



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

AUG 28 2014

The Honorable Janice K. Brewer
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Brewer:

I am pleased to submit the Arizona Department of Economic Security's *State Fiscal Year 2014 Annual Welfare Reform Report*, as required by Laws 1997, Chapter 300, Section 76. The report highlights the issues and accomplishments of Arizona's welfare programs during state fiscal year (SFY) 2014, which includes data from SFY 2014 and provides comparisons to SFY 2013.

If you have any questions, please contact me at (602) 542-5757.

Sincerely,

Clarence H. Carter
Director

Enclosure

cc: President Andy Biggs, Arizona State Senate
Speaker Andy Tobin, Arizona State House of Representatives
Joan Clark, Director, Arizona State Library, Archives and Public Records



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State Fiscal Year 2014 Annual Welfare Reform Report

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I. Introduction

The Arizona Department of Economic Security (DES or Department) is pleased to report on the status of the implementation of services and supports to help individuals and families achieve economic mobility and stability. This report is in compliance with Laws 1997, Chapter 300, Section 76:

“By September 1 of each year, the department of economic security shall submit a report to the president of the senate, speaker of the house of representatives and governor regarding welfare reform implementation. The report shall include information on outcome measures such as length of employment, amount of earned income, hourly wage, hours worked per week, total family income, health coverage, use of child care, issues concerning welfare reform in rural areas, housing, number of out-of-wedlock births, length of deferral for victims of domestic violence, level of participation in job training, education for the transition to self-sufficiency and number of substantiated cases of child abuse and neglect. The information shall be for the most current year and the previous year and shall be compiled in a manner and form that allow an assessment of the effectiveness of welfare reform in this state, including areas in which temporary assistance for needy families is being operated by the Arizona works agency pursuant to title 46, chapter 2, article 9, Arizona Revised Statutes, as added by this act.”

II. Department Overview

The Arizona State Legislature established the Department of Economic Security in 1972 by consolidating the authority, power, and duties of seven separate state entities, followed by an eighth in 1974 (A.R.S. § 41-1954). The intent of the 1972 legislation and subsequent amendments was to provide an integrated approach to human services.

On May 29, 2014, Arizona Laws 2014, Second Special Session, Chapter 1, (Senate Bill 1001) established the Department of Child Safety (DCS), separate from the Department of Economic Security, to provide oversight, transparency, and independence for the state’s child welfare function.

The DES Vision is that *every child, adult, and family in the State of Arizona will be safe and economically secure*. In order for this vision to be realized, DES has established five goals:

1. Strengthen individuals and families;
2. Increase self-sufficiency;
3. Collaborate with communities to increase capacity;
4. Improve accountability through active performance-monitoring and increased transparency; and
5. Improve outcomes for Arizonans by creating a person-centered human services system.

The Department of Economic Security strives to achieve this through its Mission to *promote the safety, well-being, and self-sufficiency of children, adults, and families.*

There are five core values that form the basis for the work that DES does in the fulfillment of its mission.

- Value Our Team Members;
- Person/Family-Centric;
- Community Engagement;
- Optimum Interconnectivity; and
- Accountability.

These values are applied in the daily work across DES.

The Mission of DES is best achieved through the holistic delivery of human services across programs. The DES and DCS employees in more than 40 programs and services work together to help many of Arizona's vulnerable citizens, including low-income working families, individuals with developmental disabilities, senior citizens, victims of domestic violence, and those seeking basic supports (food, utility, and shelter) and abused and neglected children. These programs and services are delivered through offices and staff statewide and through a network of contracted community-based providers. DES and DCS work collaboratively with the communities they serve, local and national advocacy organizations, other state agencies, federal agencies that oversee programs, the courts, and Native American tribes in the delivery of services to the citizens of Arizona.

The Department of Economic Security is committed to the delivery of programs and services in an efficient and effective manner. The Department leverages available opportunities to engage with community partners and to move beyond the silos of individual programs to help accomplish this objective.

The Department of Economic Security provides services to more than one million Arizonans every year. The Department's programs affect the safety, well-being, and self-sufficiency of Arizona's children, adults, and families. Within DES, the Temporary Assistance for Needy Families (TANF) block grant is integral to helping families gain the skills they need to remove barriers that currently prevent them from reaching their highest possible level of self-sufficiency and permanently escaping the hardships of poverty.

One example of the DES efforts to provide supports for achieving the person's highest level of self-sufficiency is the provision of temporary financial help to needy families through the Cash Assistance Program. This program opens the door for additional services designed to support families as they move toward their highest level of self-sufficiency. The Supplemental Nutrition Assistance Program (SNAP) as well as child support services and programs such as the Jobs Program and the Child Care Program

provide the needed services to assist families as they move toward employment. Other programs utilizing TANF funds such as children services, homeless services, and domestic violence services provide support to families that are experiencing a major life crisis. These programs work together to coordinate other supportive services that promote the safety, well-being, and self-sufficiency of children, adults, and families.

III. Overview and Scope of Arizona's Temporary Assistance for Needy Families Block Grant

The Arizona Department of Economic Security is responsible for administering Arizona's state-operated TANF block grant in accordance with Title IV-A of the Social Security Act as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and reauthorized in February 2006 under the Deficit Reduction Act of 2005 and extended for federal fiscal year 2011 as part of the Claims Resolution Act of 2010. Most recently, TANF was reauthorized until September 30, 2014, through the Consolidated Appropriations Act of 2014. TANF funds, combined with state general funds, are used to administer many of the programs highlighted in this report.

The following organizational units work in collaboration to achieve the State's human services goals. All of the programs affect or are affected by TANF, even if not directly funded by TANF:

- The DES Division of Benefits and Medical Eligibility (DBME), is responsible for administering the Cash Assistance Program;
- The DES Division of Employment and Rehabilitation Services (DERS), is responsible for administering the Jobs Program under TANF and child care services;
- The DES Division of Child Support Services (DCSS), is responsible for administering child support establishment and enforcement activities;
- The DES Division of Aging and Adult Services (DAAS), is responsible for coordinating and contracting for crisis services such as utility shutoff and eviction prevention services and emergency services such as homeless and domestic violence shelters and services; and
- The DCS is responsible for TANF-funded services relating to child welfare investigations and case management, foster care and adoption services, kinship care, and family preservation services and family support programs.

The Family Assistance Administration (FAA) within DBME determines eligibility for the Cash Assistance program based on TANF laws, state laws and rules, federal regulations, and DES policies. Staff in FAA consider the family's income, resources, and other factors to determine eligibility. FAA refers work-eligible individuals to the Employment Administration's Jobs Program within DERS for participation in work activities. These

individuals are also referred to the Child Care Administration (CCA), also within DERS, to obtain associated child care services and to DCSS for child support services. Families experiencing homelessness or domestic violence situations that are preventing them from reaching their highest level of self-sufficiency may also receive services to address these issues.

IV. Department Transformation

Departmental Accountability

The Department of Economic Security faces numerous challenges as it strives to deliver critical assistance programs and services to more than one million Arizonans and manage multiple priorities, against the backdrop of continuing economic uncertainty. As a large human services agency composed of 35 different programs and with more than 7,500 employees and thousands of contractors, the agency recognizes the need to ensure accountability of its employees, contractors, providers and customers; to prevent, mitigate, investigate, and prosecute fraud, waste, abuse and misconduct; identify and respond to risks; and to utilize its resources effectively and efficiently. Given these challenges, the Department established the Office of Accountability in SFY 2012 to monitor compliance with requirements at all levels of the agency; ensure customers obtain the benefits, goods, and services they are eligible to receive; provide objective, reliable data and analysis to inform management decisions; and identify opportunities for improvement and innovation, driving continual improvement of DES programs, functions, and processes. The office is composed of a number of accountability and enforcement functions, such as audit, investigation, licensing and regulation, quality monitoring, and appellate services. It has also recently assumed responsibility for the administrative and analytical support of Human Rights Committees, a third-party oversight body in charge of reviewing potential human rights violations for the agency's developmentally disabled customers.

Since the establishment of the Office of Accountability (OA) two years ago, the agency has made significant progress in improving the management of fraud, waste and abuse. Through the efforts of OA, the agency conducted the largest Supplemental Nutrition Assistance Program fraud investigation in Arizona history. OA has also been responsible for overseeing, supervising, and coordinating the assessment and monitoring of DES programs and services. At the same time, OA has examined existing approaches, documented related key processes, created an inventory of internal controls, and identified potential gaps in practice. This provides the groundwork for the Office in designing an agency-wide approach that would shift the agency's focus to a proactive "identify and intervene" model of deterrence and prevention of fraud, waste, abuse and misconduct.

Under the leadership of the Chief Accountability Officer, the office has been working aggressively in reviewing and assessing the efficiency and effectiveness of the agency's programs and operations and in the redesign and improvement of key processes. As an example, in the past year, the office initiated a review of, and improvements to, the public

assistance benefit fraud and overpayment welfare prosecution process, which involves six programmatic and functional areas in the agency, to achieve greater levels of efficiency. The office has also enhanced the communication and strengthened partnerships among its audit function and with the Department's program areas to improve internal controls, contract language, triggers for detecting improper payments to contractors, and accountability of contractors in the delivery of services. In addition, the office also completed an agency wide assessment of, and developed recommendations for, the refinement, creation, alignment, or integration of performance management and accountability functions.

To promote a more coordinated approach and realize meaningful results in its work, the office has established and refined partnerships and engaged multiple entities within and outside the Department. By involving employees at all levels in the Department, other government agencies, and stakeholder groups, the office aims to foster shared ownership and promote a culture of accountability and transparency in the agency's operations.

The office is also currently engaged in automating its workflows, data collection, assessment, and reporting to enable it to effectively manage and assess enterprise risks and report compliance with internal controls and regulatory requirements. In addition, the office continues to strive for excellence in the quality, accuracy, and timeliness of its work.

Person-Centric

In SFYs 2012 and 2013, the Department explored strategies to incorporate a "person-centric" approach into the provision of safety net services. The goal was to move beyond simply administering single-purpose programs and implement an integrated system focused on meeting the unique needs of individual customers, and growing consumers beyond the need for the safety net. Toward this end, the Department contemplated changes to its business flow, and the use of holistic assessment, planning and coordination processes, which it intended to test through a demonstration project. While economic constraints limited the Department's ability to implement a full demonstration, the Department continues to test possible approaches and tools on a small scale.

V. Economic Conditions

While Arizona's economy has improved in the wake of the Great Recession, the recovery has been slow and Arizona and the nation continue to be affected by national and global economic uncertainty. According to the U.S. Department of Labor, from May 2013 to May 2014, the seasonally adjusted unemployment rate for Arizona dropped from 8.0 percent to 6.8 percent. Although this is a large year-over-year decrease, Arizona's economic recovery continues to lag behind the recovery in other states and Arizona's May 2014 unemployment rate is not significantly different than the national average of 6.3 percent.

As a result, Arizona continues to see a substantial increase in poverty. According to the U.S. Census Bureau's 2012 Current Population Survey, Annual Social and Economic supplement, 18.7 percent of Arizonans live in poverty, up from 14.3 percent in 2007, and one in four children in Arizona is living below the federal poverty level. In 2014, the federal poverty level for a family of four is \$23,850 per year. In addition to the impact of economic conditions, social conditions in the state also affect the need for Department services. As more people have children later in life, for example, a growing segment of the population is raising children while simultaneously caring for aging parents.

Families are seeking assistance to meet basic needs such as housing, food, and health care, where in many cases they had not previously. As one example of the rising demand for Department services, from SFY 2007 to SFY 2014, Arizonans enrolled in SNAP increased by 99 percent, from 537,000 to over 1 million, or over 16 percent of the state's population. Recently, economic conditions have begun to stabilize, and after reaching a peak in October 2011, demand in Arizona for SNAP has leveled off.

The state of Arizona has also experienced rapid growth in the number of reports of child abuse and neglect in recent years. Since SFY 2013, the number of reports of abuse and neglect has grown by three percent. This increase is likely caused by a variety of factors, among them rising poverty and increased attention paid to child abuse cases in local media. The rising number of reports of alleged child abuse and neglect, in turn, creates an increase in the number of investigations. In SFY 2014, over 45,000 investigations were conducted. While the proportion of investigations that result in a child being placed in foster care is virtually unchanged, the increase in investigations has resulted in an increase in the number of children placed in out-of-home care. This number exceeded 16,000 children for the first time during fiscal year 2014.

The DES has also seen caseloads grow in adult programs. From SFY 2012 to SFY 2013, the number of reports of vulnerable adult abuse, neglect, or financial exploitation to Adult Protective Services (APS) increased by 27 percent. More recently, the growth in APS reports has slowed and for SFY 2014 the number of reports has increased by four percent above SFY 2013. However, the previous and continued growth in the number of reports has made it difficult for APS to manage the increased investigative workload within caseload and timeliness standards.

VI. Program Updates

Beginning in SFY 2010, the Department began making several significant changes to its programs serving persons moving from dependence to their highest level of self-sufficiency. Some of these changes reduced services while others shifted how services were provided. Many of the innovations were collaborative efforts with our community partners. Listed below are highlights of the programs changes.

Cash Assistance

Pursuant to state law, the Department has implemented significant programmatic modifications to the Cash Assistance Program in the last several years.

- In March 2009, the Department implemented a 20 percent Cash Assistance benefit payment reduction to all recipient families. This reduction continued throughout SFY 2014.
- The Department has imposed an additional time limit for receipt of Cash Assistance in Arizona. Originally, families with an adult recipient of Cash Assistance were subject only to a 60-month lifetime limit of receipt of benefits from any state. In SFY 2011, the Department added a 36-month lifetime limit of receipt of benefits in Arizona for all Cash Assistance cases except cases in which cash benefits are provided only for a child who is in the legal custody of the State and placed in unlicensed foster care. Effective August 2011, while continuing the exclusion for a child placed in unlicensed foster care, the Department further reduced the 36-month lifetime limit for receipt of benefits to a 24-month limit.

In SFY 2014, 1,758 families that were receiving Cash Assistance benefits were notified that their eligibility would be terminated because of the 24-month time limit unless they requested and were approved for a hardship extension. An additional 335 families reached the federal 60-month lifetime limit of receipt of benefits. A total of 2,864 families, or 19.59 percent of the families receiving assistance, were qualified for a family hardship extension from the 24-month or 60-month time limit as of the end of SFY 2014.

The Department continues to focus on assisting those who would be directly affected upon implementation of the lifetime limit changes and potentially lose their Cash Assistance benefits. Mailers and telephone auto-dialer messages are sent to those who would be affected to inform them of the change. The Department renewed contracts with community partners, including city and county governments and private temporary employment agencies, in order to maximize the opportunity for employment placement prior to the effective date of the time limit reduction. In addition, this targeted population was offered structured job search and work experience activities.

- During SFY 2011, the definition of a family was modified to include a dependent child, the parents of the child that reside with the child, and all nonparent relatives and their spouses that also reside with the child. To be considered needy, a family's countable income after application of appropriate disregards cannot exceed 100 percent of the federal poverty level or 130 percent of the federal poverty level if assistance is requested by a nonparent caretaker relative for only the dependent child. Prior to implementation of this change, families that were caring for relative children were eligible to receive assistance to care for those children regardless of the relative caretaker's income situation. In SFY 2014, 4,080 Cash Assistance cases were closed

or found ineligible at application as a result of the family's income exceeding the new needy family income limits.

- Prior to the enactment of the means-testing arrangements included in Laws 2010, 7th Special Session, Chapter 11, many children in the Permanent Guardianship Program were determined eligible for Cash Assistance. When received, the Cash Assistance payment offset the subsidy amount funded from the Permanent Guardianship appropriation. Because of changes to the eligibility requirements in the Cash Assistance Program, in many cases this offset is no longer available for the Permanent Guardianship Program. The Cash Assistance Program funding was reduced for the children removed from service because of the new means-testing requirement, and the full subsidy is now covered by the Permanent Guardianship Program.
- The Department eliminated Cash Assistance benefits for women in their third trimester of pregnancy with no other dependent children. Effective June 16, 2010, only families with an eligible dependent child are potentially eligible for Cash Assistance.

These changes, combined with the continuing operation of an enhanced Department Grant Diversion Program, continue to contribute to the decreases in Cash Assistance Program participants reflected in Appendix One.

Grant Diversion

The Grant Diversion Program is an alternative to the traditional TANF Cash Assistance program in Arizona. Grant Diversion is first and foremost a program that promotes long-term self-sufficiency through employment. Grant Diversion allows persons with no long-term barriers to employment and who may have financial need in excess of the potential Cash Assistance benefit amount to qualify for short-term financial assistance. Grant Diversion recipients may receive employment services and onetime financial support in excess of the Cash Assistance program benefit amount in order to resolve issues such as eviction, car repair, or utility bills while securing employment.

Participation in the Grant Diversion Program in lieu of the Cash Assistance Program is voluntary for the applicant. Applicants who are potentially eligible for at least one dollar of cash assistance and did not participate in the Cash Assistance Program in the month of application or the Grant Diversion Program in the month before the application month may be eligible to receive Grant Diversion Program benefits. Nonparent relatives applying for the Cash Assistance Program for the needs of a child only are not eligible to receive the Grant Diversion option. Grant Diversion Program recipients are awarded a payment of three times the full monthly amount they would receive under the Cash Assistance Program. An eligible household is restricted to only one Grant Diversion payment in a 12-month period. In SFY 2014, 9,244 families received Grant Diversion benefits.

The Grant Diversion Program is administered by the Division of Benefits and Medical Eligibility (DBME). Applicants, who are considered job-ready, are given the opportunity to consult with employment specialists to assist them in securing employment. The program is showing remarkable success. In calendar year 2013, 90 percent of families that received the Grant Diversion option did not return for additional cash assistance within six months of receiving this assistance.

Work Activities

The Jobs Program is Arizona's mandatory employment and training program for work-eligible individuals in households receiving Cash Assistance benefits. The program engages individuals in a variety of work-related activities to improve their employability skills and offers supportive and some specialized services to remove barriers to employment. The Jobs Program has been continually successful, teaming up with its community partners to provide employment services to those in need throughout Arizona. The Jobs Program case management and employment services are operated by two private vendors: MAXIMUS Human Services Inc., which serves Maricopa County, and ResCare Workforce Services (ResCare), which serves the remaining counties in Arizona.

The Maximus Jobs Program in Maricopa County follows a "work first" model, providing individuals with immediate employment and support services with an emphasis on hastening job seekers return or attachment to the workforce. Following assessment and service plan development, most participants are immediately engaged in MAXAcademy, a two-week work readiness and professional development series of workshops designed to prepare job seekers for successful job search and job placement outcomes. Workshops address topics such as personal presentation and interviewing skills, resume development, a balancing of work and family, social media and professional dress. Soft skills workshops, such as those providing improved financial literacy and greater community resource awareness are also included. All workshops are designed to promote a positive self-image and to grow the skills necessary in seeking and obtaining gainful employment.

In Maricopa County, the Jobs Program collaborates with various community agencies to assist in the delivery of employment readiness and personal development workshops; such as Arizona Women's Education and Employment, World Hunger Education and Training, Dress For Success and Money Management International.

Additional partnerships that help address participants' employment readiness needs and barriers include:

- Arizona Bridge to Independent Living which conducts and/or arranges for specialized assessments and action plans for individuals with disabilities; and
- Literacy Volunteers of Maricopa County which provides onsite General Education Development (GED) classes using a combined classroom and computer-assisted instructional approach.

Colocation at two Maricopa County One-Stop centers/Workforce Investment Act (WIA) Title 1B programs provides Jobs Program participants with additional job search resources and with opportunities for access to supplemental programs and services that address employment-related barriers. Fully equipped job search resource rooms are available to participants at all Maricopa County Jobs Program sites and vocational training options are extended to participants through partnerships with post-secondary training providers county-wide.

Employers are actively involved in work readiness activities through attendance at regularly scheduled job clubs, on-site recruitment and hiring events and at job fairs held at five Jobs Program sites in Maricopa County. In addition, program staff actively participate in a variety of employment-focused groups throughout Maricopa County such as the monthly East and West Valley Employer Outreach coalitions which involve a variety of community partners and agencies including Mesa Community College, the DES Employment Administration, Maricopa County Workforce Connections and multiple employers. Jobs Program staff are members of the National Employment and Training Professional Association and attend regular meetings. The Jobs Program is also an active member of the Maricopa Human Capital Collaborative, which comprises city, state, county, for-profit and nonprofit organizations throughout Maricopa County.

Outside Maricopa County, the Jobs Program population is served by ResCare Workforce Services, who partner with an extensive network of community organizations to assist participants in achieving their self-sufficiency goals.

The ResCare Jobs Program in Pima County engages participants for rapid transition to employment following a “work first” model, working to connect participants to the workforce as soon as possible. Many participants take advantage of ResCare’s proprietary *VantEDGE* job readiness program, a two-week job readiness workshop designed to position participants for a successful job search and ultimate transition to self-sufficiency. The workshop focuses on how to “stand out” in a competitive job market and includes learning modules that improve interview skills, build better resumes and provide tips on how to tap into “hidden” job opportunities, such as identifying opportunities before they are advertised. Job seekers learn critical skills that allow them to effectively leverage in-person contact using electronic media to create a more efficient and positive interaction with potential employers. Participants are provided access to a substantial number of topic-specific training programs in a variety of subjects through the ResCare Academy. In addition, participants are also provided access to state-of-the-art tools, such as *Resume Hero*, which help them to create the kind of resumes that lead to job interviews. *Resume Hero* is ultimately used to connect job seekers to positions specific to their skill set and to their work experience.

In addition to the *VantEDGE* job readiness program, the Jobs Program has had substantial success in partnering with community resources in providing employment services to participants across Pima County. The Jobs Program works with county and city workforce agencies to host job fairs and on-site recruitments connecting job ready participants with a vast number of employment opportunities. In these events, employers

have the advantage of being able to hold information sessions, collect applications, conduct on-site interviews and make offers of employment.

The Jobs Program in Pima County partners with many other groups and agencies as well, such as Goodwill employment services, Beacon Group, and the county's One-Stop centers/WIA Title 1B Programs to engage participants in work experience and employment, eventually leading to a greater chance of self-sufficiency. Informational job fairs are frequently held with employers such as AFNI, APAC, ADECCO, and Circle K. The Jobs Program also works with Pima Community College to identify individuals for the Health Program Opportunities Grant (HPOG) program, which focuses on providing training to assist low income individuals in becoming employed. The Jobs Program also has partnered with HPOG to provide specific skills training to the refugee population while incorporating learning English as a second language.

ResCare's Jobs Program in Pinal County uses a broad spectrum approach in delivering self-sufficiency skills and opportunity to each client. Jobs Program participants are thoroughly interviewed to assess what their immediate and long term needs are before they are presented with guidance and resources.

The Jobs Program in Pinal County is allied with a number of community groups and agencies to assist in removing the barriers that many clients face. These partners include:

- Pinal Clothing Consortium (includes the Against Abuse Thrift Store and Clothing Bank, St. Vincent De Paul Thrift Store, M.A.S.H. Unit Thrift Store and Genesis Project Clothing Bank)- Provides new and used clothing for participants, for pre-employment and ongoing retention purposes, at no cost or at a reduced charge.
- Pinal Finance Group (includes the Arizona Workforce Connection, Arizona Legal Self Service Center and the United Way of Pinal County)- Provides financial aid, low-cost opportunities to help clients meet their cost of living needs, resume writing assistance and mock interview role playing classes.
- Pinal Housing Partners (includes Against Abuse, My Sister's Place, Community Action Human Resources Agency, Chrysalis, and Hope Women's Center)- Provides both temporary and long-term emergency housing assistance for clients on a routine basis and who are selected by employment specialists according to the client's individual needs and circumstance.

In addition, Jobs Program employment specialists in Pinal County actively collaborate with many community employment-oriented organizations, such as Central Arizona College, operator of the WIA Youth Program. The Youth Program is designed to prepare Arizona's youth to either enter post-secondary education, training or employment upon completion of their secondary education. The aging of Arizona's workforce is a constant issue of concern and therefore this program can be an effective and badly needed resource in meeting Arizona's future workforce demands. Another organization that Pinal County's Jobs Program partners with is the Portable Practical Education Program

(PPEP). PPEP's mission is "To improve the quality of rural life." PPEP's dedicated professional staff provides services including human, economic, microbusiness, education, charter school, health, housing, counseling, employment, job training, humanitarian aid, and services to persons with developmental disabilities.

The ResCare Jobs Program in Yuma County registers participants in ResCare Academy to offer Job Search and Readiness, GED, and vocational and motivational instruction. Case managers refer participants to Employment Service, Goodwill Industries and the Yuma Private Industry Council (YPIC) to offer additional employment, job fairs, and education opportunities.

The Jobs Program in Yuma has established many work experience sites throughout the community to offer a variety of job skills training for program participants. Jobs Program participants are provided the opportunity to learn or to enhance their employment skills by participation in community service or work experience activities. Some of these sites include:

- Yuma County Library District- In a recent letter, this community service provider stated that "95 percent of participants have left with employment or enrolled in college" and that "the success rate of this program will have a huge impact on our community."
- Amberly's Place- A manager of this community service site that generates funds for victims of domestic violence, as well as for victims of crimes against children and the elderly, recently remarked that "The participants from ResCare help us glean and organize donated items so that we may better serve the victims in our community."
- The College of Health Careers at Regional Center for Border Health- The President and CEO of this college and health center, who have co-developed a medical industry work experience partnership with ResCare, recently wrote that with Jobs Program assistance "many students are now back in the community working..."

In Cochise and Santa Cruz Counties, the ResCare Jobs Program partners with various community agencies to assist in building skills needed for participants to gain employment. These partners include the local Goodwill and One-Stop offices, as well as:

- Catholic Community Services- Provides individuals with volunteer experience in a variety of areas. Participants are able to volunteer as a tax preparer, receptionist, or door greeter, developing the customer service skills and soft skills, such as punctuality and time management, needed to be successful in the workplace.
- St. Vincent de Paul- Provides individuals with volunteer experience. Participant volunteer work may include working as a stocker, maintenance person, janitor or food services worker. Clothing vouchers may be provided to obtain clothing needed to successfully gain and keep employment.

- Constructing Circles of Peace- Provides individuals with background issues, and other obstacles preventing employment, with counseling and other resources to assist in overcoming such barriers.

In Santa Cruz County, the ResCare Jobs Program works with Crossroads Mission, the Humane Society, the Santa Cruz Council of Aging, the Santa Cruz Training Center, and The Rose to facilitate positive employment outcomes for program participants.

In Yavapai County, ResCare Jobs Program staff work closely with different agency partners, including Arizona Workforce Connection, Bob Stump VA Hospital, the Northern Arizona Council of Governments (NACOG), Goodwill Industries, New Horizons, Salvation Army, Habitat for Humanity, Arizona Women's Education & Employment (AWEE), Catholic Charities, Stepping Stones, ResCare Home Care, and many more. Some of the agency partners offer additional skill building, while others offer computer labs for Jobs Program participants to use. The Jobs Program works with partners on job fairs that Jobs Program participants attend. Many of these participants have been successful in obtaining gainful employment.

ResCare Jobs Program staff in Mohave County actively participate in job fairs and job readiness workshops conducted by the DERS Employment Administration located in Kingman and Bullhead City. At these job fairs, employers often hire on the spot. The Jobs Program also has a very successful partnership with Goodwill Industries and regularly places participants at their location for unpaid work experience opportunities. These placements have also resulted in employment at Goodwill for a number of Jobs Program participants.

Child Care

In response to budget deficits, the Child Care Administration imposed a waiting list in February 2009 that restricted child care services to only those currently receiving child care assistance and to those referred for services as a result of Child Protective Services intervention or to enable TANF-related families to engage in work preparation or job search activities or transition to employment from Cash Assistance. This waiting list remained in effect throughout SFY 2014, and as of June 2014 there were 6,207 children on the waiting list. Child care services are highlighted in Appendix Four.

Child Safety

Maltreatment of children is always of substantial concern, oftentimes brought on by multiple risk factors, including poverty and substance abuse, thus establishing critical needs for protective, remedial, preventive, and intervention services for children and families, both in the home and after removal has occurred. Recognizing the critical importance of ensuring the safety of children, the Governor and the Legislature created the new Department of Child Safety as discussed earlier in the report. The creation of a new, separate agency ensures that the appropriate focus and attention is given this critical function, and that the agency has the ability to be open, transparent, and responsive.

The number of reports of alleged child abuse and neglect has increased significantly, which in turn creates an increase in the number of investigations to be conducted by DCS. The State of Arizona has seen the number of reports requiring an investigation increase year after year, with more than 45,000 for SFY 2014. This increase is driving a related increase in the number of children that must be placed in out-of-home care. This number has exceeded 16,000 children for the first time.

The Department of Child Safety is taking a multi-pronged approach to increase the capacity of available family foster homes and place children in other family-like settings. First, it will be awarding a new contract for vendors responsible for recruiting, training, and licensing and/or certifying families for children who are in foster care or are placed for adoption. The DCS is focusing on building statewide foster home capacity, especially homes that will accept teens and sibling groups, and homes that will ensure safety and promote permanency for children in need of a placement. Second, the DCS is streamlining the licensing and training of foster parents to prepare them to provide service to children faster and focusing on ways that peer foster parent support can be enhanced.

To meet these needs, DCS must have well-trained and motivated staff. With high turnover rates and increasing workloads, recruiting and sustaining a well-qualified, motivated workforce can be challenging. The average caseload for child protective service workers now exceeds 180 percent of the national standard. The DCS has developed and implemented strategies to provide more support to caseworkers in meeting the needs of the children and families they serve, including enhancements to the recruiting, onboarding, training, and continuous development of Child Protective Services specialists and supervisors. In SFY 2015, DCS is implementing an employee retention stipend.

While continuous improvement efforts have been in process since well before DCS was separated from DES, the transition to DCS becoming an independent agency has accelerated this work and placed increased scrutiny on these processes. DCS is focusing on reducing the number of children being removed from their home by creating a robust, evidence-based risk-and-needs assessment that will be vital to tailoring specific responses to neglect reports. In addition, the Department of Child Safety has submitted an application to the federal government that would grant Arizona a waiver for the Title IV-E funds it receives to create a re-engineered service array. These services will aim to move children to permanency or reunification more quickly. Families that benefit from these services are often identified by the presence of unresolved problems, including existing or imminent child abuse, neglect, or dependency, as well as a home situation that presents actual and potential risk to the physical or emotional well-being of a child. Child welfare staff are able to use in-home services to support the delivery of integrated services and other in-home supports.

In-home services are provided both by order of the court as well as to at-risk families in need of support who voluntarily accept the services. Services are provided by contracted

providers throughout the state based on the needs of the child and family, through collaborative partnerships between DCS, community social service agencies, DES programs, or other state agencies, including behavioral health services, family support programs, and other community and faith-based organizations. Interventions include such services as parenting skills training, counseling, self-help, and skill-building activities. Contracted in-home providers are responsible for achieving the performance measures based on the absence of subsequent reports and removals, in addition to others that measure the creation and sustaining of a safe and stable environment for the child.

Another important cog in the array of services available to families to prevent future abuse and enable families to stay together is the Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together) (AFF) program. AFF was established in 2000 to address adverse conditions related to alcohol and drug abuse among child welfare-involved families in which allegations of child maltreatment were associated with parents' abuse of substances. The AFF program provides a variety of treatment and supportive services designed to reduce or eliminate abuse of and dependence on alcohol and other drugs within family systems. Interventions are provided through DCS, contracted community providers in outpatient and residential settings, and/or through the Regional Behavioral Health Authority provider network under the supervision of the Department of Health Services, Division of Behavioral Health Services.

Key elements of the AFF program include an emphasis on face-to-face outreach and engagement at the time of program referral, assessments, supportive services (e.g., transportation and housing), counseling, and recovery maintenance services. The service delivery model incorporates essential elements based on family needs, such as culturally responsive services, gender-specific treatment, family-involved treatment services, and motivational enhancement strategies to assist the entire family in its recovery.

As part of ongoing efforts to improve service delivery, a new contract model was developed in 2013 to improve engagement and re-engagement activities with specific timelines and expectations. This model also requires a focus on recovery maintenance and contingency management, which are best practice models in the substance abuse field. This new focus includes the use of peer recovery coaches. The DCS has found that they reduce the time from referral to first contact to a clinical assessment and that those parents who were assigned a peer recovery coach remained in treatment for a longer period of time than those parents who did not receive a recovery coach.

Data on in-home services and substance abuse treatment services is included in Appendix Five.

Adult Protective Services

As discussed previously, the increasing number of reports of vulnerable adult abuse, neglect, or financial exploitation has made it difficult for Adult Protective Services (APS) to manage the increased investigative workload within caseload and timeliness standards. Over the past two years APS investigators have received upgraded computer equipment

(tablets) and software (Dragon Speaks) that have helped them to complete their work more efficiently and effectively. Additional automation support upgrades are anticipated as resources become available.

Crisis Services

Short-Term Crisis Services provide help to households experiencing an emergent need that cannot be met with their own income and resources. To qualify for services, households must have income less than 125 percent of the federal poverty level or 150 percent of the federal poverty level if there is an elderly or disabled member in the household. Help provided can include emergency shelter, case management, eviction prevention or move-in assistance, utility deposits or payments, rent payments, and other special services appropriate for securing and maintaining employment.

The Emergency Shelter Grant provides additional funding for Rapid Re-Housing and Homeless Prevention activities. During the period of July 2013 through March 2014, in the areas outside of Phoenix and Tucson, grant-funded activities permanently housed or prevented the loss of housing for 547 individuals. Rapid Re-housing was introduced in Maricopa and Pima Counties in July 2013 and during the same nine month period, 755 individuals were rapidly returned to permanent housing. In total, 1,302 individuals were permanently housed or retained their housing through the Rapid Re-housing and Homeless Prevention Program.

The Department also contracts for residential services for domestic violence survivors, their children, and for homeless families. Services include emergency shelter for up to 120 days, transitional housing, counseling, and supports such as case management, transportation, child care, and life skills training. To qualify for services, minor children may be temporarily absent from the parent or relative for no more than 180 days from the time of access to the services.

Crisis services activity is identified in Appendix Six.

Appendix One: Cash Assistance Program

SFY 2014 vs. SFY 2013

	Total Cash Assistance Cases (Average Month)	Total Cash Assistance Recipients (Average Month)	Total Cash Assistance Payments (Average Month)	Total Cash Assistance Payments (Average Per Case)	Total Cash Assistance Payments (Average Per Recipient)	Total Cash Assistance Payments	Two-Parent Cases	Adult Cash Assistance Cases	Cases with no Adult Included	Average Length of Time on Cash Assistance (Months)	Average Length of Time on Cash Assistance for Adults (Months)
2014	14,621	32,888	\$ 2,980,065	\$ 203.82	\$ 90.61	\$ 35,760,780	389	7,422	7,199	13.33	8.07
2013	16,827	38,353	\$ 3,487,653	\$ 207.27	\$ 90.94	\$ 41,851,841	464	9,633	7,194	12.97	7.62

	Cash Assistance Cases Closed Due to Sanctions	Minor Parents Ineligible for Cash Assistance (Due to Minor Parent Provisions)	Cash Assistance Benefits Not Issued (Due Minor Parent Provisions)	Number of Cash Assistance Cases with Benefit Cap Children	Payment Accuracy	Number of Cases That Reached the Federal Time Limit	Number of Cases That Reached the State Time Limit	Number of Cases That Received Benefits Past State Time Limit Due to Hardship Extension*	Number of Cases Ineligible Due to Needy Family Income Restrictions
2014	2,275	75	\$ 3,204	4,098	95.69%	335	1,758	2,864	4,080
2013	2,725	139	\$ 6,768	4,519	94.89%	359	4,856	2,909	3,321

* Data reflects the number of cases eligible for benefits as of the last day of the fiscal year.

Appendix Two: Work Activities through the Jobs Program

SFY 2014 vs. SFY 2013

	Cash Assistance Recipients Waiting to Be Served as of June 30	Waiting Time (Days) After Becoming Eligible for Cash Assistance	Total Cash Assistance Recipients Served by Jobs Program	Total Cash Assistance Recipients Placed in Work Activities through Jobs	Number of Participants Deferred from Participation			
					Reason for Deferral			
					Domestic Violence	Caretaker of a Child Under Age One	Caretaker of a Family Member in Medical Need	Temporarily Unable to Work due to Physical or Mental Impairment
2014	106	3	22,601	11,881	30	1,875	182	1,786
2013	189	3	27,471	16,689*	67	2,792	172	1,835

	Unsubsidized Employment			Adult Cash Assistance Cases Closed due to Earned Income	Percent of Total Adult Cash Assistance Cases Closed Due to Earned Income	Job Retention Rate Over 90 Days (Percent)	Persons Placed in Employment Who Did Not Return to Cash Assistance (Percent)
	Total Jobs Program Participants Who Found Employment	Average Hourly Wage	Persons Placed in Employment with Health Care Provided				
2014	5,024	\$9.67	2,371	3,925	13.85%	73%	86.95%
2013	7,098	\$9.93	4,024	4,548	17.47%	66%	86.06%

	Participants in Types of Work Activities				Unsubsidized Employment (percent)			
	Number of Participants in Job Search / Readiness Activity	Number of Participants in All Work Experience Activity	Number of Participants in Short-Term Work-Related Training Activity	Number of Participants in High School/GED Activity	Administrative / Office Support	Communications	Sales	Services and Agriculture Industry
2014	3,944	7,271	549	117	52%	0.2%	12%	35%
2013	6,021*	9,636*	871*	161*	50%	0.4%	13%	37%

* Number has been adjusted from last year's report as a result of data validation completed after issuance of the report.

Appendix Three: Self-Sufficiency Assistance

SFY 2014 vs. SFY 2013

	Work Related Transportation Assistance	Number of Individuals Who Participated in Vocational Education Activities	Number of Individuals Who Participated in Post-Employment Educational Training	Number of Individuals Who Engaged in Postsecondary Education	Number of Individuals Who Had Shelter/Utility Assistance Allowance Paid for by Jobs	Total Fair Labor Standards Act (FLSA) Supplemental Payments Issued	Number of Individuals Who Received FLSA	Number of Individuals Receiving Transitional Medical Services (Avg. Monthly)	Number of Families Who Received a Grant Diversion Payment
2014	5,894	525	0	0	287	\$85,654	270	43,963	9,244
2013	9,097	847	0	0	494	\$131,595	429	47,296	8,991

Appendix Four: Child Care

SFY 2014 vs. SFY 2013

	Total Children Authorized for Subsidized Child Care	Monthly Average of Children Receiving Subsidized Child Care (Monthly)	Total Number of Children Authorized to Receive Transitional Child Care	Monthly Average of Transitional Child Care Caseloads	Child Care Subsidies - Average Reimbursement	Total Amount Expended - Child Care Subsidies (Million)	Total Amount Child Care Co-Payments (Million)	Number of Individuals Who Participated in Employment Preparation Training	Number of New Certified Child Care Homes
2014	28,162	23,761	5,617	5,156	\$353.89	\$100.96	\$5.13	457	117
2013	28,973	25,696	6,290	5,716	\$347.32	\$107.07	\$5.75	390	144

	Number of Child Care Providers Listed on CCR&R Registry	Number of Referrals Received for Child Care Services	Number of Instances When Child Care Services Not Available	Number of Providers Accredited and Eligible for the Enhanced Payment Rates	Approximate Number of Children Per Month Receiving Child Care in Accredited Programs	Child Care Provider Referrals - Number of Calls	Child Care Provider Referrals - Families Served via Internet	Number of Individuals Who Participated in Child Care Provider Training	Number of Child Care Providers Who Received Special Technical Assistance Training
2014	345	8,243	1	162	1,770	4,959	11,211	16,969	1,285
2013	357	6,328	3	145	1,744	5,050	14,647	21,485	1,579

Appendix Five: Child Welfare Programs

SFY 2014 vs. SFY 2013

Arizona Families First (AFF) Program*			
	Number of Individuals Referred for Screenings for Substance Abuse Treatment	Number of Clients Who Received AFF Services	Average Length of Treatment (Days)
2014	6,678	2,916	180
2013	6,475*	4,460*	182*

	Child Maltreatment Reports Received	Average Monthly Number of Families Receiving Comprehensive In-home Services	Average Monthly Number of Children Receiving Subsidized Guardianship
2014	45,365	5,677	2,524
2013	44,104	5,334	2,480

* Numbers have been adjusted to reflect final validated data.

Appendix Six: TANF-Related Programs and Services

SFY 2014 vs. SFY 2013

	Crisis Assistance			Homeless Emergency Shelter	Domestic Violence Emergency and Transitional Shelter			Legal Services for Domestic Violence Victims		
	Number of Households Participating (Utility Assistance)	Number of Households Participating (Eviction Prevention)	Number of Households Participating (Special Needs)	Number of Persons Receiving Homeless Emergency Shelter Services	Number of Women and Children Receiving Shelter Services (Crisis Shelters)	Number of Women and Children Receiving Shelter Services (Transitional Shelters)	Counseling Hours in Shelter	Number of Victims Receiving Services in Self-Help Clinics	Number of Victims Receiving Services from Attorney or Paralegal	Number of Victims Receiving Services from Lay and Legal Advocates
2014*	39,797	1,932	7	10,812	8,468	301	164,891	2,438	5,617	2,857
2013**	39,430***	1,886	5	13,408	8,916	322	178,050	2,673	5,335	2,616

	Non-Marital Births
2014	38,057
2013	38,086

* The 2014 numbers are based on actual data for the first three quarters of SFY 2014 and an estimate for the last quarter of SFY 2014.

** Numbers have been adjusted from last year's report as a result of data collection completed after issuance of the report.

***This figure has been adjusted to report the total number of Utility Assistance recipients rather than, as previously reported, only those funded with TANF.

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