



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona


2024 Annual Report

Arizona Department of
Economic Security

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A purple-tinted landscape photograph of a desert canyon. The scene shows rugged, layered rock formations and a deep valley. A bright sun is visible in the upper right corner, creating a lens flare effect. A white geometric line graphic, consisting of a long diagonal line that turns into a shorter horizontal line, is overlaid on the image, extending from the top left towards the center right.

The Arizona Department of Economic Security (DES) is charged with collaborating with individuals, businesses, communities, local and national organizations, other state agencies, federal agencies that oversee programs, and Tribal Nations to deliver services to Arizonans. We aim to achieve a shared vision of a thriving Arizona and our mission of strengthening individuals, families, and communities for a better quality of life is evident in all we do.

Whether you are someone seeking assistance, a prospective employee eager to support others, or part of the extensive network of human service professionals in Arizona committed to improving outcomes for children and families, we are excited to partner with you in creating a brighter future by offering support today.

Mission - - - - -

To strengthen individuals, families, and communities for a better quality of life.

Vision - - - - -

A thriving Arizona.

Values - - - - -

Integrity, People First, Respect

Aging | Child Care | Child Support | Community Development | Family Assistance

DES administers approximately 60 programs focused on delivering specialized services to align with the needs of our community and our Department's program areas. We aim to showcase how our varied services connect to meet the comprehensive needs of Arizonans. By recognizing and addressing essential factors influencing positive outcomes—such as access to care, stable employment, and secure housing—we seek to create an environment where everyone can thrive.

Adult Protective Services | Developmental Disabilities | Employment | Accountability

We encourage you to discover how our programs impact and fulfill fundamental needs in our communities, as well as the vital role that public/private partnerships play. As we progress on this journey, we remain dedicated to innovation and making a positive difference throughout the state.


Director's Message

I am pleased to share with you the 2024 Arizona Department of Economic Security (DES) Annual Report.

As the State's human services agency, DES has the opportunity to make considerable differences in the communities we serve. While it's tempting to focus on the figures—how a budget of over \$7 billion translates into numerous services for 2.9 million Arizonans—it's crucial to remember the real-world effects these services have on our families, friends, and neighbors.

Along with the data and summaries of program initiatives, you will find illustrative examples of how DES makes a difference in people's lives.

Alongside these narratives, you'll note that this year's report has undergone a significant transformation in its appearance. What was once a lengthy document focused primarily on text and narrative, has now been refined to emphasize the most essential information and data. This concise format reflects the efforts of our team of almost 8,700 individuals who worked



“People are central to every outcome, whether it's Arizonans seeking services or our dedicated team members.”

across approximately 60 programs and services, making the agency's outcomes and overall impact more clear through the report's design.

Strategic Initiatives

In August, we published our latest five-year strategic plan on the DES website. It details the five key outcomes that will serve as our Department's main focus:

- Create a client-facing site providing access to all services and programs to enhance program integrity and improve client experience;
- Reduce average time from application to eligibility decision by 50%;
- Curate a robust provider network for critical services and reduce provider deserts by 50%;
- Achieve a 98% retention of high-performing employees; and
- Annual reduction of both queue size and past dues by 10%.

People are central to every outcome, whether it's Arizonans seeking services or our dedicated team members. Our focus is on the outcome. In the next five years, we aim to enhance our information technology systems and processes to provide timely services to clients, leading to self-sufficiency. In addition to programmatic services, we place a strong emphasis on community engagement and partnerships. By



collaborating with local organizations and stakeholders, we amplify our impact and reach more individuals in need. Together, we are building a network of care that is responsive, compassionate, and effective.

On behalf of the DES team, thank you for your partnership and support in helping us to foster a Thriving Arizona for all.

A handwritten signature in black ink that reads "Angie Rodgers" with a long horizontal flourish extending to the right.

Angie Rodgers, Director

Arizona Department of
Economic Security

Division of Employment and Rehabilitation Services

The Division of Employment and Rehabilitation Services (DERS) manages over a third of the programs provided by DES across the state. These programs include workforce development, rehabilitation services, and unemployment insurance programs.

Registered Apprenticeship Program

Arizona's Registered Apprenticeship Program works with employers and education providers to develop and register occupation-based programs to meet the specific skills needed by the Employer. Registered Apprenticeships are employment but allow the apprentice to earn while they learn through a combination of on-the-job training and related technical instruction.

Reemployment Services and Eligibility Assessment Program

The Reemployment Services and Eligibility Assessment (RESEA) Program assists claimants currently receiving Unemployment Insurance Benefits by offering employment services to overcome barriers and secure a job faster, thereby reducing their need for benefits.

Vocational Rehabilitation

Vocational Rehabilitation (VR) provides a variety of services to persons with disabilities, to prepare for, enter into, or retain employment.

Business Enterprise Program

The Business Enterprise Program (BEP) offers opportunities for individuals who are legally blind and participate in Vocational Rehabilitation to manage food merchandising businesses.

ARIZONA@WORK Employment Services

Under the federal Workforce Innovation and Opportunity Act, Employment Services provides essential career assistance to job seekers and support to employers by connecting them with qualified candidates. Services to job seekers include

skill assessments, labor market insights, referrals to support programs, and job search assistance, while personalized services offer tailored career and vocational counseling.

Independent Living Older Blind Program

The Independent Living Older Blind (ILOB) Program offers assessment and training for individuals over 55 who are blind or visually impaired, focusing on orientation and mobility, communication skills, and personal home management with the intent to maintain their independence.

Federal Bonding Program

The Federal Bonding Program (FBP) provides Fidelity Bond Insurance to qualified employers at no cost and no deductible to hire at-risk or hard-to-place job seekers, including justice-involved individuals.

Foreign Labor Certification Program

The Foreign Labor Certification (FLC) Program supports employers facing a shortage of U.S. workers for agricultural or temporary/seasonal jobs. Eligible employers can receive assistance through the H-2A or H-2B Temporary Labor Certification Program. These programs enable U.S. employers to temporarily hire foreign workers for agricultural tasks (H-2A) or unskilled, non-agricultural positions (H-2B) when there are not enough U.S. workers available. This service is provided to employers at no charge.

Migrant and Seasonal Farmworker Outreach Program

The Migrant and Seasonal Farmworker (MSFW) Outreach Program assists farm workers through

workforce services and information on labor rights, as well as agricultural employers through recruitment services and information about agricultural employment laws.

▶ **Senior Community Service Employment Program**

The Senior Community Service Employment Program (SCSEP) assists eligible individuals aged 55 and older with employment barriers by providing paid work-based training and community service opportunities.

▶ **Supplemental Nutrition Assistance Program Career Advancement Network**

The Supplemental Nutrition Assistance Program Career Advancement Network (SNAP CAN) aids adults in households receiving Supplemental Nutrition Assistance Benefits by providing employment and training opportunities leading to economic independence.

▶ **Jobs Program**

The Temporary Assistance for Needy Families (TANF) Jobs Program is a mandatory employment and training initiative for work-eligible parents receiving Cash Assistance.

▶ **Trade Adjustment Assistance Program**

The Trade Adjustment Assistance (TAA) Program helps U.S. workers who lose jobs due to foreign trade or outsourcing. It aims to provide affected workers with skills, credentials, and resources to quickly find suitable reemployment.

▶ **Unemployment Insurance Program**

The Unemployment Insurance Program in Arizona manages tax accounts for employers, collecting

payroll taxes and wage data. These taxes ensure the integrity of the Unemployment Insurance Trust Fund which provides the necessary funds for temporary income support to eligible workers who have lost jobs without fault while they search for new employment.

▶ **Wilson-Fish TANF Coordination Program**

The Wilson-Fish TANF Coordination (WFTC) Program offers tailored employment services to federally designated refugee families with minor children, to remove barriers to becoming economically independent.

▶ **Work Opportunity Tax Credit**

The Workforce Opportunity Tax Credit (WOTC) is a federal tax credit that lowers employer tax liability when hiring job seekers from specific target groups facing employment barriers.

▶ **Veteran Employment Services (Jobs for Veterans State Grant)**

The Jobs for Veterans State Grants (JVSG) program offers personalized career services to eligible veterans and individuals facing significant employment barriers, and education to employers regarding the benefits to hiring veterans, military members and their families.

▶ **Community and Prison-Based Employment Services**

DES collaborates with the Arizona Department of Corrections, Rehabilitation and Reentry (ADCRR) and the Federal Bureau of Prisons to offer a pre-release program that delivers comprehensive employment services to justice-involved clients in state and federal prisons to reduce recidivism. Post-release, employment counselors provide employment services to those on parole, probation, or who are experiencing barriers to employment.





Client with Vision Loss Finds Employment Support through VR Services

Jason Rodgers was born with retinitis pigmentosa, causing gradual loss of his eyesight. “As my sight worsened, my career has been significantly hindered,” said Jason.

The challenges were taking a toll on his mental health so Jason turned to the VR program for help. His counselor made a plan to help Jason continue his job in real estate and connected him with the assistive technology he needed to use a computer, among other things. Jason credits his VR counselor for helping him through this tough time. “She was a lifesaver. And to be honest with you, I was probably in one of my darkest places ever,” said Jason. Jason completed VR services and is working as a successful real estate agent.

Client Achieves Dream of Becoming an Attorney

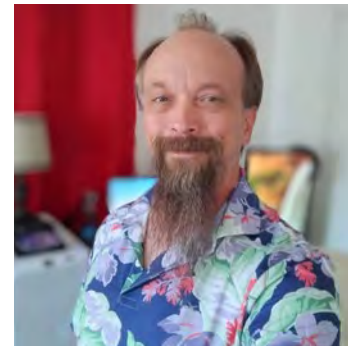
Drew Schmit, who has spastic diplegia cerebral palsy, has always aspired to help others. After hard work, he graduated Cum Laude and is now a public defender.



He is grateful for the Vocational Rehabilitation (VR) program, which he says played a crucial role in achieving his dream. “Without counselors like Maria, I wouldn’t be where I am today. VR has transformed my life and helped me pursue my goal of becoming a lawyer. People with disabilities deserve opportunities for employment and independence. Thank you to everyone at AZ VR!”

Justice-Involved Veteran Obtains Employment and a New Start

Gregory received specialized assistance to address barriers related to his justice-involved background, which led him to change his career path from IT to Bio-Medical Engineering, drawing on his medical experience from military service.



While attending school, Gregory worked as a caregiver but needed a higher-paying job. With DES’ help in collaboration with the Arizona Department of Veteran Services, he entered a work-study program that allowed him to work fewer hours while earning more. Gregory’s ultimate goal is to design robotic prosthetics for disabled veterans and others in need.

DES State Apprenticeship Office Leverages Federal Grant to Expand Opportunities in Arizona

In FY 2024, the DES State Apprenticeship Office was awarded funding under the State Apprenticeship Expansion Formula (SAEF) grant by the U.S. Department of Labor for capacity building. The funding supported growing the registered apprenticeship team from 2 to 10; providing representation across the state for Arizona employers interested in launching a Registered Apprenticeship Program of their own. Arizona’s primary goal is to encourage more employers and industry stakeholders to create and sponsor quality programs, which will ultimately help increase the skills, competencies and engagement of their labor force. This aims to provide job seekers with sustainable career pathways and industry with a much-needed skilled workforce. At the start of FY 2025, DES received a second SAEF grant for \$900,000 to continue this impactful work.

Community and Prison-Based Employment Services

Dwayne Gibson, the Operations Manager from Titan Engineered Solutions was tasked with improving employee retention. Through engagement with the DES Business Services team through ARIZONA@WORK Employment Services he decided to open his employee search to justice-involved individuals and was pleasantly surprised with the outcome. Dwayne now considers himself a successful Second Chance Employer, with 25% of their workforce being comprised of justice-involved workers.



Measuring Progress

DEERS

Registered Apprenticeship added

54 new programs

in 14 different industries

Arizona's Business Enterprise Program operators earned a median net annual business income of over

\$94,000

ARIZONA@WORK Employment

Services partnered with **4,663**

Arizona businesses and added 1,741 new Arizona employers to the system

Over 7,400

registered apprentices (25% growth from last year)

48% of individuals released from ADCRR custody each month receive DES Community and Prison Based Employment Services

More than 68%

of Community and Prison Based Employment Services program participants gained employment

The Work Opportunity Tax Credit program issued 28,636 tax credits worth over **\$70 million** back to Arizona businesses

87.5%

of individuals receiving services through the Independent Living Older Blind program demonstrated improvement in functional capabilities

\$284 million in Unemployment Benefits were administered to more than 86,000 eligible individuals

31,926 individuals gained employment across Employment Programs in FY 2024

Division of Aging and Adult Services

The Division of Aging and Adult Services (DAAS) administers both federal and state-funded programs that enable clients to live in the community as long as possible with dignity, independence, and choice.

Adult Protective Services

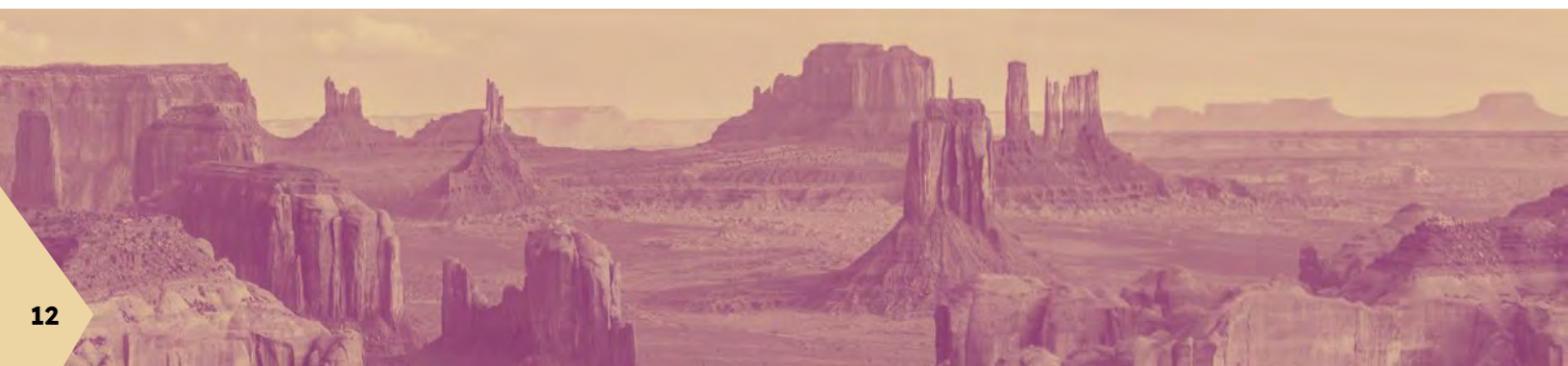
The role of the Adult Protective Services (APS) program is to investigate abuse, exploitation, and neglect of vulnerable adults while prioritizing the adult's right to make their own decisions. APS collaborates with law enforcement, courts, and community services to protect vulnerable adults and assist them in living independently.

Refugee Resettlement Program

The Refugee Resettlement Program (RRP) assists federally designated refugees and eligible beneficiaries in transitioning to life in the U.S. by providing transitional benefits and services.

Aging and Disability Services

Aging and Disability Services works collaboratively with Area Agencies on Aging throughout the state to provide a range of programs, options, and supports to help vulnerable adults live independently in their homes. Specific services vary by region but generally include meals, adult day care, housekeeping services, attendant care, family caregiver respite, Medicare counseling, and transportation.



DES Hosts Sixth Annual World Elder Abuse Awareness Day Conference

On June 14, 2024, the World Elder Abuse Awareness Day (WEAAD) Conference in Phoenix hit record-breaking attendance as participants united to “Be the One” to see, stop, and prevent elder abuse. Keynote speakers included Governor Katie Hobbs, who discussed the impact of the SpeakUpAZ! campaign DES launched with its partners to raise awareness about how to identify and report adult abuse. Arizona Attorney General Kris Mayes also spoke to express gratitude for the partnerships that exist to protect older Arizonans. The WEAAD Conference continues to reinvigorate and educate professionals in aging so we can all do our part and “be the one” to protect older adults.



APS Automates Cross-Reporting, Updates Registry Procedures

APS automated manual cross-reporting in its case management system, which increased accuracy and streamlined collaboration between ensuring all allegations of maltreatment that occurred in Department of Health Services (ADHS) licensed or unlicensed facilities. Together with state and federal partners, APS made significant progress on APS Registry procedures, which increased protections for vulnerable individuals. The centralized registry also simplifies the process for employers of residential care institutions, nursing care institutions, and home health agencies to verify that prospective and current employees are not listed, helping Arizona be a safer place for the aging community.

SpeakUpAZ! Campaign Goes for the Gold at the Telly Awards

The SpeakUpAZ! campaign, created for the Division of Aging and Adult Services, won a Gold Telly Award for Social Impact, as well as a Silver Award for the Health & Safety category!

The SpeakUpAZ campaign was developed to educate the public and provide resources to prevent the abuse, neglect, and exploitation of vulnerable adults. The Gold Award in the Social Impact category recognized the video's effectiveness in addressing important societal issues, while the Silver Award in the Health & Safety category highlighted its contribution to promoting health and safety awareness.

Receiving over 13,000 entries globally from 6



continents and all 50 states, Telly Award winners represent work from some of the most respected advertising agencies, television stations, production companies and publishers from around the world.

Measuring Progress

DAAS

APS completed investigations on

35,942

cases

to ensure the safety of
vulnerable adults

APS cross-reported

30,092 times

to law enforcement and federal,
state and local partners

361 perpetrators

were placed on the APS registry

43,231 Arizonans

received Home and Community Based
and Family Caregiver Support Services
through the Aging and Disability
Services network

Older and disabled Arizonans received

1,775,727

home-delivered meals

through the Area Agencies on Aging

The Refugee Resettlement Program
provided support services to

13,334

federally designated refugees



Division of Benefits and Medical Eligibility

The Division of Benefits and Medical Eligibility (DBME) administers the federal Supplemental Nutrition Assistance Program and Cash Assistance program for the State of Arizona. The Division also determines eligibility for Medical Assistance and medical eligibility for Social Security Disability Insurance.

Supplemental Nutrition Assistance Program

The Supplemental Nutrition Assistance Program (SNAP) provides eligible households with monthly assistance they can use to purchase nutritious food.

Cash Assistance

The Temporary Assistance for Needy Families (TANF) Cash Assistance program provides temporary cash benefits and support to eligible Arizona families with the greatest need, including those with dependent children raised by relatives or guardians.

Medical Assistance

DBME assesses eligibility for Medical Assistance (Medicaid) in collaboration with the Arizona Health Care Cost Containment System (AHCCCS), ensuring access to vital health care services.

Disability Determination Services

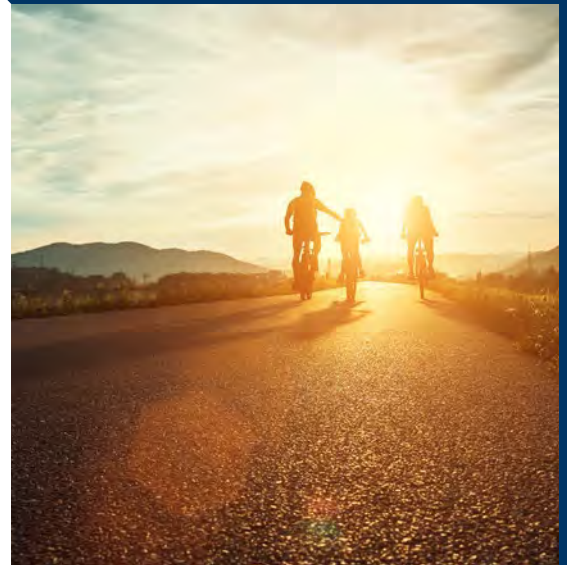
DBME determines medical eligibility for the Social Security Administration Disability program.

Grant Diversion

The Grant Diversion Program provides a one-time lump-sum payment of Cash Assistance benefits to assist with expenses while clients seek full-time employment.

Supporting Arizonans In Need

Cash assistance and benefit programs play an important role in helping individuals and families achieve self-sufficiency. They provide a safety net that covers basic needs, allowing eligible recipients to focus on education, job training, and other pathways to stable employment. This support ultimately aids in their transition away from assistance programs, leading to financial independence. DES is committed to providing Arizonans with treatment that is respectful and dignified. We understand that seeking help can be challenging, but DES team members excel at providing clear guidance when navigating life's toughest and most humbling moments.



Improvements Made to MyFamilyBenefits

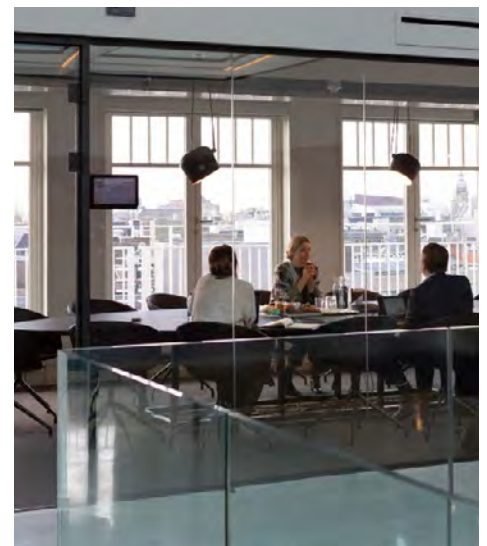
The DBME Team launched the online application MyFamilyBenefits in 2020 to provide Nutrition and Cash Assistance clients an easy and secure way to access their case information. MyFamilyBenefits allows clients to track application status, report changes, complete mid-approval contacts, and more.

This year, the DBME Team improved upon MyFamilyBenefits in several ways, including: streamlining the web application so the most used features are readily available as soon as users log in; connecting to staff systems so our team can walk through clients' information with them; and enhancing accessibility features so clients who use assistive technology can have equal access to the site's features.

SNAP Client Finds Career Success through St. Joseph the Worker

Supplemental Nutrition Assistance Program Career Advancement Network (SNAP CAN) is Arizona's community-based employment and training program for SNAP recipients.

After a tumultuous period in her life that left her without a home and job, 68-year-old Daisy accessed SNAP CAN services through contracted provider, St. Joseph the Worker (SJW). She received help searching for jobs, using computers, and accessing transportation vouchers, until she secured employment. Soon after, she moved into SJW's Workforce Village housing, working overtime until she could start a new, independent chapter in her life.



Measuring Progress

DBME

821,701

individuals applied, and

453,783

were approved for Medical Assistance benefits

DES issued SNAP benefits to

624,937

eligible households

83%

of Cash Assistance recipients are children

DES supported more than

9,700

eligible families through the Cash Assistance program

Over 93%

of Grant Diversion recipients did not return to long-term TANF Cash Assistance

30,927

eligible older adults received Nutrition Assistance via the Elderly Simplified Application Project



Division of Child Support Services

The Division of Child Support Services (DCSS) is charged under Section IV-D of the Social Security Act with establishing and enforcing child support orders, collecting and disbursing child support payments, assisting with the location of support payors, establishing paternity and modifying orders when appropriate.

Collection and distribution of child support payments

Collects payments from support payors and distributes them to support recipients, the state, or other jurisdictions.

Establishment of legal paternity for children born out of wedlock

Assists unwed parents in establishing a child's paternity at hospitals or local offices, including genetic testing if paternity is uncertain and referral to the Assistant Attorney General's Office for court hearings.

Establishment of medical and/or child support orders

The legal process that determines a monthly payment amount from the obligated parent for the child's support. This order may also require health insurance or medical support and can include spousal support.

Modification and enforcement of medical and/or child support orders

Provides remedies for collecting child or medical support obligations as well as the enforcement of child support orders from other states for support payors residing or working in Arizona.

Location of the parent who pays child support

Provides assistance in locating absent parents in Arizona and collaboration with agencies to find support payors in other states using local, state, and federal information.

Modernizing the Child Support System

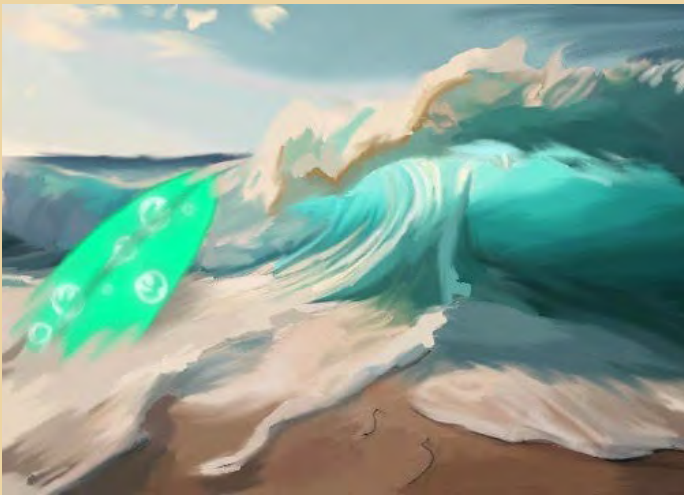
This year, DCSS launched a new case management system, AZCARES, to automate workflows and add efficiencies in the collection and distribution of child support payments. The previous system, ATLAS, was a legacy mainframe system first implemented in 1996, making it one of the oldest child support systems in the country. Replacement of the system was

necessary to address issues related to customer access, data reliability, efficiency/inflexibility, usability, and system security.

As a brand-new system, AZCARES was developed using modern technology design principles, integrating interfaces from multiple sources, streamlining workflows, automating information, and,



overall, providing an easy-to-use web application that improves the user experience.

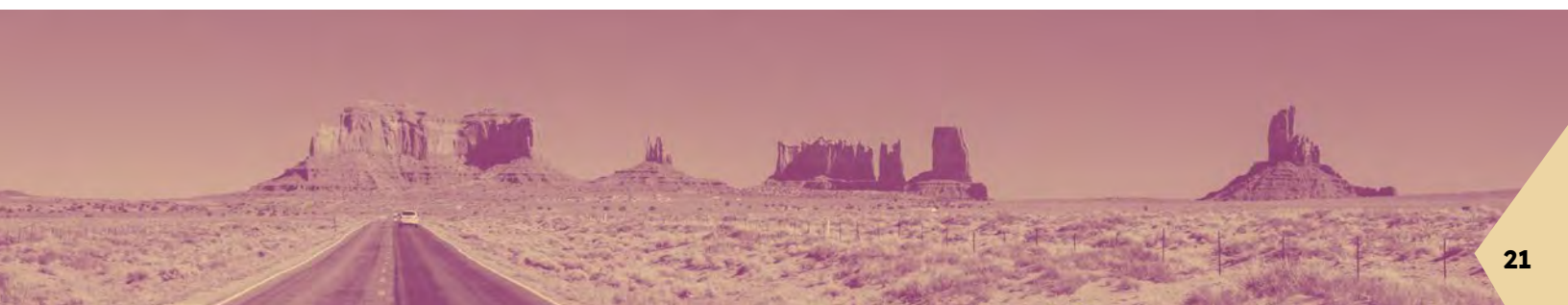
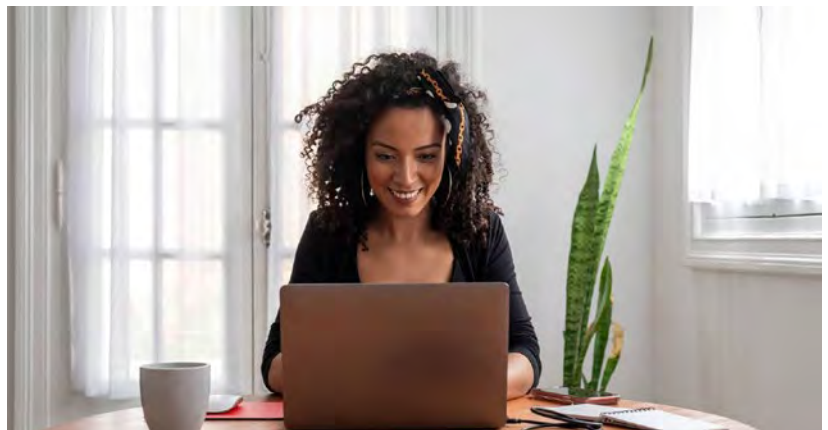


Community Engagement During Child Support Awareness Month

For Child Support Awareness Month, DCSS held a summer art contest in July for families served by DCSS, illustrating the children's favorite summertime activity. The winners were announced in August. There were 374 total entries across all age groups. Nine winners in three age groups received a Kindle tablet, donated by Poba Medical Team in Flagstaff, Arizona.

IV-D Applications Are Now Accessible Online

As of May 2024, customers applying for services through DCSS can apply for Child Support online through the new AZCARES portal on the DES website. Previously only paper applications were available.



Measuring Progress

DCSS

Arizona ranked

#1

in the nation in establishing paternity

Voluntary Paternity Program established paternity for

26,522

children

DCSS Outreach team interacted with

8,828

 individuals

and participated in

383

 community engagements

to educate parents and families

\$609,775,503

collected through the enforcement of child support orders

\$399,594,631

Income Withholding Order

\$19,771,235

Internal Revenue Service

\$3,782,154

Claims Collections

\$2,805,333

Financial Institution Data Match

\$1,623,069

Unemployment Insurance Benefit

\$1,510,445

Settlement Collections

\$201,568

Passports Collections



Division of Developmental Disabilities

The Division of Developmental Disabilities provides support for individuals with intellectual and developmental disabilities to enhance opportunities to become fully engaged members of their community.*

Support Coordination

A Support Coordinator (case manager) assists in facilitating the DDD member's Planning Team meeting, assesses needs, and connects members to community or paid services and supports.

In-Home Support Services

In-Home Support Services assist individuals with intellectual and developmental disabilities in living safely at home. Services include: Attendant Care for maintaining healthy living conditions, Habilitation for skill-building, Homemaking for housekeeping tasks, Skilled Nursing support, and Respite care for supervision while primary caregivers take a break.

Residential Services

Provides licensed community-based residential options for individuals who need support outside of their family or own home, including developmental homes or small group homes.

Day and Employment Services

Provides options for daily activities, including paid employment and day services for social, skill-building, and volunteer opportunities. Coordinates with DES Division of Employment and Rehabilitation Services and the Vocational Rehabilitation program to facilitate successful employment.

Therapies

Provides occupational, physical, and/or speech therapies. These services maintain or improve a person's skills and abilities, they are not restorative or rehabilitative. Restorative and rehabilitative therapies are provided through the DDD Health Plans.

Qualified Vendors

DDD administers and oversees a Qualified Vendor network of over 800 providers that deliver Home and Community Based Services (HCBS) as described above. The addition of a newly updated Qualified Vendor contract (RFQVA) that goes into effect on January 1, 2025, will improve service delivery, enhance oversight, and increase efficiency which will improve the quality of services received by DDD members statewide.

Physical and Behavioral Health Services

DDD contracts with two Health Plans, UHC Community Plan and Mercy Care, to provide physical and behavioral health services to eligible individuals. DDD also collaborates with the AHCCCS American Indian Health Program to administer the DDD Tribal Health Program for enrolled and eligible American Indian or Alaska Natives.

*DDD serves individuals with Autism, Cerebral Palsy, Epilepsy, Cognitive/Intellectual Disabilities, and Down Syndrome, or those who are under six and at risk of having a developmental disability.



From Early Intervention to L.O.P.E.S. Academy Graduation, DDD Member Continues to Exceed Expectations

Ray was identified as a failure-to-thrive baby, but with early intervention and ongoing support from the Division of Developmental Disabilities (DDD), he exceeded all expectations and even went on to pursue higher education.

After passing the admissions process, Ray joined the first graduating class of the L.O.P.E.S. Academy, offered at Grand Canyon University. The non-degree program helped Ray and his classmates with academic, social and job skills development. Ray participated in two internships, one of which hired him upon graduation.



DES and The Precisionists Bring Employment, Increased Self-Esteem to DDD Member



The Precisionists Inc. (TPI) partners with DES to provide employment opportunities for adults with autism and other neurodiversities. After hearing TPI was hiring again, DDD Support Coordinator Gerardo Velasquez immediately thought of Jose, a DDD member interested in employment.

Jose went through the TPI's unique hiring process, meeting with the employer and attending TPI classes, until he was hired. Jose now works for TPI as a data analyst in the DDD Chandler Office.

How a Caring Family and the Bond Between Siblings Helps a DDD Member Thrive

Jose, a non-verbal, 39-year-old member of DDD, needs constant supervision. Not one to keep a regular sleep-wake schedule, Jose keeps his family on their toes, even in the earliest hours of the morning. Fortunately for Jose, he's surrounded by his family's love and care—especially from his sister, Maria—and support from DDD.

Through DDD, Jose can access a day treatment



and training program for adults, as well as attendant care, speech therapy, and respite care—an invaluable service for a family “on call” around the clock.

Measuring Progress

DDD

DDD supports and serves
56,000+
people with developmental
disabilities

**4,200 Behavioral Health
Professionals** completed
over **34,000 courses** to
better support individuals with
developmental disabilities

1,864 DDD members
received community-integrated
employment services

105 DDD members were eligible
for affordable housing opportunities
via grants through the Section 811
Project Rental Assistance program

345 DDD members
were eligible for VR services for
competitive integrated employment

99% of DDD members
live in their own home, family home,
or community residential setting:

90.1%
live in Family Home or Own Home

6.5%
live in a Group Home

3.2%
live in a Developmental Home

0.2%
live in an Intermediate Care Facility

60 million+ hours
of Home and Community
Based Services were
delivered to DDD members
via an estimated 50,000 Direct
Support Professionals

860 Qualified Vendors
transitioned to the RFQVA contract
for higher quality service delivery to
DDD members



Child and Community Services Division

The Child and Community Services Division (CCSD) helps vulnerable Arizonans address their immediate and transitional needs for safety, shelter, food, and housing while creating a path to economic independence. Additionally, CCSD provides eligible families with access to quality child care and early intervention services to help children and parents thrive.

Arizona Early Intervention Program

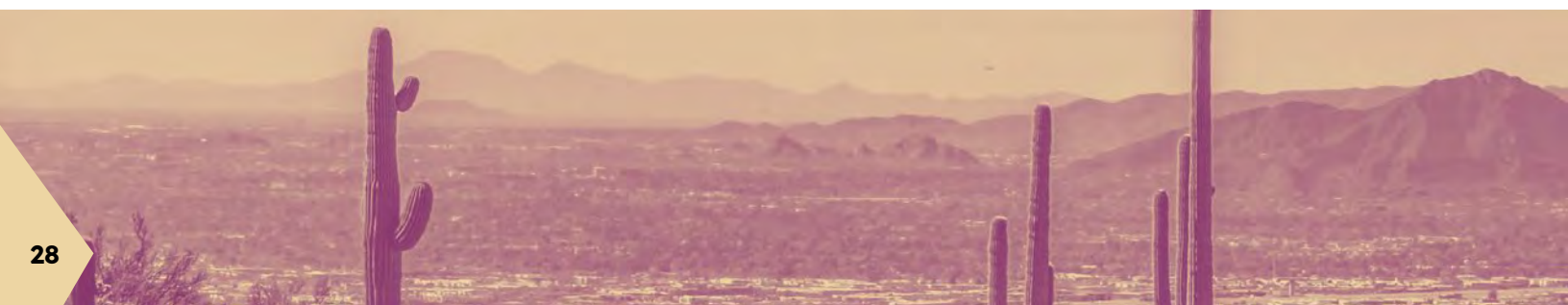
The Arizona Early Intervention Program (AzEIP) provides services and support for families of infants and toddlers (birth to three years) with disabilities or developmental delays.

Child Care

CCSD supports eligible families in finding and accessing child care that provides positive learning environments for children and enables parents to participate in the workforce and other productive activities. Child care providers contract or are certified through DES to ensure high-quality care and learning environments.

Community Services

CCSD partners with community action agencies and local organizations, domestic violence and homeless shelters, and food banks to provide critical services such as interpersonal violence, utility assistance, hunger relief, emergency shelter, homeless prevention, and more.



Mesa Store's Quality Produce Helps Food Programs

Farm stands and farmers markets offer patrons a unique grocery shopping experience: an opportunity to buy fresh produce that in many instances was grown mere feet from the checkout register. They also offer high-quality produce for people who receive food assistance benefits through SNAP, WIC, and the Senior Farmer's Market Nutrition Program.



Child Care Provider Focus: Adriana Aranda, Camila's Playhouse

Adriana Aranda became a DES certified child care provider in Tucson because of her daughter Camila, who is the namesake for her facility and was born with complications. With the help of an Arizona Child Care Infrastructure grant, she was able to build the optimal setting to care for children.

DES, Arizona State University Launch New Early Intervention Specialization

DES and Arizona State University's Mary Lou Fulton Teachers College celebrated the launch of the Early Intervention Specialization, a first-of-its-kind professional learning curriculum that focuses on children ages birth to three with disabilities or delays.

“Research has consistently demonstrated the importance of early intervention for children with developmental delays and disabilities, which is why we are thrilled to partner with ASU on this specialization program,” said DES Director Angie Rodgers. “This initiative will help us to raise awareness about early intervention while expanding the number of knowledgeable caregivers available to families in Arizona.”

Measuring Progress

CCSD

30,600+

children were supported with child care assistance monthly

AzEIP served

11,821

infants, toddlers and their families

9,491 eligible households

received rental assistance

38,729 individuals

at risk of or experiencing homelessness received emergency shelter or transitional housing

37,062 eligible households

received utility or fuel assistance

\$56.5M+

in emergency food assistance distributed

66,282 SNAP recipients

doubled their purchasing power for Arizona-grown fruits and vegetables through the Double Up Food Bucks program

\$9,972,000

in nutritious food provided to low-income seniors through the Commodity Senior Food Program (CSFP)



Office of the Inspector General

The Office of the Inspector General (OIG) is tasked with safeguarding Arizonans by preventing and detecting fraud, waste, abuse, and misconduct.

Appellate Services Administration

The Appellate Services Administration (ASA) oversees administrative tribunal hearings related to unemployment insurance (UI), public assistance, and various benefit programs managed by DES. The lower tribunal conducts de novo hearings for fair dispute resolution. If a ruling is contested, the Appeals Board reviews the lower tribunal's hearings and handles initial hearings on specific issues, including UI Tax hearings.

Investigative Administration

The OIG Investigation Administration addresses Public Assistance Benefit Fraud, SNAP Trafficking and Detection, Child Care Fraud, and Unemployment Insurance Benefit Fraud.

Internal Audit Administration

The Internal Audit Administration (IAA) provides independent audit and non-audit services to help the Department management achieve operational goals, reduce risks, comply with regulations, and prevent fraud.

Protective Service Administration

The Protective Service Administration (PSA) ensures security for individuals and assets at DES facilities by assessing risks, implementing countermeasures, responding to incidents, and managing employee identification badge issuance statewide.

Emergency Planning and Preparedness Administration

The Emergency Planning and Preparedness Administration (EPPA) collaborates with DES employees and external agencies to prepare for emergencies, including Emergency Repatriation Operations and Continuity of Operations planning.

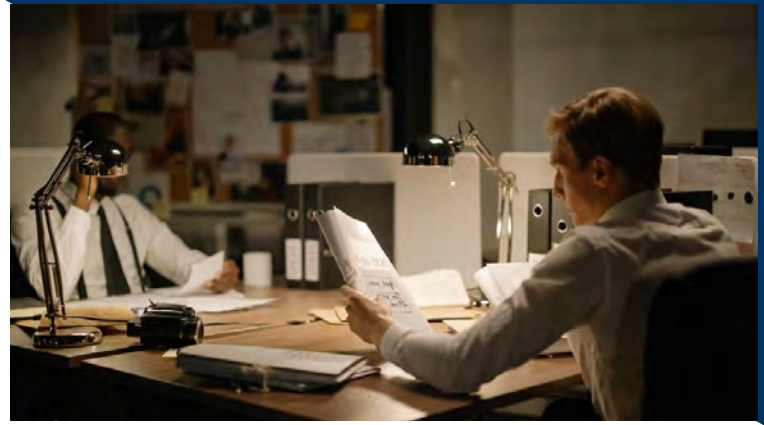


To discover more about the Office of the Inspector General and how to report potentially fraudulent activities simply scan the QR code or visit des.az.gov/how-do-i/report-suspected-fraud.

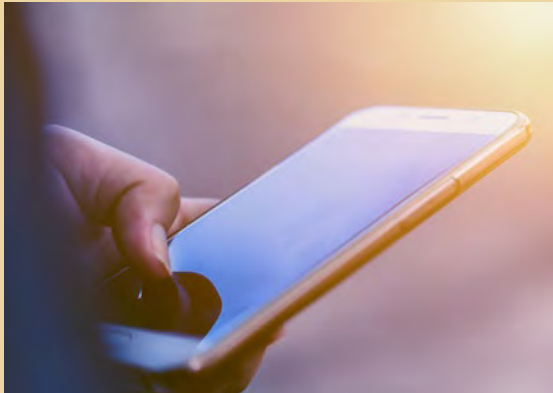
OIG Recoups \$1.2 Billion in Unemployment Fraud

During Fiscal Year (FY) 2024, the OIG completed investigations that resulted in 544 cases that were submitted to a prosecutorial agency and 1,292 cases submitted back to DES programs to determine potential policy violations and overpayment amounts. The OIG cases submitted to a prosecutorial agency and DES programs resulted in the submission of \$14,783,406 for recoupment. Additionally, the OIG prevented more than \$12 million in fraudulent payments from being issued through its investigative actions.

The OIG continues to work with Federal agencies



and financial institutions to recover monies fraudulently taken during the pandemic. In FY 2024, the Unemployment Insurance Benefits Fraud team recovered nearly \$30.1 million, bringing the total recoveries through the pandemic up to \$1.2 billion.



Internal Audit Saves \$1 Million through Device Management

Through the assistance of our independent and objective audit teams, DES management is able to efficiently achieve operational objectives, reduce risk, comply with regulations, and deter fraud, waste, and abuse. An audit of state-issued cell phones showed that approximately 25% were being underutilized, resulting in an estimated \$850,000 in actual cost savings and \$150,000 in future annual savings.

DES Prepares for Emergency Repatriation through In-depth Exercise

DES is the designated state agency responsible for implementing a State Emergency Repatriation (SERP) program in Arizona under the National Emergency Repatriation Framework. In FY2024, the OIG Emergency

Planning and Preparedness Administration coordinated a Tabletop Exercise in conjunction with its partners to test capabilities and preparedness for an emergency repatriation incident. This exercise involved multiple



state and federal agencies and highlighted strengths and needed areas of improvement for Arizona's SERP.



Measuring Progress

OIG

OIG sought recoupment of

\$13,674,519

due to over 2,000 cases submitted to either a prosecutorial agency or the current DES program for policy violation review

OIG investigative actions resulted in

\$12 million+

in prevention of fraudulent claims

The UIBF team recovered over

\$26 million

bringing the total recoveries from the pandemic up to \$1.2 billion

OIG investigations resulted in the prevention of inappropriate payments totaling

\$5,797,185

AHCCCS and

\$6,464,164

SNAP

IAA audits resulted in

\$1,000,000

cost savings to the Department

EPPA completed

27 Emergency Management Training & Activities



Operational and Administrative Support Teams

Our operations and administrative teams play a vital role in supporting the Department through talent acquisition, system management, and financial oversight.

Human Resources Administration

The Human Resources Administration (HRA) is responsible for the daily administration of all personnel-related work activities for an agency of over 8,700 employees, with offices located throughout the State of Arizona.

Division of Business Services

The Division of Business Services provides support for DES team members in many areas including facilities management, supply and printing services, equipment surplus, fleet services, accounts receivable, business systems, employee engagement, and professional development.

Division of Financial Operations

The Division of Financial Operations' mission is to partner, serve, and collaborate with internal and external stakeholders to provide effective financial stewardship for the Department.

Division of Technology Services

The Division of Technology Services provides technology solutions that enable DES programs to provide support and services to Arizonans. DTS operates with a customer-first philosophy built on trust, alignment, and communication.

Office of the Director

The Office of the Director oversees the Department's program and operation divisions, including the Office of General Counsel, the Office of Public Affairs, and the Office of Strategic Communications. In coordination with the Deputy and Assistant Directors, this office provides support, direction, and guidance to ensure each division operates efficiently and effectively.

DES Records Team Launches New Public Records Request Portal

DES launched a new Public Records Request Portal to streamline existing processes and increase timeliness for a critical component of government transparency. The new request system offers a new set of streamlined features and informational pages.

This portal is one step among many the Department is taking to continue efforts to modernize DES and create new accessibility options for those we serve.



Office Consolidation Saves More Than \$2.1M in Taxpayer Funds



Over the past several years, DES has analyzed its physical footprint across the state for possible efficiencies that can save taxpayer funds while improving the availability of virtual services. This year, DES consolidated 8 additional offices, resulting in an estimated \$2,118,000 in savings from leases.

These savings are being reinvested to improve our digital infrastructure and service delivery, guaranteeing that our clients receive top-notch support. By embracing technology, we strive to offer secure access to services and programs, enhance program integrity, and elevate the client experience.

DES Chief Learning Officer Featured for Impact in Government Workforce Training

The DES Chief Learning Officer, Adele Cook, was featured on the cover of The Enterprise World as one of the Most Iconic Women Business Leaders to Watch in 2024. In the article, Cook speaks to the history of the training unit and how DES shifted its approach to a unified Office of Professional Development to blend both a learning and a development unit, resulting in a significant impact on the agency.



Measuring Progress

Operational & Administrative Support Teams

The DES community outreach team participated in

3,800+
community events

DES recorded an annual turnover rate of

7.6%

DES Director Rodgers visited

46 of our **61**
client-facing offices

226 DES leaders graduated from the DES Advanced Leadership Program this year



Looking Ahead

Commitment to Tribal Consultation

As we continue our focus on fostering and enhancing strong relationships with Arizona's 22 Sovereign Tribes, the quality, availability, and accessibility of human services for adults, youth, and children remain paramount. With the Tribal Government Consultation Policy informing our efforts, DES looks forward to engaging in open, continuous, and meaningful communication and consultation with all Arizona Tribal Nations. DES has also

undergone a reorganization to enhance the alignment of daily operations with our program teams, while also supporting the Executive directive to increase visibility on Tribal liaison activities. Our five Tribal liaisons, each assigned to specific programs and divisions, and our DES Tribal liaison manager, have been strategically positioned within the organization to emphasize the importance and prioritization of our tribal communities.

Focus on Modernization

The Department currently has 19 separate client-facing portals that offer limited functionality for Arizonans to apply for, track, and update information related to services provided by the Department. With a focus on system modernization, DES has already made significant strides with the A to Z Arizona Authentication Portal. By serving as the “front door” to state services, we are streamlining service delivery while securing and safeguarding valuable resources. The integration of a leading-edge identity authentication and verification method will strengthen security measures across platforms, reducing fraud, waste, and abuse by verifying user identity and supporting appropriate state resource allocation. This initiative modernizes our government’s operational efficiency and accessibility, significantly

advancing public service delivery. The first phase is complete, enabling online childcare assistance applications and eligibility determination.

DES also upgraded existing systems, including an update to our Child Support platform, enhancements to the Child Care Resource and Referral website, and improvements to the MyFamilyBenefits portal for Nutrition and Cash Assistance. This comprehensive overhaul was designed to ensure that every touchpoint with DES is seamless and user-friendly, reflecting our commitment to a customer-centric approach. These system upgrades are not just about technology; they focus on enabling our clients to easily access the resources they qualify for, ensuring minimal hassle and maximum efficiency.

Looking Ahead (continued)

People-Centered Decisions

We understand that a committed and engaged workforce is fundamental to ensuring DES positively impacts the communities we serve. To improve the experience of both our internal and external stakeholders, we have leveraged the data provided via the Statewide Employee Engagement Survey facilitated by the Arizona Department of Administration (ADOA). Further, we began creating supplementary surveys and town halls in various divisions to hear more from our employees about how we can better support them. With this information, we have implemented additional employee resources including a mentorship program, to provide our teams with more support and opportunities. Our Office of Employee Engagement

also works to increase staff participation through team-building activities, lunch-and-learns, and other employee-driven efforts.

We are also focusing on training our staff to effectively use these new tools and systems, ensuring they are well-equipped to assist clients in navigating these platforms. Our team's dedication to professional development is a testament to their unwavering commitment to service excellence. The initiatives our teams have undertaken this year are designed to optimize our processes and strengthen our teams' skill sets to ultimately assist millions of Arizonans who require temporary assistance or a connection to employment.

Fiscal Responsibility

Every day, we work to provide the necessary support so that every child, adult, and family in Arizona has the opportunity to thrive.

Investments in programs like the Arizona Long Term Care System, Adult Protective Services, Child Care Assistance, and many more, help assist families on their journey to self-sufficiency. The Department is grateful for the continued commitment and support from the Governor's Office and the State Legislature to address critical service needs,

such as safeguarding vulnerable populations and empowering individuals with developmental disabilities.

As the human services agency for the state, we take pride in effectively managing the resources allocated to the Department to maintain vital services for our most vulnerable residents. The Department's Fiscal Year 2026 budget request reflects the many needs of Arizona communities.



To review the Department of Economic Security's FY 2026 Budget request, simply scan the QR code or visit des.az.gov/about-des/budget-information.

Acknowledgments

The Arizona State Legislature established the Arizona Department of Economic Security in 1972 by consolidating multiple state entities to provide an integrated approach to human services. In accordance with Arizona Revised Statutes § 41-1960, “DES is required to submit an annual report to the Governor and Legislature detailing Arizona’s economic security needs and resources, the use, training, and placement of manpower, and their recommendations

for the forthcoming fiscal year for the state’s development of relevant programs. Such report shall be transmitted to the governor and legislature by the end of each calendar year.” We are thankful for the commitment of our team members, the impact our programs make and the ongoing partnership with other state agencies, the State Legislature, and the Governor’s Office in providing services to Arizona’s children, adults, and families, ensuring a thriving Arizona for all.