This funding does not address the backlog of more than 12,000 inactive cases nor best practices nor current waiting lists for services.
Grandparent Stipend	\$1 million which maintains current funding level	Funding is not sufficient to reach all qualified children who were placed with their grandparents through the courts.



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DEPARTMENT OF ECONOMIC SECURITY		
Records staff	\$597,400 for 5 additional staff	Provides staff to respond to the backlog in records requests from the courts, the public and media, but falls short of the 30 staff proposed by the governor.
Emergency/Residential Services (emergency shelters and group homes when no family foster homes are available)	\$9.6 million	The \$9.6 million is \$5 million less than what the agency projects to spend this year.
Contingency Funding	Reduced to \$1.4 million	<p>In FY 14 \$10.5 million was set aside for potential shortfalls. The agency is using this to cover a shortfall in Emergency/Residential Services.</p> <p>Cuts to contingency fund and separation of Division of Child Safety and Family Services will give the new agency little cushion or flexibility to address internal shortfalls.</p>
Intensive Family Services	\$3.5 million	Increases total funding to \$8.5 million to provide intensive, time-limited services to keep children safely with their families rather than placing them in foster care.
Foster Care	ZERO ADDITIONAL DOLLARS	This funding does not address the backlog of more than 12,000 inactive cases nor the children placed in foster care from the 6,600 reports previously not investigated (NIs).
Adoption Services	\$6 million	Funds the anticipated growth in adoptions.
CHILDS Data Base System Replacement	\$5 million for FY 15	Begins the phase-in of system replacement projected to cost in the range of \$40 million to the state budget.



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DEPARTMENT OF ECONOMIC SECURITY		
Creation of New Child Safety and Family Services Agency and DES Data Center Replacement	\$20 million	
Arizona Early Intervention Program	\$1 million	Funds growth in the number of infants and toddlers with developmental delays or disabilities.
Rural Autism/Parenting Skills	\$300,000	This is a new line item added by the legislature.
Long -Term Care/ Assisted Living	\$300,000	This is a new line item added by the legislature.
Adult Protective Services	\$3 million for 36 staff	Partially addresses the dramatic increase in adult maltreatment reports. The governor's recommendation was to add 64 staff and \$5.2 million.
Homeless Capital Grant	\$500,000	This is a new line item added by the legislature. It provides capital grant funding to a faith-based facility in Phoenix that provides substance abuse treatment to those facing hunger and homelessness.
Legislative Ombudsman	CUTS \$628,500	The governor vetoed the \$200,000 funding added by the legislature for CPS issues as well as the \$628,500 base funding, saying it was premature to add funds for CPS until the needs of the new agency are known.
Foster Care Review Board	3 FTEs and ZERO DOLLARS	Requires the courts to pay out of their existing funding for 3 additional Foster Care Review Board staff to address the increased number of children in foster care.



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AHCCCS		
KidsCare	\$1.3 million LESS than FY 14	<p>Continues the phase-out of this health coverage for children of low-income working parents. Arizona is the only state in the nation eliminating this coverage.</p> <p>Only 2,100 children remained covered in KidsCare as of April 1, 2014</p>
K-12 EDUCATION		
K-12 Formula and Other Funding Adjustments including enrollment growth, inflation and property tax adjustments.	\$133 million	Funds the current inflation and other adjustments for K-12; does not address the prior year inflation payments which are currently the subject of a court case.
Student Success	\$21.5 million	Establishes performance funding for school districts based on individual student performance.
Student Testing Costs	\$8 million	Intended to pay for the cost of a new assessment replacing the AIMS test, this appropriation is \$5 million short of the full cost.
<p>K-6 technology-based language development and literacy intervention</p> <p>3-year pilot program for English language learners.</p>	\$547,000	The governor vetoed \$53,000 additional funds that were directed to be transferred to this pilot from the Department's accountability and achievement testing funds.
Replace Statewide Student Database	\$5 million	Continues the replacement of the student database.



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K-12 EDUCATION		
Charter School Conversions	\$24.5 million	Partially funds one year of the cost of school district charter conversions that occurred during fiscal year 2014. School districts are now prohibited from granting new charters retroactive to June 30, 2013.
Building Renewal	ZERO DOLLARS	Maintains the current \$16.7 million for building renewal grants; this falls far short of the old building renewal formula that called for \$260 million for FY 14.
New School Construction/Debt Service Adjustment	\$186,200 Reduction of \$4 million for debt service adjustment	Provides a total \$858,200 General Fund to complete construction in the Thatcher Unified School District. Reduces the lease-to-own debt service as the result of modification of the debt payment schedule.
Alternative Teacher Training Program	ZERO DOLLARS	The governor vetoed \$500,000 in funding for Teach for America.
Joint Technology Education Districts (JTEDs)	\$2 million	Provide \$500,000 for performance funding and \$1.5 million for JTED formula funding. The governor vetoed an additional \$1 million designated for rural JTED soft capital and equipment.
UNIVERSITIES		
Parity funding	\$27.5 million	Provides additional funding to ASU and NAU to bring their funding in line with UofA. This completes the multi-year plan to achieve parity among the universities.



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UNIVERSITIES		
Research Infrastructure Payment Adjustments	Reduces funding by \$5.5 million from FY 14	
Universities Additional Funding	\$3.5 million for U of A Cooperative Extension Program \$4.5 million for NAU, ASU and U of A	
COMMUNITY COLLEGES		
Community Colleges - Science, Technology, Engineering and Mathematics (STEM)	\$6.2 million	Includes \$2 million above the governor's recommendation for Maricopa and Pima counties.
Out-of-district students (Apache and Greenlee counties)	\$425,000	Offsets the cost out out-of-county tuition for residents of Apache and Greenlee counties who attend community colleges in other counties.
STATE REVENUES		
New Tax Cuts	\$35 million	Sets aside \$35 million for new tax cuts.