NOTICE OF PUBLIC MEETING
OF THE
DRUG, GANG AND VIOLENT CRIME COMMITTEE
OF THE
ARIZONA CRIMINAL JUSTICE COMMISSION
AND
AGENDA

Pursuant to A.R.S § 38-431.02, notice is hereby given to the members of the **Drug, Gang and Violent Crime Committee** of the Arizona Criminal Justice Commission and to the general public that the **Drug, Gang and Violent Crime Committee** will hold a meeting open to the public on **Thursday, March 22, 2012** beginning at **10:00 a.m.** at the **Arizona Criminal Justice Commission Office, 1110 W. Washington, Suite 250, Phoenix, Arizona 85007.**

> Pursuant to the Americans with Disabilities Act (ADA), the Arizona Criminal Justice Commission endeavors to ensure the accessibility of its meetings to all persons with disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Commission Office at (602) 364-1146. Requests should be made as early as possible to allow time to arrange the accommodation.

Agenda for the meeting is as follows:

I. Call to Order and Roll Call **Chairperson Bill Montgomery**

Drug, Gang and Violent Crime Committee Members:

Bill Montgomery, Chairperson
Joseph Arpaio
Clarence Dupnik
Tom Horne
Bob Huddleston
Ralph Ogden
Charles Ryan

II. Minutes of the January 19, 2012 Meeting

- Approval of Minutes **P-F-T**

III. Drug, Gang and Violent Crime Control Program Cycle 26 Grant Fund Reductions **Tony Vidale**

- Review, discussion, consideration and possible action on recommended funding options for the Arizona Drug, Gang and Violent Crime Control Cycle 26 grant. **P-F-T**

IV. Call to the Public

Those wishing to address the Committee need not request permission in advance. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.

V. Date, Time, and Location of Next Meeting

- The next Drug, Gang and Violent Crime Committee meeting will be held on **Thursday, May 24, 2012** at 1110 W. Washington, Suite 250, Phoenix, AZ 85007.

VI. Adjournment

A copy of the agenda background material provided to Committee members is available for public inspection at the Arizona Criminal Justice Commission Office, 1110 West Washington, Suite 230, Phoenix, Arizona 85007, (602) 364-1146. This document is available in alternative formats by contacting the Commission Office.

II

DRUG, GANG AND VIOLENT CRIME COMMITTEE
OF THE
ARIZONA CRIMINAL JUSTICE COMMISSION

Request for Committee Action

Action Requested:	Type of Action Requested:	Subject:
March 22, 2012	☒ Formal Action/Motion ☐ Information Only ☐ Other	Minutes of the January 19, 2012 Meeting

TO: Chairperson and Committee Members

FROM: Tony Vidale, Program Manager
Drug Control and Systems Improvement

RECOMMENDATION:

The Committee approve the minutes of the Drug, Gang and Violent Crime Committee Meeting held on January 19, 2012.

DISCUSSION:

N/A

FISCAL IMPACT:

N/A

ALTERNATIVES:

Not Approve - Modify - Table

Drug, Gang and Violent Crime Committee
Minutes
January 19, 2012

A public meeting of the Drug, Gang and Violent Crime Committee of the Arizona Criminal Justice Commission was convened on January 19, 2012 at the Arizona Criminal Justice Commission, 1110 W. Washington, Suite 250, Phoenix, AZ 85007.

Members Present:

Daniel Sharp, Chief, Oro Valley Police Department
Joseph Arpaio, Maricopa County Sheriff, Jesse Locksa representing
Clarence Dupnik, Pima County Sheriff, Warren Alter representing by conference call
Tom Horne, Attorney General, Andrew Pacheco representing
Bill Montgomery, Maricopa County Attorney
Charles Ryan, Director, Department of Corrections, Greg Lauchner representing

Staff Participating:

Tony Vidale, Program Manager
Wendy Boyle, Executive Secretary

I. Call to Order and Roll Call

The meeting was called to order by Chairperson Daniel Sharp at 11:20 a.m. Roll was taken and a quorum was declared present.

II. Minutes of the November 10, 2011 Meeting

Chairperson Sharp called for a motion on the minutes. Designee Andrew Pacheco entered a motion to approve the minutes of the November 10, 2011 meeting. The motion was seconded by Commissioner Bill Montgomery and was unanimously approved by the Committee.

III. Funding Priorities for FY 2013 Drug, Gang and Violent Crime Control Grant

Tony Vidale, Program Manager stated that at the November 2011 Commission meeting, the Commission approved the Arizona 2012-2015 Drug, Gang and Violent Crime Control Strategy. The strategy includes goals, purpose areas, and strategic principles that assist in making allocation decisions. The Commission has the opportunity each year to set funding priorities before the grant solicitation is opened.

Mr. Vidale presented staff's recommendation of using a tiered system to establish the funding priorities. Each purpose area would be structured under three tiers: 1) Tier I Project: Apprehension and Prosecution; 2) Tier II Project: Forensic Support Services, Adjudication and Sentencing, Corrections and Community Corrections; or 3) Tier III Project: Substance Abuse Treatment for Corrections-Involved Individuals, Prevention and Education. The purpose areas and definitions were outlined for the Committee as well as the strategic principles for the projects.

Mr. Vidale explained that Tier I projects would receive the primary focus in the allocation of funding. The funding recommendation reflects general strategic principles outlined in the strategy. Projects do not have to include all of the strategic principles; however, the stronger projects will reflect as many of these qualities as possible.

After review and discussion, Commissioner Bill Montgomery entered a motion to recommend to the Commission the use of a tiered system for the funding priorities for the FY13 Drug, Gang and Violent Crime Control Grant. The motion was seconded by Designee Jesse Locksa and was unanimously approved by the Committee.

IV. Call to the Public

Chairperson Sharp made a call to the public. No members of the audience addressed the Committee.

V. Date, Time, and Location of Next Meeting

The next Drug, Gang and Violent Crime Committee meeting will be held on **Thursday, May 24, 2012** at the Arizona Criminal Justice Commission, 1110 W. Washington, Suite 250, Phoenix, AZ 85007.

VI. Adjournment

The meeting was adjourned at 11:30 a.m.

Respectfully submitted,

John A. Blackburn, Jr.
Executive Director

Audio recording available upon request.

III

DRUG, GANG AND VIOLENT CRIME COMMITTEE
OF THE
ARIZONA CRIMINAL JUSTICE COMMISSION

Request for Committee Action

Action Requested:	Type of Action Requested:	Subject:
March 22, 2012	☒ Formal Action/Motion ☐ Information Only ☐ Other	Drug, Gang & Violent Crime Control Program Cycle 26 Grant Fund Reductions

TO: Chairperson and Committee Members

FROM: Tony Vidale, Program Manager
Drug Control and Systems Improvement

RECOMMENDATION:

The Committee recommend to the Commission options to address significant reductions in the Arizona Drug, Gang and Violent Crime Control Cycle 26 grant funds to eligible criminal justice agencies for the period beginning July 1, 2012 and ending June 30, 2013.

DISCUSSION:

See attached.

FISCAL IMPACT:

Significant to recipient agencies

ALTERNATIVES:

Not Approve - Modify - Table

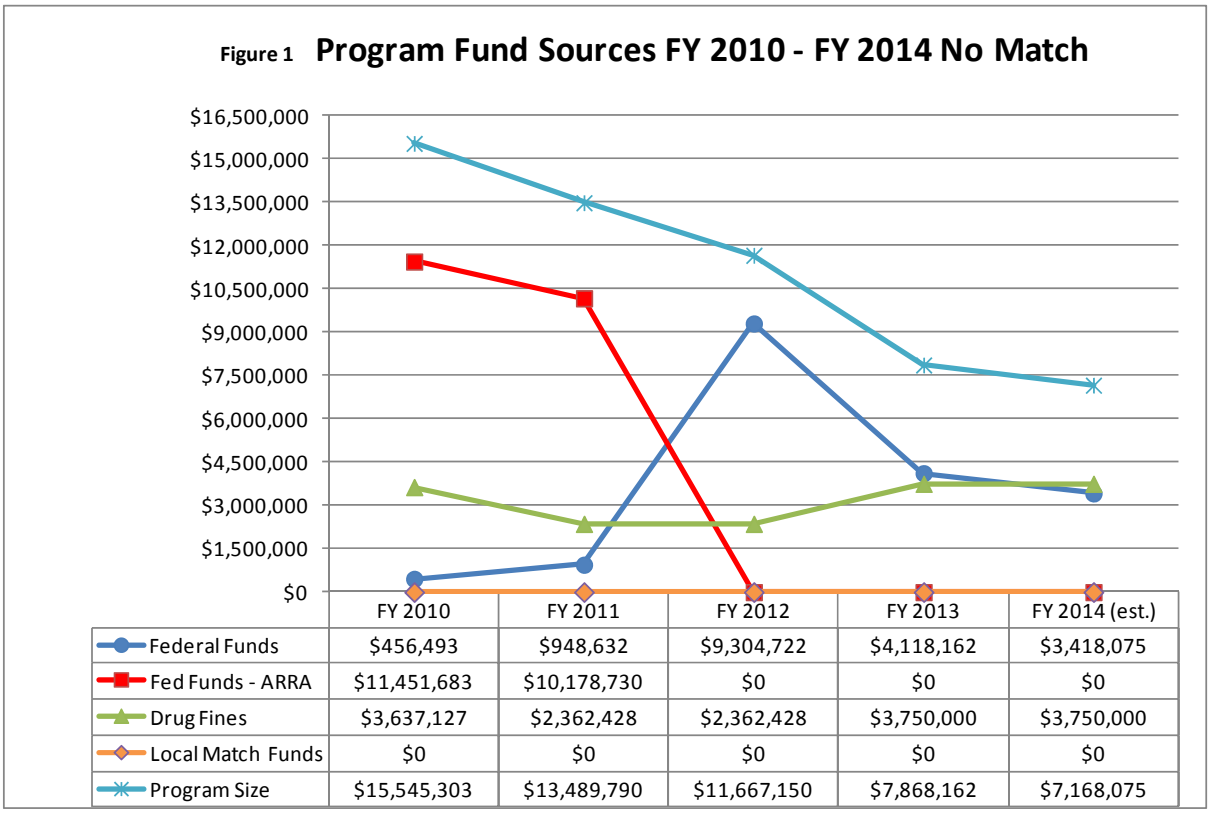
Program Background

The Drug, Gang, and Violent Crime Control Program (DC) allows state, county, local and tribal governments to support activities that combat drugs, gangs, and violent crime. The DC program provides funding to support the components of a statewide, system-wide enhanced drug, gang, and violent crime control program as stated in the *2012-2015 Arizona Drug, Gang, and Violent Crime Control Strategy*.

The program is supported by several funding streams to successfully carry out the statewide strategy. The Edward Byrne Memorial Justice Assistance Grant (Byrne/JAG) funds awarded to Arizona by the U.S. Department of Justice, Bureau of Justice Assistance (DOJ/BJA) continue to support program activities along with state Drug and Gang Enforcement Account (DEA) funds established under A.R.S. §41-2402, and matching funds when approved by the Commission.

Funding

In FY 2012, the grant program size was $11.7 million. It is estimated that the reduction in funds for the FY 2013 grant will be approximately $3.8 million, leaving a $7.9 million program. Staff has projected that in FY 2014 there may be an additional $700,000 decrease caused primarily by a reduction in the Byrne/JAG grant. *Figure 1* shows the level of funding, by fund source, for FY 2010 through FY 2014 (estimated). Program totals assume no match funds for FY 2013 or FY 2014. Over the next two fiscal years significant reductions are projected for Byrne/JAG grant funds, while DEA revenue is projected to be relatively flat.



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 (est.)
Federal Funds	$456,493	$948,632	$9,304,722	$4,118,162	$3,418,075
Fed Funds - ARRA	$11,451,683	$10,178,730	$0	$0	$0
Drug Fines	$3,637,127	$2,362,428	$2,362,428	$3,750,000	$3,750,000
Local Match Funds	$0	$0	$0	$0	$0
Program Size	$15,545,303	$13,489,790	$11,667,150	$7,868,162	$7,168,075
Decline over Previous Year	N/A	$(2,058,513)	$(1,822,640)	$(3,798,988)	$(700,087)

Significant program reduction can be addressed using several methods, as a single solution or in combination. It is important to note that some options listed below may not have an impact on the grant program this fiscal year but could address longer term funding challenges. It is also likely that no matter what options or combination of options are pursued, some level of reductions must occur.

- Program reductions with no match: Projects would be awarded the $7.9 million in funds available, creating reductions that may exceed 50 percent for some agencies. Across the board cuts would not be utilized and a similar allocation methodology would be employed as was used in FY 2012.
- Institute a 25 percent match: Programs could be required to provide a 25 percent match that would set the program size at $10.5 million. But there may be agencies that cannot cover a match because all available funding is allocated to the project and no other fund sources are available. The match, however, would not cover the entire reduction in funds available, so some cuts would be necessary.
- Utilize program income on the project and require non-budgeted program income be spent before grant funds: This would not have an immediate impact on FY13. Agencies would be required to expend program income funds on the project instead of on any Byrne/JAG eligible expense. In addition, grantees would be required to expend program income monies not budgeted for current operating expenses before requesting any reimbursement of grant funds. This has the potential to save current year grant funds that can be allocated in the next fiscal year.
- Coordinate outside funding sources: This would not have an immediate impact on FY13. ACJC staff would coordinate with agencies that co-fund drug projects and corresponding stakeholders to determine how to better fund drug eradication efforts.

Project Reduction with No Match

If the preferred solution to address the reduction is to allocate the $7.9 million among qualified projects with no match funding, staff would establish a similar methodology that was used in the FY 2012 grant year. The overall program size would shrink by approximately 33 percent and it would be expected that the overall effectiveness of most projects would also diminish. Staff would not apply across-the-board reductions but build project budgets from the ground up. The following guidelines were used in allocating funds in FY 2012:

- Prioritize funding core operations positions. Core operations positions were those considered most critical in meeting the purposes of the strategy (i.e. task force officers, attorneys, criminalists).
- Fully fund a position and the associated ERE costs.
- Avoid funding multiple-type support positions for any project.
- Attempt to fund at least one FTE position for each Tier 1 project.
- Provide no salary or ERE increase for any position previously funded under the program.
- Take into consideration a project's ability to cover any reduction with program income in FY13.
- Attempt to fund a similar number of FTE positions for similar sized programs in each purpose area.

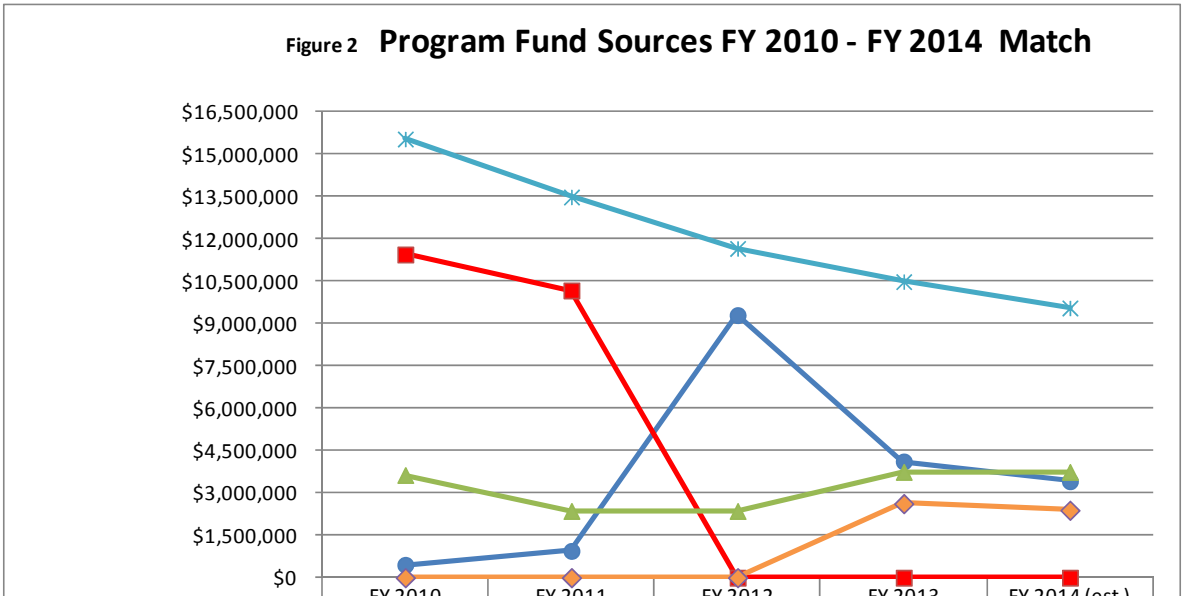
Due to the size of the fund reduction, however, some additional criteria must be considered.

- Should only Tier 1 projects be funded? If this is the case, all forensic support projects and adjudication projects currently supported would receive no funding. In FY 2012, $2,652,598 was allocated for these projects. Elimination of these projects means placing focus on apprehension and prosecution of drug offenders and not addressing the resulting workload on other parts of the criminal justice system. In addition, it would still require about $1.1 million in reductions for the remaining projects.
- Should the program continue to pursue a statewide approach funding projects in every county? In this scenario, a minimum level of effort must be established for each project (example: fund at least one FTE in each project). Some agencies currently are funded at one FTE and would not experience a reduction. This results in agencies with larger projects experiencing a greater portion of reductions.

- Should projects be entirely eliminated? If so, a criteria needs to be established to determine the types of projects that would be eliminated. Examples of criteria would be workload output, size of project, or under-performing projects.

Projects Provide a Match

A match is essentially a cost sharing between the ACJC and the funded project. An agency would provide funding equal to a set percentage based on the amount of grant they were allocated. The entire project size would be comprised of the grant funds and the match funds. Prior to FY 2010, the Drug, Gang, and Violent Crime program required a 25% match. This match was suspended beginning in FY 2010 in response to the fiscal crisis that most agencies faced and provided for the flexibility to use agency funds on the project or in other areas where cuts were made. *Figure 2* shows the level of funding, by fund source, for FY 2010 through FY 2014 (estimated), assuming a match is required. The overall program size still declines but not as steeply as without match funds.



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 (est.)
Federal Funds	$456,493	$948,632	$9,304,722	$4,118,162	$3,418,075
Fed Funds - ARRA	$11,451,683	$10,178,730	$0	$0	$0
Drug Fines	$3,637,127	$2,362,428	$2,362,428	$3,750,000	$3,750,000
Local Match Funds	$0	$0	$0	$2,622,721	$2,389,358
Program Size	$15,545,303	$13,489,790	$11,667,150	$10,490,883	$9,557,433
Decline over Previous Year	N/A	$(2,058,513)	$(1,822,640)	$(1,176,267)	$(933,450)

A match may serve many purposes for the overall program. Aside from the previous mentioned cost sharing, some agencies may secure or protect a funding set-aside for the project from the county or city appropriation authority. Even though funding from the grant is less, the overall program size may remain close to the previous year thereby maintaining the level of effort dedicated to addressing the drug problem. Also, the impact of reductions caused by less funding may be more evenly distributed among all funded agencies.

A match can also be problematic for some agencies. Agencies would be required to come up with a “hard” cash match. Monies covering other non-grant funded positions could not be credited toward meeting the match and an in-kind match would not apply. Some agencies only have the ACJC grant and RICO funds earned from seized assets and forfeitures to support the entire project. In these instances, they may not

have any discretionary funds to cover a match requirement and could be faced with not accepting grant monies or dealing with a significant cut. In these instances, the Commission may consider a match for some agencies and waive the match for those that cannot secure additional funding.

ACJC staff did reach out to current grantees to get input on whether they would prefer to deal with a smaller program size and significant reductions or to maintain a level of effort similar to FY 2012 by the use of a match. Of the 35 grantees, 22 preferred a match, 5 did not desire a match, one was unsure, and seven did not respond.

Better Utilize Program Income

All income generated as a direct result of an agency-funded project is deemed program income. Program income may be used to supplement the grant program, reduce project costs, or may be refunded to the Federal government. Reducing project costs means reducing an agency's grant by the amount of program income earned. In 2005, the Commission decided to use program income to supplement the grant program. Specifically, program income can be used as earned by the recipient/sub-recipient for any purpose that furthers the broad objectives of the legislation under which it was made. Under this policy, agencies can spend program income monies on any activity that the Byrne/JAG grant program will allow regardless of whether these activities are directly related to the specific grant-funded project. Program income monies must be expended in the grant year it is earned, unless an extension is granted.

Agencies earn program income through seized and forfeited property under RICO statutes. Of the 35 grantees in FY 2012, 21 of these have earned some level of program income over the last three years. Program income, however, is very volatile. Many agencies have resorted to covering on-going operating expenses with RICO or program income. On occasion there is program income earned that is not budgeted for the fiscal year.

One option for consideration is to require agencies to expend program income on direct project activities and require any non-budgeted program income be spent before grant funds are expended. Agencies would be required to submit a budget at the beginning of the grant period showing how program income funds will be expended on the project. Program income earned in excess of this budgeted amount will need to be expended prior to any grant reimbursement.

This option would not have an impact on the grant program in FY 2013 but may create a savings at the end of the fiscal year. These grant fund savings would be allocated the following fiscal year.

Coordinate Outside Funding Sources

The DC Program grant supports projects that are also supported by other federal funds, such as High Intensity Drug Trafficking Area (HIDTA) and Southwest Border Prosecution Initiative (SWBPI) funding. Currently, there are no coordination efforts taking place before allocation recommendations are brought before the Commission. Of the 15 Task Forces funded, in part, by the DC Program grant, eight also receive HIDTA monies. Of the 16 Tandem Prosecution projects funded, four also receive HIDTA funding. Bringing stakeholders together to examine how these sources are used may provide opportunities of efficiency in funding. For example, there may be types of projects that are better funded through HIDTA than the DC Program grant and vice versa. This option would allow time to communicate with stakeholders and not have an impact on the grant program in FY 2013. It may provide the opportunity to better utilize grant funds in the future.