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DEPARTMENT OF ECONOMIC SECURITY

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*Your Partner For A Stronger Arizona*

Annual Report  
State Fiscal Year 2016

Douglas A. Ducey, Governor



DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*

Douglas A. Ducey  
Governor

Henry Darwin  
Interim Director

JAN 03 2017

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, 2015, through June 30, 2016, 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 Debra Peterson, Assistant Director, Division of Business and Finance, at (602) 542-7166.

Sincerely,

Henry Darwin  
Interim Director

Enclosure: DES Annual Report State Fiscal Year 2016

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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) 2016, DES had 7,691 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 5,400 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’s 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 2015 to June 2016, the seasonally adjusted unemployment rate for Arizona dropped from 6 percent to 5.8 percent. Arizona’s June 2016 unemployment rate was higher than the national average of 4.9 percent.

As a result, Arizona continues to see a substantial amount of poverty. According to the U.S. Census Bureau’s 2014 Current Population Survey, Annual Social and Economic supplement, 21.2 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 2016, the federal poverty guideline for a family of four is \$24,300 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 2016, the number of Arizonans enrolled in the Supplemental Nutrition Assistance Program (SNAP) increased by 83 percent, from 537,000 to 980,536, or over 14 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.

After a five-year, uninterrupted increase of 100 percent in the number of reports to APS of vulnerable adult abuse, neglect, and exploitation and self-neglect, there was a decrease of 16 percent from FY 2015 to FY 2016. Despite the decrease in the number of reports, the challenge of managing the investigative caseload remains: keeping the workload within the caseload and timeliness standards.

In FY 2016, 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 1,319 referrals and served an average caseload of 5,818 children per month. This represents a 6 percent increase in referrals. Referrals have increased 22 percent over the last three years.

## 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 provide operating support more efficiently and cost-effectively.

- The following program services are currently outsourced by the Department through contracts:
  - Shelter and case management services for people experiencing homelessness;
  - Shelter and supportive services for victims of domestic violence;
  - Food and utility supports;
  - Independent living and other community-based supports for elders;
  - Refugee resettlement services;
  - Employment services for the Jobs Program;
  - Home recruitment, study, and supervision services for targeted recruitment of potential DES-certified family child care homes;
  - Child care services provided for eligible families;
  - Child support payment processing;
  - Employer new hire reporting, which is used to validate employment and the incomes of child support obligors;
  - Genetic testing to establish paternity;
  - Data matches to state bank accounts of obligors across 35 states for the Division of Child Support Services (DCSS);
  - Insurance claim matches of obligors with 2,100 insurance partners for DCSS;
  - Web-based locator tools to assist with finding child support obligors;
  - Workforce employment and training programs through the Workforce Innovation and Opportunity Act;
  - Acute, long-term care and behavioral health services to individuals with developmental disabilities;
  - Rehabilitation and vocational services for individuals with disabilities to obtain or maintain employment and independence in the community; and
  - Service coordination and therapies for children who are referred to the AzEIP program.
  
- The following business functions are currently outsourced within the Department:
  - Mailroom services;
  - Office supply delivery;
  - Specialized printing;
  - Office-moving services;
  - Electronic Benefits Transfer (EBT) card issuance for Cash Assistance (CA), SNAP, Child Support, and Unemployment Insurance (UI) benefits;
  - Electronic pay card issuance for unemployment benefits and child support payments;

- Translation and interpretation services;
- Typing and preparation of transcripts of Appellate Services Administration (ASA) hearings;
- Teleconferencing and digital recording of ASA hearings; and
- Telephone systems.

### **Leveraging Technology to Improve Service Delivery**

DES's 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 2016, there were 184,982 hits on the MFB Web site. These hits resulted in over 2,700,000 page views and nearly 30,000 reports of changes submitted by program participants. These numbers are decreasing due to the implementation of Health-e-Arizona Plus (HEAplus) and that system's Report a Change function.

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

- EBT account information;
  - Updates on potential benefit overpayments;
  - AHCCCS health coverage;
  - Use of the online Health-e-Arizona Plus (HEAplus) application, which supports CA, SNAP, and Medicaid application processes; and
  - The Hunger Relief Program.
- 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 allow 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 2016, 279,035 interviews were conducted by telephone for SNAP and

36,316 interviews were conducted for CA. This is an aggregate increase of 16 percent over the prior year. In addition, 246,746 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 2015 through June 2016, this private vendor call center responded to 1,727,611 telephone calls, 13,729 e-mails; engaged in 52,948 Web chats; reset 179,510 HEAplus passwords; and entered 69,104 telephonic applications.

- Overall usage of most of DES's self-service applications continues to increase, indicating widespread acceptance by DES customers:
  - DCSS Payment Gateway allows noncustodial parents to make a child support payment electronically over the Internet, by phone, or in person using point-of-sale terminals located in a local DES/DCSS office. In FY 2016, the Payment Gateway processed 59,140 payments totaling over \$18 million that was distributed to custodial parents. Over half the electronic payments were made on the Internet.
  - A total of 304,173 UI tax reports were filed electronically in FY 2016. This total includes 59,035 reports filed on the online Tax and Wage System and 245,138 reports filed using the bulk file upload system Arizona UI Tax Reporting for Employers.
  - In FY 2016, 90 percent of new UI claims and 88 percent of continued claims were consistently filed electronically via the Internet.
  - HEAplus was used to submit over 89 percent of all applications received by the Department by June 2016, compared to over 50 percent in June 2015.
- 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 storing paper documents. In FY 2012, the Department received a SNAP Process and Technology Improvement Grant that enabled piloting 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 was granted a one-year no-cost extension to expend the grant funds and implement the document recognition software during federal fiscal year 2016. Federal grant funds have been spent on the Lexmark Intelligent Document Capture/Brainware software, license, and maintenance fees, as well as additional network storage, operating systems, and components required to support the solution during Federal Fiscal Year (FFY)



2016. Joint Application Development (JAD) sessions along with the development of formal business requirements have been completed and approved.

## Section 3 – Professional Development of the Department’s Colleagues

### Overview

In FY 2016, DES partnered with the Arizona Department of Education to transition the Department’s antiquated Learning Management System (LMS) and purchase/implement a new holistic solution. This Event Management System (EMS) provides granular views and management of all event types ranging from meetings, conferences, workshops/training, and online e-learning. The EMS has a deep integration with DES’s LMS, facilitating a seamless experience for registering for professional development, completion of professional development, and reporting metrics of trainings taken. This will consequently allow DES colleagues and contractors to receive a learning experience parallel with the technology of the 21st Century. The DES Office of Professional Development (OPD) has designed and is implementing an innovative marketing plan that will rebrand OPD, its mission, and its vision to better support those of DES.

### Five Areas of Investment

- Engage all DES colleagues in a timely manner to inform and educate training-related topics, course offerings, and opportunities for professional development. Ultimately, improve colleague retention using best practices and adult learning principles to improve instructional quality and sustain measureable outcomes through effective survey data.
- Implement a DES-wide standardized New Employee Orientation (NEO) for all colleagues prior to arriving at their Post of Duty. This includes scheduling travel throughout the state to ensure that all colleagues outside Maricopa County receive NEO training.
- Develop and implement in the new LMS a curriculum revision process to convert outdated PowerPoint and Computer-Based Training into e-Learning courses and instructor-led presentations with interactive curricula.
- Aggressively implement a two-pronged approach for the LEAN Dot Game for both existing DES colleagues and those attending NEO in order to meet the Governor’s initiative for 100 percent training compliance by November 30, 2016.
- Create a Tribal Nations Liaison Instructor to support our Tribal Nations training needs in support of DBME, the Division of Aging and Adult Services (DAAS), the Division of Employment and Rehabilitation Services (DERS), and the Division of Developmental Disabilities (DDD) programs. In addition, develop long lasting relationships to strengthen the partnership between the Tribal Nations and DES. FY 2016 Q3–4 will include delivering recognized training needs for each Tribal Nation.
- **Leadership Development Program**

In FY 2015, OPD was charged with developing a Leadership Development Program (LDP) to meet the needs of current and emerging DES leaders. Throughout FY 2016 the LDP developed seven of ten LDP courses, with the last three scheduled for delivery by the end of FY 2016 Q2. In

addition, the program expanded to encompass the entire career of a DES colleague. This expansion includes NEO, supervisory training, Mentor Program, and Leadership Development. The following is a brief description of the courses included:

- **Leadership Practices - A Three-Step Model:** Participants examine and fine tune their leadership skills/competencies to improve staff relations, productivity, retention, and job satisfaction.
- **Essential Skills for Effective Communication:** Participants gain an understanding of the communication process, methods of effective communication, and the impact of communicating effectively.
- **The Impact of a Leader:** Participants identify their preferred leadership style, examine effective leadership skills, and discover their impact on their work teams.
- **Bridging the Communication Gap:** Participants learn how to improve communication with team members through knowledge of perception, simple techniques for clear expectations, how to help others to produce quality work, and how to deescalate volatile situations.
- **Maximizing Colleague Engagement:** Participants learn to recognize factors that influence engagement and examine the importance of matching motivators to individuals. Participants also learn to recognize potential barriers to engagement and identify actions to develop and sustain a culture of engagement.
- **Emotional Intelligence and Conflict Resolution:** Participants learn how to transform conflict into collaboration and increase their emotional intelligence.
- **Critical Thinking and Decision Making:** This course offers participants an opportunity to improve their critical thinking and decision-making skills.
- **Leading a Diverse Workforce:** Participants learn to understand the importance of and how to lead a multigenerational and multicultural workforce.
- **Foundations of Coaching:** Participants learn coaching strategies and methodologies needed to implement a coaching plan with a colleague.
- **Introduction to Leadership:** Participants explore principles of motivation, group dynamics, various leadership principles, and such related topics as delegating and managing former peers.

### **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. OPD began developing the Colleague Mentor program in FY 2015 with an initial implementation in FY 2016. Since the initial implementation, OPD has discovered that it is an evolutionary and dynamic program that leverages feedback from participants in order to consistently evolve.

The Colleague Mentorship Program fosters purposeful connections 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.

### **2016 OPD Accomplishments**

- Launched state-of-the-art interactive tutorial training, allowing the immediate development and deployment of Communicator NXT training. Consequently, helped to ensure that all DES colleague contact information was updated in YES for instant notification via text, e-mail, or voice in the event of an emergency.
- Developed the first ever Human Trafficking Awareness training for DES colleagues. This crucial training provided DES colleagues with the tools to identify and report potential human trafficking. Initial launch of this training was internal to all of DES. Expansion across all state agencies is planned.
- Launched OPD Community Engagement to reach out to the local community by volunteering for nonprofit organizations, taking water and food to the local community, and creating fundraisers for donations to needy DES colleagues.

## **Section 4 – Fiscal Year 2016 Highlights and Accomplishments**

The following describes selected agency accomplishments during FY 2016 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. According to the 2016 State of the States Report produced by the University of Colorado, the state continued to serve more individuals per capita through family support than all but one other state, 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. Because of 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 2016 shows a consistent level of satisfaction, continuing a trend since FY 2000.
- In the annual report "The Case for Inclusion 2016", 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 intellectual and developmental disabilities. Arizona has been ranked first for five consecutive years and eight 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 49th for total spending per client through Home- and Community-Based Services. The Department's 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 2016, DDD completed the Adult Family and Adult Consumer surveys. In addition, beginning in 2015, the NCI program was expanded to include a fifth survey for providers to complete, entitled “The Staff Stability Survey.” Arizona was one of only ten states to participate in this important project. Arizona has continued to participate each year since its inception. The Child Family and Family Guardian surveys will be completed in 2017.

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 health indicators, 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 whether strategies are needed in this area as well. DDD will use the data generated by the NCI 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 Thirteenth Annual Direct Support Professionals Recognition event recognizing accomplishments made during FY 2016. 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 2 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.

ADOH and DDD will provide permanent affordable rental housing and needed support services to 64 households. 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 than 25 percent of the total available units in any given complex may be used for this program.

DDD is collaborating with the Housing Authority of Maricopa County (HAMC) to provide affordable housing to members served by the Division who meet the housing eligibility requirements. There will be 27 apartments available beginning in mid-2017. The distribution of apartments will meet the same criteria as noted above.

DDD is establishing a team that will work collaboratively with 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 2016, DDD worked closely with the Department of Child Safety to ensure consistency and collaboration when DDD clients are involved in the child welfare system. DDD has facilitated quarterly meetings and created designated e-mailboxes to increase communication and address issues related to shared members.
- As detailed in the Arizona State Systemic Improvement Plan (SSIP), the Arizona Early Intervention Program (AzEIP) has identified specific regions within which it will utilize implementation science and LEAN principles to increase the percentage of infants and toddlers with disabilities who exit early intervention with greater-than-expected social emotional growth. The regions were selected because of the demonstrated high needs of infants, toddlers, and their families in the regions as illustrated by available Arizona demographic data, and the ability of the Early Intervention Programs (EIPs) to implement Team Based Early Intervention Services (TBEIS) incorporating other evidence-based practices relative to social emotional development. The regions identified include: Region 5 – East Central Maricopa County; Region 9 – East Pinal, Southern Gila, and Southeast Maricopa counties; Region 16 – Yuma County; Region 17 – Southern Apache County; Region 18 – Southern Navajo County; and the Navajo Nation. These regions comprise a mix of urban, rural, and tribal areas and represent 40 percent of the children and families served by AzEIP.
- Arizona’s SSIP Phase I identified three strands, Accountability, Practices, and Fiscal, which will support improvements to the state infrastructure to support EIPs and practitioners to implement and scale up evidence-based practices to improve the percent of children who exit early intervention, in identified regions, with greater-than-expected improvements in their social relationships.
- The 2016 Child Care and Development Block Grant (CCDBG) submission process presented an opportunity to increase communication, coordination, and collaboration between AzEIP and Child Care Administration (CCA) staff. Prior to the new CCDBG requirements, childcare was positioned in DES as a welfare-to-work program. The new requirements of the CCDBG enabled AzEIP staff to lend leadership to CCA and together to develop implementation plans to focus on child development. This includes increasing family engagement, ensuring access to high quality child care, reducing preschool expulsions, and increasing inclusion of children with disabilities in child care.
- CCA, with support from AzEIP staff and stakeholders, drafted a Best of Care form to be implemented with all families. Child care programs use it during the registration process to identify child interests and preferences and potential developmental delays. This mirrors the

identification of child interests used by AzEIP TBEIS teams as part of the responsive caregiving approach. Together, CCA and AzEIP staff are developing workflows for assisting Child Care Resource and Referral staff and CCA Resource Specialists to assist child care programs with identifying developmental concerns, track child development, assist families when there are concerns, and to access needed resources to support children with disabilities to enroll and be supported in child care programs.

- During FY 2016, Arizona emergency domestic violence shelters contracting with the Department provided 283,170 nights of safety, resulting in 7,121 adults 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 2016, 1,640 individuals were housed through the Rapid Re-Housing program. In FY 2016, DES-contracted emergency shelters served 10,027 individuals, and homeless prevention programs outside of Maricopa and Pima counties served 87. A total of 11,754 persons experiencing or at risk of becoming homeless were served through contracted service providers during FY 2016. Of those, 73 percent served were in Maricopa County, 15 percent were in Pima County, and 12 percent were in the remainder of the state.
- DAAS contracted with 12 agencies during FY 2016 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 24:1. The national ratio for the FY 2015 is 22:1. FY 2016 data for this statistic is not yet available. The Community Action Network provided a total of 61,040 low-income households with case management, financial literacy education, tax preparation, utility and rental/mortgage assistance. Of this total, 60,754 households received assistance in paying for home energy; 34,431 of these received assistance under programs administered directly by DAAS. During FY 2016, under the TANF-funded Short Term Crisis Services Program, 1,543 families with children received emergency assistance in paying rent or mortgage to prevent eviction or foreclosure. The Community Action Network served 1,600 case-managed households that obtained or maintained safe and affordable housing. There were 1,231 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, 268 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 14,878 one-on-one counseling sessions were conducted during FY 2016.
- 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 2016, 38,222 Medicare/Medicaid clients were assisted.

- The Long-Term Care Ombudsman Program works to resolve problems related to the health, safety, welfare, and rights of individuals who live in long-term care facilities. The Department contracts with eight Area Agencies on Aging to regularly visit all nursing and assisted living facilities statewide and to directly serve and respond to resident complaints about quality of life and care issues in those facilities. In FY 2016, the program investigated 3,332 complaints on behalf of residents. The largest group that requested ombudsman services to resolve complaints were residents themselves, indicating that residents depend on the program to help them resolve their concerns. By resolving over 80 percent of these complaints to the satisfaction of the resident or complainant, the work of the ombudsmen improved the quality of life and quality of care for many residents of Arizona's long-term care facilities. Ombudsman complaint resolution is often conducted without outside intervention, which can save on regulatory and legal costs while achieving the resident's desired outcome.
- 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 updated in 2012, there are approximately 804,000 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 over \$9.4 billion in services in 2013 according to the AARP study. Without caregivers, the cost of providing this care would shift to other, more costly government resources such as Medicaid. In addition, 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 11,694 caregivers in FY 2016, 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 986 family caregivers in FY 2016.

- 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 2016, DES provided services to 15,332 older adults to help maintain their independence and avoid premature and costly institutionalization.
- In FY 2016, 2,522 homeless and at-risk veterans participated in the Arizona Stand Downs throughout the state. Phoenix remains the largest Stand Down serving 1,850 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 Flagstaff, Phoenix, Prescott, Safford, Sierra Vista, and Tucson. Each location had a variety of state and federal agencies participating in the 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.
- The Division of Child Support Services (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' Bureau 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 2016, this collaborative effort established paternity for 29,568 children born in Arizona to unwed parents. HPP provides outreach to all birthing facilities statewide and is available daily by telephone and electronic means to all birth recorders. HPP and the Bureau of Vital Records work in collaboration by conducting quarterly training. In addition, HPP provides a wide variety of outreach services, including training, to individuals, hospitals, birthing facilities, and midwives. HPP gave a presentation at the Compadre Teenage Pregnancy Program (TAPP) event to teen parents and pregnant youth. The goal of the event was to educate teens on child support services, specifically the HPP process. DCSS's HPP is a major contributor to DCSS's success in ranking high among the states in the Title 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. WIOA contains specific programs that target vulnerable groups, such as laid-off workers and veterans with disabilities. State and community partners have been collaborating on the implementation of WIOA requirements under the direction of the Workforce Arizona Council, which was seated in January 2016. During FY 2016, the following key issues were addressed:
  - The State Workforce Development Boards established several committees to work on planning, data excellence, and quality assurance.
  - The State Unified Workforce Plan 2016–2020 was submitted and approved by the U.S. Department of Labor and the U.S. Department of Education.
  - The brand ARIZONA@WORK was introduced as the common identifier for partners of the statewide workforce system.
  - The state’s 12 Local Workforce Development Areas have successfully implemented new program requirements, such as an increased focus on disconnected youth and adults with significant barriers to employment. This includes individuals who need to develop their vocational skills or general education, have a disability, or need to gain work experience.
  - Partner programs under WIOA include the DES Rehabilitation Services Administration, the DES Workforce 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 Workforce Administration worked with 12 Local Workforce Development Boards to provide services under the WIOA. 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. WIOA Adult and Dislocated Worker services include case management, structured job search, resume assistance, job referrals, 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 WIOA Youth program focuses on youth with barriers to employment by providing an array of services that prepare youth for postsecondary 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 2016, over 9,230 adults (including dislocated workers) and over 3,152 youth (aged 14–21) clients received assistance.
- The Eligible Training Provider List (ETPL) comprises training providers and programs that provide training to participants eligible to receive WIOA funding for training. The statewide ETPL is available at [www.azjobconnection.gov](http://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 and include training program information including program descriptions,

accreditation information, costs and fees, labor market information, credential attainment information, performance data, and the minimum entry wage of the related occupation, which allows for informed, customer choice. In SFY 2016, ETPL contained over 1,300 approved training programs, which included programs in both rural and metropolitan areas of Arizona as well as online training programs. WIOA-eligible participants approved for training were enrolled in these training programs to gain the required skills for current employment opportunities in Arizona.

- The Corporation for National and Community Service-supported Arizona Refugee Resettlement Program (RRP) AmeriCorps VISTA Project, now in its seventh year, provided opportunities for 19 VISTA members placed with 11 refugee serving partner agencies in central and southern Arizona in FFY 2016 to develop capacity-building assignments that address barriers to employment, public education, and health-related issues. These 19 VISTA members managed 1,494 volunteers (511 of whom were recruited by the VISTA members) providing 11,934 hours of service. Through these projects, more than 5,020 refugees benefitted from 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. The training emphasizes English learning as a direct path to gainful employment and self-sufficiency. During FFY 2016, 2,478 refugees were enrolled in one of the 24 ELT class sections offered, including two Vocational English as a Second Language classes and one class focused on English acquisition for the High School Equivalency exam.
- In FY 2016, 8,890 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 2016 as over 90 percent of families that received the Grant Diversion option from July 2015 through January 2016 did not return to long-term CA within 180 days.
- The Arizona Apprenticeship Office in the DERS Employer Engagement Administration (EEA) creates and develops registered apprenticeship programs in all industries for the state of Arizona. Apprenticeship office staff provide support and technical assistance to 130 registered apprenticeship programs, and growing, in the state. Growing and creating more programs in nontraditional occupations, such as the Informational Technology and Healthcare industries, are part of the apprenticeship office staff's goals for the future of registered apprenticeship in the state. In FY 2016, 1,523 new apprentices were registered, for a total of over 2,900 apprentices in Arizona. Most new apprentices were in construction, advanced manufacturing, information technology, utility, and energy occupations.
- Registered Apprenticeship programs are automatically approved on the ETPL. This enables jobseekers to apply for funds such as an individual training allowance from their local Arizona@Work workforce one stop to help them through the start of an apprenticeship program if tools and equipment are needed to continue working.

- Veterans who become apprentices in approved registered apprenticeship programs can use their GI Bill benefits if they qualify 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 AHCCCS through an Interagency Service Agreement (ISA) to provide enhanced vocational rehabilitation services to individuals determined to have a serious mental illness. The purpose of the ISA is to increase the employment outcomes of individuals with psychiatric disabilities being served by the statewide Managed Care Organizations (MCO). The current ISA is funded with AHCCCS matching 21.3 percent of federal funds. The 2017 ISA has a budget of \$14.8 million. This budget covers operating and client expenditures, which include 52 specialty Behavioral Health Vocational Rehabilitation Counselors who work with and are assigned to the various statewide behavioral health clinics. Also, to increase referrals for the Vocational Rehabilitation program, RSA and AHCCCS continue to encourage the MCOs to use the RSA-funded online benefits calculator Disability Benefits 101 (DB101), which can answer mutual client's questions regarding their Social Security and AHCCCS benefits that could be affected by returning to work.
- 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 that are geared to help the student prepare for, obtain, and maintain employment. In FY 2016, RSA partnered with 24 high school districts and provided enhanced vocational services to nearly 3,200 high school students with disabilities.
- In FY 2016, 1,473 individuals with significant disabilities gained competitive employment as a result of participation in the Vocational Rehabilitation program and earned an average hourly wage of \$11.37, which is significantly higher than the state minimum wage of \$8.05.
- In 2016, RSA continued to work collaboratively with DDD, University Center for Excellence in Developmental Disabilities (UCEDD), and the Arizona Developmental Disabilities Planning Council to implement the Arizona Employment First initiative. Employment First puts the focus on integrated competitive employment as the primary daily activity for adults with disabilities of working age.
- In 2016, RSA continued to be involved in the planning and implementation of the Arizona Transition Conference. The conference provides information to DES staff, educators, youth, and parents about the opportunities that exist for youth with disabilities to successfully transition from high school to post high school employment. Staff from RSA hosted several sessions to inform about the implementation and impact of the Workforce Innovation and Opportunity Act which places and increased emphasis on providing pre-employment transition services to students with disabilities to allow them the opportunity to successfully transition from high school to the world of work.

- 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 the Arizona Community of Practice on Transition (CoPT), which meets monthly and supports the development and maintenance of local CoPTs. DDD also co-sponsored the 16th Annual Arizona Transition Conference, which drew over 950 participants. This year's conference had a strong focus on trends in employment-related topics for participants, including four sessions presented by DDD colleagues. The sessions included the Changing Landscape of Employment, Job Opportunities Build Success, and Navigating the DDD System. The fourth session featured the experiences of DDD members who participated in Transition to Employment Services and what it meant to them as they prepared to enter the competitive workforce. DDD's eight District Employment Specialists regularly facilitate and participate in local Communities of Practice on Transition, high school transition fairs, DREAM and job fairs, and other events highlighting employment. The Employment Specialists also encouraged and emphasized the importance of summer employment experiences to DDD members. DDD colleagues continue to 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 postsecondary outcome for their children.
- DDD will be providing a new employment service, Career Preparation and Readiness Service, by the end of the year to expand opportunities for members to become employed in community-integrated jobs. The goal of the new service is to increase the number of members making progressive moves into integrated employment in the community by providing pre-vocational services to members who are in Center-Based Employment (CBE). Currently, CBE services are provided in a non-integrated, facility-based setting where members engage in paid work at sub-minimum wages. This new service provides an opportunity for individuals with disabilities to gain access to the same employment opportunities and experiences that all citizens without disabilities have and will improve their quality of life through integrated employment, increased income, peer relationship building, and increased self-sufficiency and self-esteem.
- One of the goals of the new DDD Strategic Plan 2016–2020 is to increase the number of members who are employed in the community. In order to develop employment resources for members, families, and their teams, Employment Services has been conducting listening sessions around the state to discuss what information would be helpful for families and members who are on the path to work, attending school, working in Center-Based Employment, attending day programs, or are developing a plan for work. Based on these discussions, information pamphlets are currently being drafted for members and their families.
- Recent regulations implementing WIOA amendments require that workers with disabilities who are age 24 or younger complete various requirements designed to improve their access to competitive integrated employment, including transition services, vocational rehabilitation, and career counseling services before they are employed at a subminimum wage. WIOA also requires that all workers with disabilities, regardless of their age, who are paid a subminimum

wage receive regular career counseling and information about self-advocacy, self-determination, and peer mentoring. DDD, RSA and ADOE are working in conjunction with Arizona Employment First to cooperatively implement the new requirements imposed by WIOA.

- DDD continues in the role as Co-Chairperson of the broadly based statewide partnership that adopted the Arizona Employment First Strategic Plan in 2015. In 2016, the memorandum of understanding (MOU) was signed by all of the parties involved in the Arizona Employment First Core Group establishing a cooperative agreement to implement the key directions set forth in the strategic plan, which supports the belief that community-based, integrated employment should be the primary day activity for working age youth and adults who have disabilities. The MOU further supports an overarching goal that eligible persons who have disabilities will have access to integrated work settings most appropriate for them, including the supports necessary to help them succeed in the workplace.
- **Provide temporary assistance to Arizonans in need while they work toward greater self-sufficiency**
- DERS has received 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 has increased the number of community partners that deliver employment and training activities to SNAP-enrolled individuals. These partners extend the capacity of the program to provide employment and training 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 nonprofit 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 uses 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 2016, DDD received assistance from approximately 85 volunteers, working a total of 11,315 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. This summer, DDD partnered with the City of Phoenix Youth Rise program. This program offered high school students the opportunity to work as paid interns. The Adaptation Station designs and constructs adaptive equipment for children and adults with developmental disabilities.

During FY 2016, its 29 regular and seasonal volunteers contributed 2,622 hours. During these hours, the volunteers produced and adapted more than over 500 items to assist 140 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; and 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 Leadership 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 Leadership 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 ten 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 members, families, and providers by defining appropriate services from the member's perspective.
- FCR provides support to Human Rights Committees organized within each District across the state. These committees are composed 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 monthly to:



- Review any incidents that may have involved neglect, abuse, or denial of rights of members receiving services;
  - Review behavior programs that involve the use of behavior-modifying medications or aversive techniques;
  - Review any proposed research involving members receiving services; and
  - Make recommendations to DDD about changes needed to protect the rights of members 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 Division of Child Support Services (DCSS) uses its Community Outreach Unit to better publicly serve and educate the people of Arizona. This community-people-centric group collaborates and creates ongoing partnerships with locally focused groups that include, Fatherhood Programs, Parental Accountability, Court Programs, and Community Correctional facilities. Some of the services that the DCSS Outreach Program offers educate the public on available child support services and resources. The DCSS Outreach Team offers live presentations by trained liaisons and a new video tailored to the diverse populations and their respective needs. Examples include representation in many community events and organizations, such as correctional facilities, domestic violence shelters, rehabilitation clinics, faith-based organizations, high schools, tribal partners, and nonprofit organizations. Other methods used by DCSS for community outreach include partnering with the DES Office of Community Engagement to utilize of the DES On The Go mobile units and offering services through the satellite offices involved in the DES On The Spot initiative.
  - In FY 2016, the Child Care Administration released 9,855 children from the Child Care Priority Wait List.

**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 2016 the Office of Special Investigation Public Assistance Benefit Fraud (PABF) Unit completed its transition to an enterprise Governance, Risk and Compliance (eGRC) automated solution tool to track and manage cases. PABF completed and finalized 7,450 investigations for an estimated cost avoidance of \$5,752,985. The Investigations Support Unit (ISU) referred 36 PABF cases for an administrative disqualification hearing and recoupment of overpayment. ISU also referred 27 fraud investigations to multiple prosecutorial jurisdictions for criminal prosecution. These actions have resulted in \$194,874 in civil recoveries, 9 criminal convictions, and \$201,930 in court-ordered restitution. The investigation activities of the SNAP Trafficking Detection Unit determined that 87 individuals committed an intentional program violation with overpayments totaling \$26,998; these

individuals were subsequently disqualified from SNAP for at least one year. The UI Benefits Fraud Unit completed 207 criminal cases, which were referred to the Office of the Attorney General, resulting in anticipated recoveries of \$1,437,955; 90 administrative cases were referred back to the UI program for anticipated civil recoveries of \$284,821; and 46 identity theft cases with anticipated recoveries of \$67,496. In addition, the Office of the Attorney General had 250 UI case direct complaints filed with the courts, and there were 153 convictions with court-ordered restitution totaling \$815,361, court-ordered fines of \$27,318, and court-ordered fees of \$4,211. UI recoveries that were paid prior to sentencing for these convictions totaled \$772,501. The Office of Internal Affairs completed 81 investigations.

- DCSS distributed nearly \$660,000,000 in child support collections to families during FY 2016.
- Employers play an important role in 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 funds are disbursed to 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. DCSS offers a service called e-Employer, where employers can receive and respond to income withholding orders, medical support notices, employment verifications, and terminations online. There is no cost, and this service expedites support to the families.
- 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 to focus on streamlining eligibility practices and processes. During FY 2016, the Process Management Team continued to support this effort through the following initiatives:
  - Completed process reviews to help local offices with flow, staffing alignment, and capacity.
  - Developed and delivered a half-day seminar for all Regional Management and Workload Operator Managers throughout the state that focused on teaching standardized process management tools (i.e., production capacity, staffing alignment tools, and effective “quarterbacking” techniques). Teams developed office-specific improvement strategies as part of the session to implement improvement tools in local offices.

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 2016, the SNAP application timeliness has increased to 96.94 percent.

- FCR works closely with individuals, families, system partners, and community stakeholders. DDD's Resolution System (RS) is an automated system used to track member, provider, and community grievances and inquiries 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 2016, DDD responded to 1,292 complaints. The unit also responded to more than 2,400 other phone calls that were not entered into the RS because 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 41 presentations in FY 2016 providing outreach to 3,334 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 Member newsletter that is published three times each year. 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<sup>1</sup>**

The Office of Employment and Population Statistics within the Arizona Department of Administration (EPS ADOA) is projecting gradual gains in employment in Arizona for the 2015–2017 time period. An over-the-period gain of 156,535 jobs are projected to be gained over the projected years (2015 Quarter 3 to 2017 Quarter 2). In the current projection period, the rate of growth for total employment is 2.84 percent.

The overall employment situation in Arizona continues to improve. This is consistent with improvement seen in many economic indicators, including population growth. Population grew faster in 2015 at 1.37 percent compared to 2014, based on EPS ADOA population estimate numbers. Population is projected to grow at 1.6 percent in 2016 and 1.7 percent in 2017.

Arizona has recovered 100 percent of jobs shed since the prerecession peak as of February 2016. However, the recovered gains were not equally shared among all industries or all substate areas. Trade, Transportation and Utilities; Natural Resources and Mining; Manufacturing; Construction; and Other Services are still recovering jobs shed. Phoenix Metropolitan Statistical Area (MSA) and Flagstaff MSA have both fully recovered the number of jobs shed while Yuma, Prescott, Tucson, and Lake Havasu-Kingman MSAs are still in the process of recovery. The steady growth was driven by continued expansion in two industries: Professional and Business Services and Education and Health Services. We expect the solid growth to continue in Arizona. Employment is expected to grow at the rate of 2.84 percent during the two-year projection period. Eleven major sectors are expected to grow from 2015 Q3–2017 Q2. Arizona has historically (1993–1999, 2004–2006) 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.

Compared to prior recessions, the slower employment recovery is in large part due to lack of new construction and a longer period of economic decline. However, the economic fundamentals continue to improve. Both the U.S. and Arizona unemployment rates continue to decline.

Arizona continues to operate under conditions of military program funding. Various economic sectors have felt the effects of the state’s dependence on defense-related industries. Federal government military expenditures continued to decrease while civilian real expenditures increased in 2015.

### **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.
- Consumer spending saw the largest jump in six years.
- Sustained growth in total wages and salaries.

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<sup>1</sup> This section has been provided by the Arizona Department of Administration, Office of Employment and Population Statistics.

- Continued increases in private sector employment, increases in 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.
- Growth in real GDP, real personal income, employment and retail sales.
- Continued declines in the U.S. and Arizona unemployment rates.
- Labor force participation rates increased while unemployment levels have declined.
- Residential and commercial real estate markets in Arizona and Phoenix metropolitan area have shown improvement.
- Arizona outpaced U.S. in population, nonfarm employment and real personal income growth in 2015.
- Household net worth and U.S. exports continue to increase.
- The residential real estate market in Arizona and Phoenix metropolitan area has shown improvement. Home prices have improved but are still roughly 10 percent off peak prerecession prices. Increases 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 spending has improved. Banks are gradually relaxing 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 projection:

- Arizona's manufacturing sector endured a tumultuous 2015 with slow global growth, lower commodity prices, and a relatively strong dollar.
- Despite some increase in disposable income from lower gas prices, constrained budgets persist for a large majority of households. Real median household income in U.S. and Arizona is below the peak level prior to the 2007 recession.
- Arizona's mining sector has seen sharp declines due to a slowdown in world commodities markets.

- Arizona's economy has been historically dependent on population growth. Population growth in the state (1.4 percent in 2015) has been below the growth rate observed historically, limiting the additional demand created for goods and services. In-migration, both domestic and international, to the state has declined over time.

### **Arizona Industry Employment Projections (2015–2017)**

During the two-year projection time period, five sectors are projected to grow at a faster rate than the overall total employment rate of 2.84 percent, and six sectors are expected to grow at a slower rate. The major sectors with higher expected growth rate are Construction (6.66 percent), Professional and Business Services (4.36 percent), Financial Activities (3.74 percent), Leisure and Hospitality (3.47 percent), and Information (3.27 percent). The major sectors expected to grow at a slower rate than Nonfarm employment are Education and Health Services (2.74 percent) Trade, Transportation, and Utilities (2.24 percent), Unclassified (2.18 percent), Other Services (1.21 percent), Manufacturing (0.66 percent), Government (0.18 percent), and Natural Resources and Mining (-2.74 percent).

**Professional and Business Services (PBS):** The PBS sector is projected to have an increase of 34,902 jobs (4.4 percent) over the two-year projection period. The Administrative and Support and Waste Management and Remediation Services subsectors are expected to have the largest job gains (24,285 jobs, 5.1 percent) over the projection period. Job gains are projected in the subsectors of Professional, Scientific and Technical Services and Management of Companies and Enterprises.

**Educational and Health Services (EHS):** The EHS sector is projected to gain 31,428 jobs (2.7 percent) over the projection period. Increases are expected in all subsectors of Health Care and Social Assistance with the largest projected employment increase in Social Assistance. Demographic changes coupled with state and federal spending associated with the ACA is likely to increase employment growth in these subsectors.

**Trade, Transportation and Utilities (TTU):** The TTU sector is projected to gain 23,414 jobs (2.2 percent) over the two-year period. Retail Trade is expected to have the most employment gains within TTU subsectors projecting gains. Fewer gains are projected in Wholesale Trade and Transportation, Warehousing and Utilities. Utilities is expected to see a small gain of 255 jobs over the two-year period and Transportation and Warehousing is projected to gain 4,445 jobs as a result of overall economic growth.

**Leisure and Hospitality (L&H):** The L&H sector is projected to gain 22,594 jobs (3.5 percent) over the two-year period. The largest projected job gain is expected in the Food Services and Drinking Places sub-sector with 15,800 jobs (3.6 percent). Fewer gains are projected in the subsectors of Accommodations and Arts, Entertainment and Recreation. An improving economy, tourism, and population increases are expected to bolster employment in the L&H sector.

**Construction:** This sector is projected to gain 17,731 jobs (6.7 percent) over the two-year period. Specialty Trade Contractors is expected to have the largest employment gain at 16,602 jobs (9.1 percent). Home repair and maintenance, rising building permits, and population growth are factors

that support some growth in this sector. Heavy and Civil Engineering Construction is the only Construction sub-sector with projected job losses from 2015 to 2017.

**Financial Activities (FA):** Projected employment growth in FA over the two-year period is expected to increase by 14,407 jobs (3.7 percent). Finance and Insurance sub-sectors are expected to see the largest gains in the Financial Activities industry with an increase of 12,512 jobs (4.3 percent). Insurance Carriers, Credit Intermediation, and Real Estate are expected to see the largest gains.

**Unclassified:** Projections indicate a gain of 6,390 jobs (2.2 percent) over two years.

**Information:** This sector is projected to have a gain in employment of 3,099 jobs (3.3 percent) over two years. The largest job gains are projected in the Telecommunications sub-sector.

**Manufacturing:** This sector is projected to have an employment increase of 2,066 jobs (0.7 percent) over two years. Growth is projected in both Durable Goods and Nondurable Goods. Gains in Durable Goods are expected from Fabricated Metal Products and other unreported sectors.

**Other Services (Except Government) (OS):** OS is projected to gain 1,765 jobs (1.2 percent) over two years. An improving economy with gradually rising levels of business and consumer spending is projected to bolster the demand and employment for the services provided by this sector.

**Government:** Government is projected to have a small gain of 554 jobs (0.2 percent) over the two-year period. All subsectors except federal (state and local government) are expected to have gains over the two-year period.

**Natural Resources and Mining (NRM):** The NRM sector is projected to lose 1,821 jobs (-2.7 percent) over the two-year period.

## Conclusion

Arizona is projected to gain 156,535 jobs over the two projected years (2015 Quarter 2 through 2017 Quarter 2). This represents a growth rate of 2.84 percent over the two projected years. This is consistent with improvement seen in other economic indicators.

In February of 2016, Arizona recovered 100 percent of the jobs shed from the prerecession peak. Many economic fundamentals in Arizona continue to improve. Eleven of the twelve major sectors are expected to grow over the two projected years. Home prices continue to increase but are still roughly 10 percent below prerecession peak levels. Population is expected to grow gradually through 2016.

Eleven of the major sectors of the Arizona economy are projected to gain jobs during the 2015–2017 projected time period. Professional and Business Services (34,902 jobs), Educational and Health Services (31,428 jobs), Trade, Transportation and Utilities (23,414 jobs), Leisure and Hospitality (22,594 jobs), and Construction (17,732 jobs). Smaller gains are projected in these sectors: Unclassified (6,390 jobs), Information (3,099 jobs), Manufacturing (2,066 jobs), Other

Services (1,765 jobs), and Government (554 jobs). Natural Resources and Mining is the only major sector that is expected to see a loss (-1,821 jobs).

Some sectors are projected to have a higher employment growth rate while others have a lower rate when compared to the overall employment growth rate of 2.84 percent. The growth rate over the 2015–2017 projected period for the five sectors projected to grow at a faster rate than the overall employment rate in descending order of magnitude are Construction (6.7 percent), Professional and Business Services (4.4 percent), Financial Activities (3.7 percent), Leisure and Hospitality (3.5 percent), and Information (3.3 percent). The remaining six sectors projected to grow at a slower rate than Nonfarm employment are Education and Health Services (2.7 percent), Trade, Transportation, and Utilities (2.2 percent), Unclassified (2.2 percent), Other Services (1.2 percent), Manufacturing (0.7 percent) and Government (0.2 percent). Natural Resources and Mining is expected to show a decline of -2.7 percent.

Although Arizona’s 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 spending cuts do 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, economic fundamentals continue to improve.

There are many positive indicators suggesting improvement in the overall economy and this momentum will continue through 2017. Nonfarm employment is rising modestly and more workers are returning to participate in the labor force. 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, and private domestic investment are showing improvements since the recession.

Despite some job growth and lowering in the unemployment rate, many consumers both in the U.S. and 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. Federal, state, and local governments face headwinds regarding 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 could hurt exports. On the positive side, it is expected to make imports cheaper and help control inflation.

There are also risks associated with uncertainties as mentioned above, but we believe the positive factors listed above outweigh the uncertainties in support of our projections.



## Section 6 – Statistics

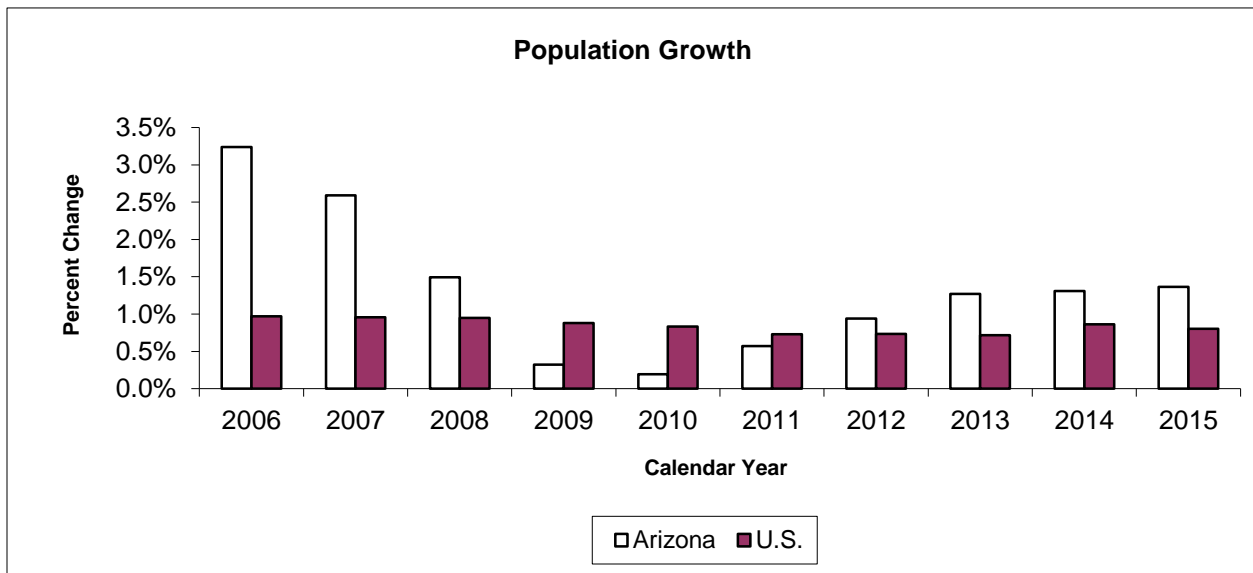
### ARIZONA DEPARTMENT OF ECONOMIC SECURITY Comparison between Arizona and United States Population For Calendar Years Ended December 31 (2015 is the most recent data available)

Table 1

Year	Arizona Population	United States Population	Percentage Change In Arizona Population	Percentage Change in U.S. Population
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
2015	6,758,251	321,418,821	1.4	0.8

Sources: 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.



**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Comparison between Arizona and United States per Capita Income**  
**For Calendar Years Ended December 31**  
**(2015 is the most recent data available)**

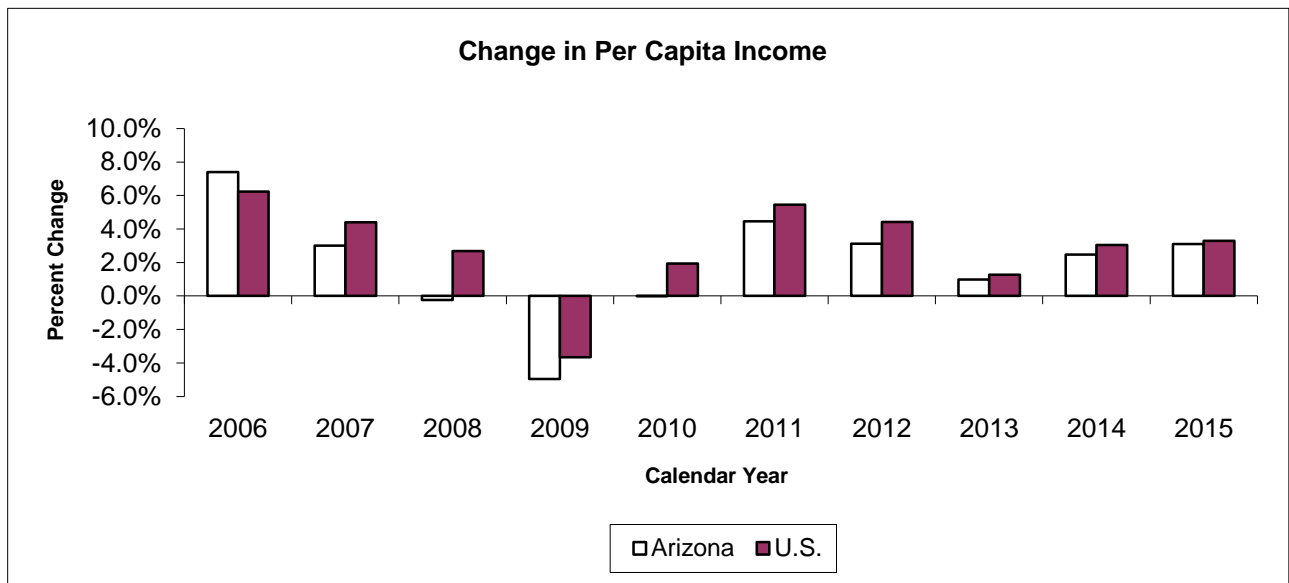
Table 2

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
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
2015	39,060	47,669	3.1	3.3

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Note: No figures in the table above have been revised.

Definitions: Per capita personal income is equal to personal income divided by the population. Personal income is the income received by a single individual. It includes compensation, interest, and dividends. For more information, go to <http://www.investopedia.com/terms/p/personalincome.asp#axzz2CQSD5Y2y>.



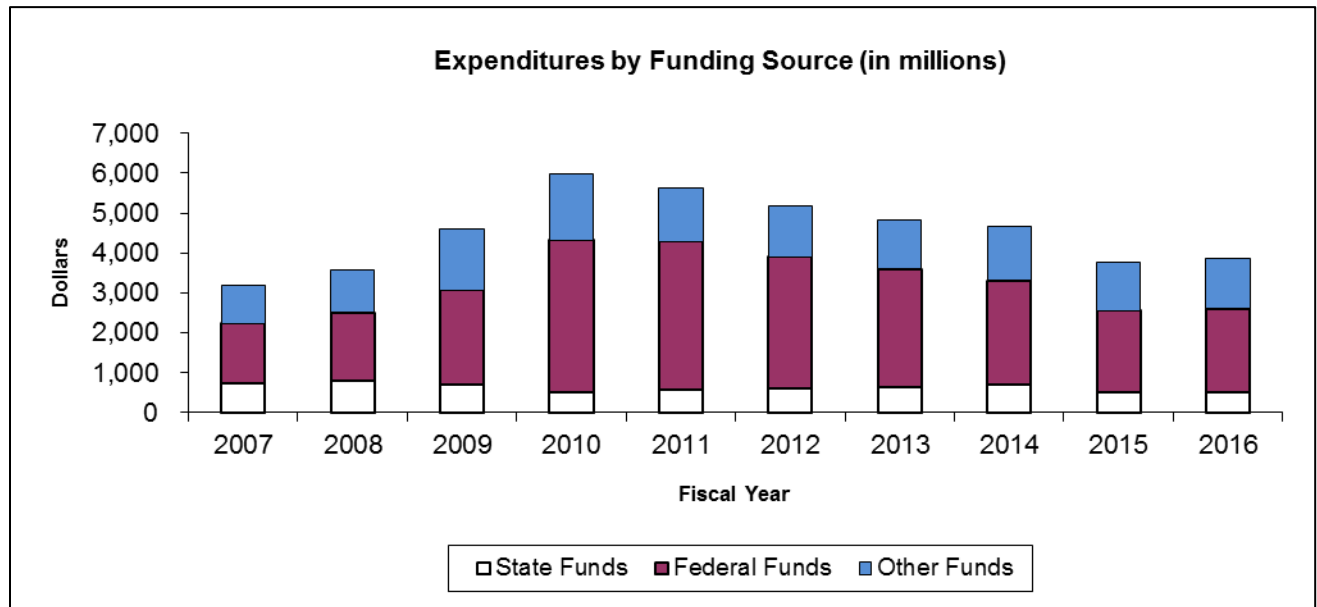
**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Expenditures by Funding Source**  
**(Governmental Funds and Unemployment Insurance Benefits)**  
**For Fiscal Years Ended June 30**

Table 3

Year	State Funds	Federal Funds	Other Funds	Total Funds
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
2016	522,466,498	2,084,020,593	1,245,194,037	3,851,681,128

Source: The Arizona Department of Economic Security Financial Statements.

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



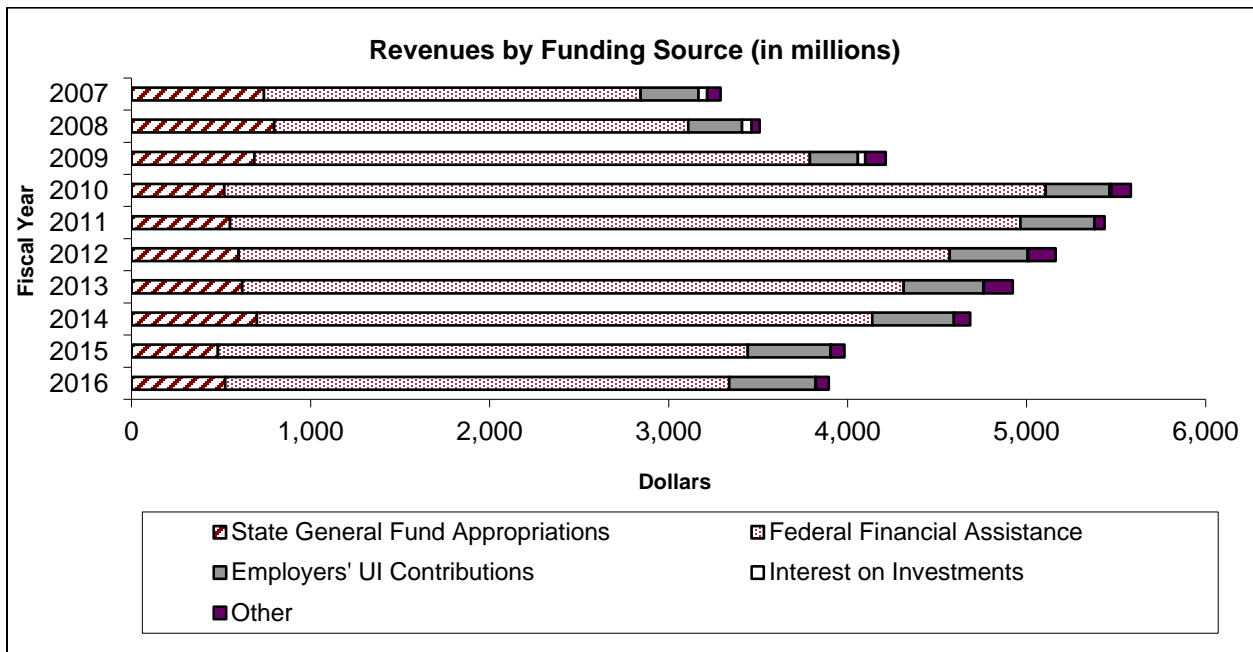
**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Revenues by Funding Source**  
**(Governmental Funds and Unemployment Insurance Benefits)**  
**For Fiscal Years Ended June 30**

Table 4

Year	State General Fund Appropriations	Federal Financial Assistance	Employers' UI Contributions	Interest on Investments	Other	Total
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
2016	523,934,200	2,814,650,216	482,955,379	1,276,079	72,135,929	3,894,951,803

Source: The Arizona Department of Economic Security Financial Statements.

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



**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Comparison between Arizona and United States Unemployment**  
**For Calendar Years Ended December 31**  
**(2015 is the most recent data available)**

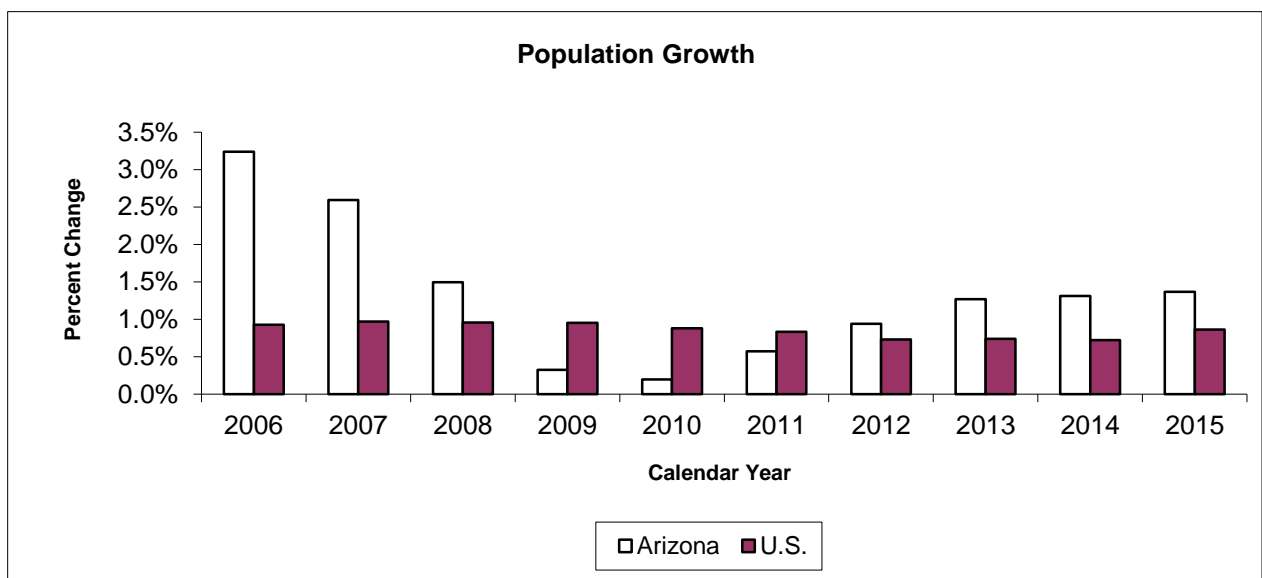
Table 5

Year	Number of Unemployed in Arizona	Number of Unemployed in U.S.	Unemployment Rate Arizona (%)	Unemployment Rate U.S. (%)
2006	122,100	7,001,000	4.1	4.6
2007	118,100	7,078,000	3.9	4.6
2008	192,400	8,924,000	6.2	5.8
2009	320,400	14,265,000	10.3	9.3
2010	319,800	14,825,000	10.4	9.6
2011	285,600	13,747,000	9.5	8.9
2012	249,500	12,506,000	8.3	8.1
2013	227,600	11,460,000	7.5	7.4
2014	207,900	9,617,000	6.7	6.2
2015	190,300	8,296,000	6.1	5.3

Note: 2015 figures are new. Arizona figures for 2006–2014 have been revised. U.S. figures have not changed.

Sources: Arizona: Office of Employment and Population Statistics, Arizona Department of Administration.  
 United States: Department of Labor, Bureau of Labor Statistics (BLS).

Definitions: A person is unemployed if he or she has no job but is looking for work.  
 The unemployment rate is the number of unemployed as a percentage of the labor force.  
 The labor force is the sum of the employed and the unemployed.  
 For more information go to [www.laborstats.az.gov](http://www.laborstats.az.gov)



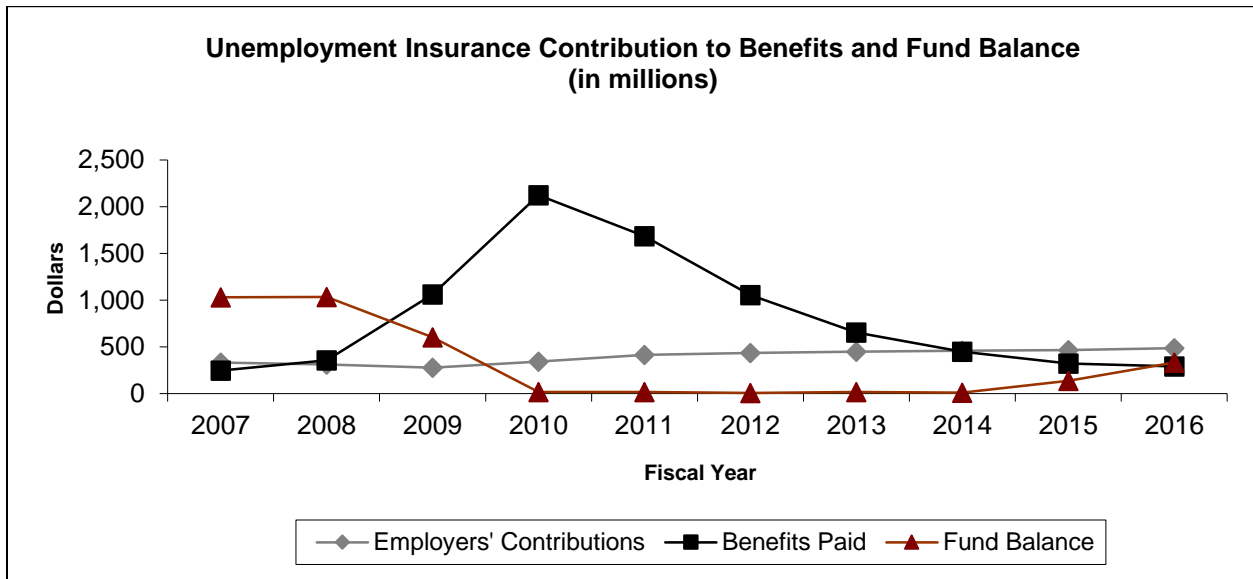
**ARIZONA DEPARTMENT OF ECONOMIC SECURITY  
Unemployment Insurance Financial Transaction Summary  
For Fiscal Years Ended June 30**

Table 6

<b>Year</b>	<b>Total Employers' Contributions</b>	<b>Total Benefits Paid</b>	<b>Fund Balance</b>
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
2016	484,087,186	288,551,728	332,677,410

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.



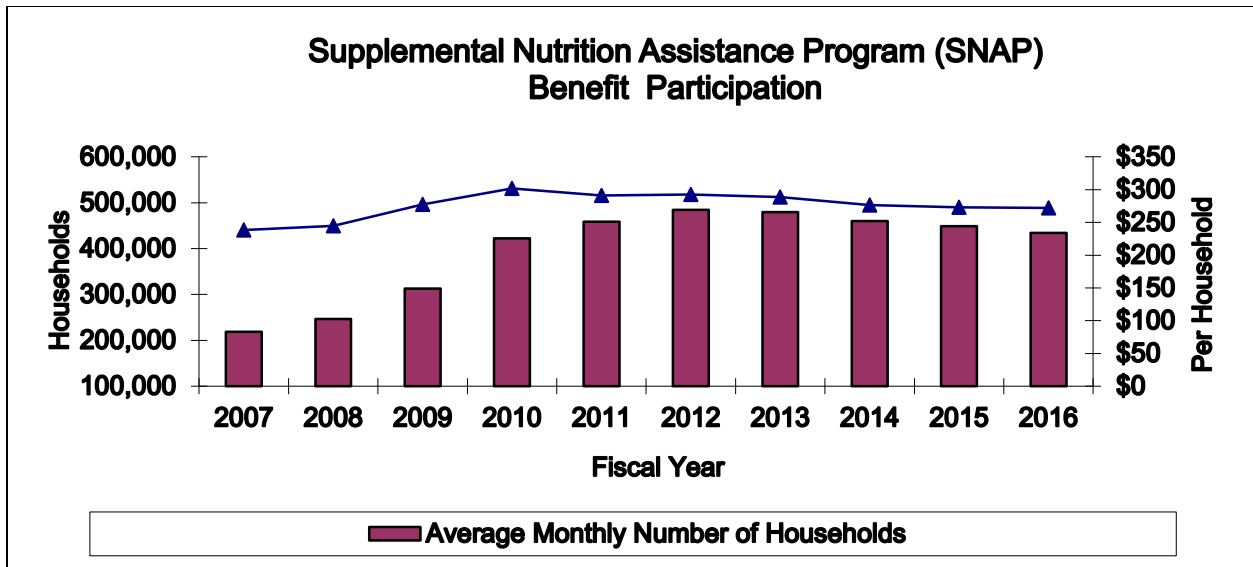
**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Supplemental Nutrition Assistance Program (SNAP) Benefit Participants**  
**For Fiscal Years Ended June 30**

Table 7

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
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
2016	434,328	980,536	272.06	120.51	118,162,179

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.



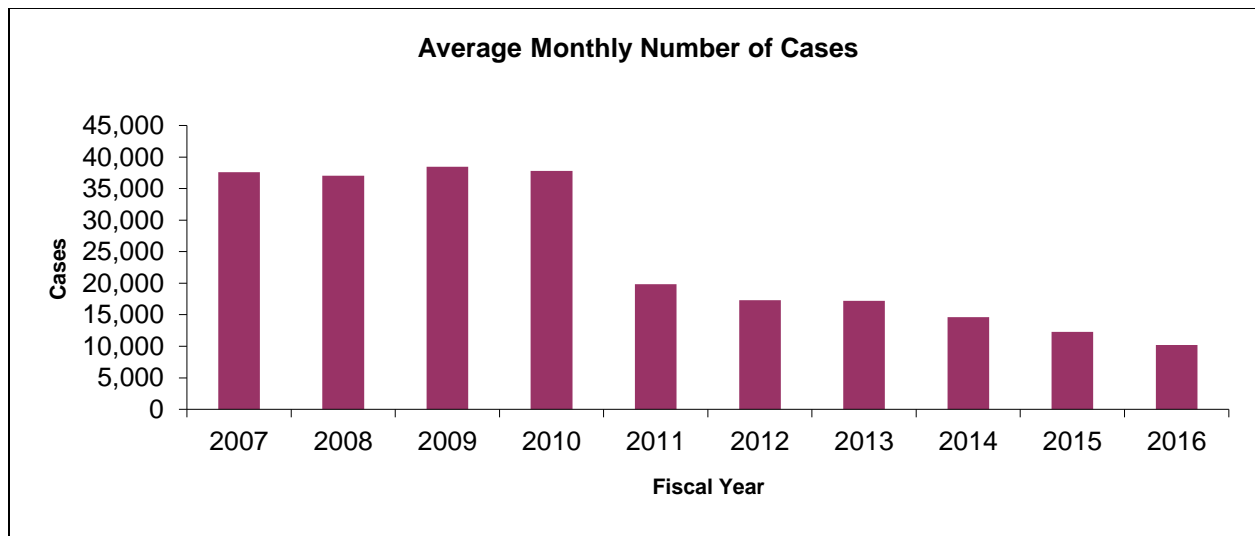
**ARIZONA DEPARTMENT OF ECONOMIC SECURITY  
Temporary Assistance for Needy Families Cash Assistance  
For Fiscal Years Ended June 30**

*Table 8*

<b>Year</b>	<b>Average Monthly Number of Cases</b>	<b>Average Monthly Number of Recipients</b>	<b>Average Monthly Payment Per Case</b>	<b>Average Monthly Payment Per Recipient</b>	<b>Average Monthly Payments</b>
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
2016	10,192	22,171	201.89	92.81	2,057,745

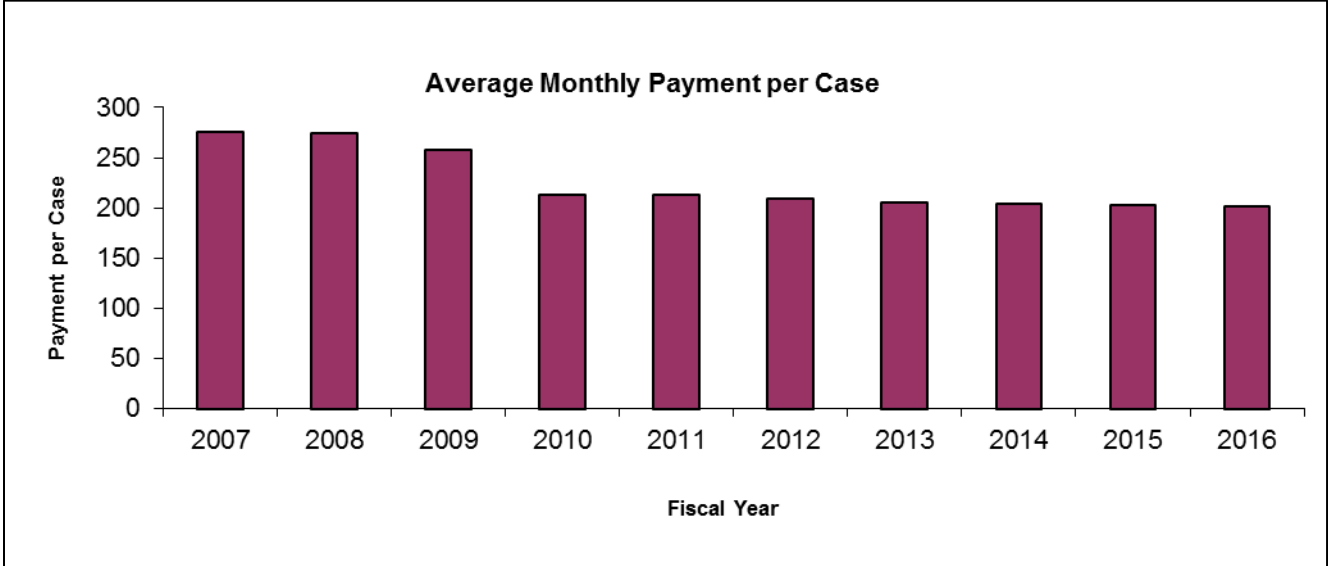
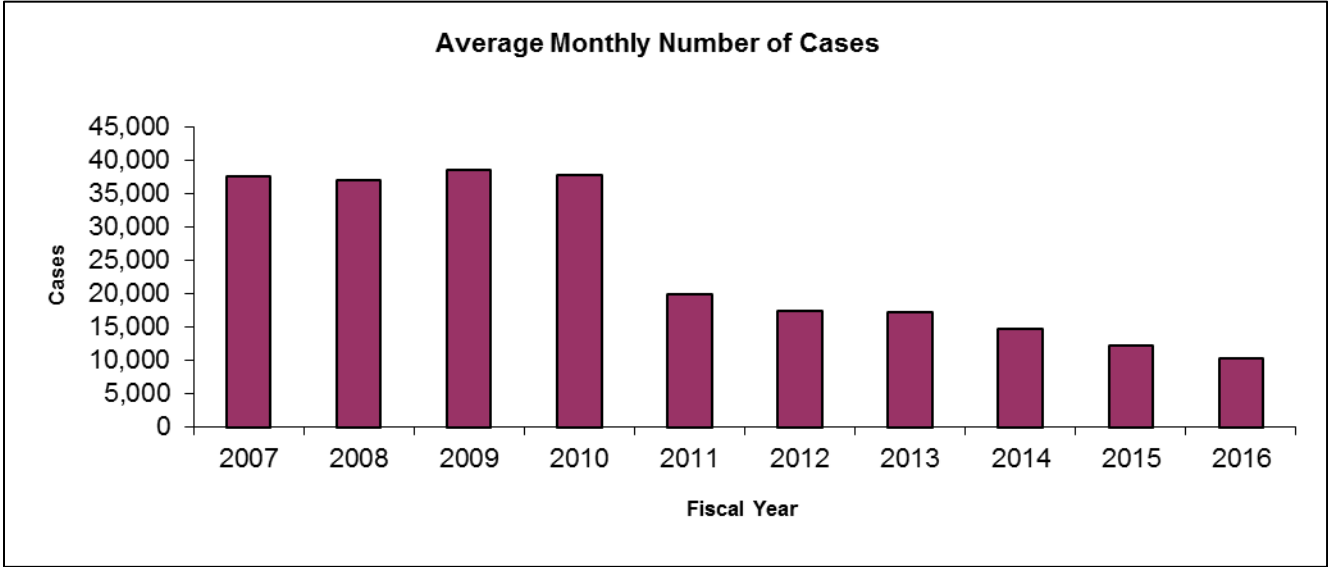
Source: The Arizona Department of Economic Security, Division of Benefits and Medical Eligibility, Family Assistance Administration.

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.





**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Temporary Assistance for Needy Families Cash Assistance**  
**For Fiscal Years Ended June 30**  
**(Continued)**

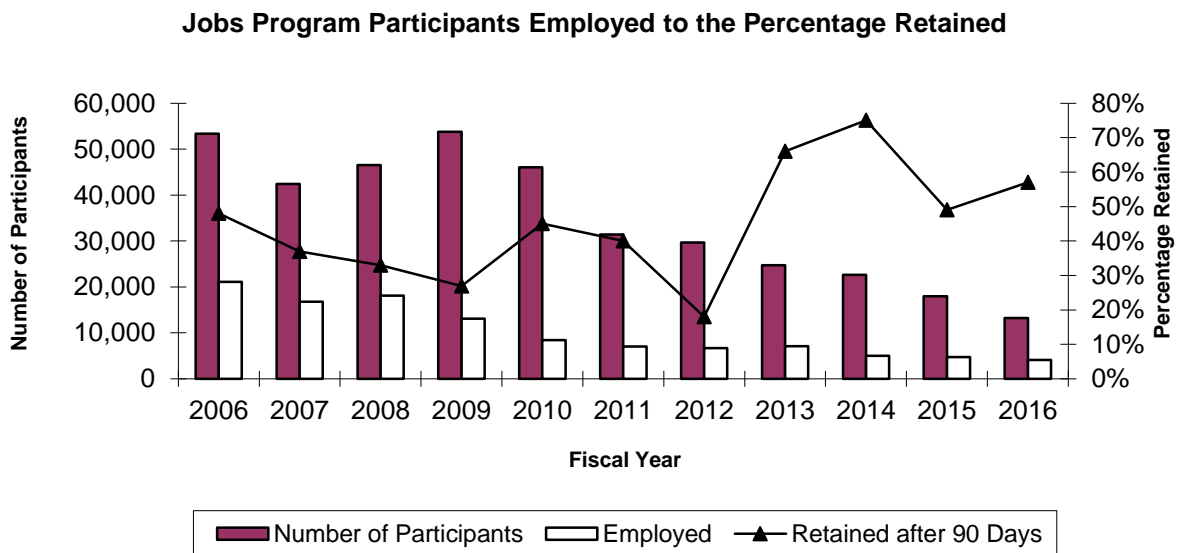


**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Jobs Program**  
**Comparison of Participants and Participants Employed**  
**For Fiscal Years Ended June 30**

Table 9

<b>Year</b>	<b>Number of Participants</b>	<b>Total Employed</b>	<b>Percentage Retained Employment for at Least 90 Days</b>
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
2016	13,226	4,099	57

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

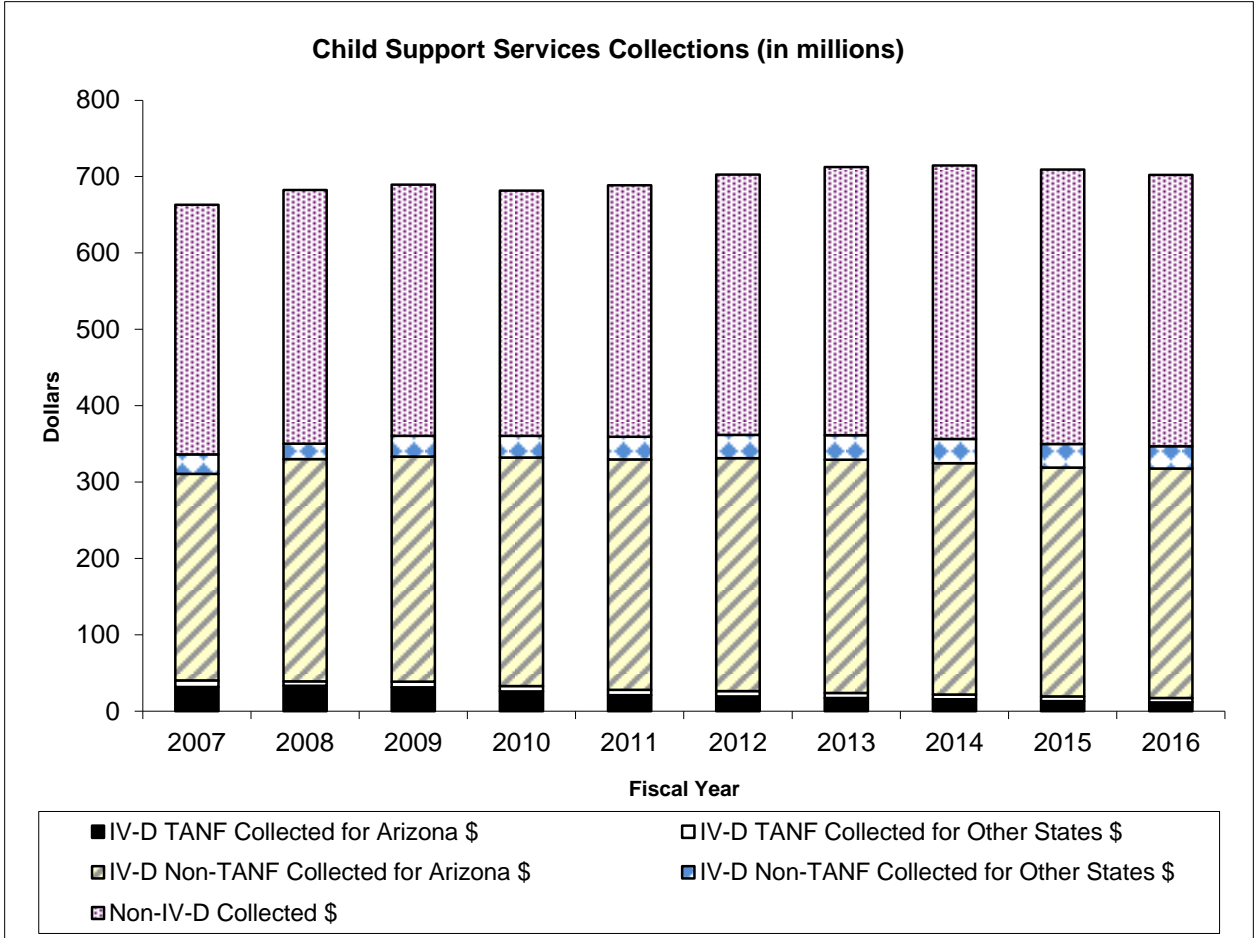


**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**Child Support Services Collections**  
**For Fiscal Years Ended June 30**

*Table 10*

<b>Year</b>	<b>TANF Collected for Arizona</b>	<b>TANF Collected for Other States</b>	<b>Non-TANF Collected for Arizona</b>	<b>Non-TANF Collected for Other States</b>	<b>Non-IV-D Collected</b>	<b>Total Collections</b>
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
2016	11,530,200	5,675,700	300,488,800	29,512,600	354,966,800	702,174,100

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



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