DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Annual Report
State Fiscal Year 2015

Douglas A. Ducey, Governor

Douglas A. Ducey   Timothy Jeffries
Governor   Director

DEC 21 2015

The Honorable Douglas A. Ducey
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Ducey:

The Arizona Department of Economic Security's Annual Report for the period July 1, 2014, through June 30, 2015, is enclosed. This report is submitted pursuant to A.R.S. § 41-1960, which requires the Department to make an annual report of Arizona's economic security needs and resources; the use, training, and placement of manpower; and recommendations for the forthcoming fiscal year for the state's development of relevant programs.

This report provides an overview of the Department's achievements in meeting the needs of Arizonans by providing services with integrity, humility, and kindness.

The Department is committed to continue to build on the successes highlighted in this report to achieve our mission to make Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.

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

Sincerely,

Timothy Jeffries
Director

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Section 1 – Department of Economic Security Overview

The Department of Economic Security (DES or Department) is an integrated human services agency that provides critical protective and assistance services to Arizona's children, adults, and families.

The Arizona State Legislature established DES (A.R.S. § 41-1954) in 1972 by consolidating the authority, power, and duties of five separate state agencies, followed by a sixth in 1974. The intent of the 1972 legislation and subsequent amendments was to provide an integrated approach to human services. In 2014, the Legislature created the new Department of Child Safety which assumed the child welfare and child protective service functions from DES.

The DES has established a new vision with a "people first, people always" focus: Opportunity, assistance, and care for Arizonans in need. In order for this vision to be realized, DES incorporates the following five core values when conducting its work:

- Teamwork – We collaborate with humility, and partner with kindness.
- Respect – We appreciate each other, and value those we serve.
- Integrity – We never lie, cheat, steal, bully or harass – nor tolerate those who do.
- Accountability – We commit to excellence, innovation and transparency.
- Diversity – We respect all Arizonans, and honor those in need.

As of the end of Fiscal Year (FY) 2015, DES had 7,493 colleagues and operated from 93 direct-service offices, 14 residential facilities, and 29 administrative offices. DES owns 30 of the facilities and leases two of those properties to private entities. The remaining DES locations are leased. The Department is divided into six districts with the central administration located in Phoenix.

The Department has approximately 8,000 contracts and agreements with nonprofit and for-profit organizations, governmental agencies, Tribal governments, and other community partners throughout Arizona. These contracts provide services to Arizonans across the human service delivery continuum and critical operational support to the Department and its colleagues.

This report highlights areas of DES' efforts to provide services to Arizona's children, adults, and families to ensure that they have an opportunity to live safely and become self-sufficient. DES and its provider networks deliver services made available through over 40 programs. The broad program areas include child care assistance to help low-income parents become and remain employable; Adult Protective Services (APS) and a range of in-home supports for older Arizonans to help them remain independent; domestic violence and homeless shelters and supports; food and nutrition services; utility assistance; early intervention services for infants and toddlers with developmental delays; home- and community-based services for individuals with developmental disabilities; unemployment insurance; employment assistance, including vocational rehabilitation and job training; child support services; refugee resettlement services; financial support; and eligibility determination for much of the state's Medicaid program, the Arizona Health Care Cost Containment System (AHCCCS).

Section 2 – Trends in Human Services and the DES Response to the State's Economic Security Needs

Caseloads and Budget

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 July 2014 to June 2015, the seasonally adjusted unemployment rate for Arizona dropped from 6.7 percent to 5.9 percent. Although this is a large year-over-year decrease, Arizona's economic recovery continues to lag behind the recovery in other states. Arizona's June 2015 unemployment rate was not significantly different than the national average of 5.3 percent.

As a result, Arizona continues to see a substantial amount of poverty. According to the U.S. Census Bureau's 2013 Current Population Survey, Annual Social and Economic supplement, 20.2 percent of Arizonans live in poverty, up from 14.3 percent in 2007. One in four children in Arizona is living below the federal poverty guidelines. In 2015, the federal poverty guideline for a family of four is $24,250 per year. In addition to the impact of economic conditions, social conditions in the state affect the need for Department services. For example, as more people have children later in life, a growing segment of the population is raising children while simultaneously caring for aging parents.

Families that had not done so previously are now seeking assistance to meet basic needs such as housing, food, and health care. As one example of the rising demand for Department services, from FY 2007 to FY 2015, the number of Arizonans enrolled in the Supplemental Nutrition Assistance Program (SNAP) increased by 91 percent, from 537,000 to over 1 million, or over 15 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 Department has also seen caseloads grow in adult programs. From FY 2014 to FY 2015, the number of reports to APS of vulnerable adult abuse, neglect, or financial exploitation increased by 19 percent. While the Department did anticipate continued growth in the number of APS reports in FY 2015, the rate of growth was far in excess of the 4 percent growth rate experienced in FY 2014. The continued growth in the number of reports has made it difficult for APS to manage the increased investigative workload within caseload and timeliness standards.

In FY 2015, the Arizona Early Intervention Program (AzEIP), a comprehensive, coordinated statewide system of early intervention supports and services for children from birth to three years old who have disabilities or developmental delays, and for their families, received a monthly average of 1,245 referrals and served an average caseload of 5,830 children per month. This represents a 5 percent increase in referrals and a 9.4 percent increase in the number of children served from FY 2014.

Department Public-Private Partnerships

The Department is committed to engaging with our valued partners with respect, gratitude, and transparency. Colleagues from all levels in the agency are engaged with partners and stakeholders to coordinate action to achieve the Department's mission.

The Department has, over the years, continued to examine its operating support systems to take advantage of opportunities where the private sector could more efficiently and cost-effectively provide operating support.

- The following program services are currently outsourced by the Department through contracts:

  o Shelter and case management services for people experiencing homelessness;
  o Shelter and supportive services for victims of domestic violence;
  o Food and utility supports;
  o Independent living and other community-based supports for elders;
  o Refugee resettlement services;
  o Employment services for the Jobs Program;
  o Home recruitment, study, and supervision services for targeted recruitment of potential DES-certified family child care homes;
  o Child care services provided for eligible families;
  o Child support payment processing;
  o Employer new hire reporting, which is used to validate employment and the incomes of child support obligors;
  o Genetic testing to establish paternity;
  o Data matches to state bank accounts of obligors across 35 states for the Division of Child Support Services (DCSS);
  o Insurance claim matches of obligors with 2,100 insurance partners for DCSS;
  o Web-based locator tools to assist in finding child support obligors;
  o Workforce employment and training programs through the Workforce Investment Initiative;
  o Acute, long-term care, and behavioral health services to individuals with developmental disabilities;
  o Rehabilitation and vocational services for individuals with disabilities to obtain or maintain employment and independence in the community; and
  o Service coordination and therapies for children who are referred to the AzEIP program.

- The following business functions are currently outsourced within the Department:

  o Mailroom services;
  o Office supply delivery;
  o Specialized printing;
  o Office-moving services;
  o Electronic Benefits Transfer (EBT) card issuance for Cash Assistance (CA), SNAP, child support, and Unemployment Insurance (UI) benefits;

- o Electronic pay card issuance for unemployment benefits and child support payments;
- o Translation and interpretation services;
- o Typing and preparation of transcripts of Appellate Services Administration (ASA) hearings;
- o Teleconferencing and digital recording of ASA hearings; and
- o Telephone systems.

Leveraging Technology to Improve Service Delivery

DES' Information Technology (IT) systems are a critical component in the delivery of critical services. DES is in the process of improving legacy systems to continue to provide more efficient customer services. DES is also continuing to provide enhanced customer self-service capabilities through the use of internet and interactive voice response (IVR) systems and expanding its use of imaging and document solutions in order to reduce costs and increase colleague efficiency. Listed below are highlights of these efforts:

- Since 2010, applicants and participants in CA, SNAP, and Medicaid have been able to review ongoing case status, report family changes, and receive important help regarding their cases via the My Family Benefits (MFB) Web site. This Web site has become a proven tool for empowering customers to maintain and monitor their benefits and activity from the point of application forward. This process has benefited clients by making the information they need more readily available in order to understand their cases. It has been effective in reducing lobby and call center contacts by allowing the customer to submit change reports through the Web site. During FY 2015, there were 357,435 hits on the MFB Web site. These hits resulted in over five million page views and nearly 56,000 reports of changes submitted by program participants.

  The MFB site has also been successful in helping customers access information regarding other services by redirecting them to sites with information regarding services such as:

  - o EBT account information;
  - o Updates on potential benefit overpayments;
  - o AHCCCS health coverage;
  - o Use of the online Health-e-Arizona Plus (HEAplus) application, which supports CA, SNAP, and Medicaid application processes; and
  - o The Hunger Relief Program.

- In FY 2015, the Department's Division of Employment and Rehabilitation Services (DERS) continued to work with a consortium/partnership comprised of three state's (Arizona, Wyoming, and Colorado) UI programs. The purpose of the partnership is to have each state's existing unemployment insurance systems replaced with a secure, state-of-the-art automation solution.

  Major objectives of this initiative are to:

  - o Replace legacy systems with a modern solution;

- o Implement a multi-tenant application that provides one implementation of an application to serve multiple states;
- o Improve the quality of services provided to unemployed citizens as well as employers that pay taxes into the system; and
- o Reduce the costs of administering the unemployment insurance systems within and between the states.

The U.S. Department of Labor-funded Consortium has contracted through the Colorado Procurement Office (CPO) for IT services to develop their existing UI system into a cloud-based, multi-tenant system that will meet the requirements of all three states. The CPO also contracted with a consulting vendor for project management services and a consulting vendor for independent verification and validations services. State subject matter experts working with the IT services vendor reviewed use cases, participated in gap sessions, and attended demonstrations to review proposed documentations and cloud-based pages for functionality. The project goal is that all three states are able to move off of their legacy mainframe systems by December 31, 2017.

- The Department currently operates eight IVR telephone systems for applicant and recipient use. The IVRs provide many of the same services that have been provided by Department colleagues and allows users to receive information without colleague intervention.

Since FY 2014, the Division of Benefits and Medical Eligibility (DBME) has operated a new IVR that utilizes intelligent routing, educational messages, and new skill sets and rules for handling telephone calls to the DBME/Family Assistance Administration. The new IVR recognizes when a customer has submitted an online application and needs an eligibility interview. It directs these calls to a DBME unit to have the interview conducted over the telephone. During FY 2015, 234,887 interviews were conducted by telephone for SNAP and 36,235 interviews were conducted for CA. In addition, 271,623 complex customer calls were processed by the DBME Customer Services Support Team. These issues were related to eligibility determinations, administrative hearings, and policy clarifications.

In response to the Affordable Care Act, DES collaborated with AHCCCS to develop a contract with a private vendor to provide a separate call center for processing basic customer questions about Medicaid enrollment and services. In addition, under the contract, this vendor handles basic inquiries from customers regarding SNAP and CA. This vendor also accepts customer e-mails and conducts customer Web chats. From July 2014 through June 2015, this private vendor call center responded to 1,143,274 telephone calls 16,792 e-mails, 58,629 Web chats, reset 226,061 HEAplus passwords, and entered 14,081 telephonic applications.

- Overall usage of most of DES's self-service applications continues to increase, indicating widespread acceptance by DES customers:

- o The number of child support payments made through the DCSS Payment Gateway increased by 52 percent since the first year of the system's operation in 2011. Since its inception, the Payment Gateway has processed 222,484 total receipts with collections of

roughly $76.4 million. Electronic payments may be made over the Internet, by phone, or in person using point-of-sale terminals located in a local DES office.

- o A total of 280,692 UI tax reports were filed electronically in FY 2015. This total includes 54,202 reports filed on the online Tax and Wage System and 226,490 reports filed using the bulk file upload system Arizona UI Tax Reporting for Employers.
- o In FY 2015, 89 percent of new UI claims and 89 percent of continued claims were consistently filed electronically via the Internet.
- o The automated HEAplus application was used to submit over 50 percent of all applications received by the Department by June 2015, as compared to over 40 percent in June 2014.

- Most of the Department's programs use document imaging for Department records that must be stored electronically. This process allows for easy access and is more cost effective than storage of paper documents. In FY 2012, the Department received a SNAP Process and Technology Improvement Grant that enabled the piloting of automated document recognition and indexing software in FY 2013. After testing various indexing tools, DES intends to implement the Lexmark Intelligent Document Capture/Brainware document indexing solution. Once fully implemented, the software product will recognize the type of document that is scanned and then automatically index the document into its online document management system where it will be retrievable by multiple search criteria. The result of this change and updated system is that time will be saved by enabling colleagues to more rapidly access client documentation. In response to unforeseen challenges that arose while developing the new eligibility system, the Department has been granted a one year no-cost extension to expend the grant funds and implement the document recognition software during federal fiscal year 2016.

- By the conclusion of FY 2015, DES was able to successfully retire its 27 year old financial system and implement three Arizona Department of Administration (ADOA) systems to replace the financial functionality needed by the agency. This effort took slightly over 22 months with more than 130 colleagues participating on the project.

  This massive project included the successful conversion of 16 client subsystems, over 33,000 fixed asset records, hundreds of agency federal grants; the creation of 8,500 new chart of accounts/budgets; and a complete business reengineering of the agency's purchasing processes. In addition to this effort, DES re-architected the agency's main reporting tools (Data Warehouse and IFARM) to create a new Arizona Financial Information System Data Mart, which will also serve as the new platform as DES moves to increased use of Business Intelligence.

Section 3 – Professional Development of the Department's Colleagues

In FY 2015, DES transitioned its training activities to better respond to the needs of its colleagues. This transition has manifested as new initiatives to both make Department training efforts more effective and efficient as well as to focus on key core areas identified by its colleagues as necessary for improving job performance. The new DES Office of Professional Development (OPD) conducted an assessment of the training needs to support the New DES and its colleagues. OPD has also designed an innovative marketing plan that will effectively reach and engage all DES colleagues in a timely manner to inform and educate them on training related topics, course offerings, and opportunities for professional development.

Below is a status update on these key training initiatives.

Enhanced Training Effectiveness

In FY 2015 OPD began streamlining and improving Department internal training course development. This is being done to ensure everyone in the Department training community has reliable access to the right information anytime, anywhere, to make better decisions and be more productive. Rollout of this initiative began in FY 2015 and will continue in FY 2016.

The focus of OPD is to:

- Revamp/Improve Instructor Certification Program;

- Revamp/Improve Training Delivery Procedures;

- Revamp/Improve Instructional Design Certification Program;

- Revamp/Improve Training Course Request & Intake Process Flow; and

- Revamp/Improve Training Standards and Quality Measurements.

Improved Accountability

During FY 2015, OPD created several new metrics to help the Department rate its training and development effectiveness, efficiencies, and value. All of these metrics are based on data derived from training surveys and course evaluations.

The key training metrics currently in use are:

- Intention Score**:** This score addresses if participant goals and beliefs upon course completion aligned with desired goals.

- Adoption Score**:** This score addresses how much of the training has been implemented on the job and successfully integrated into the participant's work behavior.

- Impact Score**:** This score identifies the direct impact on, and value to, the colleague (or the agency) that can be traced to training.

- Customer Satisfaction Score (CSAT)**:** This score measures a customer's satisfaction with the service received.

Leadership Development Academy

OPD is developing Leadership courses that are based on its Colleague Feedback and Needs Assessment survey. These courses will become available for Department leaders during FY 2016. The courses in this new series are as follows:

- Transition to Leadership**:** This course offers an overview of leadership development and culture change while examining the transition into new DES leadership roles (challenges, job descriptions). This course also introduces a new 3-step skill model for new leaders to be successful.

- Essential Skills for Effective Communication**:** This course requires participants to demonstrate an understanding of the communication process, methods of effective communication skills, and the impact of communicating effectively with others.

- The Impact of a Leader: This course is designed to help participants identify their preferred leadership style, examine effective leadership skills, and discover the impact they have on their work teams, especially in the area of colleague engagement.

- Bridging the Communication Gap: This course provides an opportunity for participants to learn how to improve their communication with team members through knowledge of perception, simple techniques for clear expectations, how to help others to produce quality work, and to deescalate volatile situations.

- Dealing with Difficult People: This course is designed to train participants to utilize listening and communication skills related to working with individuals that tend to be argumentative, passive-aggressive, or display inconvenient and/or overall contradictory communication in the business environment.

Career Development Courses

The focus of the DES Career Development program will be to provide colleagues with better career awareness, self-development tools, and career decision-making skills. It is planned for implementation during FY 2016. This coursework will include workshops and self-development guides on topics such as resume building and internal job interview skills.

Colleague Mentor Program

Research has shown that participation in a formal mentorship program plays a significant role in a colleague's sense of personal, social, and professional well-being. The Department OPD began

development of the Colleague Mentor program in 2015 with the intent to implement the program in FY 2016.

The Colleague Mentorship Program will foster purposeful matches between colleagues and leadership, addressing these major goals:

- Promote an ongoing sense of community;

- Invite feelings of collegiality and shared opportunities;

- Encourage all colleagues to achieve their full potential;

- Assist new colleagues in understanding our new DES culture; and

- Create opportunities for maintaining a broad network of professional colleagues.

Section 4 – Fiscal Year 2015 Highlights and Accomplishments

The following describes selected agency accomplishments during FY 2015 in accordance with each of the agency's four goals:

1. Serve Arizonans with integrity, humility and kindness.
2. Support Arizonans to reach their potential through social services that train, rehabilitate, and connect them with job creators.
3. Provide temporary assistance to Arizonans in need while they work toward greater self-sufficiency.
4. Provide children with food, health care, and parental financial support; provide services to individuals with disabilities, and protect the vulnerable by investigating allegations of abuse, neglect, and exploitation.

Serve Arizonans with integrity, humility, and kindness

- The Arizona Long Term Care System (ALTCS) provides medical, behavioral health, and long-term care services to Arizona residents. In FY 2015, the State continued to serve more individuals per capita than all but six other states, continued to expand the number of individuals served each year, and continues to have no waiting list for ALTCS services attributable to budget concerns. The percentage of people living in settings of six or fewer and the significant percent of people living in their own or their family's home further demonstrate the State's commitment to individual choice, community inclusion and support for families. Due to people living on their own or at home with their families, Arizona continues to be one of the most cost effective programs in the country. The Department continues to use a variety of tools, including client surveys, to measure areas such as the satisfaction with supports and services provided to people with developmental disabilities and their families. Data for FY 2015 shows a consistent level of satisfaction, continuing a trend since FY 2000.

- In the annual report "The Case for Inclusion 2015", compiled by United Cerebral Palsy (UCP), Arizona ranked first as the nation's "Best Performing" state when it comes to key outcomes for citizens with developmental disabilities. Arizona has been ranked first seven times since the annual survey started in 2006. The report tracks how well state Medicaid programs serve Americans with intellectual and developmental disabilities.

  The UCP report also recognizes Arizona as ranking number one for being a family-focused state where support services are provided to families who are caring for children with disabilities in the home. This focus keeps families together and keeps people with a disability living in their communities.

  Arizona was also recognized for its efficiency with funds. According to UCP, Arizona ranked 50th for total spending per client The Department's Division of Developmental Disabilities (DDD) officials credit this to the collaboration between DDD and AHCCCS, the state agency that oversees the ALTCS program. This collaboration allows for direct support services to be provided at a client's home. Prior to ALTCS, the majority of funding was directed to support individuals in expensive out-of-home settings.

- DDD continues to participate in the National Core Indicators (NCI) program, a collaborative effort between the National Association of State Directors of Developmental Disabilities Services (NASDDDS) and the Human Services Research Institute. The purpose of the program is to support NASDDDS member agencies to gather a standard set of performance and outcome measures that can be used to track performance over time, to compare results across states, and to establish national benchmarks. Arizona is an original member of the program, participating since it began in 1997.

  The program consists of four client and family surveys for specific populations. Three surveys are conducted by mail and one survey is conducted face to face. DDD completes two surveys per year on an alternating schedule. In 2015, DDD completed the Child Family and Family Guardian surveys. Additionally, in 2015, the NCI program was expanded to include a fifth survey for providers to complete titled "Staff Stability", which Arizona completed. The Adult Family and Adult Consumer surveys will be completed in 2016.

  Each year, DDD reviews the data for the surveys that were completed paying particular attention to indicators that are below the national average or to indicators that are believed to have a significant impact on the client population. This information is used to develop strategies to improve client outcomes. In the past DDD has chosen the cost of services, loneliness, and choosing a Support Coordinator as priority indicators to address. Arizona participated in the new provider survey and will review this data to determine if strategies are needed in this area as well. DDD will use the data generated by the program to evaluate the overall impact and effectiveness of the implementation of new federal standards for home- and community-based settings.

- DDD, along with its community partners, sponsored the Twelfth Annual Direct Support Professionals Recognition event recognizing accomplishments during FY 2015. These outstanding individuals were honored for their superior service in working with individuals with developmental disabilities. There were 12 awardees that included 10 Direct Support Professionals and two Direct Care Supervisors.

- The Arizona Department of Housing (ADOH) announced that their joint competitive application for the Section 811 Project Rental Assistance (PRA) program was approved and will be operated by DDD. The Section 811 PRA program enables persons with disabilities who are income-eligible to live in integrated, affordable housing. The U.S. Department of Housing and Urban Development awarded over $150,000,000 in rental assistance to 25 State Housing Agencies. Arizona received $2,950,000 of those funds for this program.

  The ADOH and DDD will provide permanent affordable rental housing and needed support services to 54 households. The ADOH will identify four to five apartment complexes for participation. There will be a limit to the number of eligible clients in a complex and they must be dispersed, not segregated, in one area. No more that 25 percent of the total available units in any given complex may be used for this program.

DDD is establishing a team that will work collaboratively with the ADOH to implement all of the details, requirements, timeframes, etc. It is anticipated that referrals will begin to be accepted in the next one to two years.

- During FY 2015, DDD worked closely with the Department of Child Safety (DCS) to ensure collaboration when DDD clients are involved in the child welfare system. DDD hosted workshops for 773 DCS staff that provided information about how DCS and DDD can work in partnership to serve children and families involved with both agencies.

- As part of a multiyear State Systemic Improvement Plan, AzEIP identified a State Identified Measurable Result to increase the percentage of children who exit early intervention, in identified regions, with greater-than-expected improvements in their social relationships. The selected regions comprise a mix of urban, rural, and tribal areas and represent 40 percent of the children and families served by the statewide early intervention system.

- During FY 2015, AzEIP provided professional development to 171 DCS staff about how DCS and AzEIP collaborate to serve children involved in DCS and AzEIP.

- During FY 2015, AzEIP provided professional development training to 18 of the 41 Early Intervention Programs (EIPs) to support their fidelity to implementing Team Based Early Intervention Services. As a result, over 200 individual early intervention professionals participated in two-day institutes. To develop internal sustainability within EIPs, 40 professionals also participated in a one-day Master Coach Institute. At the completion of the institutes, the professionals participated in six months of intensive coaching. Additionally, AzEIP and DDD colleagues provided trainings to 197 individual early intervention practitioners to support the development of high quality Individualized Family Service Plans focused on natural learning opportunities.

- During FY 2015, AzEIP collaborated with the Arizona Department of Education on an Infant Toddler Mental Health Summit to support early childhood educators to collaborate and provide services and supports to meet the unique behavioral needs of this population.

- AzEIP contracts with Raising Special Kids to provide a central referral line in the following counties: Gila, Maricopa, Pima, Pinal, and Santa Cruz. This line assists families who have questions and concerns about their child's development to determine if they should make a referral to AzEIP. DES/AzEIP is also a member of the Smooth Way Home Committee. Smooth Way Home supports families of premature and newborn infants who have been admitted to neonatal infant care units in order to transition home. As a result of these collaborations AzEIP experienced an 18 percent increase in eligible children birth to one served by the program.

- During FY 2015, Arizona emergency domestic violence shelters contracting with the Department provided 293,970 nights of safety, resulting in 7,568 women and children finding safe refuge.

- The U.S. Department of Housing and Urban Development Emergency Solutions Grant, with an emphasis on Rapid Re-Housing and Homeless Prevention, was introduced in October 2012, in the 13 rural counties outside Maricopa and Pima counties. During FY 2014, the Rapid Re-Housing program was expanded to Pima and Maricopa counties. In FY 2015, 1,811 individuals were housed through the Rapid Re-Housing program. In FY 2015, DES-contracted emergency shelters served 9,613 individuals, and homeless prevention programs outside of Maricopa and Pima counties served 93. A total of 11,517 persons experiencing or at risk of becoming homeless were served through contracted service providers during FY 2015. Of those, 61 percent served were in Maricopa County, 24 percent were in Pima County, and 15 percent were in the remainder of the state.

- The Division of Aging and Adult Services (DAAS) contracted with 12 agencies during FY 2015 to provide comprehensive case management services through funding from the Community Services Block Grant. The contracted agencies leveraged this funding with other resources at a ratio of 25:1. The national ratio for the same reporting period is 22:1. The Community Action Network provided a total of 69,490 low-income households with utility and/or rental or mortgage assistance. Of this total, 50,728 households received assistance in paying for home energy; 34,745 of these received assistance under programs administered directly by DAAS. During FY 2015, under the TANF–funded Short Term Crisis Services Program, 1,614 families with children received emergency assistance in paying rent or mortgage to prevent eviction or foreclosure. This led to 1,421 case managed households obtained or maintained safe and affordable housing. There were 1,712 safe and affordable housing units in the community that were created, preserved, or improved through construction, weatherization, or rehabilitation achieved by Community Action activity or advocacy. Of those preserved or improved, 636 homes were weatherized to make the homes safe and energy efficient.

- The Senior Medicare Patrol provides education and assistance to resolve health care fraud, abuse, and errors, and to reduce costs to the Medicare/Medicaid systems resulting from these problems. A total of 5,676 one-on-one counseling sessions were conducted during FY 2015.

- The State Health Insurance Assistance Program (SHIP) is a federally funded state program that provides assistance at no charge to Medicare beneficiaries who have problems with or questions about their health insurance, including Medicare benefits and rights, complaints about medical care or treatment, billing problems, health plan and prescription drug coverage options, and health plan application and enrollment assistance to people with Medicare. SHIP helps educate the community about Medicare and related programs by hosting enrollment events and providing an array of information and materials. SHIP volunteer counselors are trained to assist Medicare beneficiaries with enrolling in programs and plans as well as with applying for the Extra Help and Medicare Savings Programs. In FY 2015, 35,385 Medicare/Medicaid clients were assisted.

- The Long-Term Care Ombudsman Program has the goal of protecting, promoting, and advocating for the rights of long-term care residents throughout the State. The Department contracts with eight Area Agencies on Aging to regularly visit all nursing and assisted living facilities statewide, and to respond to complaints about quality of life and care issues in those

facilities. In FY 2015, the program investigated 3,877 complaints on behalf of residents. Of those complaints, approximately 80 percent were fully or partially resolved to the satisfaction of residents.

- The Family Caregiver Support Program strengthens families by providing services that assist family and informal caregivers to care for their loved ones at home for as long as possible. Services provided include counseling and training, respite, and supplemental services. It is important to understand the value that family caregivers bring to long-term services and supports. According to an AARP Public Policy Institute study conducted in 2012, there are approximately 855,000 family caregivers in Arizona providing care that helps keep their loved ones living independently in their homes and community settings, avoiding much more expensive placements in long-term care facilities. These unpaid caregivers provided an estimated $9.4 billion in services in 2012 according to the AARP study. Without caregivers, the cost of providing this care would shift to other, more costly government resources such as Medicaid. Additionally, the demands of caregiving can lead to burnout or the need to quit jobs, putting the health and economic security of the caregivers themselves at risk. DAAS provided support services to 17,737 caregivers in FY 2015, according to the most recent State Program Report submitted to the National Aging Programs Information Systems.

- Respite services, a critical component of the Home and Community-Based system, provide short-term relief care for vulnerable adults allowing caregivers to be temporarily relieved from their caregiving responsibilities. Data from the 2013 National Survey of Older Americans Act Participants indicates the critical role that family caregivers play in delaying or eliminating the placement of loved ones in institutional settings. In the study, caregivers receiving respite services were asked whether the care recipient would have been able to remain in their home if they did not have access to services. Forty-one percent of the caregivers indicated that care recipients would not be able to remain in their homes. The respondents were then asked where care recipients would live if services had not been available. More than 80 percent of caregivers indicated that the care recipients would be in more costly, institutional settings. Respite care has proven to be a vital component to supporting family caregivers. DAAS provided respite services to 914 family caregivers in FY 2015.

- Non-medical Home and Community-Based Services provide the necessary support services to help individuals remain in their homes and communities. The Department contracts with eight Area Agencies on Aging to identify eligible recipients and provide services such as personal care, homemaker services, and case management. In FY 2015, DES provided services to 14,672 older adults to help maintain their independence and avoid premature and costly institutionalization.

- In FY 2015, 1,863 homeless and at-risk veterans participated in the 2015 Arizona Stand Downs throughout the State. Phoenix remains the largest Stand Down serving 906 veterans. The Arizona Stand Down is an alliance of community-based organizations that come together to provide annual, one- to three-day events that bring together the state's homeless and at-risk military veterans, connecting them with services. Stand Downs were held in Bullhead City, Flagstaff, Phoenix, Prescott, Safford, Sierra Vista, Tucson, and Yuma. Each

location had a variety of state and federal agencies participating in each event. Service providers included the Veterans Administration Health Care System, the Arizona Department of Transportation's Motor Vehicle Division, municipal and other court systems, the Social Security Administration, and DES. Department colleagues provided one-on-one case management services, including veteran's registrations, job referrals, referrals to support services, resume assistance, assistance with requesting forms, and accessing benefits.

- DCSS is federally charged to oversee the statewide administration of Arizona's Voluntary Paternity Program. Providing technical assistance and guidance, the Hospital Paternity Program (HPP) works collaboratively with hospitals and birthing facilities statewide, the Arizona Department of Health Services, Office of Vital Records, and each county's vital registration office to provide paternity establishment services for unmarried couples immediately following the birth of their child. During FY 2015 this collaborative effort established paternity for 31,480 children born in Arizona to unwed parents. HPP conducts annual visits to all birthing facilities statewide and is available daily by electronic means to all birth recorders. In addition, HPP provides a wide variety of outreach services to individuals, hospitals, birthing facilities, and midwives. HPP presented at the Family Support Collaborative Group with Southwest Human Development, and hosted an information table at the Celebrate the Young Child Conference. DCSS's HPP is a major contributor to DCSS's success in ranking high among the states in the IV-D Paternity Establishment ratio.

Support Arizonans to reach their potential through social services that train, rehabilitate, and connect them with job creators

- The Workforce Innovation and Opportunity Act (WIOA) of 2014 reauthorized the Workforce Investment Act (WIA) of 1998 and is designed to help job seekers access employment, education, training, and support services to succeed in the labor market, and to match employers with the skilled workers they need to compete in the global economy. It contains specific programs targeting vulnerable groups, such as laid-off workers and veterans with disabilities. To facilitate the transition from WIA to WIOA, a statewide Implementation Team was created. The Implementation Team, which has met bi-weekly since September 2014, is comprised of WIOA core partner programs and community stakeholders. During FY 2015, the Implementation Team and several task forces identified key issues and began implementing provisions of the WIOA, including the following:

  o Local Governance Policy was revised and new Local Workforce Development Boards established.
  o Arizona's client data and labor exchange system, Arizona Job Connection, was updated to be WIOA compliant.
  o A Steering Committee was established to guide the drafting of the State Workforce Plan 2016-2020, which must be submitted to the U.S. Department of Labor by March 3, 2016.
  o Partner programs under WIOA include the DES Rehabilitation Services Administration, the Employment Administration, and the Arizona Department of Education. Partners will continue to discuss implementation issues, such as common performance measures, data

sharing, and streamlining of service delivery to reduce duplication of services and provide high-quality, customer-centered services.

- The Employment Administration/Workforce Investment Act Section worked with 12 Local Workforce Investment Boards to provide services under the WIA. This program assists low-income adults, dislocated workers, and youth with a variety of services that lead to employment, an increase in earnings and ultimately self-sufficiency. WIA Adult and Dislocated Worker services include case management, structured job search, resume assistance, job referrals and employment history and skill assessment, career planning, training services and supportive services, among others. Individuals who are identified as needing additional training to be able to secure employment may be eligible for training services. The WIA Youth program focuses on low-income youth with barriers to employment by providing an array of services that prepare youth for post-secondary education, training or employment. Youth services include tutoring; summer employment opportunities; work experiences which include pre-apprenticeships, internships, and on-the-job training; occupational skills training; and other supportive services.   In FY 2015, nearly 6,000 adult and over 3,200 youth (ages 14–21) clients received assistance.

- The Eligible Training Provider List (ETPL) contains training providers who are eligible to receive WIA funding for training WIA participants. The statewide ETPL is available on www.azjobconnection.gov. Training providers must meet state and local ETPL requirements to be approved for ETPL. All training programs must be for in-demand occupations in Arizona to be listed on the ETPL. ETPL provides valuable training program information including program descriptions, costs and fees, labor market information, credential information, performance data and the average median wage of the related occupation, which allows for informed, client choice. In SFY 2015, the ETPL contained over 1,400 in-demand training programs, which included training programs in both rural and metropolitan areas of Arizona, as well as training programs that are offered online. WIA participants approved for training were enrolled in these training programs to gain the required skills for current employment opportunities in Arizona.

- The Arizona Refugee Resettlement Program (RRP) contracts with local refugee resettlement agencies to provide refugees and other eligible beneficiaries culturally responsive and linguistically appropriate employability and employment services that aid them with achieving economic self-sufficiency as quickly as possible after their arrival in the United States. During FY 2015, these services supported 1,027 refugees with securing employment, compared to 731 in FY 2014.

- During FY 2015, RRP entered into an Interagency Service Agreement with the Arizona Board of Regents for an Arizona State University Technical Assistance Project for ethnic community-based organizations. The Project supports nine participating ethnic community-based organizations with:

  o Capacity-building project plans;
  o Design and implementation of their programs, projects, and activities to support refugees' successful resettlement; and

o   Creation and efforts of the New American Initiatives Consortium.

- The Corporation for National and Community Service supported RRP AmeriCorps VISTA Project, now in its sixth year, provides opportunities for 20 VISTA members placed with 15 refugee serving partner agencies in Central and Southern Arizona to develop capacity building assignments that address barriers to employment, public education, and health related issues. Eighty-four VISTA members have been sponsored over the Project's six years to provide more than 5,500 refugees improved services and access to those services.

- RRP contracts with Refugee Focus in Phoenix and Pima Community College Adult Education in Tucson to provide English Language Training (ELT) to refugees that emphasizes English learning as a direct path to gainful employment and self-sufficiency. A total of four Vocational English as a Second Language classes were added with a total of 147 refugees enrolled, of which 89 received offers of employment. During FFY 2015, 1,426 refugees were enrolled in one of the 47 ELT classes offered.

- In FY 2015, 8,573 CA-eligible families were diverted from long-term CA and received a one-time cash grant equal to three months of benefits in the Department's Grant Diversion Program. The Grant Diversion cash grant allows families with a job-ready adult to eliminate immediate barriers to employment in order for the adult to attain full-time employment within 90 days of the CA application. Recidivism in the Grant Diversion Program remained very low during FY 2015 as over 90 percent of families that received the Grant Diversion option from July 2013 through January 2014 did not return to long-term CA within 180 days.

- The Arizona Apprenticeship Office in the Employment Administration provides support and technical assistance to 111 registered apprenticeship programs in the state. Programs in non-traditional occupations, such as the IT and Healthcare industries are part of the apprenticeship office colleague's goals for the future of registered apprenticeship in the state. In FY 2015, 1,083 new apprentices were registered, for a total of over 2,670 apprentices in Arizona in construction, advanced manufacturing, information technology, utility, and energy occupations. Registered Apprenticeship programs are automatically approved on the ETPL. Jobseekers can apply for funds from their local workforce one stop to help them through the start of an apprenticeship program where tools and some equipment are needed to continue to work. Veterans that become apprentices in approved apprenticeship programs can use their GI Bill in that program. The Arizona Apprenticeship Office works closely with Arizona's workforce area one stops along with business service outreach representatives and the Nineteen Tribal Nations to help increase programs and availability of apprenticeship programs in Arizona to jobseekers and employers.

- The DERS/Rehabilitation Services Administration (RSA) partners with the Arizona Department of Health Services/Division of Behavioral Health Services through a cooperative Intergovernmental Agreement (IGA) to provide enhanced Vocational Rehabilitation services to individuals determined to have Serious Mental Illness. The purpose of the IGA is to increase the employment outcomes of individuals with psychiatric disabilities.

- RSA provides enhanced, structured, and goal-oriented vocational and educational activities through coordination and collaboration with high schools statewide. Students with disabilities participate in activities which are geared to help the student prepare for, obtain, and maintain employment. In FY 2015, RSA partnered with 22 high schools and provided enhanced vocational services to nearly 3,000 high school students with disabilities.

- In FY 2015, 1,338 individuals with significant disabilities gained competitive employment as a result of participation in the Vocational Rehabilitation program.

- DDD continues to prioritize efforts directed at enhancing the successful transition of young adults with intellectual disabilities from school to work. DDD colleagues continue to hold a leadership role in a state-level Community of Practice on Transition (CoPT) that meets monthly and supports the development and maintenance of local CoPTs. DDD also co-sponsored the 15th Annual Arizona Transition Conference, which drew over 800 participants. This year's conference had a strong presence of employment-related topics for participants, including three sessions presented by DDD colleagues. One of these sessions featured three DDD clients who highlighted their successful journeys to competitive employment. DDD's nine District Employment Specialists regularly participate in local high school transition fairs, job fairs, and other events highlighting employment. DDD colleagues provide regular joint training with the Arizona Department of Education's Exceptional Student Services' Transition Specialists to emphasize collaboration in planning students' transition from school to adult life and work. DDD colleagues also work closely with the Arizona Parent Training and Information Agency, Raising Special Kids, to provide training to family members on transition-related topics, including an emphasis on employment as a primary post-secondary outcome for their children. To help support clients' transition from non-work activities to employment, DDD released a new Transition to Employment service intended to teach participants soft skills that are critical for obtaining and maintaining integrated and competitive employment. The service is curriculum-based and time-limited for clients with little or no work history or those who need a refresher in an employment-related skill.

- DDD is broadening both internal and external awareness of the value of employment for individuals with intellectual disabilities. DDD colleagues continue to train providers and others in the use of the Arizona Disability Benefits resource. This Web-based program provides user-friendly tools to help individuals with disabilities, their families, and others make informed decisions about going to work by assisting them to plan for employment, learn how work and benefits (cash and healthcare) go together, and how their individual benefits might be affected by earned wages. This resource is a mandatory training module in DDD's new Transition to Employment service and has been updated to include information specific to the Affordable Care Act.

- DDD continues to hold a leadership role as Chairperson of the broadly based statewide partnership working on a statewide Employment First Strategic Plan to improve integrated and competitive outcomes for all individuals with a disability. The Planning Committee has met regularly since January 2014 and has completed a statewide plan. A webinar introducing the plan's key directions and actions was held in April 2015. Stakeholder comments were

incorporated for publication in August 2015. DDD was selected to present an overview of its Employment First initiative at the 2015 National Association of People Supporting Employment First Conference in June 2015 and at the 15th Annual Arizona Transition Conference in August 1015.

Provide temporary assistance to Arizonans in need while they work toward greater self-sufficiency

- DERS has applied to receive matching funding from the U. S. Department of Agriculture's Food and Nutrition Services to support work-eligible individuals receiving SNAP benefits to participate in employment and training activities provided through the Supplemental Nutrition Assistance Employment and Training (SNA E&T) Program. By taking advantage of these funds, DERS will increase the SNA E&T current service delivery model by increasing the number of community partners that deliver employment and training activities to SNAP-enrolled individuals. These partners will then be able to increase the capacity of the program to provide employment and/or education services. This strategy will ultimately lead to the significant expansion of the SNA E&T Program through a phased Personal Accountability Pilot Program.

- A productive partnership made possible by a Memorandum of Understanding between DAAS and the community-based Arizona Caregiver Coalition (ACC) has enabled the continued operation of the Caregiver Resource Line (CRL), a statewide toll-free service that provides a "No Wrong Door" access point to family caregivers seeking support and services. The CRL utilizes space, phones, and data equipment provided by DES, but all of the people staffing the phones are trained volunteers overseen by a volunteer coordinator provided by the ACC.

- DES holds monthly consultation meetings with Arizona Indian Tribes to discuss their issues as they relate to the Department. Under the direction of the DES Tribal Relations Liaison, the group revised the Department Tribal Government Consultation Policy and Procedures, which ensures open, continuous, and meaningful consultation with Arizona's 22 Tribes.

- During FY 2015, DDD received assistance from approximately 126 volunteers, working a total of 9,670 hours. Trained volunteers assist in many areas, ranging from the Adaptation Station; the DDD Arizona Training Program at Coolidge; helping with special projects such as the assist-a-family holiday outreach project; and helping with office and clerical tasks. The Adaptation Station designs and constructs adaptive equipment for children and adults with developmental disabilities. During FY 2015, its 21 regular and seasonal volunteers contributed 3,098 hours. During these hours, the volunteers produced and adapted more than 536 items to assist 147 individuals, as well as serving more than 83 therapists and 25 community agencies and school district programs. Items adapted include equipping battery-operated toys with easily accessible switches, building therapy positioning devices and furniture, sewing weighted vests, blankets and lap pads, plus designing as-needed adaptations for home and work. Volunteers also taught others to make and modify equipment. Because the Adaptation Station can provide this equipment and these services for the cost of materials

alone, a savings of nearly 75 percent was realized over comparable catalog items (and in many cases, the Adaptation Station created items that are not otherwise available).

- DDD continues its partnership with Pilot Parents of Southern Arizona to provide the Partners in Policymaking program, which is an innovative leadership training program that teaches people to be community leaders and to effect systems and policy change at the local, state, and national levels. The program is designed for individuals who have a disability and for parents raising children with a disability. Partners in Policymaking provides the most current information and education about disability policy; the legislative process; and local, state, and national issues that affect individuals with disabilities. Participants are people who are ready to work for long-term system changes and for changes in public policy. The overall goal of the program is to foster a partnership between people who need and use services for disabilities, and those who determine public policy. Graduates of the program gain the ability to teach policymakers a new way of thinking about people with disabilities.

- DDD contracts with Raising Special Kids and Pilot Parents of Southern Arizona to provide peer counseling, which provides self-help opportunities through education, training, information, encouragement, and support to individuals, families, and other caregivers. Peer counselors also communicate with professionals in fields such as education, healthcare, child protection, and law enforcement to increase awareness and understanding of developmental disabilities.

- The DDD Office of Family and Community Resources (FCR) unit continues to provide staff support to the Developmental Disability Advisory Council (DDAC) with approximately 10 council meetings per year and ten public forums. The council reviews and makes recommendations to the DDD Assistant Director regarding the provision of services to people with developmental disabilities. DDAC membership is composed of 17 members, including persons with developmental disabilities who receive services from DDD; parents and guardians of children with developmental disabilities; private-sector agency providers of in-home services, residential services, and adult day services; representatives from developmental disability advocacy organizations; and a foster parent representative. The mission of the DDAC is to provide, in partnership with DDD, advisory oversight on behalf of clients, families, and providers by defining appropriate services from the client's perspective.

- FCR provides support to Human Rights Committees organized within each District across the state. These committees are comprised of local volunteers who provide independent oversight in matters related to the rights of people with developmental disabilities in areas such as incidents of abuse, neglect, or exploitation. Committees usually meet one time a month to:

  o Review any incidents that may have involved neglect, abuse or denial of rights of clients receiving services;
  o Review behavior programs which involve the use of behavior modifying medications or aversive techniques;
  o Review any proposed research involving clients receiving services; and

o Make recommendations to DDD about changes needed to protect the rights of clients receiving services.

- CommunityConnect, an e-newsletter for community leaders and community members across Arizona that is produced by the Department, provides those who deliver human services with resources and information and provides a platform for sharing community successes among groups and geographically dispersed communities. The e-newsletter reaches over 10,000 Arizonans.

- The DCSS Outreach team formalized and entered into a Memorandum of Understanding (MOU) with the Arizona Federal Correctional Institute to expand outreach efforts within prison facilities. The DCSS also formalized and entered into an MOU with the Young Women's Christian Association to offer free budgeting classes for clients receiving child support services.

Provide children with food, health care, and parental financial support; provide services to individuals with disabilities, and protect the vulnerable by investigating allegations of abuse, neglect, and exploitation

- During FY 2015, the Office of Special Investigation Public Assistance Benefit Fraud (PABF) Unit began transitioning in to an enterprise Governance, Risk and Compliance (eGRC) automated solution tool to track and manage cases. PABF completed and finalized 8,658 investigations for estimated cost avoidance of $3,620,954; however, this figure does not include the cost avoidance from 550 cases in eGRC that did not track at the time. The Investigations Support Unit (ISU) referred 297 PABF cases for an administrative disqualification hearing and recoupment of overpayment. ISU also referred 67 fraud investigations to multiple prosecutorial jurisdictions for criminal prosecution. These actions have resulted in $1,052,875 in civil recoveries, 12 criminal convictions, and $121,908 in court-ordered restitution. The SNAP Trafficking Detection Unit, in partnership with the U.S. Department of Agriculture, the Arizona Attorney General's Office (AGO), and local law enforcement, conducted an investigation that resulted in court-ordered restitutions of $19,221. In addition, 79 individuals were determined to have committed an intentional program violation with overpayments totaling $27,802 and were subsequently disqualified from SNAP; 73 individuals were disqualified for at least one year; one individual was disqualified for at least two years; and 5 individuals were disqualified for life. The UI Benefits Fraud Unit completed 115 criminal cases, which were referred to the AGO resulting in anticipated recoveries of $963,258; 119 administrative cases were referred back to the UI program for anticipated civil recoveries of $541,342; and 101 identity theft cases with anticipated recoveries of $101,333. In addition, the AGO had 67 UI case indictments filed with the courts, and there were 112 convictions with court-ordered restitution totaling $569,652, court-ordered fines of $22,759, and court-ordered fees of $4,436. UI recoveries that were paid prior to sentencing for these convictions totaled $554,943. The Office of Internal Affairs completed 141 investigations.

- DCSS distributed nearly $660,000,000 in child support collections to families during FY 2015.

- Employers play an important role in the DCSS and are relied on for reporting up-to-date sensitive data, processing withholding orders, and overall participation in the child support program to ensure that support monies are disbursed to the child/children in a timely manner. By withholding child support payments from employee paychecks and enrolling the children in their parent's health insurance plans, employers help ensure the financial security of children and families. The DCSS offers employers the opportunity to receive and respond to income withholding orders, medical support notices, employment verifications, and to report employee terminations through an on online service called e-Employer. There is no cost for employers to use this service, which saves employers postage and reduces DCSS colleague time by eliminating paper responses.

- Approximately one in six Arizonans, based on the population statistics from the 2012 American Community Survey, received SNAP benefits administered by DBME during FY 2014 and FY 2015. With such rapid and sustained caseload growth, the Department needed to address the underlying issues of this trend and utilization of its limited number of colleagues before such growth completely overwhelmed the benefit programs. DBME began implementing a new process management model during FY 2011 and completed statewide implementation in DBME offices in January 2012. The new model uses a Process Management (PM) team to focus on streamlining eligibility practices and processes for applications and interviews, verification and eligibility decisions, and case maintenance and recertification. DBME has improved its lobby management with a fast tracker system designed to track and route client lobby and phone traffic. This allows management to track "time in" and "time out" of applicants and allows management to direct colleague resources to areas of the greatest volume. Furthermore, in conjunction with the electronic application process through the automated HEAplus application, emphasis is placed on completing the entire application and authorization process in one visit. This emphasis has allowed DBME to dramatically reduce the number of repeat office visits and phone calls, thereby minimizing lobby traffic while providing timely and more accurate eligibility determinations. The dramatic increase in the SNAP timeliness rate is one example of the success of the new process management model. The timeliness rate for SNAP applications in October 2010 was 79.6 percent. In March 2012, the timeliness rate for SNAP applications increased to 94.1 percent, and, by the end of FY 2014, the timeliness rate had increased to 95.9 percent. As of June 2015, the SNAP application timeliness has increased to 96.3 percent.

- In April 2014, the DBME PM team developed Supervisor Academy training to ensure that new supervisors had the necessary information regarding practices and techniques for maximizing their productivity and enhancing quality outcomes.

- DES collaborated with AHCCCS to develop a more updated eligibility system to include the Process Management model. The Department has the ability to disperse the Medicaid eligibility workload to resources throughout the state thus not limiting it to a certain region. The new system includes enhanced process management tools to standardized scripts, documentation, and reports to continue to conduct effective quality interviews and to efficiently manage the workload. With the Process Management model incorporated into the new system, the first pilot office began using the new system in June 2014. The new system

presented a new workload management snapshot report and enhanced detailed worker reports. After the system proved to be a success in the pilot local office, the state rolled out the system to the rest of the offices through the first part of 2015.

In May 2015, the Process Management Supervisor Training was quickly updated to include the new processes, tools, and enhanced reports. During the FY 2015, seven Supervisor Academies have been delivered to new and experienced management.

To ensure continued maintenance and sustainability of the business model, 12 compliance reviews were conducted to identify deficiencies and best practices to share statewide.

- FCR works closely with individuals, families, system partners, and community stakeholders. DDD's Resolution System (RS) is an automated system used to track client, provider, and community concerns and complaints, and to describe the resolution of the issue. This allows for the ability to identify patterns of concern to ensure systemic identification and resolution. During FY 2015, DDD responded to 578 complaints. The unit also handled more than 1,000 other phone calls that were not entered into the RS as they were handled within the initial phone conversation. The calls included referrals to other agencies, community resource information requests, and updates on colleague locations.

- FCR delivered 33 presentations FY 2015 providing outreach to 2,140 people. Attendees included stakeholders, community partners, emergency management teams, school districts, family groups, DDD colleagues, various community fair attendees and health and wellness event attendees. This unit designs and develops the DDD client newsletter that is published semi-annually. FCR also provides resource assistance to members of the community, including information pertaining to Social Security benefits, Medicare, and Medicaid to DDD clients, other individuals, and families.

Section 5 – Economic Conditions and Outlook[1]

Introduction

The Office of Employment and Population Statistics (EPS) within ADOA is forecasting gradual gains in Nonfarm employment in Arizona for the 2015-2016 projections time period. An over-the-year gain of 56,600 Nonfarm jobs is expected in 2015 and 63,100 in 2016. In the current forecast, the rate of growth projected for total Nonfarm employment is 2.2 percent in 2015 and 2.4 percent in 2016. A total of 119,700 Nonfarm jobs are forecast to be gained over the projected years (2015 and 2016).

The overall employment situation in Arizona continues to improve. This is consistent with improvement seen in many economic indicators, including population growth. The population grew faster in 2014 at 1.31 percent compared to 2013, based on EPS ADOA population estimate numbers. Population is projected to grow at 1.65 percent in 2015 and 1.99 percent in 2016.

Arizona's year-over-year average Nonfarm employment growth rate exceeded the national average in both 2013 and 2014. The U.S. averaged Nonfarm employment growth rate of 1.7 percent in 2013 and 1.9 percent in 2014. In comparison, Nonfarm employment growth rate in Arizona has remained at 2.1 percent in 2012, 2013, and 2014. While the U.S. has recovered all the jobs shed since the prerecession peak, as of December 2014 Arizona has recovered approximately 73.9 percent of jobs shed. We expect the recovery to continue in Arizona. Nonfarm employment is expected to grow at the rate of 2.2 percent in 2015 and 2.4 percent in 2016. All eleven major sectors are expected to grow in 2015 and 2016. Arizona has historically (1993-1999, 5.2 percent per year; 2004-2006, 4.7 percent per year) seen stronger Nonfarm employment growth rate than what has been observed in recent years. Although Nonfarm employment has grown in both absolute and relative terms since the recession, this recovery seems weak when examined in the historic context.

Although the Arizona economy continues to have some after effects of various policies that were enacted post-recession (Sequestration cuts-2011, payroll tax increase-2013), the major impacts of these policies are behind us and Federal government does not appear to be a strong drag on the economy. Compared to prior recessions, the weak employment recovery is in large part due to lack of new construction. However, the economic fundamentals continue to improve. Both, the U.S. and Arizona's unemployment rate continue to decline. Two economic changes worth noting are the lower oil prices and the rising dollar. The U.S. and Arizona households are expected to receive the benefits of a higher disposable income resulting from lower oil prices. On the negative side, the rising dollar could hurt exports. On the positive side, it is expected to make imports cheaper and help control inflation. A higher dollar effectively transfers demand from the U.S. economy to economies around the world. Economies such as Japan, emerging Asia and Europe could benefit with a boost to their exports. In the long run this should lead to a healthier and a more balanced global economy.

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[1] This section has been provided by the Arizona Department of Administration, Office of Employment and Population Statistics.

Arizona continues to operate under conditions of reduced civilian and military program funding. Various economic sectors have felt the trickledown effect of the state's dependence on defense related industries. Both federal government military and civilian real expenditures continued to decrease in 2014.

Factors supporting Arizona's economic growth

- Continued improvement in real Gross Domestic Product (GDP), real personal income, employment, and retail sales at the state and national levels.

- Continued private sector employment gains, increasing private domestic investment, increases in the index of industrial production and rate of capacity utilization, high levels of corporate profit, and a gradual resurgence in private residential construction permits. In 2015, the increase in domestic investment spending is anticipated to begin reducing the amounts of accumulated corporate cash holdings.

- Household net worth and U.S. exports continue to increase.

- Residential real estate market in Arizona and Phoenix metropolitan area has shown improvement. Home prices have improved but are still way off peak. Increase in the construction of primarily apartments, office buildings, and limited single family homes have been observed. Commercial real estate is gradually improving with lower vacancy rates, higher rental rates, and lower rates of default and delinquency in mortgage loans.

- Growth in non-revolving consumer credit levels have been serving as an impetus to expanding economic activity. Consumer sentiment and consumer spending have improved. Banks are gradually loosening up their lending requirements. Mortgage rates are low. Bank delinquency and default rates on consumer credit are declining.

Some factors that could further dampen the growth of the local economy are given below. However, the positive factors listed above outweigh the uncertainties in the sections described below in support of our forecast:

- Despite some increase in disposable income from lower gas prices, constrained budgets persist for a large majority of households. The real median household income in U.S. and AZ is below the peak level prior to the 2007 recession.

- Population growth in the state (1.3 percent in 2014) has been below the growth rate observed historically, limiting the additional demand for goods and services. Arizona's annualized population growth rate for the decade of 1980 was 3.0 percent. This rate increased to 3.4 percent for the decade of the 1990's and then decreased to 2.2 percent for the first decade of the 21st century. In-migration, both domestic and international to the state has declined over time.

- Although there has been some improvement in the residential real estate market, up to 20 percent of potential buyers are unable to enter the housing market because of negative or low

home equity. Reduction in Federal Housing Administration loan limit, higher FICO score requirement, prior home foreclosure or short sales and millennials living at home have further inhibited potential buyers from entering the housing market.

- Although real business investment continues to grow, the rate of growth has slowed as a consequence of demand uncertainty. However, the rate of growth of business investment is expected to increase in 2015 and 2016.

- In the public sector, cuts in the federal, state and local budgets would require spending cuts, tax increases, or a mixture of the two which could slow the growth in aggregate demand in the U.S. and Arizona economy, thus limiting employment growth.

- Arizona is vulnerable to federal government expenditure changes due to a larger share of military spending in the state's economy. Real federal civilian and military expenditures continued to decline in 2014. Operating at a lower level of federal government expenditures is projected to impact some industry sectors more than others: Manufacturing; Retail Trade; Professional and Business Services; and Government.

Factors for limited optimism and concern on the international front

- Although Arizona exports could have a slight stimulating effect with a gradual improvement in the overall world economy, a rising dollar could negatively hurt exports.

- China's deceleration in growth could impact other regions. China's national economy grew an annual 7.4 percent in 2014, slowest since 1990. It is unclear as to how China will extricate itself from its debt induced housing bubble and industrial capacity glut.

- The global economy continues to be in low gear, and hope that the tailwinds of lower oil prices and international monetary stimulus would provide a modest boost to growth this year.

Arizona Industry Employment Projections (2014 –2016)

The last full year of employment data (or base year) is 2014. The 2014 employment data used for these projections are prior to benchmark or revisions. Forecast years are 2015 and 2016. All major sectors of the Arizona economy are projected to gain jobs during the forecast period. Total Nonfarm employment is expected to grow at a modest rate in 2015, picking up in 2016.

Gains are expected in all eleven major sectors over the two-year period. For the 2014 to 2016 forecast time period, the major sectors with the largest projected employment gains are: Educational and Health Services (29,900 jobs), Leisure and Hospitality (23,300 jobs), Trade, Transportation and Utilities (21,100 jobs), Professional and Business Services (18,500 jobs), and Financial Activities (12,400 jobs). Smaller gains are forecast in these sectors: Manufacturing (4,500 jobs), Other Services (3,300 jobs), Government (2,800 jobs), Construction (2,800 jobs), Information 800 jobs), and Natural Resources and Mining (400 jobs).

During the two-year forecast time period, four sectors are projected to grow at a faster rate than the overall Nonfarm employment rate of 4.7 percent, and seven sectors are expected to grow at a slower rate. The major sectors with higher expected growth rate are Leisure and Hospitality (8.2 percent), Education and Health Services (7.7 percent), Financial Activities (6.4 percent), and Professional and Business Services (4.8 percent). The major sectors expected to grow at a slower rate than Nonfarm employment are Trade, Transportation, and Utilities (4.3 percent), Other Services (3.7 percent), Natural Resources and Mining (3.1 percent), Manufacturing (2.9 percent), Construction (2.3 percent), Information (1.9 percent), and Government (0.7 percent).

Educational and Health Services (EHS): The EHS sector is forecast to gain 13,800 jobs (3.5 percent) in 2015 and 16,100 jobs (4.0 percent) in 2016 for a total of 29,900 jobs over two years. Increases are expected in all subsectors of Health Care and Social Assistance with the largest projected employment increase in Ambulatory Health Care Services. With the Affordable Care Act (ACA) expansion, both Medicaid and Medicare enrollment has increased. Population growth coupled with state and federal spending associated with the ACA is likely to increase employment growth in these subsectors. Private Educational Services are expected to slow as the economy improves and people re-enter the workforce foregoing higher education and the accumulation of student debt.

Leisure and Hospitality (L&H): L&H is projected to gain 11,100 jobs (3.9 percent) in 2015 and 12,100 jobs (4.1 percent) in 2016 for a total of 23,300 jobs over two years. The largest projected job gain is expected in the Food Services and Drinking Places sub-sector. Fewer gains are forecast in the sub-sectors of Accommodations and Arts, Entertainment, and Recreation. An improving economy, tourism, and population increases are expected to bolster employment in the Leisure and Hospitality sector.

Trade, Transportation and Utilities (TTU): The TTU sector is forecast to gain 10,000 jobs (2.1 percent) in 2015 and 11,100 jobs (2.2 percent) in 2016 for a total of 21,100 jobs over two years. Retail Trade is expected to have the most employment gains with all subsectors forecasting gains. Fewer gains are forecast in Wholesale Trade and Transportation, Warehousing, and Utilities. Utilities is expected to remain flat over the two-year period. Transportation and Warehousing is forecast to gain jobs as a result of overall economic growth.

Professional and Business Services (PBS): The sector is projected to have an increase of 9,600 jobs (2.5 percent) in 2015 and 8,900 jobs (2.3 percent) in 2016 for a total of 18,500 jobs over two years. The Administrative and Waste Services sub-sectors are expected to have the largest job gains over the projection period which includes Employment Services, Business Support Services, and Services to Buildings and Dwellings. Employment Services growth is expected to slow over the two-year period as firms move away from lower-cost contingent labor to more stable hires with an improving economy. Job gains are forecast in the sub-sectors of Professional, Scientific, and Technical Services and Management of Companies and Enterprises.

Financial Activities (FA): Projected employment growth in Financial Activities over the two-year period is expected to slow to an increase of 6,400 jobs (3.3 percent) in 2015 and 5,900 jobs (3.0 percent) in 2016 for a total of 12,400 jobs over two years. Gradual rise in interest rates and slow growing construction sector could hinder employment growth in this sector. Securities,

Commodities Contracts, and Investments, Credit Intermediation and Monetary Authorities, Real Estate, Rental and Leasing, are forecast to gain jobs with the largest gains projected in Insurance, Funds and Trusts.

Manufacturing: This sector is projected to have an employment increase of 1,600 jobs (1.1 percent) in 2015 and 2,900 jobs (1.8 percent) in 2016 for a total of 4,500 jobs over two years. Growth is forecast in both Durable Goods and Nondurable Goods. Gains in Durable Goods are expected from Fabricated Metal Products and other unreported sectors; Aerospace Products and Parts and Computer and Electronic Products are forecast to shed jobs. The U.S. production index has expanded for eleven consecutive months. New orders index also indicates forward momentum in the economy. However, with Arizona's dependence on defense related industries, reduced civilian and military funding, and the after effects of sequestration staffing levels for defense related manufacturing industries in Arizona are expected to decline.

Other Services (OS): OS is forecast to gain 1,600 jobs (1.8 percent) in 2015 and 1,700 jobs (1.9 percent) in 2016 for a total of 3,300 jobs over two years. An improving economy with gradually rising levels of business and consumer spending is forecast to bolster the demand and employment for the services provided by this sector.

Government: Government is forecast to have a small gain of 1,300 jobs (0.3 percent) in 2015 and 1,500 jobs (0.4 percent) in 2016 for a total of 2,800 jobs over two years. All sub-sectors (Federal, State, and Local Government) are expected to have gains over the two-year period. All gains in State and Local Government are expected in education related subsectors.

Construction: This sector is forecast to gain 600 jobs (0.5 percent) in 2015 and 2,200 jobs (1.8 percent) in 2016 for a total of 2,800 jobs over the two years. Heavy Construction is expected to have the largest employment gain. Specialty Trade is expected to increase but could be dampened till housing overall makes a meaningful recovery. Multi-family private residence construction has grown in the state. Home repair and maintenance activities and population growth are factors that support some growth in this sector. Building construction is the only Construction sub-sector with projected job losses from 2014 to 2016.

Information: This sector is projected to have a gain in employment of 400 jobs in both 2015 (0.9 percent) and 2016 (1.0 percent) for a total of 800 jobs over two years. Job gains are forecast in the telecommunications and non-telecommunications sub-sectors of Information.

Natural Resources and Mining (NRM): The NRM sector is forecast to gain 200 jobs (1.3 percent) in 2015 and 200 jobs (1.8 percent) in 2016 for a total of 400 jobs over two years.

Conclusion

Arizona is projected to gain 119,700 Nonfarm jobs over the two projected years (2015 and 2016). This represents a growth rate of 4.7 percent over the two projected years. An over-the-year gain of 56,600 jobs (2.2 percent) is projected in 2015 and 63,100 jobs (2.4 percent) in 2016. Arizona's Nonfarm employment is forecast to grow at a modest rate in 2015 and gain additional momentum in 2016. This is consistent with improvement seen in other economic indicators.

As of December 2014, Arizona has recovered approximately 73.9 percent of jobs shed from the prerecession peak. Many economic fundamentals in Arizona continue to improve. All of the eleven major sectors are expected to grow over the two forecast years. Home prices continue to increase but are still well below prerecession peak levels. Population is expected to grow gradually through 2016.

All major sectors of the Arizona economy are projected to gain jobs during the 2014-2016 forecast time period. Educational and Health Services is projected to add 29,900 jobs, the most jobs of any sector. Other sectors with large projected gains include Leisure and Hospitality (23,300 jobs), Trade, Transportation, and Utilities (21,100 jobs), Professional and Business Services (18,500 jobs), and Financial Activities (12,400 jobs). Smaller gains are forecast in Manufacturing (4,500 jobs), Other Services (3,300 jobs), Government (2,800 jobs), Construction (2,800 jobs), Information (800 jobs) and Natural Resources and Mining (400 jobs).

Some sectors are forecast to have a higher employment growth rate while others have a lower rate when compared to the overall Nonfarm employment growth rate of 4.7 percent. The growth rate over the 2014-2016 forecast period for the four sectors projected to grow at a faster rate than the overall Nonfarm employment rate in descending order of magnitude are Leisure and Hospitality (8.2 percent), Education and Health Services (7.7 percent), Financial Activities (6.4 percent), and Professional and Business Services (4.8 percent). The remaining seven sectors forecast to grow at a slower rate than Nonfarm employment are Trade, Transportation, and Utilities (4.3 percent), Other Services (3.7 percent), Natural Resources and Mining (3.1 percent), Manufacturing (2.9 percent), Construction (2.3 percent), Information (1.9 percent), and Government (0.7 percent).

Although Arizona economy continues to feel some after effects of policies that were enacted post-recession, the major impacts of these policies are behind us and Federal Government does not appear to be a strong drag on the economy. Compared to prior recessions, the weak employment recovery is in large part due to lack of new construction. However, the economic fundamentals continue to improve.

There are many positive indicators suggesting improvement in the overall economy. Economic indicators such as: GDP, employment, industrial production, wholesale and retail sales, capacity utilization rate, household net worth, income levels, consumer spending, residential real estate markets, private domestic investment are showing an improvement since the recession. Despite some job growth and lowering in the unemployment rate, many consumers both in the U.S. and in Arizona continue to face employment insecurity, lower wages, and high debt. Constrained budgets persist for a large majority of households inhibiting their spending ability. The lower gas prices are expected to provide some relief and increase the disposable household income.

The federal, state, and local governments face headwinds with regards to budget uncertainty. Uncertainty causes challenges in investment as assessment of effective demand in the economy become difficult. Although the U.S. exports are growing, a rising dollar poses concern. On the negative side, rising dollar could hurt exports. On the positive side, it is expected to make imports cheaper and help control inflation. China's national economy grew an annual 7.4 percent

in 2014, slowest since 1990. This deceleration in China's economy could impact its trading partners. The global economy continues to be in low gear, and hope that the tailwinds of lower oil prices and international monetary stimulus would provide a modest boost to growth. There are also risks associated with uncertainties as mentioned above. However, we believe the positive factors listed above outweigh the uncertainties in support of our forecast.
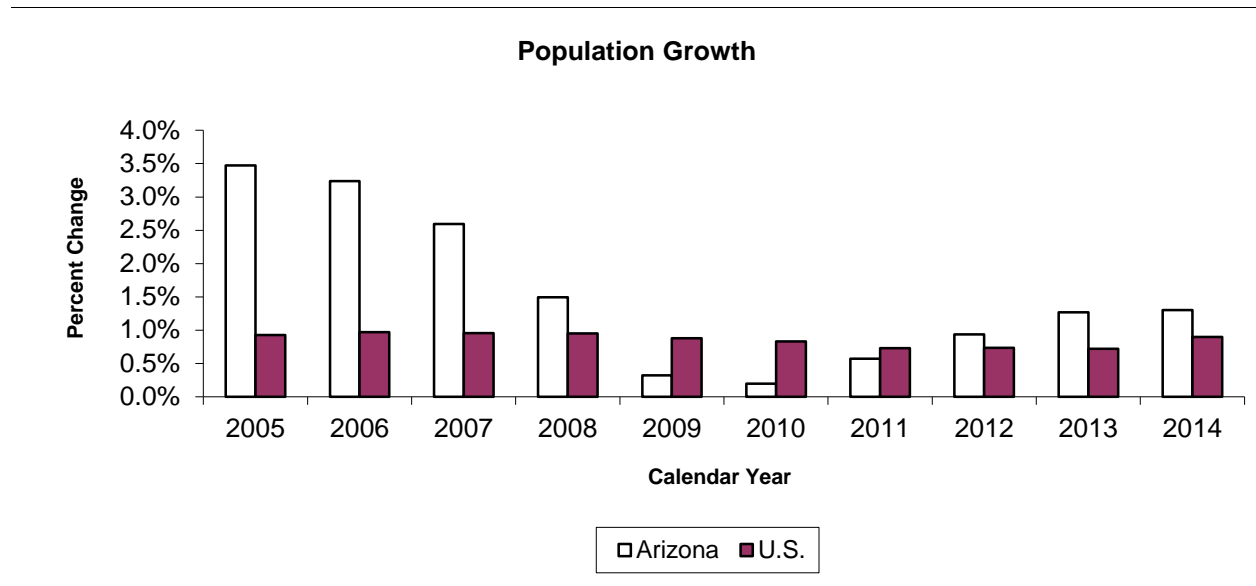
Section 6 – Statistics

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Comparison between Arizona and United States Population
For Calendar Years Ended December 31
(2014 is the most recent data available)

Year	Arizona Population	United States Population	Percent Change In Arizona Population	Percent Change in U.S. Population
2005	5,924,476	295,516,599	3.5	0.9
2006	6,116,409	298,379,912	3.2	1.0
2007	6,274,981	301,231,207	2.6	1.0
2008	6,368,649	304,093,966	1.5	1.0
2009	6,389,081	306,771,529	0.3	0.9
2010	6,401,569	309,326,295	0.2	0.8
2011	6,438,178	311,582,564	0.6	0.7
2012	6,498,569	313,873,685	0.9	0.7
2013	6,581,054	316,128,839	1.3	0.7
2014	6,667,241	318,857,056	1.3	0.9

Sources: Arizona estimates were provided by the Arizona Department of Administration, Office of Employment and Population Statistics; U.S. estimates were provided by the by U.S. Census Bureau.

Note: The information contained in the sources used for this table is continuously revised, and, accordingly, the amounts in the above table have been revised. Therefore, amounts presented may not match the amounts reported for prior years.


Population Growth

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Comparison between Arizona and United States per Capita Income
For Calendar Years Ended December 31
(2014 is the most recent data available)

Year	Arizona Per Capita Income	U.S. Per Capita Income	Percentage Change in Arizona Per Capita Income	Percentage Change in U.S. Per Capita Income
2005	32,416	35,888	7.3	4.6
2006	34,814	38,127	7.4	6.2
2007	35,860	39,804	3.0	4.4
2008	35,772	40,873	-0.2	2.7
2009	33,995	39,379	-5.0	-3.7
2010	33,993	40,144	0.0	1.9
2011	35,512	42,332	4.5	5.5
2012	36,624	44,200	3.1	4.4
2013	36,983	44,765	1.0	1.3
2014	37,895	46,129	2.5	3.0

Source: Arizona estimates were provided by the Arizona Department of Administration, Office of Employment and Population Statistics; U.S. estimates were provided by the U.S. Census Bureau.

Note: The information contained in the sources used for this table is continuously revised, and, accordingly, the amounts in the above table have been revised. Therefore, amounts presented may not match the amounts reported for prior years.

Change in Per Capita Income
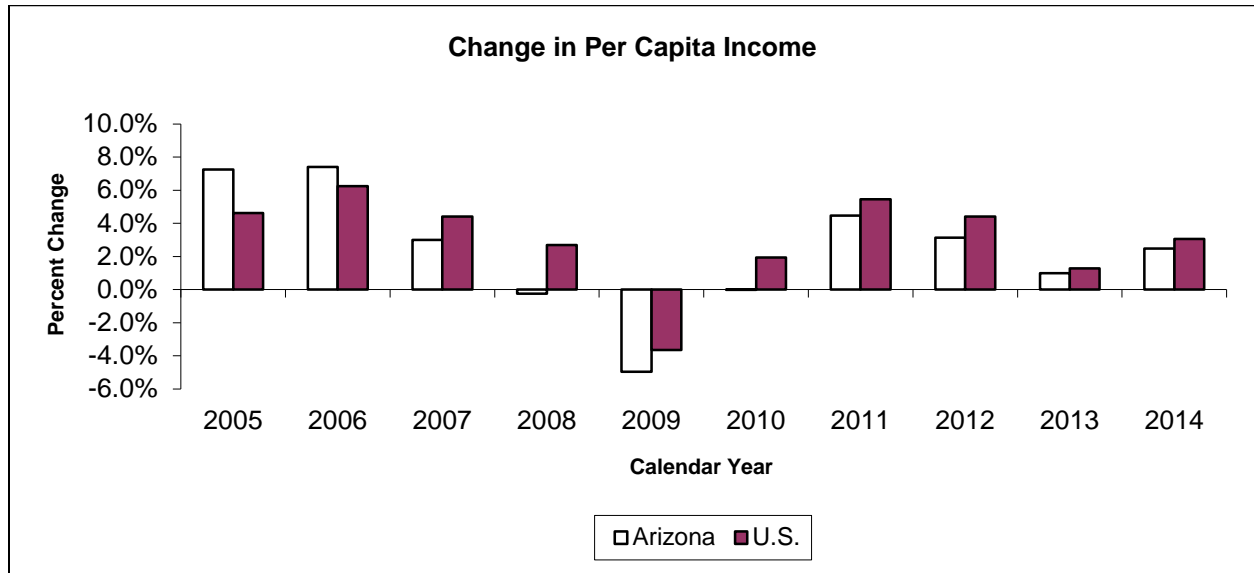
ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Expenditures by Funding Source
(Governmental Funds and Unemployment Insurance Benefits)
For Fiscal Years Ended June 30

Year	State Funds	Federal Funds	Other Funds	Total Funds
2006	626,707,813	1,543,938,187	771,890,762	2,942,536,762
2007	734,043,579	1,498,649,185	943,064,161	3,175,756,925
2008	801,862,086	1,703,396,765	1,080,817,875	3,586,076,726
2009	705,314,168	2,359,577,901	1,540,321,161	4,605,213,230
2010	512,735,693	3,804,712,359	1,667,553,184	5,985,001,236
2011	579,759,832	3,701,195,606	1,341,056,629	5,622,012,067
2012	604,219,713	3,293,038,152	1,277,799,638	5,175,057,503
2013	629,865,944	2,966,252,807	1,220,146,970	4,816,265,721
2014	712,154,746	2,601,376,328	1,340,970,358	4,654,501,432
2015	509,521,850	2,050,920,455	1,221,030,446	3,781,472,751

Source: The Arizona Department of Economic Security Financial Statements.

Note: The Federal Funds amounts include amounts for SNAP benefits distributed.

Expenditures by Funding Source (in millions)
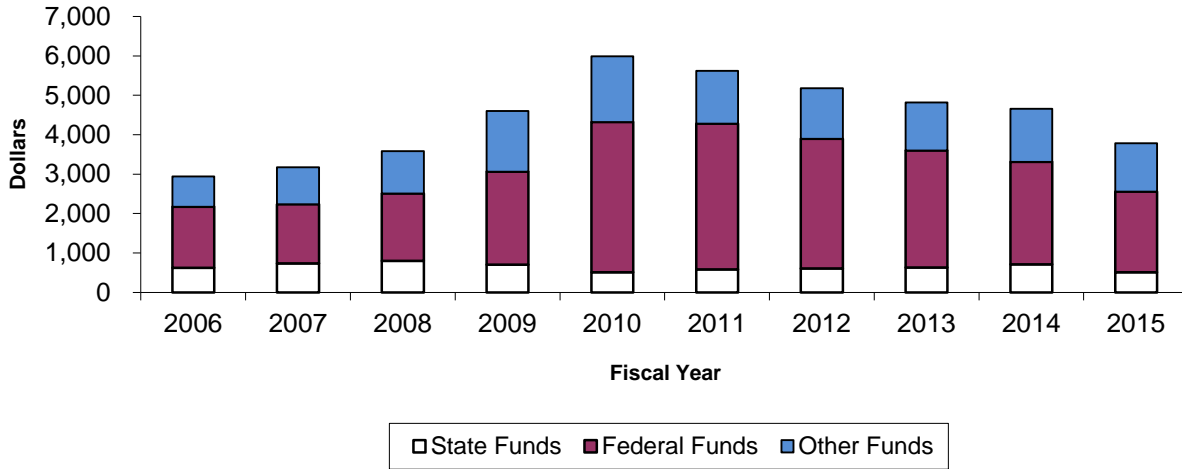
ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Revenues by Funding Source
(Governmental Funds and Unemployment Insurance Benefits)
For Fiscal Years Ended June 30

Year	State General Fund Appropriations	Federal Financial Assistance	Employers' UI Contributions	Interest on Investments	Other	Total
2006	632,655,200	2,030,183,141	311,448,934	40,801,691	67,787,346	3,082,876,312
2007	738,670,201	2,105,465,538	322,919,404	48,568,677	75,508,022	3,291,131,842
2008	796,735,199	2,313,806,342	300,370,732	52,175,707	45,081,303	3,508,169,283
2009	686,602,626	3,102,226,928	268,808,745	40,829,934	114,566,869	4,213,035,102
2010	518,620,000	4,588,870,453	355,638,066	10,776,494	108,314,873	5,582,219,886
2011	550,548,801	4,414,792,386	414,044,300	977,582	55,876,445	5,436,239,514
2012	597,429,200	3,972,085,235	437,052,743	1,129,695	154,992,653	5,162,689,526
2013	618,246,400	3,694,568,412	444,818,667	4,008,883	161,017,989	4,922,660,351
2014	700,910,900	3,436,728,776	455,978,607	-1,502,163	91,741,898	4,683,858,018
2015	482,587,200	2,959,753,512	462,869,933	856,713	75,765,893	3,981,833,251

Source: The Arizona Department of Economic Security Financial Statements.

Note: The Federal Financial Assistance amounts include amounts for SNAP benefits distributed.

Revenues by Funding Source (in millions)
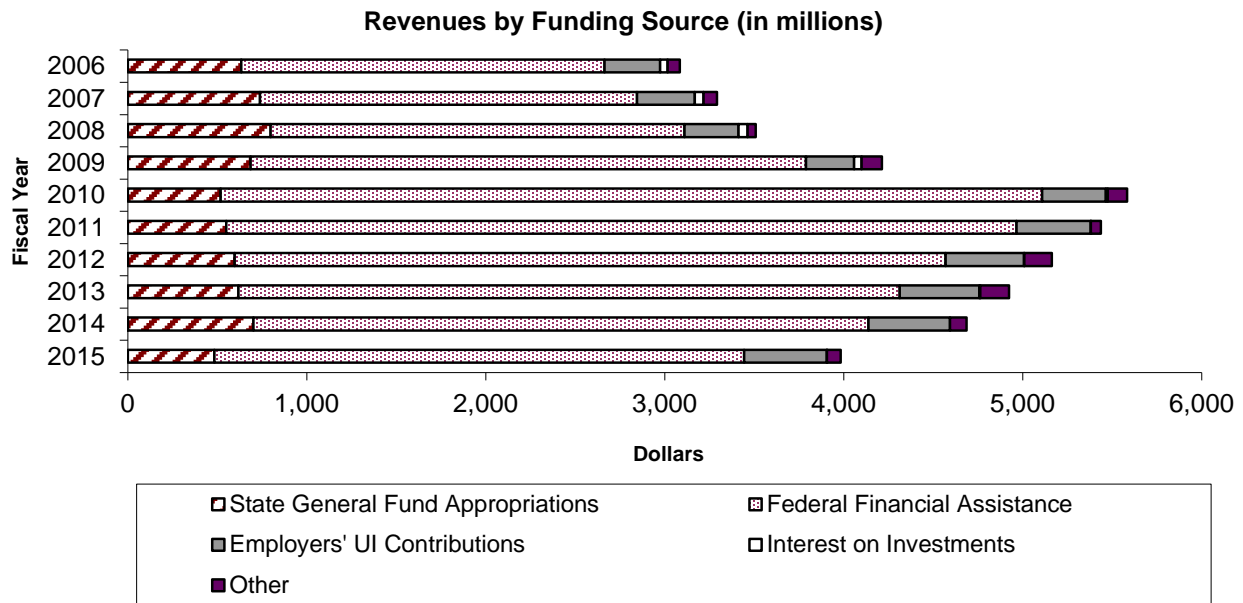
ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Comparison between Arizona and United States Unemployment
For Calendar Years Ended December 31
(2014 is the most recent data available)

Year	Number of Unemployed in Arizona	Number of Unemployed in U.S.	Unemployment Rate – Arizona	Unemployment Rate – U.S.
2005	133,800	7,591,000	4.7 percent	5.1 percent
2006	121,200	7,001,000	4.1 percent	4.6 percent
2007	111,600	7,078,000	3.7 percent	4.6 percent
2008	184,700	8,924,000	6.0 percent	5.8 percent
2009	307,200	14,265,000	9.8 percent	9.3 percent
2010	324,100	14,825,000	10.4 percent	9.6 percent
2011	287,200	13,747,000	9.4 percent	8.9 percent
2012	251,800	12,506,000	8.3 percent	8.1 percent
2013	240,200	11,460,000	8.0 percent	7.4 percent
2014	209,900	9,617,000	6.8 percent	6.2 percent

Source: Arizona data was provided by the Arizona Department of Administration, Office of Employment and Population Statistics; U.S. data was provided by the U.S. Department of Labor, Bureau of Labor Statistics.

Note: Unemployment rates are seasonally adjusted; Arizona figures for 2008–2012 have been revised.

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Unemployment Insurance Financial Transaction Summary
For Fiscal Years Ended June 30

Year	Total Employers' Contributions	Total Benefits Paid	Fund Balance
2006	317,941,840	224,142,148	902,130,314
2007	330,183,208	246,783,048	1,029,325,981
2008	309,214,081	354,892,511	1,032,075,498
2009	276,732,990	1,061,358,568	602,590,236
2010	339,745,124	2,123,766,228	16,689,508
2011	412,472,497	1,684,068,675	16,864,876
2012	434,253,686	1,053,948,338	4,113,696
2013	446,578,260	654,321,961	14,944,329
2014	458,133,325	447,350,166	8,244,046
2015	463,467,338	320,502,958	135,097,528

Source: The Arizona Department of Economic Security, Unemployment Insurance Financial Transaction Summary Report.

Note: The total benefits paid amount for all fiscal years has been adjusted to include interstate benefits.

Unemployment Insurance Contribution to Benefits and Fund Balance (in millions)
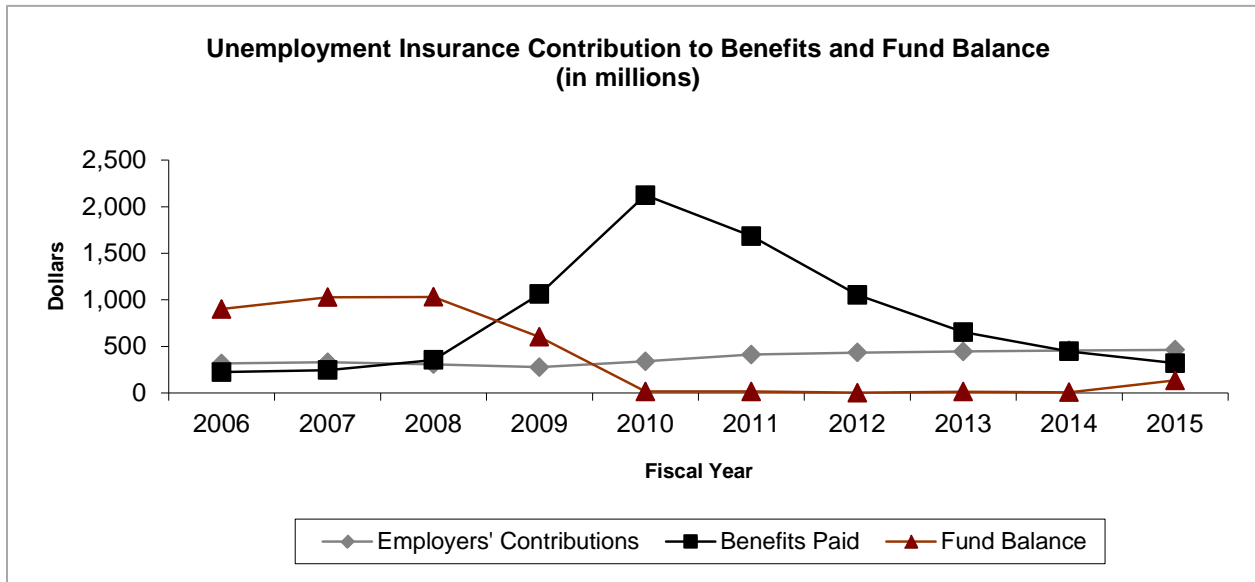
ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Supplemental Nutrition Assistance Program (SNAP) Benefit Participants
For Fiscal Years Ended June 30

Year	Average Monthly Number of Households	Average Monthly Number of Persons	Average Monthly Allotment Per Household	Average Monthly Allotment Per Person	Average Monthly Benefits Distributed
2006	221,944	546,424	234.30	95.15	52,001,162
2007	218,598	537,072	238.18	97.10	52,150,403
2008	246,767	600,549	244.49	100.44	60,340,187
2009	313,126	752,772	277.44	115.41	86,875,088
2010	422,583	986,413	302.07	129.41	127,649,820
2011	458,580	1,049,522	291.35	127.30	133,607,965
2012	484,785	1,123,068	292.40	126.22	141,752,178
2013	479,386	1,116,068	288.90	124.09	138,493,811
2014	460,320	1,070,674	276.45	118.86	127,257,464
2015	448,754	1,027,845	273.06	119.22	122,535,437

Source: The Arizona Department of Economic Security, Division of Benefits and Medical Eligibility, Family Assistance Administration.

Note: The information contained in the sources used for this table has been revised to reflect most current data. Therefore, amounts presented may not match the amounts reported for prior years.

Supplemental Nutrition Assistance Program (SNAP)
Benefit Participation
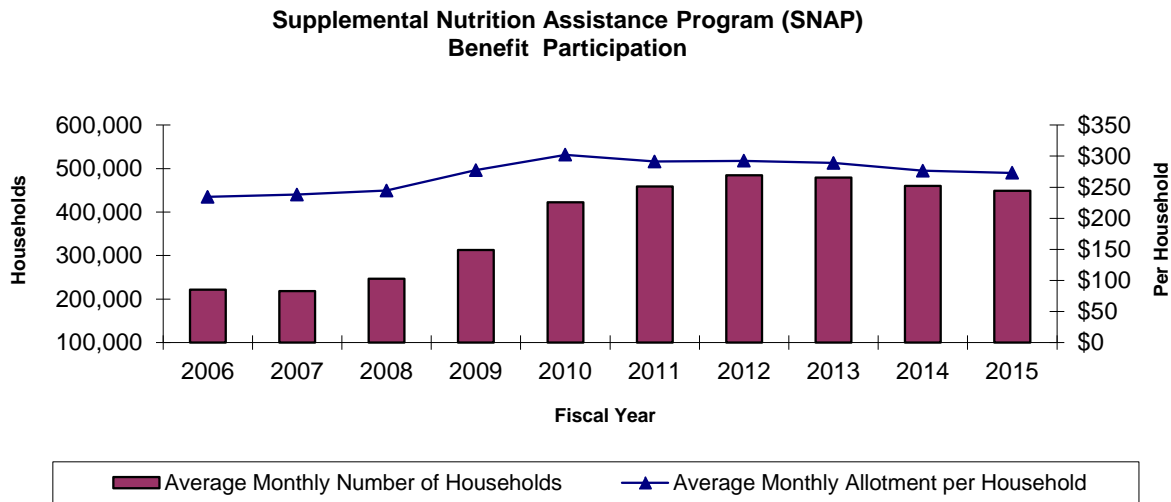
ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Temporary Assistance for Needy Families Cash Assistance
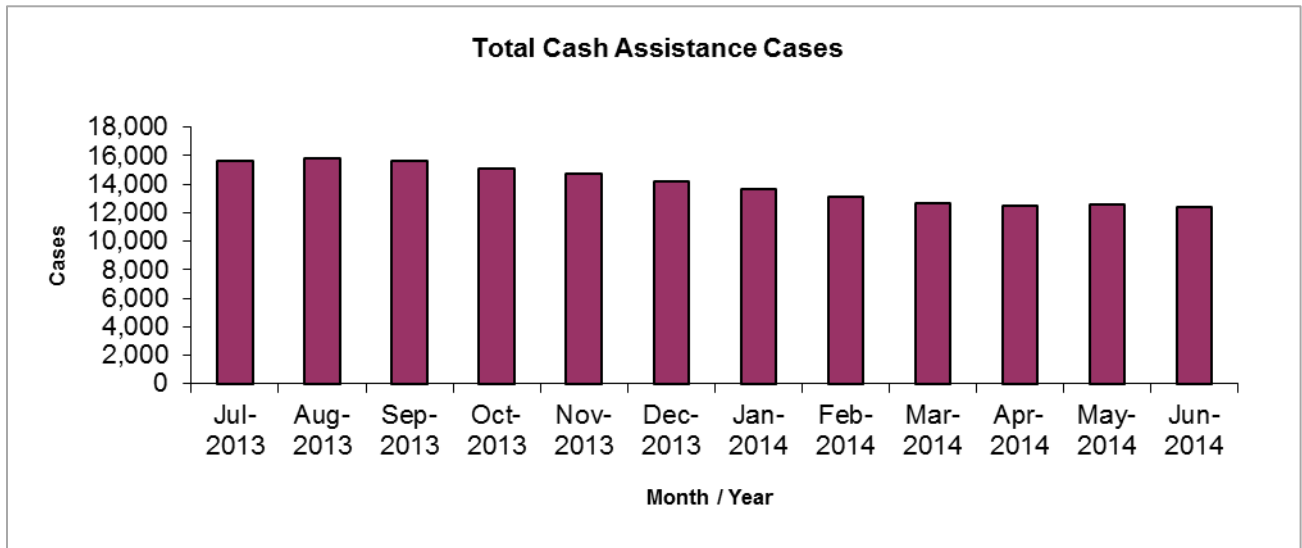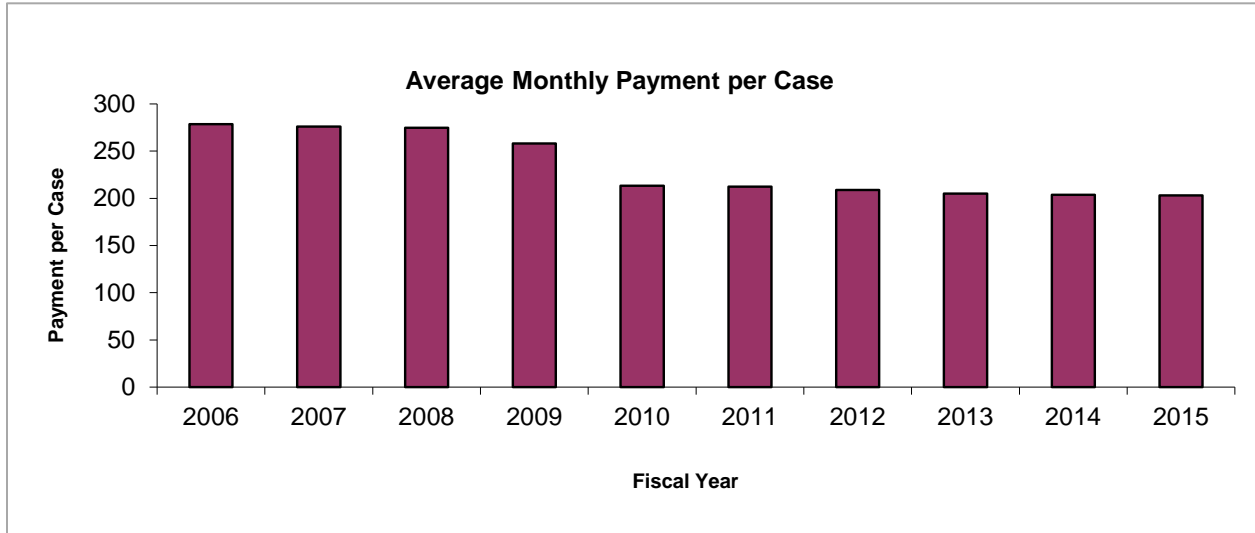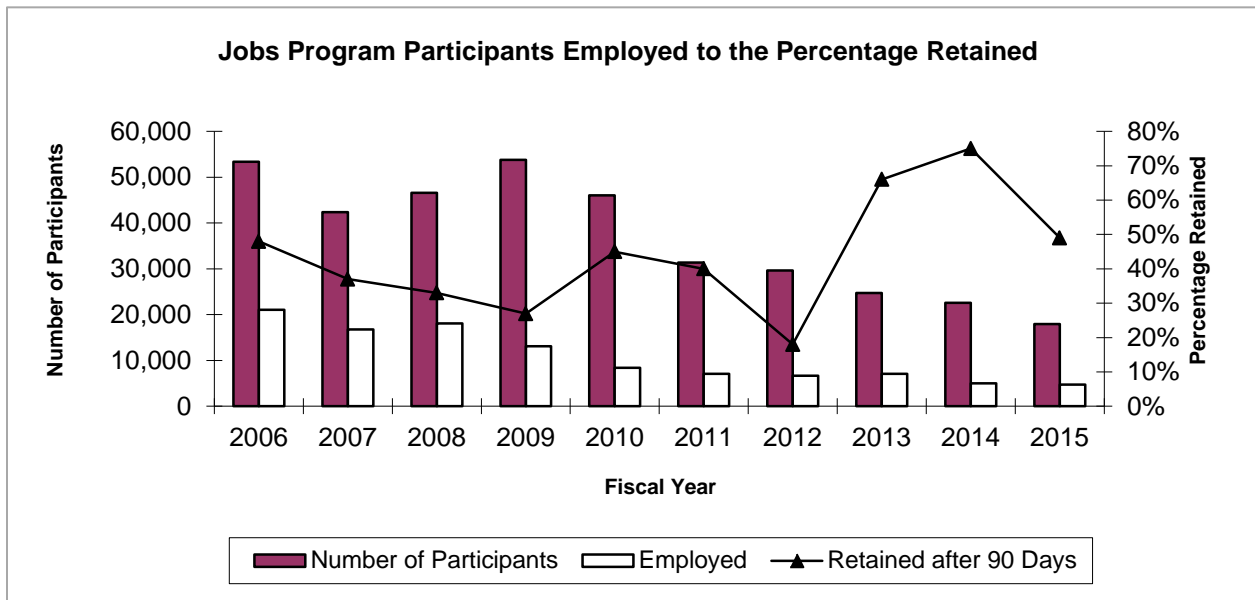**For Fiscal Years Ended June 30**

Year	Average Monthly Number of Cases	Average Monthly Number of Recipients	Average Monthly Payment Per Case	Average Monthly Payment Per Recipient	Average Monthly Payments
2006	41,580	93,553	278.60	123.82	11,584,130
2007	37,616	82,408	275.83	125.90	10,375,533
2008	37,030	80,221	274.59	126.75	10,167,799
2009	38,467	83,969	258.19	118.28	9,931,702
2010	37,779	82,127	213.21	98.08	8,054,784
2011	19,827	44,842	212.42	93.92	4,211,688
2012	17,310	39,194	208.89	92.26	3,615,885
2013	17,203	39,050	204.89	90.26	3,524,770
2014	14,621	32,888	203.82	90.61	2,980,065
2015	12,269	27,272	203.00	91.32	2,490,483

Source: The Arizona Department of Economic Security, Division of Benefits and Medical Eligibility, Family Assistance Administration.

Note: Effective July 2010, the maximum state time limit to receive monthly Cash Assistance benefits was reduced to 36 months. Effective August 2011, the maximum state time limit to receive monthly Cash Assistance benefits was further reduced to 24 months.

Average Monthly Number of Cases

Average Monthly Payment per Case

Total Cash Assistance Cases

Year	Number of Participants	Total Employed	Percentage Retained Employment for at Least 90 Days
2006	53,377	21,067	48
2007	42,405	16,780	37
2008	46,558	18,101	33
2009	53,800	13,097	27
2010	46,010	8,416	45
2011	31,380	7,052	40
2012	29,643	6,662	18
2013	24,741	7,098	66
2014	22,601	5,024	75
2015	17,967	4,755	49

Source: The Arizona Department of Economic Security, Division of Employment and Rehabilitation Services, Employment Administration.

Jobs Program Participants Employed to the Percentage Retained

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Child Support Services Collections
For Fiscal Years Ended June 30

Year	TANF Collected for Arizona	TANF Collected for Other States	Non-TANF Collected for Arizona	Non-TANF Collected for Other States	Non-IV-D Collected	Total Collections
2006	29,474,800	8,487,900	246,437,800	22,883,800	312,881,500	620,165,800
2007	31,837,800	8,505,300	270,570,900	25,309,500	327,108,300	663,331,800
2008	33,362,400	5,926,800	291,069,400	19,853,500	332,425,300	682,637,400
2009	31,337,600	7,402,700	294,618,000	27,266,400	328,738,000	689,362,700
2010	25,854,600	7,086,300	299,449,600	28,356,400	321,096,000	681,842,900
2011	21,248,700	6,757,400	301,646,700	29,625,500	329,574,400	688,852,700
2012	19,651,800	6,679,900	304,956,800	30,516,200	340,901,500	702,706,200
2013	17,557,700	6,604,800	305,361,400	32,124,800	350,691,200	712,339,900
2014	15,890,900	6,188,400	302,955,000	31,417,800	358,270,300	714,722,400
2015	13,248,300	6,001,000	299,959,600	30,582,700	359,527,200	709,318,800

Source: The Arizona Department of Economic Security, Division of Child Support Services.

Child Support Services Collections (in millions)

Legend:
- ■ IV-D TANF Collected for Arizona $
- □ IV-D TANF Collected for Other States $
- □ IV-D Non-TANF Collected for Arizona $
- ▨ IV-D Non-TANF Collected for Other States $
- ▨ Non-IV-D Collected $