

Exhibit 17

APPLICATION

ARIZONA DPS RICO FUNDS

Applications for RICO funding will be solicited semi-annually (April and October). Projects approved for funding will begin in July and January respectively. Divisions can present projects to the Funding Committee outside of these funding cycles if an urgent need is identified.

Requesting Bureau: Human Resources

Project Title: Drug-Free Workplace (DFW) Program

Project Coordinator: Julie Trimbell, Human Resources Supervisor

Project Budget Coordinator: Vanessa Vanegas, Human Resources Assistant

Total Funds Requested: \$31,510 ~~\$27,900~~

Proposed Project: Describe the proposed project and indicate which of the allowable expenditure categories it falls under. (RICO funds can be expended on activities calculated to enhance future investigations, substance abuse prevention/awareness programs, gang prevention programs, witness protection and law enforcement related training, equipment, facilities and operational expenses.)

The Drug-Free Workplace (DFW) Program was implemented on August 1, 1997 following a tragic event involving a department employee. In a continued effort for vigilance toward substance abuse in the workplace, the DFW Program reinforces and promotes the Department's commitment to provide a drug and alcohol-free workplace; a safe and healthy work environment that maintains the highest level of work ethics, law enforcement integrity and professionalism.

This memorandum is a request for RICO funding to continue the DFW Program for fiscal year 2010/2011. The request takes into account the random testing for the approximate 1,385 employees assigned to safety sensitive positions throughout the Department. It also includes costs associated with pre-employment drug testing of potential new hires and related expenses. **The total request for the DFW Program Budget for fiscal year 2010/2011 is \$31,510.**

Problem:

Substance and alcohol use/abuse in the workplace impairs the safety of the abusers, other Department employees and the citizens of the State of Arizona. Studies by expert authorities on safety and substance abuse issues in the workplace have shown that substance abuse decreases the productivity of employees, increases the incidence of work-related accidents, increases absenteeism, exposes the abusing employee and the Department to unnecessary liability and undermines public trust and confidence in the Department and its employees. This conduct is incompatible with the Department's mission and responsibility as a law enforcement agency.

The potential for substance abuse in the workplace is universal. Substance abuse in the workplace has a real impact on their bottom line. Substance abuse drains more than \$100 Billion from American businesses every year. For example; **WORKERS' COMPENSATION:** 38% to 50% of all Workers' Compensation claims are related to substance abuse in the workplace; substance abusers file three to five times as many Workers' Compensation claims. **MEDICAL COSTS:** Substance abusers incur 300% higher medical costs than non-abusers. **ABSENTEEISM:** Substance abusers are 2.5 times more likely to be absent eight or more days a year. **LOST PRODUCTIVITY:** Substance abusers are 1/3 less productive. **EMPLOYEE TURNOVER:** It costs a business an average of \$7,000 to replace a salaried worker. Companies who have a Drug Free Workplace Program will find that an investment in education, prevention, and assistance programs pays dividends for both the employer & the employee.

* Source: 'Working Partners', National Conference Proceedings Report: sponsored by U.S. Dept. of Labor, the SBA, and the Office of National Drug Control Policy.

The Department of Public Safety is a leader in state government and the law enforcement community in its implementation of a Drug-Free Workplace Program. The existence of the DFW Program removes undesirable candidates from being hired through pre-employment drug testing. In accordance with Arizona Administrative Code R13-4-109, the Arizona Peace Officer Standards and Training Board may deny certified status or suspend or revoke the certified status of a peace officer for the illegal use of marijuana, a dangerous drug, or a narcotic. Therefore to ensure compliance, the Department performs random drug testing of sworn employees. Positive drug and alcohol test results allow the Department to terminate undesirable employees, removing potential hazards to the Department and its employees.

Proposed Budget: Provide as much detail as possible. (Note: The approval of RICO funding for goods or services does *not* exempt the purchaser from State of Arizona procurement policies, i.e., the requirement to process a competitive bid for the requested goods or services, use of an existing contract vendor for those items, or request for approval to waive competition [per statute]. Brand names and model numbers referenced in the application for RICO funding will be utilized for illustrative purposes only to provide an estimated dollar amount for the funding request.)

The total request for the DFW Program Budget for fiscal year 2010/2011 is \$31,510. Additional funds may be requested during the fiscal year if hiring efforts increase or additional civilian positions, which qualify for testing, are identified.

The following is a breakdown of the expenses that will be incurred.

1. All Department full-time, part-time, limited term, temporary and contract employees, as well as Department-administered task force members (which includes personnel from law enforcement agencies assigned to task forces), sworn reserves and Motorist Assist Drivers, working in safety-sensitive areas will theoretically be tested once every two years. The estimated total number of random drug tests required for the next program year is 693. Pre-employment testing is estimated for 240 candidates this next program year. The Drug and Alcohol vendor contract with Southwest Labs and Concentra Services has a per test fee of approximately \$30. The cost for Medical Review Officer (MRO) services is \$12 per test with an estimated 10 tests reviewed annually. Based on 933 drug tests and the MRO services for the fiscal year, the approximate total cost of testing is \$28,110.
2. The training of supervisors and managers is essential for success of the program. Training will include information pertaining to collection site protocols, laboratory test analysis procedures, and signs and symptoms for identification of substance abusers - approximate cost, \$500.

3. Technical support/upgrades contract for the DFW ASSISTANT software (which is proprietary to Compliance Software) - \$1500.
4. Assigned personnel will travel to district offices to acquire input on program policies and procedures. Additionally, assigned personnel will do spot-check inspections of collection sites statewide - approximate in-state travel cost for 12 trips, \$250.
5. Assigned personnel will attend one training seminar on drug-free workplace issues - approximate cost, \$500.
6. Memberships in relevant drug-free workplace organizations, such as "Institute for a Drug-Free Workplace" - approximate annual cost, \$300.
7. Subscriptions, books, periodicals, leaflets, and pamphlets to aid in promoting the DFW Program and to keep Coordinator current on statutes, laws and changes to programs - \$350.

TOTAL: \$31,510.00

Estimated Timetable:

Date	Expenditure Description	Amount
Q1	DFW Program Operations	\$ 7,680
Q2	DFW Program Operations	\$ 7,780
Q3	DFW Program Operations	\$ 8,530
Q4	DFW Program Operations	\$ 7,520

Budget:

<input checked="" type="checkbox"/>	Administrative:	\$ 28,110
<input type="checkbox"/>	Construction:	
<input checked="" type="checkbox"/>	Equipment:	\$ 1,500
<input type="checkbox"/>	Match Grants:	
<input checked="" type="checkbox"/>	Other Operating:	\$ 1,650
<input type="checkbox"/>	Personal Services	
<input type="checkbox"/>	Civil Remedies:	
<input type="checkbox"/>	Professional/Outside	
<input checked="" type="checkbox"/>	Travel - In State	\$ 250
<input type="checkbox"/>	Travel - Out State	

		25,325	
1.	Drug and Alcohol Vendor Fees	\$ 28,110	\$ 22,000
2.	Technical Support/Upgrades for ASSISTANT Software	\$ 1,500	
3.	In-State Travel	\$ 250	
4.	Education Training	\$ 1,000	
5.	Dues/Memberships	\$ 300	
6.	Books, Subscriptions & Publications	\$ 350	
Total RICO request for FY 10/11		\$31,510	\$825

reduce 50%

Concur: _____ **Date:** _____
Lieutenant Colonel Steven Campbell

Review: _____ **Date:** _____
Grant Administration Secretary, Financial Services