



Arizona Department of Homeland Security

**Arizona Integrated Planning System (AZIPS)
Five-Year Strategic Plan
2018 - 2023**

SEPTEMBER 4, 2018

MISSION STATEMENT

The mission of the Arizona Department of Homeland Security (AZDOHS) is to protect Arizona by providing strategic direction and access to resources that will enable all of the State's homeland security stakeholders to achieve our collective goals of:

- Preventing terrorist attacks in Arizona
- Enhancing border security
- Heightening cybersecurity efforts
- Reducing Arizona's vulnerability to all critical hazards
- Enhancing the capacity and expertise to plan for, mitigate, respond to and recover from all critical hazards that affect the safety, well-being and economic security of Arizona
- Building the resiliency of Arizona

AGENCY DESCRIPTION

The AZDOHS provides strategic direction for enhancing regional capability and capacity to prevent terrorist attacks, enhance border security, heighten cybersecurity efforts, reduce Arizona's vulnerability to all threats and critical hazards, mitigate and minimize the impact of threats and hazards, and further develop the ability to recover from all critical hazards that affect the safety, well-being and economic security of the residents of Arizona. Additionally, the director of the AZDOHS serves as the Homeland Security Advisor to the Governor providing information on current events and trends.

On a daily basis, the AZDOHS personnel are communicating with stakeholders regarding the strategic planning and utilization of homeland security grant funds. Responsibilities of grant management and administration include grant information seminars; application development, review and process; reimbursement request processing; organization and facilitation of meetings for the Regional Advisory Councils, Senior Advisory Committee, Operation Stonegarden Integrated Planning Teams and Oversight Committee, State Citizen Corps Council; completion of numerous reporting requirements to include progress updates, budget status reports (Federal Financial Reports, semiannual progress reports, monthly income forecasts, annual allocation and expenditure reports), Stakeholder Preparedness Review (SPR), Threat Hazard Identification Risk Assessment (THIRA), and monitoring of stakeholders for compliance with grant guidance.

STRATEGIC ISSUES

ISSUE 1 – MAINTAINING THE SAFETY AND SECURITY OF ARIZONA'S RESIDENTS WITH POTENTIALLY FURTHER REDUCED FEDERAL FUNDING - POTENTIAL IMPACT TO ARIZONA'S ENHANCEMENT OF BORDER SECURITY AND THE CAPABILITY AND CAPACITY TO PREVENT, PROTECT, MITIGATE, RESPOND TO AND RECOVER FROM TERRORIST ATTACKS AND ALL HAZARDS.

In today's current environment, there is a persistent threat of terrorist attacks. It's not a matter of if, but when these attacks will occur worldwide. It is more important than ever to provide as many resources as possible to homeland security initiatives to ensure the safety and security of Arizona's residents.

There is an ongoing challenge to maintain and sustain the capabilities and capacity levels achieved over the past several years with the continuous looming potential reductions in federal funding. One of the major elements that is key to the capability and capacity to prevent, protect, mitigate, respond to and recover from terrorist attacks and all hazards is the collaborative partnerships that have been developed and fostered through the homeland security grant program.

As is the case with many federal grant programs, AZDOHS leadership is aware of the potential in reduced homeland security grant funding and continues to work with stakeholders to maximize the use of current grant funds. The FFY 2018 grant funds are 21.1% lower than the FFY 2011 funding level. Yet, there will be an ongoing requirement and expectation that Arizona will continue to assure border security operations are enhanced and sustained; and that the capabilities and capacity (built with homeland security grant funds) to address the ever-present and ongoing threats of terrorism, illegal border crossings, human and drug trafficking along the Arizona/Mexico border, and information-sharing among law enforcement entities (local, state, tribal, federal) to prevent adversarial attacks are sustained.

To provide safety and security to Arizona's residents; the capability and capacity to conduct border security operations, maintain emergency response plans, and interoperable communications, and equipment to respond to acts of terrorism or other critical hazards is a priority for the well-being of all residents. It is also imperative that training and exercise continue to maintain and sustain a capable response force.

Reduced funding impacts Arizona's border security operations by decreasing state, local and tribal high-visibility uniformed patrols along the Arizona/Mexico border and also affects the ability to prevent and protect Arizona's residents from terrorism and other critical hazards. It is essential to maintain the strategic direction, capabilities and capacity to prevent, protect, mitigate, respond to and recover from an incident for the safety, well-being and economic security of Arizona.

The challenge is sustaining or enhancing the capacity levels in accordance with increasing threats/hazards in the current homeland security environment.

ISSUE 2 – SUSTAINING THE VIABILITY OF THE AZDOHS WITH POTENTIALLY FURTHER REDUCED FEDERAL FUNDING - IMPACT TO AZDOHS TO EFFECTIVELY PROVIDE HOMELAND SECURITY STRATEGIC DIRECTION, ENHANCE COLLABORATIVE EFFORTS AND ADMINISTER AND MANAGE GRANT FUNDS AWARDED TO THE STATE OF ARIZONA.

The AZDOHS is the State Administrative Agency (SAA) responsible for the management and administration of the suite of grant programs available from the USDHS. As the SAA, there is a myriad of roles, responsibilities and reporting requirements to maintain eligibility to receive and maintain compliance with all of the grant guidance and award conditions.

Since 2011, Arizona's homeland security grant funds have decreased by more than 21.1%. Regardless of any potential reductions of the grant programs, the SAA must still maintain compliance and meet all reporting requirements well after the end of a grant performance period.

While the AZDOHS has made every effort to be exemplary stewards of the funds awarded to the State, the department would be impacted by a reduction of funds.

A substantial reduction in funds will directly result in a reduction of current AZDOHS staffing levels. A reduction in current staffing levels will affect the department's ability to sustain the collaborative efforts that have brought together and built working relationships across the various disciplines. The collaborative relationships built have served as a cornerstone involving collective efforts to share information, leverage resources, and increase the level of prevention and response capabilities.

Reduced staffing would impede the ability to efficiently and effectively manage and administer the grant programs as well as meet all of the state and federal reporting requirements. Failure to maintain compliance with the reporting requirements could result in Arizona being ineligible to receive homeland security grant funds or a reimbursement being held until such time compliance is achieved.

Reimbursement requests to stakeholders would be delayed thus imposing unintended budgetary consequences on local jurisdictions to be able to accept and utilize any potential grant funds that may have been awarded. Accordingly, stakeholder relationships and collaborative efforts would be affected.

Should federal homeland security grant funding be reduced, the overarching impact to the State of Arizona will negatively affect border security and counter-terrorism efforts. In addition, emergency management, preparedness and response efforts will also be impacted. Reduced funding could affect the sustainment of Arizona's current levels of security, preparedness and emergency response.

STRATEGIES

STRATEGY TO ADDRESS ISSUE 1 – MAINTAINING THE SAFETY AND SECURITY OF ARIZONA'S RESIDENTS WITH POTENTIALLY REDUCED FEDERAL FUNDING - POTENTIAL IMPACT TO ARIZONA'S ENHANCEMENT OF BORDER SECURITY AND THE CAPABILITY AND CAPACITY TO PREVENT, PROTECT, MITIGATE, RESPOND TO AND RECOVER FROM TERRORIST ATTACKS AND ALL HAZARDS.

The AZDOHS will continue to focus on border security, maintaining and sustaining the capabilities and capacities to prevent, protect, mitigate, respond to and recover from threats or acts of terrorism and all critical hazards with the grant funds awarded to Arizona through the FFY 2018 funding cycle. To address this issue, the AZDOHS will focus on the furtherance of enhancing regional partnerships and collaborative information-sharing activities.

It is the goal of the AZDOHS to manage and administer the available funds while maintaining compliance with the USDHS National Preparedness Goal and the National Preparedness System to sustain capabilities that can be regionally and federally deployed. Although deployment is coordinated through the mutual aid compacts at the local, state and regional level, the SAA is the designated entity eligible to apply for and receive homeland security grant funds.

If federal funds are reduced, stakeholders would be encouraged to seek maintenance and sustainment support through their local governing body.

STRATEGY TO ADDRESS ISSUE 2 – SUSTAINING THE VIABILITY OF THE AZDOHS WITH POTENTIALLY REDUCED FEDERAL FUNDING - IMPACT TO AZDOHS TO EFFECTIVELY PROVIDE HOMELAND SECURITY STRATEGIC DIRECTION, ENHANCE COLLABORATIVE EFFORTS AND ADMINISTER AND MANAGE GRANT FUNDS AWARDED TO THE STATE OF ARIZONA.

To address reduction of funding to maintain and sustain the AZDOHS, the department will continue to use the Arizona Management System to analyze and assess our internal budget and internal processes.

Annual reviews and assessments will be conducted to determine viability of staff levels to maintain ongoing department responsibility requirements. If reduction in funds is experienced, reduction in force recommendations will be made to the director accordingly.

With limited resource options, it will be difficult to sustain the standards of excellence the AZDOHS has attained to be good stewards of the homeland security funds awarded to Arizona.

ADHOHS will continue to use the Arizona Management System to analyze and assess our internal budget and internal processes.

RESOURCE ASSUMPTIONS

ARIZONA DEPARTMENT OF HOMELAND SECURITY RESOURCE ASSUMPTIONS 2018-2023						
	FY2018 Budget Request	FY2019 Budget Request	FY2020 Budget Request	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate
Full-time equivalent (FTE) Positions	16	16	16	16	16	16
General Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0	0.0
Non- Appropriated Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	26.3	27.0	27.0	27.0	27.0	27.0
Total Agency Funds	\$26.3	\$27.0	\$27.0	\$27.0	\$27.0	\$27.0

Amounts are in Millions

Federal fund amounts represent the AZDOHS' anticipated expenditures passed-through to other state agencies, all 15 counties, 30 cities towns and tribal governments through state fiscal year 2023. These figures represent funds currently available and anticipated future funding.

In FFY 2018 the HSGP grant consists of three categories, the State Homeland Security Grant Program (SHSGP), the Urban Area Security Initiative Grant Program (UASI) and the Operation Stonegarden Grant Program (OPSG). The AZDOHS has also applied for a Nonprofit Security Grant Program (NSGP) award;

however, Management & Administrative (M&A) funds cannot be recovered from this grant as it is a 100% pass through grant. The AZDOHS has been notified of 2018 grant awards and received \$4.0 million for the SHSGP Grant, \$4.0 million for the UASI Grant, \$17.6 million for the OPSG Grant and \$797,988 for the Non-Profit Grant.

In FFY 2018, the grant guidance states that SAAs may retain 5% of the total HSGP award for M&A purposes, but the SAAs must ensure that 100% of the OPSG award is passed through to subrecipients. Any funds retained by the State to pay for M&A costs supporting OPSG must be taken from the M&A allowance from the SHSGP grant. The AZDOHS will retain \$399,000 for M&A expenses from the SHSGP and UASI allocations (5% of total award) and will enter into Memorandums of Understanding (MOUs) with the five county sheriffs' departments (Cochise, Pima, Pinal, Santa Cruz and Yuma) to retain \$880,000. States are allowed to retain up to 20% of total funding (including M&A) to be used for state projects and SAA planning expenditures. These funds support salaries of the AZDOHS planners, the director, deputy director and other key AZDOHS staff. The AZDOHS has historically retained a minimum amount of this funding in order to maximize the amount of funds passed through to other state projects in support of the mission of the AZDOHS such as border security efforts, counter-terrorism and emergency management. By entering into MOUs with the county sheriffs' departments to retain funds for M&A, the AZDOHS is able to increase the amount of available funds to other state agencies and projects.

* AZDOHS leadership has heard that the 2019 Homeland Security grant Program might include a 25% match component as part of the requirement. At this time we are not sure if this potential match will be a cash or in-kind match. This potential 25% match could have a detrimental effect on some of the smaller agencies that are awarded HSGP grants.