

REQUIRED  
SUPPLEMENTARY  
INFORMATION

**REQUIRED SUPPLEMENTARY INFORMATION**

STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

GENERAL FUND	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
<b>GENERAL FUND</b>			
<b>General Accounting Office</b>			
Capital Outlay - Cochise	\$ 912,200	\$ 912,200	\$ 912,200
Capital Outlay - Coconino	355,700	355,700	355,700
Capital Outlay - Graham	509,500	509,500	509,500
Capital Outlay - Maricopa	10,372,200	10,372,200	10,372,200
Capital Outlay - Mohave	492,000	492,000	492,000
Capital Outlay - Navajo	586,300	586,300	586,300
Capital Outlay - Pima	3,297,800	3,297,800	3,297,800
Capital Outlay - Pinal	711,100	711,100	711,100
Capital Outlay - Yavapai	683,800	683,800	683,800
Capital Outlay - Yuma/La Paz	866,500	866,500	866,500
Equalization Aid - Cochise	3,151,300	3,151,300	3,151,300
Equalization Aid - Graham	9,588,000	9,588,000	9,588,000
Equalization Aid - Navajo	2,134,800	2,134,800	2,134,800
Equalization Aid - Yuma/La Paz	606,000	606,000	606,000
General Relief	0	105,725	105,725
Operating State Aid - Cochise	6,232,700	6,232,700	6,232,700
Operating State Aid - Coconino	3,025,000	3,025,000	3,025,000
Operating State Aid - Graham	5,252,400	5,252,400	5,252,400
Operating State Aid - Maricopa	51,290,500	51,290,500	51,290,500
Operating State Aid - Mohave	3,710,000	3,710,000	3,710,000
Operating State Aid - Navajo	4,412,300	4,412,300	4,412,300
Operating State Aid - Pima	19,593,500	19,593,500	19,593,500
Operating State Aid - Pinal	5,659,100	5,659,100	5,659,100
Operating State Aid - Yavapai	4,724,500	4,724,500	4,724,500
Operating State Aid - Yuma/La Paz	5,447,800	5,447,800	5,447,800
Provisional Community Colleges - Gila	325,000	325,000	325,000
Salary Adjustments	26,500,000	578,000	0
Woolsey Flood District	0	86,065	86,065
<b>Department of Administration</b>			
State Archives and History Building	400,000	400,000	400,000
Administrative Adjustments	0	145,415	145,415
Administrative Adjustments	0	125	125
Administrative Adjustments	0	98,535	98,535
Administrative Adjustments	0	2	2
Administrative Adjustments	0	572,685	572,685
Arizona Financial Information System	0	0	26
Arizona Financial Information System	927,500	939,800	749,734
Building Renewal FY00 - 01	49,445	66,699	28,655
Building Renewal FY01 - 02	2,154	2,154	0
Building Renewal FY02 - 03	473,761	566,935	558,632
Building Renewal FY03 - 04	2,302,183	2,175,673	1,459,483
Building Renewal FY04 - 05	3,500,000	2,977,500	1,414,041
Building Renewal FY97 - 98	2,103	2,103	0
Building Renewal FY98 - 99	6,848	6,848	6,848
Building Renewal FY98 - 99	5,906	5,906	3,562
Classification Pilot Program	122,454	122,454	0
Ensco	5,310,300	5,310,300	5,309,300
HB1464 Personnel Reform	273,045	273,045	0
HRMS Lapsing End of FY03	0	0	26
Human Resources Information Solution	2,294,700	2,294,700	2,294,700
On Call Pay Settlement Agreement	0	2,499,100	2,378,396
Operating Lump Sum Appropriation	17,567,000	17,884,700	17,450,191

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Operating Lump Sum Appropriation	11,673,700	11,858,200	11,695,472
Operating Lump Sum Appropriation	1,078,500	1,109,000	1,011,863
Operating Lump Sum Appropriation	352,100	352,100	48,441
Operating Lump Sum Appropriation	5,031,900	5,134,900	4,282,164
PLTO 1 Backfill Agency Relocations FY01 - 02	4	4	0
PLTO 1 Backfill Agency Relocations FY02 - 03	325,183	325,183	80,417
PLTO 1 Backfill Space Renovations	126,078	126,078	19,676
PLTO 1 Backfill Space Renovations FY01 - 02	847	847	0
PLTO 1 Backfill Space Renovations FY02 - 03	336,702	336,702	(11,460)
PLTO 1 Project Management	146,756	146,756	2,061
PLTO 1 Project Management FY01 - 02	1	1	0
PLTO 1 Project Management FY02 - 03	55,659	55,659	0
Relocation FY00 - 01	60,000	60,000	0
Relocation FY01 - 02	59,866	59,866	0
Relocation FY02 - 03	59,775	59,775	0
Relocation FY03 - 04	54,569	54,569	29,436
Relocation FY04 - 05	60,000	60,000	0
Relocation FY99 - 00	46,526	46,526	0
State Boards Lump Sum Appropriation	283,000	287,600	231,775
State Surplus Property Sales Proceeds	3,000,000	3,000,000	1,779,561
Utilities	5,733,800	5,733,800	5,274,228
<b>Radiation Regulatory Agency</b>			
Off Site Nuclear Emergency Response Plan	0	451,600	451,600
Operating Lump Sum Appropriation	1,078,000	1,105,600	1,088,402
<b>Office of Equal Opportunity</b>			
Governor's Office of Equal Opportunity	216,300	220,900	220,826
<b>Attorney General</b>			
Administrative Adjustments	0	11,454	11,454
Crane Elementary School Case	69,607	69,607	36,185
Military Installation/Planning	0	100,000	71,306
Operating Lump Sum Appropriation	22,891,300	23,188,400	23,169,877
Operating Lump Sum Appropriation	18,004,400	18,273,300	17,704,213
Property Tax Supplemental	301	301	0
State Grand Jury	160,100	160,100	160,046
<b>Department of Agriculture</b>			
Administrative Adjustments	0	10,969	10,969
Agricultural Employment Relations Board	23,300	23,300	10,000
Animal Damage Control	65,000	65,000	65,000
Operating Lump Sum Appropriation	10,005,500	10,226,100	10,178,560
Red Imported Fire Ant	23,200	23,200	23,200
<b>Arizona State University</b>			
East Campus - Operating Lump Sum Appropriation	12,729,900	13,040,200	13,040,200
Main Campus - Operating Lump Sum Appropriation	276,040,500	282,510,500	282,510,500
West Campus - Operating Lump Sum Appropriation	39,575,400	40,323,100	40,323,100
<b>Auditor General</b>			
Operating Lump Sum Appropriation FY00-01	387,692	387,692	22,199
Operating Lump Sum Appropriation FY01-02	233,944	233,944	0
Operating Lump Sum Appropriation FY02-03	293,810	293,810	480
Operating Lump Sum Appropriation FY03-04	489,384	489,384	113,720
Operating Lump Sum Appropriation FY04-05	11,543,900	11,747,500	11,341,613
Operating Lump Sum Appropriation FY99-00	230,000	230,000	230,000
<b>Banking Department</b>			
Administrative Adjustments	0	1,263	1,263
Operating Lump Sum Appropriation	2,836,400	2,891,700	2,856,834

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
<b>Board of Nursing</b>			
Fingerprinting Nursing Assistants	90,198	90,198	0
Operating Lump Sum Appropriation	135,200	136,400	136,400
<b>Board of Regents</b>			
Administrative Adjustments	0	862,829	862,829
Arizona Transfer Articulation Support System	213,700	213,700	213,700
Operating Lump Sum Appropriation	2,103,100	2,135,000	885,102
Student Financial Aid Trust Fund	2,251,200	2,251,200	2,251,200
University Pay Plan	16,100,000	0	0
Western Interstate Commission Office	103,000	105,000	105,000
WICHE Student Subsidies	2,908,100	2,906,100	2,871,119
<b>Corporation Commission</b>			
Administrative Adjustments	0	23,944	23,944
Operating Lump Sum Appropriation	4,849,500	4,953,400	4,947,943
Operating Lump Sum Appropriation	39,500	40,700	40,683
Railroad Warning Systems FY00 - 01	88,586	88,586	88,586
Railroad Warning Systems FY99 - 00	102,000	102,000	54,490
<b>Court of Appeals Division I</b>			
Division I - Operating Lump Sum Appropriation	7,591,400	7,685,700	7,681,247
<b>State Board for Charter Schools</b>			
Administrative Adjustments	0	2,298	2,298
Operating Lump Sum Appropriation	691,200	702,700	691,512
<b>Court of Appeals Division II</b>			
Division II - Operating Lump Sum Appropriation	3,314,400	3,347,300	3,347,179
<b>Department of Corrections</b>			
Administrative Adjustments	0	2,098,302	2,098,302
ASPC - Lewis Repair Shower FY00 - 01	20,000	0	0
Employee Compensatory Leave Payout	0	7,500,000	7,499,446
Operating Lump Sum Appropriation	617,703,800	629,113,900	624,707,037
Operating Lump Sum Appropriation	1,541,800	1,541,800	1,356,869
<b>Department of Economic Security</b>			
ADM Attorney General Legal Services	309,600	314,100	314,100
ADM Attorney General Legal Services	141,300	141,300	60,799
ADM Finger Imaging	488,900	490,300	490,300
ADM Finger Imaging	289,900	89,900	24,672
ADM High Performance Bonus	33,335	33,335	5,476
ADM Lease Purchase Equipment	1,602,700	1,602,700	1,602,700
ADM Lease-Purchase Equipment	645,000	645,000	206,052
ADM Operating Lump Sum Appropriation	26,592,100	27,462,200	27,196,198
ADM Operating Lump Sum Appropriation	4,333,800	4,333,800	3,497,459
ADM Operating Lump Sum Appropriation	1,049,300	1,053,200	1,032,642
ADM Public Assistance Collections	177,800	177,800	60,966
ADM Statewide Cost Allocation Plan Fund	1,000,000	1,000,000	0
ADM Tri-Agency Disaster Recovery	742,300	742,300	381,084
ADM Workforce Investment Act Operating Lump Sum	0	500,000	0
Administrative Adjustments	0	5,673,568	5,673,568
Administrative Adjustments	0	30,053,996	30,053,996
Administrative Adjustments	0	89,899	89,899
Administrative Adjustments	0	1,019,600	1,019,600
Administrative Adjustments	0	9,773,081	9,773,081
Attorney General Legal Services	15,300	15,400	6,322
Coolidge Environmental Impact Study	4,948	4,948	0
DACS Adult Services	11,339,800	11,339,800	10,291,859
DACS Community and Emergency Services	5,424,900	5,424,900	4,127,254

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 GENERAL FUND  
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 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
DACS Coordinated Homeless Program	1,155,400	1,155,400	1,121,017
DACS Coordinated Homeless Program	1,649,500	1,649,500	1,393,314
DACS Coordinated Hunger Program	1,286,600	1,286,600	1,257,205
DACS Coordinated Hunger Program	500,000	500,000	442,260
DACS Domestic Violence Prevention	2,507,900	2,507,900	2,188,505
DACS Domestic Violence Prevention	5,120,700	5,120,700	3,861,283
DACS Hopi Senior Center - Kykotsmovi	22,097	22,097	0
DACS Information and Referral	115,400	115,400	115,400
DACS Marriage and Communication Skills	166,857	166,857	136,384
DACS Marriage Handbook	809	809	84
DACS Marriage Skills Training	22,960	22,960	12,712
DACS Navajo Senior Centers - Birdsprings	65,000	65,000	0
DACS Navajo Senior Centers - Chilchenbento	45,000	45,000	0
DACS Navajo Senior Centers - Chinle	10,000	10,000	0
DACS Navajo Senior Centers - Dilcon	30,000	30,000	0
DACS Navajo Senior Centers - Fort Defiance	65,000	65,000	55,993
DACS Navajo Senior Centers - St Michael's	1,961	1,961	0
DACS Navajo Senior Centers - White Cone	30,000	30,000	0
DACS Navajo Senior Centers Services	25,000	25,000	0
DACS Operating Lump Sum Appropriation	4,847,000	4,923,200	4,922,509
DACS TANF Operating Lump Sum Appropriation	213,400	213,400	98,587
DACS TANF Short-Term Crisis Services FY00 - 01	47,817	47,817	0
DACS TANF Short-Term Crisis Services FY99 - 00	2	2	0
DACS Tribal Senior Centers - Navajo	415,185	415,185	415,185
Day Care Subsidy	61,866,900	57,866,900	57,137,058
DBME General Assistance	4,260,800	3,960,800	3,917,351
DBME Operating Lump Sum Appropriation	22,122,400	22,495,800	22,495,800
DBME Operating Lump Sum Appropriation	9,024,500	12,024,500	8,972,703
DBME TANF Cash Benefits	64,378,600	64,378,600	62,796,108
DBME TANF Cash Benefits	103,856,800	91,856,800	91,158,456
DBME TANF FLSA Supplemental	1,008,900	608,900	517,053
DBME Tribal Pass-Through Funding	4,288,700	4,288,700	3,802,536
DBME Tuberculosis Control	32,200	32,200	28,924
DCSE Attorney General Legal Services	325,400	482,460	482,460
DCSE Attorney General Legal Services	6,893,900	7,387,500	5,983,962
DCSE Central Payment Processing	444,700	444,700	444,700
DCSE Central Payment Processing	3,275,700	3,275,700	1,771,707
DCSE County Participation	6,845,200	6,845,200	5,053,758
DCSE Genetic Testing	72,400	42,400	42,400
DCSE Genetic Testing	723,600	663,600	280,984
DCSE Operating Lump Sum Appropriation	4,337,500	4,244,740	4,214,740
DCSE Operating Lump Sum Appropriation	34,834,900	34,707,500	26,983,200
DCYF Adoption Services	20,760,700	18,460,700	18,460,700
DCYF Adoption Services	5,186,100	8,986,100	5,186,100
DCYF Attorney General Legal Services	8,200,600	8,098,900	8,098,900
DCYF Attorney General Legal Services	48,700	48,700	48,700
DCYF Children Services	42,140,600	62,740,700	62,740,700
DCYF Children Services	9,412,100	8,112,100	6,073,614
DCYF Comprehensive Medical and Dental Program	2,057,000	2,057,000	2,057,000
DCYF CPS Appeals	628,900	639,200	639,200
DCYF CPS Substance Abuse Treatment	224,500	224,500	224,500
DCYF Family Builders TANF	5,200,000	4,500,000	3,139,404
DCYF Healthy Families	8,715,800	3,915,800	3,915,800
DCYF Healthy Families	5,034,200	5,034,200	0

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STATE OF ARIZONA  
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**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
DCYF Homeless Youth Intervention	400,000	400,000	226,750
DCYF Intensive Family Services	1,985,600	1,985,600	1,985,600
DCYF Joint Substance Abuse Treatment-GF	3,000,000	3,000,000	2,787,702
DCYF Operating Lump Sum Appropriation	43,742,900	33,620,800	33,620,800
DCYF Operating Lump Sum Appropriation	20,267,100	29,167,100	26,547,080
DCYF Permanent Guardianship Subsidy	2,144,500	2,144,500	2,113,898
DCYF Permanent Guardianship Subsidy	859,300	1,759,300	859,000
DCYF Residential Drug Treatment FY03 - 04	350,000	350,000	0
DCYF Residential Drug Treatment FY04 - 05	0	250,000	0
DCYF Substance Abuse Treatment	2,000,000	2,000,000	1,699,305
DCYF TANF to SSBG	22,613,100	22,613,100	17,186,189
DDD Arizona Training Program at Coolidge	2,961,000	600,400	595,100
DDD Case Management	3,837,300	3,899,000	3,500,000
DDD Home and Community Based Services	30,761,800	30,809,400	26,469,694
DDD Home and Community Based Services	848,100	848,100	0
DDD Institutional Services	294,900	150,000	139,455
DDD Institutional Services	0	0	106
DDD Operating Lump Sum Appropriation	3,620,400	3,681,600	3,441,600
DDD State Funded Long Term Care Services	21,034,000	21,036,300	18,949,485
DDD Training Program at Coolidge	2,390,500	2,455,000	6,715
DERS Child Care Sliding Fee Scales	2,676,118	2,676,118	1,600,000
DERS Daycare Subsidy	75,032,900	75,032,900	75,032,900
DERS Independent Living Rehabilitation Services	784,200	784,200	681,896
DERS Job Search Stipends	30,000	30,000	30,000
DERS Jobs	2,000,000	2,000,000	0
DERS Jobs	17,316,600	15,316,600	12,633,983
DERS Jobs	1,793,500	1,793,500	1,793,500
DERS Operating Lump Sum Appropriation	6,251,700	6,318,900	6,318,900
DERS Operating Lump Sum Appropriation	4,893,200	4,893,200	4,328,884
DERS Operating Lump Sum Appropriation	8,425,100	8,627,700	8,627,604
DERS Operating Lump Sum Appropriation	2,063,300	2,120,900	2,120,900
DERS Summer Youth Employment and Training	1,000,000	1,000,000	1,000,000
DERS Summer Youth Program	32,446	32,446	0
DERS TANF Day Care Subsidy	620,300	620,300	0
DERS Vocational Rehabilitation Services	3,285,100	3,585,100	3,285,100
DERS Work Related Transportation	302,200	302,200	292,692
DERS Workforce Investment Act Discretionary	4,881,000	4,556,000	1,958,283
DERS Workforce Investment Act Operating Lump Sum	1,952,200	1,990,200	0
DERS Workforce Investment Act Programs	45,088,100	44,913,100	40,753,049
LTC Arizona Training Program at Coolidge	3,752,000	3,848,500	3,848,500
LTC Arizona Training Program at Coolidge	11,304,400	15,650,900	0
LTC Case Management	9,452,000	9,574,400	9,574,400
LTC Case Management	28,237,300	25,359,700	0
LTC Home and Community Based Services	136,831,900	136,850,200	136,850,200
LTC Home and Community Based Services	419,832,500	412,850,800	0
LTC Institutional Services	5,053,900	5,068,300	5,068,300
LTC Institutional Services	15,297,700	14,062,100	0
LTC Medical Services	26,555,000	26,559,900	26,559,900
LTC Medical Services	82,633,500	87,638,400	0
LTC Operating Lump Sum Appropriation	8,934,600	8,862,400	8,862,400
LTC Operating Lump Sum Appropriation	26,995,300	28,923,100	0
State Funded LTC Services	762,900	762,900	761,659
Statewide Bldg Renewal FY03 - 04	37,015	148,015	148,015
Statewide Bldg Renewal FY04 - 05	0	94,000	94,000

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 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
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	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Statewide Building Renewal FY92 - 93	20	20	0
Transitional Child Care	32,911,900	36,911,900	33,373,598
<b>Department of Juvenile Corrections</b>			
Administrative Adjustments	0	430,723	430,723
Adobe Mountain Campus Health Facility Upgrades	0	646,000	646,000
Building Renewal FY91 - 92	39	39	0
Building Renewal FY94 - 95	3,794	3,794	0
DOA Building Renewal - Restore Fire Pump-Cms	0	40,000	5,237
Operating Lump Sum Appropriation	67,774,300	67,946,000	67,549,073
Operating Lump Sum Appropriation	2,683,700	2,736,600	2,716,215
<b>Department of Transportation</b>			
Operating Lump Sum Appropriation	69,400	71,700	71,699
<b>Department of Education</b>			
Accountability Measures	50	50	0
Achievement Testing	7,565,978	17,568,878	12,267,583
Additional State Aid to Schools	296,669,700	286,274,330	279,818,010
Administrative Adjustments	0	5,504,049	5,504,049
Adult Education Assistance	4,439,917	4,443,817	4,443,817
AIMS Intervention and Dropout Prevention Program	550,000	550,000	550,000
Arizona Teacher Evaluation	193,700	195,700	183,041
Assistance to School Districts for Children of State Employees	99,500	100,507	100,507
Basic Aid and Additional State Aid Entitlement	0	191,293,800	191,293,800
Basic State Aid Entitlement	2,564,461,100	2,564,461,100	2,528,800,466
Certificates of Educational Convenience	269,900	664,263	663,387
Chemical Abuse	797,578	800,478	714,950
English Learner Classroom Bonus Fund FY04 - 05	0	3,060,000	3,060,000
English Learner FY02 - 03	202,272	202,272	199,883
English Learner FY03 - 04	159,073	159,073	156,439
English Learner FY04 - 05	0	322,422	59,451
English Learner Instruction FY02 - 03	272,588	272,588	0
English Learner Instruction FY03 - 04	1,015,107	1,015,107	1,010,961
English Learner Instruction FY04 - 05	0	5,500,000	4,456,215
English Learner Materials and Supplies FY03 - 04	385,436	385,436	276,511
English Learner Materials and Supplies FY04 - 05	0	1,500,000	1,105,359
English Learner Pilot FY03 - 04	202	202	202
English Learner Pilot FY04 - 05	0	750,000	736,490
English Learner Teacher FY02 - 03	4,500,000	4,500,000	0
English Learner Teacher FY03 - 04	4,453,299	4,453,299	(46,411)
English Learner Teacher FY04 - 05	0	4,500,000	(291)
Extended School Year	500,000	500,000	404,258
Family Literacy Program FY04 - 05	1,002,529	1,003,429	993,323
Family Literacy Program FY98 - 99	1,373	1,373	0
Full-Day Kindergarten	0	21,000,000	21,000,000
Gifted Support	1,302,248	1,304,248	1,180,359
Operating Lump Sum Appropriation	596,148	603,148	586,958
Operating Lump Sum Appropriation	6,573,709	6,671,109	6,625,417
Optional Performance Incentive Programs	120,000	120,000	0
Parental Choice for Reading Success	1,000,000	1,000,000	938,333
Residential Placement	10,000	10,000	10,000
School Accountability Fund	18,400	18,400	72
School Report Cards	440,378	443,278	287,827
School Safety Program	0	0	(2,810)
School Safety Program FY01 - 02	7,461	7,461	5,418
School Safety Program FY02 - 03	50,798	50,798	(16,686)

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 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
School Safety Program FY03 - 04	1,656,577	1,656,577	1,571,410
School Safety Program FY04 - 05	6,701,978	6,704,878	4,416,442
Small Pass-Through Programs	581,600	581,600	581,600
Special Education Audit	291,563	293,963	154,246
Special Education Fund	31,093,029	31,093,929	31,093,929
State Block Grant for Early Childhood Education	19,410,603	19,415,603	19,372,745
State Block Grant for Vocational Education	11,167,755	11,199,055	11,199,026
Teacher Certification	1,123,200	1,147,300	1,147,300
Unorganized Territories Transportation	0	600,000	600,000
Vocational Education Extended Year	600,000	600,000	452,764
<b>Department of Commerce</b>			
Agriculture Preservation District	32,514	32,514	0
Apprenticeship Services Office	156,000	158,700	153,333
International Trade Offices	334,200	334,200	331,355
Military Installation Contracts	0	4,825,000	4,825,000
Military Installation Fund - Operating	0	75,000	50,170
Motion Picture Development	291,100	296,500	252,803
NAFTA Agreement Projects	37,777	37,777	0
NAFTA Projects-Initial Phase	19,874	19,874	0
Operating Lump Sum Appropriation	2,826,000	2,879,700	2,727,148
Operating Lump Sum Appropriation	121,000	122,700	98,323
Rural Economic Development	295,400	295,400	244,518
<b>Board of Tax Equalization</b>			
Operating Lump Sum Appropriation	548,600	556,700	552,640
<b>Department of Environmental Quality</b>			
Administrative Adjustments	0	833	833
Administrative Adjustments	0	141,515	141,515
Aquifer Protection Permit Program	756,100	756,100	754,858
Operating Lump Sum Appropriation	9,742,500	9,940,900	9,937,583
Operating Lump Sum Appropriation	11,724,500	11,852,700	1,942,737
Water Infrastructure Finance Authority	2,445,100	2,445,100	2,445,100
<b>Geological Survey</b>			
Operating Lump Sum Appropriation	782,600	796,700	796,588
<b>Government Information Technology Agency</b>			
Operating Lump Sum Appropriation	2,521,700	2,545,900	2,214,117
<b>Governor's Office</b>			
Administrative Adjustments	0	418	418
Arizona - Sonora Study Implementation FY00-01	5,200	5,200	0
Border Volunteer Corps FY94-95	34,705	34,705	0
Border Volunteer Corps FY95-96	65,374	65,374	0
Governor's Office of Strategic Planning and Budgeting	1,696,100	1,721,400	1,720,720
Governor's Telecommunication	504	504	0
Office of Sonora	7,783	7,783	0
Operating Lump Sum Appropriation FY00-01	1	1	0
Operating Lump Sum Appropriation FY01-02	162,392	162,392	129,375
Operating Lump Sum Appropriation FY02-03	228,583	228,583	32,225
Operating Lump Sum Appropriation FY03-04	115,976	115,976	14,965
Operating Lump Sum Appropriation FY04-05	6,054,100	6,127,700	6,041,494
Operating Lump Sum Appropriation FY99-00	1,014	1,014	1,014
<b>Arizona Health Care Cost Containment System</b>			
Administrative Adjustments	0	1,279,825	1,279,825
Administrative Adjustments	0	22,005,541	22,005,541
Administrative Adjustments	0	1,583,351	1,583,351
Administrative Adjustments	0	18,351,063	18,351,063

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Board of Nursing	209,700	339,200	339,200
Breast and Cervical Cancer Treatment Fed Administration	52,730	52,730	0
Breast and Cervical Cancer Treatment Fed Program	745,860	745,860	0
Breast and Cervical Cancer Treatment Program FY01 - 02	73	73	0
Breast and Cervical Cancer Treatment Program FY04 - 05	96,900	191,900	147,222
Breast and Cervical Cancer Treatment State Program	327,600	597,600	498,451
Capitation	370,821,600	410,295,485	404,280,879
Capitation	1,111,955,100	1,202,832,100	1,200,025,021
CHIP - Parents	6,882,100	7,050,200	6,950,799
CHIP - Services	15,890,700	16,038,500	15,861,277
Critical Access Hospitals	554,200	553,350	553,350
Critical Access Hospitals	1,145,800	1,146,650	1,146,650
DES Eligibility	20,996,100	23,539,600	18,495,015
DES Eligibility	23,841,900	24,392,500	23,077,644
DES Title XIX Pass Through	134,200	136,500	134,614
DES Title XIX Pass Through	179,100	181,700	156,062
Disproportionate Share Payments	46,428,000	46,336,553	37,825,476
Disproportionate Share Payments	95,369,400	96,018,448	78,381,824
DOA Data Center Charges	1,724,700	1,724,700	1,720,426
DOA Data Center Charges	3,992,800	3,992,800	3,987,184
Fee for Service	77,780,200	76,800,200	76,155,982
Fee for Service	166,019	166,019	166,019
Fee For Service FY04 - 05	311,642,100	307,246,250	303,652,851
Fee For Service FY99 - 00	468,147	468,147	468,147
Graduate Medical Education	6,883,500	6,883,512	6,883,511
Graduate Medical Education	14,264,000	14,264,000	14,263,989
Health Care Group	4,000,000	4,000,000	585,580
Indian Advisory Council	100,800	102,800	84,558
Indian Advisory Council	101,500	103,600	76,896
Kidscare Administration	1,864,600	1,893,700	1,893,700
Long Term Care Program Lump Sum Appropriation	7,446,500	7,446,500	7,446,500
Medicare Premiums	14,520,700	16,590,700	16,582,854
Medicare Premiums	38,746,500	41,671,500	41,518,339
Mental Health - Adults FY91 - 92	45,368	45,368	0
Office of Administrative Hearings	191,900	255,300	202,682
Operating Lump Sum Appropriation	25,546,700	28,554,400	28,150,254
Operating Lump Sum Appropriation	71,614,900	71,614,900	71,614,900
Operating Lump Sum Appropriation	35,929,900	36,178,100	34,494,730
Operating Lump Sum Appropriation	814,045,100	813,915,600	772,776,907
Proposition 204 - Admin Oper 100% Fpl Expansion	4,887,700	6,604,000	5,915,489
Proposition 204 - Administration	5,566,700	5,566,700	5,566,700
Proposition 204 - Capitation	170,590,000	180,615,800	168,530,109
Proposition 204 - Capitation	618,720,000	677,089,000	669,763,173
Proposition 204 - Capitation	30,068,200	30,068,200	30,068,200
Proposition 204 - Capitation	43,494,600	43,494,600	43,494,600
Proposition 204 - Fee-For-Service	121,250,700	113,209,252	105,555,262
Proposition 204 - Fee-For-Service	24,173,600	21,873,600	21,873,600
Proposition 204 - Medicare Premiums	9,322,000	12,772,000	12,501,310
Proposition 204 - Pass Through Admin	13,487,100	13,866,000	12,124,449
Proposition 204 Admin Oper 100% Fpl Expansion	4,887,800	4,294,900	4,294,900
Proposition 204 Fee-For-Service	3,500,000	4,000,000	3,997,441
Proposition 204 Pass Through Admin	13,245,000	11,618,500	10,571,719
Ticket To Work	1,280,100	1,295,100	1,289,525
Ticket To Work	2,647,700	2,647,700	2,512,196

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
<b>Office of Administrative Hearings</b>			
Operating Lump Sum Appropriation	1,086,900	1,104,200	1,104,200
Operating Lump Sum Appropriation	13,900	13,900	13,900
<b>Historical Society</b>			
Field Services And Grants	80,000	80,000	79,398
Operating Lump Sum Appropriation	1,909,000	1,957,000	1,956,880
Papago Park Museum	1,407,600	1,425,100	1,425,096
Papago Park Museum	193,700	193,700	193,700
<b>House of Representatives</b>			
Operating Lump Sum Appropriation FY00-01	854,254	854,254	997
Operating Lump Sum Appropriation FY01-02	426,822	426,822	1,810
Operating Lump Sum Appropriation FY02-03	842,887	842,887	1,140
Operating Lump Sum Appropriation FY03-04	616,410	616,410	23,013
Operating Lump Sum Appropriation FY04-05	11,710,500	11,955,500	10,917,379
Operating Lump Sum Appropriation FY98-99	2,462	2,462	2,462
Operating Lump Sum Appropriation FY99-00	360,375	360,375	347
<b>Department of Health Services</b>			
90/91 Environmental Assessment Phoenix	8,849	8,849	0
Administrative Adjustments	0	1,505,361	1,505,361
Administrative Adjustments	0	17,988	17,988
Administrative Adjustments	0	17,779	17,779
Adult Cystic Fibrosis	105,200	105,200	105,200
Adult Sickle Cell Anemia	33,000	33,000	33,000
AHCCCS-Children's Rehabilitative Services	13,975,400	13,975,400	13,975,400
AHCCCS-Children's Rehabilitative Services	28,897,200	28,897,200	0
AIDS Reporting and Surveillance	1,125,000	1,125,000	1,057,807
Arizona State Hospital Accreditation	3,140	3,140	0
Arizona State Hospital Corrective Action Plan	0	1,281,400	883,340
Arnold v. Sarn	27,500,000	27,500,000	27,488,099
Arnold v. Sarn	10,338,700	10,338,700	0
ASH Condensate Receiver	4,700	4,700	0
Assurance and Licensure	7,613,500	7,767,000	7,498,136
Assurance and Licensure	708,400	721,100	658,341
Assurance and Licensure	772,200	772,200	0
Attorney General Legal Services	362,800	362,800	362,800
Breast and Cervical Cancer Screening	887,000	887,000	687,330
Building Renewal - Tucson FY00 - 01	6,109	6,109	0
Building Renewal - Tucson FY02 - 03	78,900	78,900	0
Building Renewal - Tucson FY98 - 99	2,221	2,221	0
Building Renewal - Tucson FY99 - 00	37,168	37,168	0
Building Renewal FY91 - 92	3,548	3,548	0
Building Renewal FY96 - 97	30	30	0
CBH State Match Title XIX Supplemental	0	12,408,800	12,408,800
CBH State Match Title XIX Supplemental	0	32,735,100	0
Children's Behavioral Health Services	9,351,800	9,351,800	9,351,799
Children's Behavioral Health State Match for Title XIX	64,727,100	64,727,100	64,727,100
Children's Behavioral Health State Match For Title XIX FY00 - 01	833,545	833,545	572,904
Children's Behavioral Health State Match For Title XIX	139,169,100	139,169,100	0
Children's Rehabilitative Services	3,587,000	3,587,000	3,587,000
Cholla - Sexual Predator	11,655	11,655	0
Community Health Centers	10,403,200	10,412,300	9,930,918
Community Placement Treatment	5,574,100	5,574,100	5,574,100
Community Placement Treatment	1,130,700	1,130,700	1,130,700
County Nutrition Services	330,300	330,300	265,474

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
County Prenatal Services Grant	1,148,500	1,148,500	803,950
County Public Health	200,000	200,000	200,000
Court Monitoring	197,500	224,000	224,000
Diabetes Prevention Control	100,000	100,000	75,394
Direct Grants	460,300	460,300	460,300
General Fund Transfer 2nd Regular Session Chapter 275	2,000,000	2,000,000	2,000,000
Health Start	226,600	226,600	0
Hearing and Speech Professionals	0	260,000	114,994
Hearing and Speech Professionals Regulation	66,012	66,012	3,768
Hepatitis C Surveillance	354,600	360,900	322,554
High Risk Prenatal Services	3,180,600	3,180,600	2,427,174
Indirect Cost Fund	6,954,100	7,053,800	5,384,257
Indirect Costs AHCCCS - CRS	350,000	350,000	244,502
Kidney Program	50,500	50,500	50,500
Laboratory Services	2,985,100	3,041,900	2,926,131
Loan Repayment Services	150,000	150,000	28,857
Medicaid Spec Exam State Supplemental	0	1,117,800	0
Medicaid Special Exemption Payment State Supplemental	0	364,300	364,300
Medicaid Special Exemption Payments	4,192,700	4,192,700	4,192,700
Medicaid Special Exemption Payments	305,500	305,500	305,500
Medicaid Special Exemption Payments BHS	8,669,300	8,669,300	0
Medicaid Special Exemption Payments CFHS	631,700	631,700	0
Mental Health - Non-Title XIX	2,447,300	2,447,300	2,447,300
Mental Health and Substance Abuse State Match	22,678,900	22,678,900	22,678,900
Mental Hlth & Subst Abuse St Match Title XIX	46,893,800	46,893,800	0
Operating Lump Sum Appropriation	13,758,500	13,921,200	13,535,563
Operating Lump Sum Appropriation	5,633,800	5,755,400	5,598,919
Operating Lump Sum Appropriation	3,226,500	3,291,700	3,053,858
Operating Lump Sum Appropriation	4,045,700	3,989,200	3,899,565
Operating Lump Sum Appropriation	35,466,300	36,505,400	36,173,991
Operating Lump Sum Appropriation	1,576,200	1,576,200	1,534,393
Operating Lump Sum Appropriation	7,169,300	7,169,300	7,124,869
Operating Lump Sum Appropriation	1,910,500	1,910,500	0
Operating Lump Sum Appropriation	4,263,200	4,263,200	0
Proposition 204 Administration State Match	1,997,100	1,997,100	1,997,100
Proposition 204 Administration Title XIX Match	4,129,400	4,129,400	0
Proposition 204 Children's Behavior Health State Match	394,700	394,700	394,700
Proposition 204 Children's Title XIX Match	2,037,400	2,037,400	0
Proposition 204 Mental Health and Substance Abuse State Match	8,717,200	8,717,200	8,717,200
Proposition 204 MH/SA Title XIX Match	52,992,800	52,992,800	0
Proposition 204 Seriously Mentally Ill State Match	5,562,100	5,562,100	5,562,100
Proposition 204 Seriously Mentally Ill Title XIX Match	118,912,600	118,912,600	0
Reimbursement to Counties	67,900	67,900	67,900
Renal and Non-Renal Disease Management	468,000	468,000	450,000
Seriously Emotionally Handicapped Child	500,000	500,000	26,015
Seriously Mentally Ill Non-Title XIX	61,116,700	61,116,700	60,991,014
Seriously Mentally Ill State Match for Title XIX	88,043,100	88,043,100	0
Seriously Mentally Ill State Match for Title XIX	13,153,100	13,153,100	13,153,100
Sexually Transmitted Diseases Control	26,300	26,300	23,668
Sexually Violent Persons	9,786,500	9,999,100	9,526,128
SMI-MH-SA-P204 State T19 Supplemental	0	34,138,800	0
SMI-MH-SA-P204 State T19 Supplemental	0	8,772,900	8,772,900
Statewide Immunization Information System	454,600	460,900	457,132
Substance Abuse - Non-Title XIX	12,135,400	12,135,400	12,135,400

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
TANF Prenatal Services FY99 - 00	46,969	46,969	0
Telemedicine	260,000	260,000	204,140
Tuberculosis Provider Care and Control	1,010,500	1,010,500	700,750
Vaccines	3,784,300	3,784,300	3,780,515
Vaccines	576,600	576,600	575,959
Vital Records	37,860	37,860	12,335
<b>Commission on the Arts</b>			
Administrative Adjustments	0	2,000,000	2,000,000
Arts Endowment Fund	2,000,000	2,000,000	2,000,000
Community Service Projects	1,263,100	1,263,100	1,263,100
Operating Lump Sum Appropriation	541,900	555,100	555,100
<b>Indian Affairs Commission</b>			
Administrative Adjustments	0	3,277	3,277
Operating Lump Sum Appropriation	201,600	205,100	203,348
<b>Occupational Safety and Health Review Board</b>			
Employee Related Expenditures FY01 - 02	75	75	0
Operating Lump Sum Appropriation FY00 - 01	1,000	1,000	0
Operating Lump Sum Appropriation FY01 - 02	6,947	6,947	0
Operating Lump Sum Appropriation FY02 - 03	4,800	4,800	0
Operating Lump Sum Appropriation FY03 - 04	4,800	4,800	0
Operating Lump Sum Appropriation FY04 - 05	4,800	4,800	0
Operating Lump Sum Appropriation FY98 - 99	8,051	8,051	2,028
Operating Lump Sum Appropriation FY99 - 00	1,000	1,000	0
Personal Services FY91 - 92	53	53	0
<b>Insurance Department</b>			
Administrative Adjustments	0	21,233	21,233
Managed Care and Dental Plan Oversight	517,000	526,400	497,651
Operating Lump Sum Appropriation	5,758,900	5,867,200	5,848,242
<b>Arizona Criminal Justice Commission</b>			
Administrative Adjustments	0	234,727	234,727
Operating Lump Sum Appropriation	994,200	994,200	829,235
Rural State Aid to County Attorneys	157,700	157,700	157,700
Rural State Aid to Indigent Defense	150,100	150,100	150,100
<b>Joint Legislative Budget Committee</b>			
Operating Lump Sum Appropriation FY03-04	1,330,187	1,330,187	1,330,187
Operating Lump Sum Appropriation FY04-05	2,165,400	2,201,100	677,819
<b>Department of Library, Archives and Public Records</b>			
Grants-In-Aid FY01 - 02	1,343	1,343	0
Grants-In-Aid FY02 - 03	54,400	54,400	50,000
Grants-In-Aid FY03 - 04	88,857	88,857	22,476
Grants-In-Aid FY04 - 05	651,400	651,400	536,000
Operating Lump Sum Appropriation	663,000	672,200	535,188
Operating Lump Sum Appropriation FY00-01	135,650	135,650	97,630
Operating Lump Sum Appropriation FY01-02	89,146	89,146	16,228
Operating Lump Sum Appropriation FY03-04	169,428	169,428	159,941
Operating Lump Sum Appropriation FY04-05	5,856,000	5,975,700	5,918,858
Statewide Radio Reading Service for the Blind	97,000	97,000	97,000
<b>Legislative Council</b>			
Juvenile Study	19,520	19,520	0
Ombudsman Citizens Aid Office FY03 - 04	34,938	34,938	34,938
Ombudsman Citizens Aid Office FY04 - 05	363,400	363,400	347,241
Ombudsman FY93 - 94	43,000	43,000	0
Ombudsman FY94 - 95	95,169	95,169	0
Operating Lump Sum Appropriation FY00-01	180,329	180,329	21,348

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
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 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Operating Lump Sum Appropriation FY03-04	279,617	279,617	279,617
Operating Lump Sum Appropriation FY04-05	4,210,000	4,265,000	3,939,884
Operating Lump Sum Appropriation FY99-00	886,420	886,420	0
School Maintenance and Operations	214,221	214,221	0
<b>Land Department</b>			
Cap User Fees	1,026,400	1,026,400	1,026,400
Environmental County Grants	125,000	125,000	125,000
Fire Equipment	1,200,000	1,200,000	917,138
In/Out of State Fire Costs	0	3,000,000	3,000,000
Inmate Fire Crews	790,200	790,200	465,505
Natural Resource Conservation Districts	110,000	110,000	110,000
Operating Lump Sum Appropriation	12,360,900	12,548,500	12,539,082
<b>Liquor Licensing Department</b>			
Operating Lump Sum Appropriation	2,769,800	2,813,700	2,813,559
<b>Law Enforcement Merit System Council</b>			
Operating Lump Sum Appropriation	57,100	58,300	57,962
<b>Department of Emergency Management and Military Affairs</b>			
Apache County River Reservoir Dam Emergency	394,816	394,816	337,675
Aspen Fire Emergency	819,450	819,450	74,440
Civil Air Patrol	56,700	56,700	56,700
Euz701 Search and Rescue	0	200,000	149,004
Euz701 Search and Rescue	1	1	1
Euz701 Search and Rescue	1,010	1,010	1,010
Euzhaz - Hazard Material Contingency	12,939	12,939	1,455
February 2005 Winter Storms and Flooding	0	1,820,000	760,067
Forest Heath Emergency - Pine Bark Beetle	452,696	452,696	0
Forest Heath Emergency - Pine Bark Beetle	1,084,231	1,084,231	819,751
Gila County Flash Flood Emergency	0	(261)	(261)
Hazard Materials Contingency	49,014	49,014	695
Kinishba Fire Emergency	0	(3,810)	(3,810)
La Paz/Maricopa Counties Storm Emergency	50	50	29
La Paz/Maricopa Counties Storm Emergency	1,797	1,797	(59,797)
La Paz/Maricopa Counties Storm Emergency	119,373	119,373	13,588
Mediterranean Fruit Fly Emergency	0	200,000	196,459
Mesa Armory Re-Roofing	1,325	1,325	-
Mitigation Projects 2004 Emergency Funds	1,636,179	1,636,179	712,638
Navajo County Severe Weather Emergency	0	70,000	58
Navajo, Gila and Coconino Counties Rodeo Fire	52	52	48
Navajo, Gila and Coconino Counties Rodeo Fire	326,430	326,430	(6,823)
Nogales and 52nd Street Building Renewal	12,032	12,032	0
Northern Arizona Winter Storm Emergency	0	950,000	485,729
Nuclear Emergency Management Fund	0	294,306	294,306
Nuclear Emergency Management Fund - Buckeye	0	31,551	31,551
Nuclear Emergency Management Fund - Maricopa	0	258,628	258,628
Nuttall Complex and Willow Fire Emergency	0	560,000	207,969
Off Site Nuclear Emergency FY89-90	1,708	1,708	0
Operating Lump Sum Appropriation	2,673,500	2,776,400	2,768,164
Operating Lump Sum Appropriation - Administration	1,304,100	1,325,500	1,324,066
Operating Lump Sum Appropriation - DEMA	842,000	859,300	859,263
Prescott and Bellemont Armories	101,897	8,723	0
Project Challenge Construction FY01 - 02	145,468	145,468	145,468
Project Challenge Program	1,560,300	1,560,300	1,558,977
Queen Valley Flash Flood Emergency	0	200,000	100,895
Safford and Sunnyslope Building Renewal	141	141	0

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
September Terrorism Incident Emergency	0	0	(107,024)
Service Contracts FY03 - 04	248,785	248,785	248,785
Service Contracts FY04 - 05	852,300	852,300	605,812
<b>Mine Inspector</b>			
Administrative Adjustments	0	2,835	2,835
Operating Lump Sum Appropriation	1,096,600	1,116,200	1,116,180
<b>Department of Building and Fire Safety</b>			
Administrative Adjustments	0	472	472
Operating Lump Sum Appropriation	3,221,000	3,278,400	2,964,819
<b>Mines and Mineral Resources</b>			
Operating Lump Sum Appropriation	650,300	658,400	654,054
<b>Medical Student Loans Board</b>			
Medical Student Loans	13,200	13,200	13,193
<b>Northern Arizona University</b>			
Main Campus - Operating Lump Sum Appropriation	113,034,100	115,132,300	115,132,300
NAU - Yuma Campus	2,308,200	2,308,200	2,308,200
<b>Navigable Streams Adjudication Commission</b>			
Administrative Adjustments	0	3,136	3,136
Operating Lump Sum Appropriation	158,400	160,700	151,364
<b>Personnel Board</b>			
Administrative Adjustments	0	111	111
Operating Lump Sum Appropriation	334,800	338,300	292,010
<b>Commission for Postsecondary Education</b>			
Leveraging Educational Assistance Partnership	1,220,800	1,220,800	1,220,800
Private Postsecondary Education Student Financial Assistance	170,500	170,500	170,500
<b>Prescott Historical Society</b>			
Administrative Adjustments	0	131	131
Building Renewal -Sharlot Hall Re-roofing	19	19	0
Operating Lump Sum Appropriation	620,700	639,100	628,864
<b>Pioneer's Home</b>			
Operating Lump Sum Appropriation	3,112,700	2,057,500	2,057,500
<b>Board of Executive Clemency</b>			
Operating Lump Sum Appropriation	894,900	913,300	903,117
<b>Parks Board</b>			
Acquisition and Development	114,360	114,360	7,260
Administrative Adjustments	0	70,000	70,000
Kartchner Caverns	1,595,700	1,654,800	1,629,448
Land Conservation Fund-General Fund	0	20,000,000	20,000,000
Operating Lump Sum Appropriation	2,334,500	2,380,500	2,282,811
Operating Lump Sum Appropriation	8,679,700	8,851,000	8,198,275
<b>Department of Public Safety</b>			
Administrative Adjustments	0	3,595	3,595
Building Renewal - Project 91-1036	0	2,746	2,746
Building Renewal - Project 91-2060	4,242	4,242	4,165
Building Renewal - Project 91-4018	2,310	2,310	2,300
Building Renewal - Project 91-4019	2,654	12,186	11,965
Building Renewal - Project 91-4020	6,544	8,500	8,500
Building Renewal - Project 91-4048	0	4,022	4,022
Building Renewal - Project 91-5013	0	28,500	28,498
Building Renewal - Project 91-5014	0	40,000	39,076
G.I.T.E.M.	4,288,900	4,308,100	4,298,525
Operating Lump Sum Appropriation	20,920,300	21,116,000	21,116,000
Operating Lump Sum Appropriation	13,006,800	13,006,800	13,006,800
Operating Lump Sum Appropriation	331,000	343,000	125,000

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Statewide Interoperability - Phase II	3,000,000	3,000,000	0
Statewide Interoperability Design	2,000,000	2,000,000	517,952
Sworn Officer Salary Adjustments	1,414,900	1,414,900	1,414,900
Tri-Agency Disaster Recovery	296,200	296,200	286,736
<b>Racing Department</b>			
Administrative Adjustments	0	1,501	1,501
Operating Lump Sum Appropriation	2,458,500	2,504,800	2,504,797
<b>Independent Redistricting Commission</b>			
Operating Lump Sum Appropriation FY00-01	48,633	48,633	48,633
Operating Lump Sum Appropriation FY03-04	249,542	2,749,542	728,172
<b>Real Estate Department</b>			
Operating Lump Sum Appropriation	3,142,700	3,208,400	3,201,942
<b>Ranger's Pension</b>			
Operating Lump Sum Appropriation	12,600	12,600	12,600
<b>Department of Revenue</b>			
Administrative Adjustments	0	26,378	26,378
Operating Lump Sum Appropriation	55,096,100	62,846,500	62,286,079
Revenue Generating Program	6,537,000	0	0
<b>Schools for the Deaf and the Blind</b>			
Administrative Adjustments	0	796,056	796,056
Operating Lump Sum Appropriation - Administration	4,841,600	4,973,800	4,767,710
Operating Lump Sum Appropriation - Phoenix	1,750,900	1,942,800	1,593,878
Operating Lump Sum Appropriation - Tucson	7,395,400	7,719,600	7,315,471
<b>School Facilities Board</b>			
Administrative Adjustments	0	1,456,708	1,456,708
Deficiencies Correction	15,000,000	15,000,000	15,000,000
Full Day Kindergarten Capital Grants	0	4,000,000	2,684,648
General Fund Transfer to Building Renewal 1st Tier	30,000,000	30,000,000	30,000,000
General Fund Transfer to Building Renewal 2nd Tier	10,000,000	10,000,000	10,000,000
General Fund Transfer to Deficiencies Correction Fund 3rd Tier	25,000,000	25,000,000	25,000,000
General Fund Transfer to Deficiencies Correction Fund Senate Bill 1406	0	75,000,000	75,000,000
New School Facilities Debt Service	43,009,600	43,009,600	43,009,600
Operating Lump Sum Appropriation	1,585,800	1,606,500	1,606,491
<b>Senate</b>			
Operating Lump Sum Appropriation FY03-04	93,907	93,907	93,907
Operating Lump Sum Appropriation FY04-05	6,694,100	6,841,500	6,341,014
Operating Lump Sum Appropriation FY99-00	711,220	711,220	711,220
<b>Supreme Court</b>			
4th Floor Chiller	2,528	2,528	0
Administrative Adjustments	0	54,607	54,607
Administrative Adjustments	0	(5,357)	(5,357)
Administrative Adjustments	0	8,671	8,671
Adult Intensive Probation	10,175,900	10,370,100	10,368,663
Adult Standard Probation Enhancement	11,114,300	11,351,800	11,349,330
Automation	4,613,000	4,636,800	2,317,943
Automation	9,886,100	9,886,100	8,499,690
Commission on Judicial Conduct	343,700	348,600	348,590
Community Punishment	893,100	913,000	910,461
County Reimbursements	246,000	246,000	230,613
Domestic Relations	708,500	713,900	700,120
Foster Care Review Board	1,864,100	1,901,200	1,897,711
HVAC Piping and Pump - Courts Building	329	329	0
HVAC Storage Tank	1,211	1,211	0
Interstate Compact	560,500	570,200	570,113

The Notes to Required Supplementary Information are an integral part of this schedule.

(Continued)

STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Judges Compensation	14,711,000	14,361,000	14,296,423
Judicial Nomination & Performance Review	281,300	284,300	275,846
Juvenile Family Counseling	660,400	660,400	641,068
Juvenile Intensive Probation	13,025,200	13,591,200	13,301,112
Juvenile Standard Probation	7,459,700	7,639,000	7,620,509
Juvenile Treatment Services	22,066,700	22,101,400	22,039,853
Operating Lump Sum Appropriation	8,195,300	8,302,400	8,109,052
Operating Lump Sum Appropriation	624,900	633,900	364,420
Operating Lump Sum Appropriation	4,807,700	4,812,300	4,245,051
Progressively Increasing Consequences	9,268,100	9,391,900	9,391,900
Repair/Rehab Cooling Tower - Courts Building	0	320,000	124,922
Rural State Aid to the Courts	418,500	418,500	418,500
Special Water Master	20,000	20,000	20,000
State Aid	84,700	84,700	80,460
<b>Secretary of State</b>			
Administrative Adjustments	0	19,535	19,535
Election Services	3,623,200	3,632,200	2,911,231
Help America Vote Act	1,400,000	1,400,000	702,683
Help America Vote Act - Federal Funds	27,000,000	27,000,000	47,125
Operating Lump Sum Appropriation	2,081,500	2,117,700	2,007,752
<b>Office of Tourism</b>			
Administrative Adjustments	0	20,403	20,403
International and Domestic Marketing	18,095	18,095	18,095
Media Advertising	4,500	4,500	4,500
Transfer to Tourism Fund	0	11,963,538	11,963,538
<b>State Treasurer</b>			
Administrative Adjustments	0	821,662	821,662
Community College Reimbursement	0	2,048,976	2,048,976
Corporate Income Tax Transfer	0	10,000,000	10,000,000
General Fund Transfer 2nd Regular Session Chapter 275	8,000,000	8,000,000	8,000,000
General Fund Transfer 2nd Regular Session Chapter 275	6,000,000	6,000,000	6,000,000
General Fund Transfer 2nd Regular Session Chapter 275	16,832,250	16,832,250	16,832,250
General Fund Transfer 2nd Regular Session Chapter 275	133,658,250	133,658,250	133,658,250
Justice of the Peace Salaries	2,775,500	2,775,500	2,390,127
Operating Lump Sum Appropriation	150,000	150,000	150,000
Operating Lump Sum Appropriation	2,598,400	2,635,700	2,626,522
<b>Tax Appeals Board</b>			
Administrative Adjustments	0	23	23
Operating Lump Sum Appropriation	274,100	278,700	246,529
<b>University of Arizona</b>			
Agriculture	39,536,800	40,336,000	40,336,000
Clinical Rural Rotation	459,800	475,700	475,700
Clinical Teaching Support	9,473,200	9,434,500	9,434,500
Liver Research Institute	488,300	503,300	503,300
Main Campus - Operating Lump Sum Appropriation	231,328,800	236,204,200	236,204,200
Operating Lump Sum Appropriation	42,549,800	43,251,300	43,251,300
Sierra Vista Campus	2,241,400	2,302,800	2,302,800
Telemedicine	1,172,100	1,184,300	1,184,300
<b>Uniform State Law Commission</b>			
Operating Lump Sum Appropriation	52,300	52,300	43,042
<b>Veterans' Services Department</b>			
Administrative Adjustments	0	2	2
Administrative Adjustments	0	65	65
Nursing Home Project FY91-92	3,605	3,605	0

The Notes to Required Supplementary Information are an integral part of this schedule.

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STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Nursing Home Project FY91-92	13,284	13,284	0
Nursing Home Project FY91-92	18,934	18,934	0
Operating Lump Sum Appropriation	2,036,700	2,097,800	2,095,932
Southern Arizona Cemetery	129,000	134,700	134,700
Veterans' Organizations Contracts	29,200	29,200	29,200
<b>Water Resources Department</b>			
Administrative Adjustments	0	663,428	663,428
Operating Lump Sum Appropriation	13,497,300	13,698,900	13,642,543
Rural Water Studies FY05	500,000	500,000	500,000
<b>Weights and Measures Department</b>			
Administrative Adjustments	0	6,504	6,504
Operating Lump Sum Appropriation	1,440,000	1,466,900	1,450,991
<b>Total General Fund Budgetary Expenditures before Adjustments</b>	<b>12,268,278,811</b>	<b>13,042,674,265</b>	<b>11,513,715,608</b>
<b>Less:</b>			
Economic Security Long-Term Care System Fund Appropriations that were duplicate expenditure authorizations	(584,300,700)	(584,485,000)	0
Department of Health Services Behavioral Health Appropriations, Children Rehabilitation Services Appropriations, & Kidscare Appropriations that were duplicate expenditure authorizations	(507,661,000)	(575,652,700)	0
<b>Total General Fund Budgetary Expenditures after Adjustments</b>	<b>\$ 11,176,317,111</b>	<b>\$ 11,882,536,565</b>	<b>\$ 11,513,715,608</b>

The Notes to Required Supplementary Information are an integral part of this schedule.

STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 TRANSPORTATION AND AVIATION PLANNING,  
 HIGHWAY MAINTENANCE AND SAFETY FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
<b>TRANSPORTATION AND AVIATION PLANNING, HIGHWAY MAINTENANCE AND SAFETY FUND</b>			
<b>Department of Transportation</b>			
Administrative Adjustments	\$ 0	\$ 350	\$ 350
Administrative Adjustments	0	14,485	14,485
Airport Planning and Development	13,540,000	13,540,000	6,318,147
Airport Planning and Development FY03 - 04	4,706,554	4,706,554	4,706,554
Alternate Truck Route - Douglas Chino Road	250,000	250,000	0
Arizona-Mexico Border Points FY97 - 98	569	569	0
Asbestos and Lead Inspections FY01 - 02	401,770	401,770	190,596
Asbestos and Lead Inspections FY02 - 03	598,039	598,039	0
Building Renewal	65,900	65,900	0
Building Renewal	500,000	500,000	495,031
Building Renewal	2,715,000	2,715,000	945,204
Building Renewal FY00 - 01	2,463	2,463	2,463
Building Renewal FY01 - 02	12,600	12,600	12,600
Building Renewal FY02 - 03	634,893	634,893	634,894
Building Renewal FY03 - 04	32,000	32,000	32,000
Building Renewal FY03 - 04	914,242	914,242	887,741
De-Icer Building FY02 - 03	14,822	0	0
Douglas Maintenance Yard Admin Adjustment FY90 - 91	2,000	2,000	0
Douglas Weigh Station	178,000	178,000	0
East Valley Maintenance Yard FY02-03	1,026,761	1,026,761	675,304
Fee Accounting and Revenue Management System	156,083	156,083	153,181
Fire System Upgrades	46,187	0	0
Highway - Operating Lump Sum Appropriation	115,466,700	117,024,700	117,011,487
Highway Construction	218,155,000	218,155,000	151,844,063
Highway Construction FY03 - 04	69,900,759	69,900,759	69,900,759
Highway Maintenance Lump Sum Appropriation	105,048,800	106,112,000	102,897,488
Highway Maintenance Lump Sum Appropriation	558,700	558,700	558,699
Highway Maintenance Lump Sum Appropriation FY03 - 04	100	100	0
Highway Maintenance Lump Sum Appropriation FY03 - 04	2,670,844	2,670,844	2,670,315
Increase to Vehicle Registration Enforcement	0	37,000	37,000
Integrated Inventory System	99,244	99,244	99,194
License Plate Credits and Refunds	0	322,000	245,181
Liquid De-Icer Storage Tanks	1,436	0	0
Methane Extraction Unit	65,436	0	0
Modular Trailer Operating Expenses	18,882	18,882	11,363
Motor Carrier Towing Regulation	0	168,500	157,393
Motor Vehicle - Electronic Certificate of Title Sys FY01 - 02	4,852	4,852	0
Motor Vehicle - Electronic Certificate of Title Sys FY02 - 03	13,488	13,488	0
Motor Vehicle - One-Time Trailer Feds Implementation	43,724	43,724	0
Motor Vehicle - Operating Lump Sum Appropriation	83,603,700	85,449,400	85,341,012
Motor Vehicle - Operating Lump Sum Appropriation	2,139,000	2,174,500	1,420,293
Motor Vehicle - Operating Lump Sum Appropriation	1,130,400	1,149,900	1,112,638
Motor Vehicle - Operating Lump Sum Appropriation	1,157,200	1,175,500	971,919
Motor Vehicle - Security Enhancement Issues FY01 - 02	174,917	174,917	173,766
Motor Vehicle - Security Enhancement Issues FY02 - 03	2,168,504	2,168,504	628,920
Motor Vehicle Nogales Port Facility FY00 - 01	5,481	5,481	0
Motor Vehicle Nogales Port Facility FY99 - 00	20,347	20,347	17,009
Nogales Cyber Port Study	300,000	300,000	0
Nogales Port of Entry FY98 - 99	2	2	0
North Phoenix Maintenance Yard	27,217	27,217	27,217

The Notes to Required Supplementary Information are an integral part of this schedule.

(Continued)

STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**BUDGETARY COMPARISON SCHEDULE, EXPENDITURES**  
 TRANSPORTATION AND AVIATION PLANNING,  
 HIGHWAY MAINTENANCE AND SAFETY FUND  
 FOR THE YEAR ENDED JUNE 30, 2005  
 (Expressed in Dollars)

	ORIGINAL BUDGET (Appropriations)	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
On-Line Verification of Social Security Numbers	797	797	0
Operating Lump Sum Appropriation	1,929,200	1,967,000	1,797,760
Operating Lump Sum Appropriation	38,333,600	38,801,800	38,795,649
Operating Lump Sum Appropriation	56,800	58,600	58,600
Safety, Security, Traffic Management and Control	18,000	18,000	0
San Luis Poe Connector Road	200,000	200,000	0
Site Improvement - Nogales Inspection Station	54,000	54,000	0
Southern Border Ports Administrations Office Annex	42,600	42,600	42,600
Special Projects FY98 - 99	30,868	30,868	0
Transfer to Department of Public Safety	32,540,600	32,680,100	32,680,100
Transfer to Department of Public Safety	1,218,200	1,226,800	1,226,800
Transfer to Department of Public Safety	51,889,500	52,216,300	52,216,300
Vehicle Registration Enforcement	383,300	383,300	378,128
Vehicle Registration Enforcement	383,300	383,300	383,219
West Phoenix Motor Vehicle Service Center	1,347	1,341	1,341
<b>Governor's Office of Highway Safety</b>			
Annual Rev Motorcycle Safety ARS 28-2010	0	43,028	43,028
<b>Department of Public Safety</b>			
Administrative Adjustments	0	5,242	5,242
Operating Lump Sum Appropriation	205,000	205,000	205,000
<b>Total Transportation and Aviation Planning, Highway Maintenance and Safety Fund Budgetary Expenditures</b>	<b>\$ 755,859,728</b>	<b>\$ 761,845,346</b>	<b>\$ 678,028,033</b>

The Notes to Required Supplementary Information are an integral part of this schedule.

STATE OF ARIZONA  
 REQUIRED SUPPLEMENTARY INFORMATION  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY COMPARISON SCHEDULES**  
 JUNE 30, 2005

**A. RECONCILIATION OF BUDGETARY TO GAAP EXPENDITURES**

The accompanying Budgetary Comparison Schedules for the General Fund and the Transportation and Aviation Planning, Highway Maintenance and Safety Fund present comparisons of the legally adopted budget with actual expenditure data on the budgetary basis. The original budget represents any appropriation bills passed by June 30, 2004 that affect available appropriations during fiscal year 2005. The final budget represents any appropriation bills passed during fiscal year 2005 for fiscal year 2005 plus the original budget. Appropriation bills passed after the end of fiscal year 2005 for fiscal year 2005 would also be included in the final budget.

The Budgetary Comparison Schedules present actual amounts on the State's budgetary basis for expenditures only. The Schedules include appropriations authorized in one fund and transferred, by legislation, to another fund. The State does not have a legally adopted budget for revenues; therefore, only expenditures are presented on the Budgetary Comparison Schedule, Expenditures for the General Fund and the Transportation and Aviation Planning, Highway Maintenance and Safety Fund. As the budgetary and GAAP presentations of actual data differ, a reconciliation of the two follows (amounts expressed in thousands):

	<b>General Fund</b>	<b>Transportation &amp; Aviation Planning, Highway Maintenance &amp; Safety Fund</b>
<b>Uses/outflows of resources</b>		
Actual expenditure amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 11,513,716	\$ 678,028
Differences - budget to GAAP:		
Increase (decrease) in unpaid incurred expenditures from fiscal year end 2004 to fiscal year end 2005.	(12,179)	448,322
Increase in unpaid payroll expenditures from fiscal year end 2004 to fiscal year end 2005. For budgetary reporting, final June 2005 payroll expenditures were charged to fiscal year 2006 budget.	19,519	-
Distributions to counties and cities of sales taxes are recognized as expenditures on the modified accrual basis, but have no effect on budgetary expenditures.	875,744	-
Distribution to counties and cities for Urban Revenue Sharing, derived from the State's income tax collections, is recognized as an expenditure on the modified accrual basis, but has no effect on budgetary expenditures.	373,073	-
Capital leases and installment purchase contracts initiated during the fiscal year, which are not reported in budgetary expenditures.	532	-
Programs which are not controlled by legislative appropriations but have disbursed cash or incurred obligations during fiscal year 2005.	3,638,236	1,564,642
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(839,037)	(679,705)
Total expenditures, as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 15,569,604	\$ 2,011,287

There were no expenditures in excess of appropriations or allotments in the individual budget accounts for the year.

STATE OF ARIZONA  
REQUIRED SUPPLEMENTARY INFORMATION  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY COMPARISON SCHEDULES**  
JUNE 30, 2005

**B. BUDGETARY BASIS OF ACCOUNTING**

Formulation of the budget begins with the preparation of estimates of expenditure requirements by the head of each budgeted agency and institution. These estimates are submitted no later than September 1 of each year to the Governor's Office of Strategic Planning and Budgeting. The budget is prepared by line item and/or program elements for each agency.

The budget document, as finally developed by the Governor, must be submitted to the Legislature no later than five days after the regular session convenes. The Legislature must approve the budget by passing a general and a capital outlay appropriation bill. The Governor may veto any item in an appropriation bill. Such vetoes are subject to legislative overrides. The budget can be amended throughout the year by special legislative appropriations and/or budget transfers. The State's Constitution prohibits budgeted expenditures from exceeding 7.41 percent of aggregate personal income as estimated by the Economic Estimates Commission.

The State prepares its operating budget on the cash basis of accounting. Encumbrances as of June 30 can be liquidated during a three-week administrative period known as the 13<sup>th</sup> month. At the time of the appropriation bill's passage, estimates prepared by legislative and executive branch professional staff assure the State Legislature that adequate revenues will be available to meet the level of appropriations approved. Anticipated revenue is estimated on the cash basis but is not part of the legally adopted budget. Consequently, the accompanying Budgetary Comparison Schedules only present budget to actual expenditure comparisons.

The Budgetary Comparison Schedules present all appropriation line items as passed by the State Legislature in order to demonstrate compliance with the legal level of budgetary control.

The State budgets on both an annual and biennial basis. Laws 2001, Chapter 236 appropriated biennial budgets for all state agencies. In biennial budgets, an agency receives a separate appropriation for each of two fiscal years. For "small" regulatory agencies, comprised of five to ten people, whose budgets were merely amended for technical adjustments in Laws 2002, Chapter 327, the first year appropriations do not lapse until the end of the second year. Except where specifically noted by the appropriation bills, the appropriations for all other agencies lapse at the end of each fiscal year. For the "large" fifteen state agencies, Laws 2002, Chapter 210 returned their budgets to a "one" year cycle beginning with the 2003 Legislative Session (fiscal year 2004 budget request). In prior years the "large" agencies have accounted for approximately ninety percent or more of the appropriations for the General Fund.

The budget format used by the State Legislature determines how an agency's appropriation appears in the General Appropriations Act. A less detailed format provides an agency with more discretion in implementing the budget. Conversely, a more detailed format may require an agency to use formal processes for redirecting appropriated funding. Among the possible format choices are the following:

Lump Sum – The appropriation of an agency for each fiscal year consists of a single dollar amount, thereby allowing the agency to shift funds among line items, programs and subprograms without further Legislative or Executive Branch review. Within this format, any programs or Special Line Items may be listed separately.

Modified Lump Sum – The appropriation of an agency for each fiscal year consists of at least three lines: Personal Services, Employee Related Expenditures and All Other Operating Expenditures. Any Special Line Items would be listed separately. Under this format, pursuant to ARS §35-173, an agency must seek approval of the Joint Legislative Budget Committee before moving any funding into or out of the Personal Services and Employee Related Expenditures line items. Any other funding transfers would require approval by the Department of Administration (ADOA), but not the Joint Legislative Budget Committee.

Detailed Line Item – The agency appropriation for each fiscal year consists of each line item listed in the Appropriation Report including Professional and Outside Services, Travel, Other Operating Expenditures, Equipment, Food and any Special Line Items. The same rules govern Personal Services and Employee Related Expenditures funding transfers as noted in the Modified Lump Sum description. This appropriation format requires an agency to seek ADOA approval before initiating funding transfers between all line items.

STATE OF ARIZONA  
REQUIRED SUPPLEMENTARY INFORMATION  
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During the fiscal year, \$901.956 million in supplemental appropriations net of increases and reversions were provided to major and non-major governmental funds to enhance various programs. The General Fund and the Transportation and Aviation Planning, Highway Maintenance and Safety Fund received \$774.395 and \$5.986 million, respectively, and those amounts are included in the Budgetary Comparison Schedules.

State agencies are responsible for exercising budgetary control and ensuring that expenditures do not exceed appropriations. The State Department of Administration – Financial Services Division exercises oversight and does not disburse funds in excess of appropriations.

The Governor shall have in continuous process of preparation and revision a tentative budget report for the next two ensuing years for which a budget report is required to be prepared.

Whenever the expenses of any fiscal year shall exceed the income, the Legislature *may* provide for levying a tax for the ensuing fiscal year sufficient, with other sources of income, to pay the deficiency, as well as the estimated expenses of the ensuing fiscal year.

All expenditure of the State's money must be authorized by law. Authorization can be granted directly by law or contingent upon appropriation from the State Legislature. Periodically, the State Legislature may appropriate monies for program expenditures already authorized by law, resulting in duplicate spending authority. In appropriating monies, the State Legislature has, in some cases, included external funding sources as a portion of an agency's total program expenditure authorization (budget) and has identified the external funding sources as an offset against the program appropriations total in order to reflect the State funding amount. Examples of these are found in the Department of Economic Security's Long Term Care appropriation line items on page 131 and in the Department of Health Services Title XIX appropriation line items on pages 135 and 136. Accordingly, sometimes program expenditures may not exhaust specific legislative appropriations. To properly present the total budget (appropriation) information, in relationship to "actual" expenditure amounts, duplicate expenditure authorizations have been eliminated from general fund budget (appropriation) totals on page 142.

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Information About Infrastructure Assets Reported Using the Modified Approach

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* (GASB 34), the State of Arizona reports its roads and bridges using the modified approach. Assets accounted for under the modified approach include 6,816 center lane miles (18,424 travel lane miles) of roads and 4,608 bridges that the State is responsible to maintain.

In order to utilize the modified approach, the State is required to:

- Maintain an asset management system that includes an up to date inventory of eligible infrastructure assets
- Perform condition assessments of eligible assets and summarize the results using a measurement scale
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the State
- Document that the assets are being preserved approximately at or above the established condition level

As adopted by the State Transportation Board on an annual basis, the Five-Year Transportation Facilities Construction Program (Program) contains estimated expenditures for highway system improvements and the preservation of existing roadways and bridges. Both of these factors impact the condition assessment of the roads and bridges as described in the following sections. The Program in effect for fiscal year 2006 and beyond was adopted by the Transportation Board on June 17, 2005.

This Program is a dynamic instrument and adjustments are made to the annual plans based on the needs of the State to maintain the condition level of the roads and bridges at a level equal to, or greater than, the goals established by the State. In addition, not only are adjustments made during the life of the Program, circumstances may require that refinements to the individual components of the Program be made during the fiscal year.

In comparing Estimated to Actual Expenditures, significant variances can occur. These variances are primarily due to the methodology used in the preparation of the Program. In this Program, the Estimated Expenditures for the current year are based on “programmed” projects which may or may not be spent in the current year of the Program. “Programmed” expenditures consist of those items that are planned for the future and contracts that have not yet been awarded. Furthermore, the Actual Expenditures will include projects that were “programmed” for a prior year’s Estimated Expenditures but which did not occur, or were not completed, in the prior year.

The following information pertains to the condition assessment and maintenance of infrastructure assets and reflects the State’s success in achieving condition levels that exceed the established levels.

**Roads**

The mission of the Department of Transportation’s (ADOT) Pavement Management Section (PMS) is to develop and provide a cost effective pavement rehabilitation construction program that preserves the State’s investment in its highway system and enhances public transportation and safety. The requirements of GASB 34 and the ADOT PMS both work toward the same basic goal, the efficient, effective management of the State’s assets to produce long term benefits, while minimizing expenditures.

The PMS has developed performance goals for the condition level of the pavement in the State’s highway system. These goals require periodic assessment of pavement conditions and the budget level needed to meet that goal. The goal is expressed as a measure called “Serviceability”, which can be defined as the ability of a pavement to serve the traveling public (as documented in 1961 after AASHTO Road Test, 1956-1961). Serviceability is based on detailed measurements of objective features of the pavement and many surveys since the original road test have shown that these measurements closely track the subjective opinion of the traveling public. Most commonly, this number is called “Present Serviceability Rating” (PSR). PSR is a five-point scale (5 excellent, 0 impassable), similar to the Weaver/AASHTO Scale shown as follows:

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Numerical Rating	PSR	Weaver/AASHTO Scale
5	Excellent	Perfect
4	Good	Very Good
3	Fair	Good
2	Poor	Fair
1	Very Poor	Poor
0	Impassable	Very Poor

The goal of the State is to maintain a condition level (PSR) rating of 3.23 or better for all roads in the State’s highway system. Annually, Transportation Material Technicians drive over the system with inertial profiling equipment and measure the roughness of the pavement. This process is continuous throughout the year in order to assess the condition level of all pavement on an annual basis. As of the end of fiscal year 2005, an overall rating of 3.8 was achieved, as shown in the following graph:

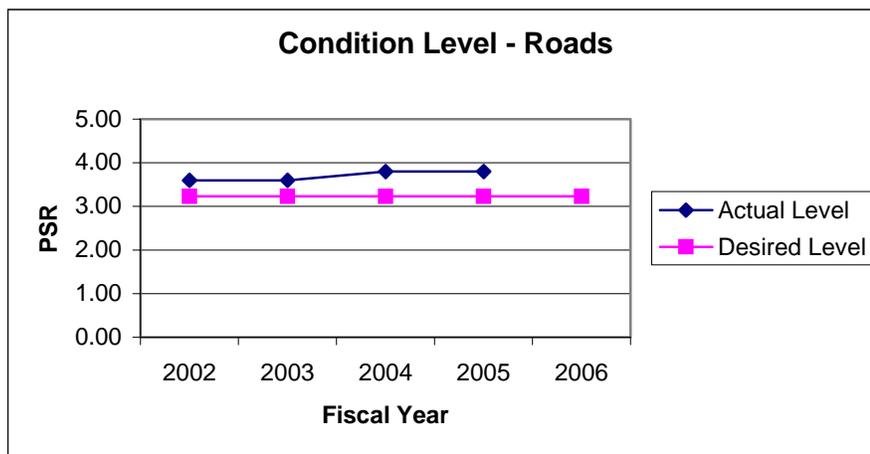


Figure 1

Preservation of the roads is accomplished through programs managed primarily by the ADOT PMS, as well as other units within the Department. The estimated (as specified in the Program as programmed amounts) and actual expenditures for fiscal years 2002 through 2005 were as follows:

Fiscal Year	Estimated Expenditures (in millions)	Actual Expenditures (in millions)
2002	\$227.4	\$234.8
2003	\$243.5	\$220.8
2004	\$198.5	\$215.5
2005	\$235.7	\$196.0

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**Bridges**

Bridges constitute a significant portion of all infrastructure assets in Arizona. As of June 30, 2005, the State owns and maintains 4,608 bridges with an approximate total deck area of 41,988,500 square feet. Bridges, for purposes of this report, include all structures erected over an opening or depression with a centerline of 20 feet or more. Information related to these bridges is stored and updated in the Arizona Bridge Information and Storage System (ABISS). This system is used to efficiently manage the bridge inventory through storing all bridge related data and assist bridge engineers in arriving at appropriate bridge preservation decisions. Also, ABISS is used for reporting bridge inventory and condition, on a biennial basis, to the Federal Highway Administration (FHWA).

A Condition Rating Index (CRI) is used to track the condition of the bridge network. The CRI is based on four selected bridge inspection condition ratings, which in turn are based on standards established in the FHWA's "Recording and Coding Guide for the Structural Inventory of the Nation's Bridges". The four selected condition ratings that are included in the CRI computation are: the bridge joints condition, the deck condition, the superstructure condition, and the substructure condition. The bridge joints condition rating is an Arizona specific rating item not included in the FHWA condition rating guidelines, whereas the three other condition ratings are federally mandated condition ratings. The CRI is computed by subtracting from one the ratio of the sum of the deck areas of all bridges with a condition rating of four or less, which indicates that the rated element is at best in a poor condition, to the total sum of the deck areas. The rating system in this guide is as follows:

Numerical Rating	Condition Rating
9	Excellent
8	Very Good
7	Good
6	Satisfactory
5	Fair
4	Poor
3	Serious
2	Critical
1	Imminent Failure

Management of the bridge inventory is a major function of ADOT's Bridge Group and regularly scheduled biennial inspections are made of all bridges. A civil or structural engineer, licensed to practice in Arizona, performs these inspections. It is the policy of the State to maintain State highway bridges so that the CRI exceeds 92.5%. In fiscal year 2005, the CRI was computed at 93.9%.

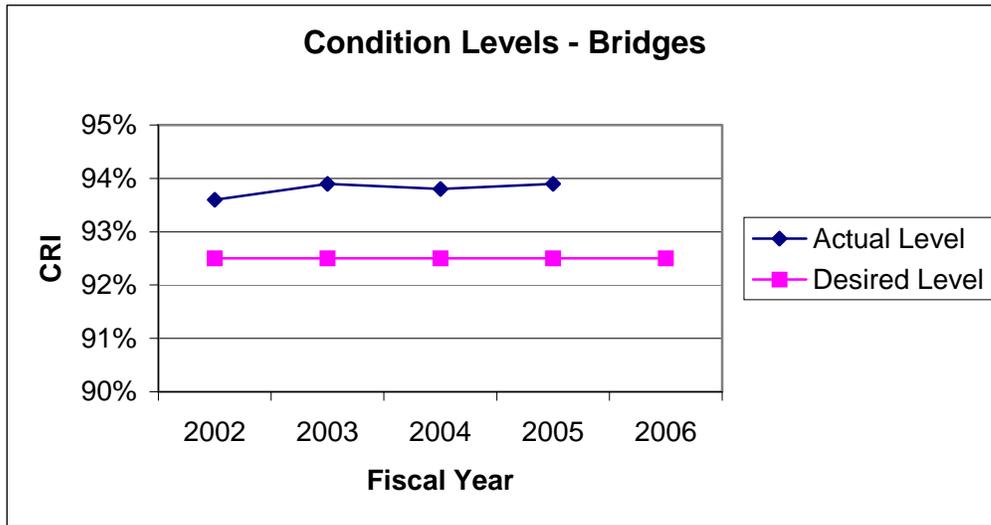


Figure 2

Bridges represent a major public investment and their inspection and maintenance is an essential function of the State in its mission of products and services for a safe, efficient, and cost effective transportation system. Figure 3 indicates that approximately 64% of the bridges in the State were constructed prior to the 1970s while only 15% have been constructed in the last two decades.

### Age of ADOT's Bridge Population

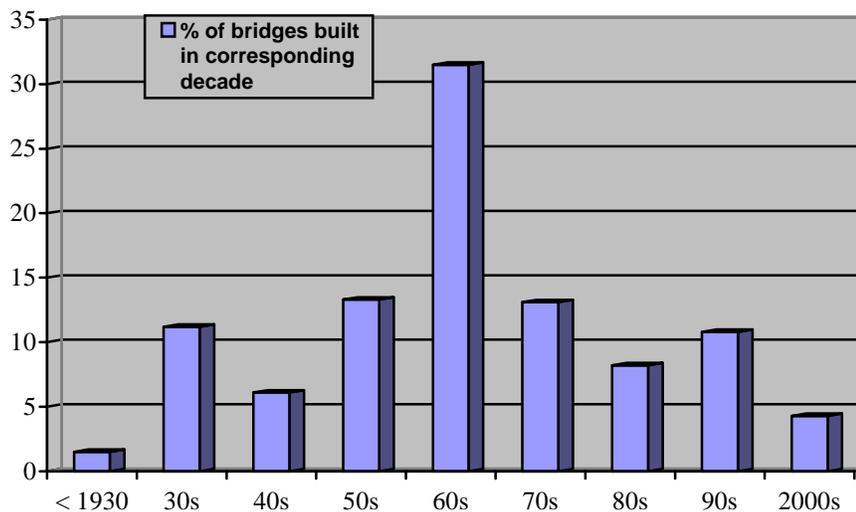


Figure 3

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Preservation of the bridges is accomplished through programs managed by the Bridge Group. The estimated (as specified in the Program as programmed amounts) and actual expenditures for fiscal years 2002 through 2005 were as follows:

Fiscal Year	Estimated Expenditures (in millions)	Actual Expenditures (in millions)
2002	\$14.4	\$18.2
2003	\$13.6	\$15.8
2004	\$12.1	\$12.2
2005	\$ 9.4	\$10.0

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**AGENT RETIREMENT PLANS' FUNDING PROGRESS**  
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Analysis of the funding progress for each of the agent, multiple-employer defined benefit plans, as of the most recent actuarial valuations, is as follows (expressed in thousands).

Plan	Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	(Unfunded)/ Funding Excess	Funded Ratio	Annual Covered Payroll	(Unfunded)/ Funding Excess as Percentage of Covered Payroll
PSPRS	6/30/2005	\$ 573,536	\$ 718,353	\$ (144,817)	79.8%	\$ 73,779	(196.3)%
	6/30/2004	588,237	635,120	(46,883)	92.6%	69,576	(67.4)%
	6/30/2003	612,183	594,058	18,125	103.1%	71,364	25.4%
CORP	6/30/2005	674,749	696,396	(21,647)	96.9%	295,772	(7.3)%
	6/30/2004	649,029	618,373	30,656	105.0%	296,028	10.4%
	6/30/2003	632,635	552,740	79,895	114.5%	286,197	27.9%

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