



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Russell K. Pearce
Chairman, Joint Legislative Budget Committee
Arizona State House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Dear Representative Pearce:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

A handwritten signature in black ink that reads "Tracy L. Wareing".

Tracy L. Wareing
Director

Enclosure

cc: Members of the Joint Legislative Budget Committee
James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Robert L. Burns
Vice Chairman, Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Burns:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

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**ANNUAL JLBC CHILD CARE REPORT
SFY 2007
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ANNUAL JLBC CHILD CARE REPORT

Pursuant to A.R.S. § 46-810, the annual report for members of the Joint Legislative Budget Committee is provided. The information reflects statewide data for state fiscal year 2007, and provides comparative information from state fiscal year 2006.

1. **The number of families served and total number of children served by each of the child care programs administered by the Department of Economic Security.**

In state fiscal year 2007, the total number of children served on an average monthly basis was 44,609 and the total number of families served in all programs on an average monthly basis was 24,223 (see Table 1). This is a .2 percent increase in terms of children and a .2 percent increase in terms of families over fiscal year 2006.

Note: The average number of children served (paid for) in a given month was approximately 85.5 percent of the number authorized for service in that month in fiscal year 2007.

2. **The total number of dollars spent on child care for each of the child care programs administered by the Department of Economic Security.**

In fiscal year 2007, the estimated¹ total number of subsidy dollars spent for the Department's child care programs was \$177,077,100 (see Table 1). This is a 7.1 percent increase over fiscal year 2006 spending, which was \$165,339,198. These figures do not include operating expenditures and quality expenditures.

3. **The number of recipients eligible for Transitional Medical and Child Care benefits.**

All Transitional Medical Assistance eligible recipients are enrolled in AHCCCS. As of June 2007, there were a total of 42,583 children eligible and receiving Transitional Medical benefits, a 2.9 percent decrease compared to June 2006 figures.

As of July 9, 2007, there were 9,630 children eligible for Transitional Child Care (TCC). That is a 10.3 percent decrease from fiscal year 2006. The decrease in TCC participation in fiscal year 2007 correlates with a 9.5 percent decrease in the TANF Cash Assistance caseload for the same period. Based on fiscal year 2007 data, on average 86.0 percent of the authorized Transitional Child Care children actually utilized child care assistance at any given point each month.

4. **The number of recipients who accept Transitional Medical and Child Care benefits specifying how many recipients have received these services for less than 12 months and those who have received these services for more than 12 months.**

In June 2007, the number of recipients of Transitional Medical Assistance, in the first 12 months of eligibility, was 42,583, a 2.9 percent decrease compared to June 2006 figures (see Table 2). Beginning October 2002, Transitional Medical Assistance was no longer provided

¹ Based on information from the Arizona Child Care Automated Tracking System report, a cash basis report intended for use as a management tool report only and is not intended for use as a financial report.

for the second 12 months of the transition period. The second year of TMA coverage was a part of the EMPOWER waiver that expired November 1, 2002. Since state statute A.R.S. § 36-2924 was passed to not extend the availability of the second 12 months, TMA went to a maximum of 12 months effective October 1, 2002.

As of June 2007, there were 8,387 children, 4,850 in the first 12 months of eligibility and 3,537 in the second 12 months of eligibility, receiving Transitional Child Care (TCC). This is a 5.6 percent decrease from fiscal year 2006. Table 2 shows the number of children utilizing service throughout the year.

Although there was a 5.6 percent decrease in Transitional Child Care (TCC) participation in fiscal year 2007, this is less than half of the 12.3 percent decrease in TCC experienced in fiscal year 2006. The decrease in TCC participation in fiscal year 2007 correlates with a 9.5 percent decrease in the TANF Cash Assistance caseload for the same period.

5. **The number of applicants waiting for services under the state child care subsidy and federal child care programs for working families.**

A waiting list was not necessary in fiscal year 2007.

6. **Co-payment levels for each of the child care programs administered by the Department of Economic Security.**

Child care assistance is a key component in helping families achieve and maintain self-sufficiency. It not only supports families in their transition off of Cash Assistance but also is a vital service to those who, without childcare, would potentially need to apply for Cash Assistance. Child care must be affordable to meet a family's needs.

Both federal Child Care Development Fund (CCDF) regulations and Arizona statute require the Department to develop a sliding fee scale, which maintains child care cost sharing between the state and families.

Laws 2005, Chapter 328, required that co-payments be imposed for all children in non-mandatory categories, including low-income working, teen parent in high school, and special circumstances, but not child protective services (CPS) referred families receiving child care assistance.

The child care co-payment required of DES eligible parents must be reasonable and affordable, and enable low and moderate income families access to good quality child care. Families at lower income levels must spend an increasingly high percentage of family income on necessities such as rent, utilities, food and clothing. The percentage of family income available for child care is less than families at higher income levels.

The DES sliding fee scale (see Table 3), effective July 1, 2006, consists of six fee levels, wherein parents are required to pay between \$1 and \$10 per day for the first child, and a lesser daily co-payment for any additional child(ren) in the family. Child care assistance for families eligible under the block grant eligibility categories (low-income working, teen parent, and unable/unavailable) will be limited to six children in the eligible family at any given point in time and co-payments will be assigned to all eligible children who require

assistance. For families receiving Transitional Child Care (TCC), there is no co-payment assigned beyond the third child in the family and no limit to the number of eligible children who may be authorized for assistance.

In addition, families must pay any difference in cost between the maximum that the Department pays and the amount the child care provider actually charges.

7. **The amount of co-payment money collected for each of the child care programs administered by the Department of Economic Security.**

In fiscal year 2007, the total amount of DES required co-payment collected for all programs was \$15.2 million. In fiscal year 2006, the total required co-payment collected was \$14.3 million (see Table 1). This represents an increase of 6.3 percent. The increase is attributable to the overall increase in the number of children served and a shift away from children in mandated service eligibility categories that do not require co-payments. As noted in the previous section and in addition to the required co-payments, families must pay any difference in cost between the maximum that the Department pays and the amount the child care provider actually charges.

8. **The total number of payments to relatives for child care and the number of children served.**

In fiscal year 2007, 8,580 children received child care assistance for care received from relatives, which is a 10.0 percent decrease in the number of children from fiscal year 2006. The total dollars reimbursed for relative care in fiscal year 2007 was \$8.5 million. This amount represents an 11.4 percent decrease from fiscal year 2006 figures.

The 10 percent decrease in the number of children who used relative care in fiscal year 2007 is likely explained by 2 factors: 1) Jobs participants historically use relative care to a greater extent than other clients as it is the most affordable option; the Jobs Child Care caseload declined by 16 percent during fiscal year 2007 due to the privatization of the Jobs Program; and 2) some of the children in relative care shifted to formal care arrangements; the total number of children served in fiscal year 2007 increased slightly by .2 percent.

9. **Any changes in payment rate schedules and maximum provider rates from the previous fiscal year and the reason for those changes.**

Eligibility for child care services continues to be set at 165 percent of the federal poverty level (FPL) as specified in A.R.S. § 46-803. There was one change to the rate schedule during the fiscal year. The rate schedule in fiscal year 2007 was adjusted to reflect the new FPL guidelines (see Table 3).

Prior to fiscal year 2007, maximum reimbursement rates were based on the 75th percentile of the 1998 market rate survey. Effective July 1, 2006, maximum payment rates for child care providers for fiscal year 2007 were adjusted to reflect the 75th percentile of the 2000 market rate survey (see Table 4).

10. **The number of families providing child care as a work activity in order to meet the Federal Work Participation Rates established pursuant to Public Law 104-93.**

Public Law 104-193 identifies 12 activities as allowable work activities in reference to individuals receiving Temporary Assistance to Needy Families (TANF) Cash Assistance. This list includes “the provision of child care services to an individual who is participating in a community service program.” This activity is distinguished from *unsubsidized employment* as an allowable work activity in the law, and refers to the provision of child care services by Cash Assistance recipients to other Cash Assistance recipients as an unpaid work activity, solely for the purpose of meeting the work participation rate. A.R.S. § 46-101.24 does *not* include this as a countable work activity; therefore, the Department does not promote or track the provision of unpaid child care services by Cash Assistance recipients for the children of other Cash Assistance recipients for the purpose of meeting the work participation rate.

The rationale for not using this unpaid child care activity is described below:

- 1) Encouraging the use of untrained and uncompensated Cash Assistance recipients as child care providers could place the safety of children in jeopardy, and the Department in a position of liability for any resultant harm or injury.
- 2) Arizona operates a parental choice model with respect to the child care assistance program (in accordance with Child Care & Development Fund regulations). Requiring Cash Assistance recipients to utilize other Cash Assistance recipients in the provision of child care services would be inconsistent with the parental choice requirement which requires that the parent be allowed to select between different provider types.
- 3) Cash Assistance recipients who are not trained or compensated for the provision of child care services are not increasing their potential to become gainfully employed. Further, Cash Assistance recipients who express the interest and aptitude to pursue employment in the child care field should be encouraged to pursue short term child care training through the “Child Care Professional Training Program” (CCPT). The Department contracts with community-based agencies and community colleges throughout Arizona to deliver the 60-hour child care orientation and training curriculum. Upon completion of the CCPT course, the Cash Assistance recipient will be better prepared to pursue employment with child care facilities, Head Start programs, or become self-employed as a DES certified family child care provider. Cash Assistance recipients who are trained and compensated for the provision of child care services would be represented in the “unsubsidized employment” category.
- 4) Developing and managing a process to track the hours of unpaid child care activities would be administratively burdensome at best; it is doubtful whether the benefits of this proposition would outweigh the costs since the activity would not lead to gainful employment and would not assist the Cash Assistance recipient in becoming self sufficient.

TABLE 1

**FAMILIES AND CHILDREN SERVED AND TOTAL PAYMENTS BY CHILD CARE PROGRAM
State Fiscal Year 2007**

Child Care Program	Families Served ^(1,3)	Children Served ^(1,3)	Expenditures ^(2,3)	Copayment Collected ^(2,3)
<i>TANF Cash Assistance Related</i>				
<i>Employed Child Care</i>	676	1,358	\$ 5,279,776	\$ -
<i>JOBS Child Care</i>	1,345	2,501	\$ 9,291,262	\$ -
<i>Transitional Child Care</i>	2,677	5,245	\$ 20,302,764	\$ 1,806,555
<i>Transitional Child Care Extension</i>	1,742	3,546	\$ 13,951,172	\$ 1,470,536
<i>Low Income Working</i>				
	13,693	24,877	\$ 95,887,561	\$ 11,691,120
<i>Special Circumstances</i>				
<i>Child Protective Services</i>	3,450	6,082	\$ 28,329,890	\$ -
<i>Others</i>	640	1,000	\$ 4,034,674	\$ 216,254
Totals	24,223	44,609	\$ 177,077,100	\$ 15,184,464

Notes:

(1) Monthly Average.

(2) Annual Total.

(3) This report is a summary of disbursements and caseload data made by the issuance of warrants from AzCCATS, the Arizona Child Care Automated Tracking System. This report is not intended for use as a financial report.

TABLE 2

**TRANSITIONAL MEDICAL ASSISTANCE (TMA) & TRANSITIONAL CHILD CARE (TCC)
State Fiscal Year 2007**

FY 2007 Month	TMA 01 - 12 Months ⁽¹⁾	TMA 13 - 24 Months ^(1,3)	TCC 1 - 12 Months ^(2,4)	TCC 13 - 24 Months ^(2,4)
July	43,728	-	5,394	3,648
August	44,326	-	5,486	3,513
September	44,371	-	5,179	3,404
October	45,805	-	5,682	3,740
November	46,500	-	5,635	3,604
December	46,704	-	5,427	3,444
January	47,324	-	5,190	3,423
February	46,316	-	5,134	3,461
March	45,774	-	4,988	3,564
April	44,379	-	4,961	3,618
May	44,348	-	5,011	3,598
June	42,583	-	4,850	3,537

Notes:

- (1) TMA eligibility recipients are all enrolled in AHCCCS.
- (2) TCC is the number of children served (utilization estimated at 86.0% of the number eligible).
- (3) In October 2002, a DHHS waiver that had been granted to Arizona expired. As a result of the expiration of this waiver, TMA was no longer available to families beyond 12 months after Cash Assistance case closure.
- (4) This report is a summary of disbursements and caseload data made by the issuance of warrants from AzCCATS, the Arizona Child Care Automated Tracking System. This report is not intended for use as a financial report.

TABLE 3

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
CHILD CARE ASSISTANCE GROSS MONTHLY INCOME ELIGIBILITY CHART AND FEE SCHEDULE
 EFFECTIVE JULY 1, 2006

Family Size ↓	FEE LEVEL 1 (L1) INCOME MAXIMUM EQUAL TO OR LESS THAN 85% FPL*	FEE LEVEL 2 (L2) INCOME MAXIMUM EQUAL TO OR LESS THAN 100% FPL*	FEE LEVEL 3 (L3) INCOME MAXIMUM EQUAL TO OR LESS THAN 135% FPL*	FEE LEVEL 4 (L4) INCOME MAXIMUM EQUAL TO OR LESS THAN 145% FPL*	FEE LEVEL 5 (L5) INCOME MAXIMUM EQUAL TO OR LESS THAN 155% FPL*	FEE LEVEL 6 (L6) INCOME MAXIMUM EQUAL TO OR LESS THAN 165% FPL*
1	0 – 695	696 – 817	818 – 1,103	1,104 – 1,185	1,186 – 1,267	1,268 – 1,349
2	0 – 935	936 – 1,100	1,101 – 1,485	1,486 – 1,595	1,596 – 1,705	1,706 – 1,815
3	0 – 1,177	1,178 – 1,384	1,385 – 1,869	1,870 – 2,007	2,008 – 2,146	2,147 – 2,284
4	0 – 1,417	1,418 – 1,667	1,668 – 2,251	2,252 – 2,418	2,419 – 2,584	2,585 – 2,751
5	0 – 1,658	1,659 – 1,950	1,951 – 2,633	2,634 – 2,828	2,829 – 3,023	3,024 – 3,218
6	0 – 1,899	1,900 – 2,234	2,235 – 3,016	3,017 – 3,240	3,241 – 3,463	3,464 – 3,687
7	0 – 2,140	2,141 – 2,517	2,518 – 3,398	3,399 – 3,650	3,651 – 3,902	3,903 – 4,154
8	0 – 2,380	2,381 – 2,800	2,801 – 3,780	3,781 – 4,060	4,061 – 4,340	4,341 – 4,620

MINIMUM REQUIRED CO-PAYMENTS

1st child in care	full day = \$1.00 part day = \$.50	full day = \$2.00 part day = \$1.00	full day = \$3.00 part day = \$1.50	full day = \$5.00 part day = \$2.50	full day = \$7.00 part day = \$3.50	full day = \$10.00 part day = \$ 5.00
2nd child in care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75	full day = \$2.50 part day = \$1.25	full day = \$3.50 part day = \$1.75	full day = \$ 5.00 part day = \$ 2.50
3rd child in care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75	full day = \$2.50 part day = \$1.25	full day = \$3.50 part day = \$1.75	full day = \$ 5.00 part day = \$ 2.50
For families receiving Transitional Child Care (TCC) there is no co-payment assigned beyond the 3 rd child in the family						
4 th child in care	full day = \$.25 part day = \$.10	full day = \$.50 part day = \$.25	full day = \$.75 part day = \$.35	full day = \$1.25 part day = \$.60	full day = \$1.75 part day = \$.85	full day = \$ 2.50 part day = \$ 1.25
5th child in care	full day = \$.25 part day = \$.10	full day = \$.50 part day = \$.25	full day = \$.75 part day = \$.35	full day = \$1.25 part day = \$.60	full day = \$1.75 part day = \$.85	full day = \$ 2.50 part day = \$ 1.25
6th child in care	full day = \$.25 part day = \$.10	full day = \$.50 part day = \$.25	full day = \$.75 part day = \$.35	full day = \$1.25 part day = \$.60	full day = \$1.75 part day = \$.85	full day = \$ 2.50 part day = \$ 1.25

Full day = Six or more hours; Part day = Less than six hours.

Families receiving Child Care Assistance based upon involvement with Child Protective Services/Foster Care, the Jobs Program, the Arizona Works Program or those who are receiving Cash Assistance (CA) and who are employed, may not have an assigned fee level and may not have a minimum required co-payment. However, all families may be responsible for charges above the minimum required co-payments if a provider's rates exceed allowable state reimbursement maximums and/or the provider has other additional charges.

* Federal Poverty Level (FPL) =US DHHS 2006 poverty guidelines.

TABLE 4

**ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Division of Employment & Rehabilitation Services
Child Care Administration**

MAXIMUM REIMBURSEMENT RATES FOR CHILD CARE
Based on the 75th percentile of the 2000 Child Care Market Rate Survey
as indentified in the Fiscal Year 2007 Appropriation Report
(effective for services provided on or after 7/1/06)

CENTERS

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:						
Full day	30.20	27.00	22.40	21.00	30.00	32.00
Part day	22.40	19.80	18.40	19.00	25.00	25.00
1 yr < 3 yrs:						
Full day	26.60	25.00	20.80	19.00	28.00	20.80
Part day	20.00	18.16	18.00	18.00	15.00	17.60
3 yrs < 6 yrs:						
Full day	23.80	22.09	20.00	18.00	20.00	19.00
Part day	17.00	16.00	15.00	16.00	12.40	13.00
6 yrs < 13 yrs:						
Full day	23.40	22.00	17.00	17.00	20.00	19.00
Part day	16.00	15.00	14.00	15.00	13.33	13.00

GROUP HOMES

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:						
Full day	24.00	22.00	23.00	20.00	19.00	21.20
Part day	16.00	16.00	23.00	14.00	12.50	18.00
1 yr < 3 yrs:						
Full day	22.00	22.00	22.00	18.00	19.00	21.25
Part day	15.00	16.00	15.00	12.00	12.00	17.00
3 yrs < 6 yrs:						
Full day	20.00	20.00	22.00	18.00	19.00	18.50
Part day	15.00	16.00	13.95	12.00	12.00	16.00
6 yrs < 13 yrs:						
Full day	18.00	20.00	17.00	18.00	19.00	18.50
Part day	14.00	15.81	13.95	12.00	12.00	17.00

CERTIFIED FAMILY HOMES & CERTIFIED IN-HOME PROVIDERS

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:						
Full day	20.00	19.00	18.00	18.00	20.00	18.00
Part day	14.00	12.00	10.00	10.50	12.00	10.00
1 yr < 3 yrs:						
Full day	20.00	18.00	17.00	17.00	20.00	17.00
Part day	13.00	12.00	10.00	10.50	11.00	10.00
3 yrs < 6 yrs:						
Full day	18.00	18.00	16.00	17.00	18.00	16.00
Part day	12.00	12.00	10.00	10.50	10.00	10.00
6 yrs < 13 yrs:						
Full day	17.00	18.00	16.00	16.00	18.00	16.00
Part day	12.00	11.00	10.00	10.00	10.00	10.00

The actual reimbursement amount is equal to the reimbursement rate minus any DES designated co-payment. However, in no event shall the amount reimbursed exceed the lesser of the provider's actual charges or the maximum reimbursement rate minus any DES designated co-payment.

Payment Rates for Non-Certified Relative Providers (NCRPs) will be \$10.50 for Full day and \$6.00 for Part day, minus any DES designated co-payment. This rate will be paid to NCRPs statewide for care provided to children of all ages.

The maximum reimbursement rates may be increased by up to ten percent for child care providers who are nationally accredited.

Full day = six or more hours per day. Part day = less than six hours per day.

DES defines six local areas based upon geographic proximity/common characteristics, as Districts. They are comprised of the following counties:

District I - Maricopa

District II - Pima

District III - Apache, Coconino, Navajo, and Yavapai

District IV - La Paz, Mohave, and Yuma

District V - Gila and Pinal

District VI - Cochise, Graham, Greenlee, and Santa Cruz

46-810. [Department of economic security; child care; report](#)

The department of economic security shall provide the following data by October 1 of each year to the members of the joint legislative budget committee:

1. The number of families served and total number of children served by each of the child care programs administered by the department of economic security.
2. The total number of dollars spent on child care for each of the child care programs administered by the department of economic security.
3. The number of recipients eligible for transitional medical and child care benefits.
4. The number of recipients who accept transitional medical and child care benefits specifying how many recipients have received these services for less than twelve months and those who have received these services for more than twelve months.
5. The number of applicants waiting for services under the state child care subsidy and federal child care programs for working families.
6. Copayment levels for each of the child care programs administered by the department of economic security.
7. The amount of copayment money collected for each of the child care programs administered by the department of economic security.
8. The total number of payments made to relatives for child care and the number of children served.
9. Any changes in the payment rate schedules and maximum provider rates from the previous fiscal year and the reason for those changes.
10. The number of families providing child care as a work activity in order to meet the federal work participation rates established pursuant to Public Law 104-193.



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Dear Representative Biggs:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

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Dear Representative Rios:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

A handwritten signature in black ink that reads "Tracy L. Wareing".

Tracy L. Wareing
Director

Enclosure

cc: Members of the Joint Legislative Budget Committee
James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Linda J. Lopez
Joint Legislative Budget Committee
Arizona State House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Dear Representative Lopez:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

Tracy L. Wareing
Director

Enclosure

cc: Members of the Joint Legislative Budget Committee
James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Steven Yarbrough
Joint Legislative Budget Committee
Arizona State House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Dear Representative Yarbrough:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

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Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Jack W. Harper
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Harper:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

A handwritten signature in black ink that reads "Tracy L. Wareing". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Tracy L. Wareing
Director

Enclosure

cc: Members of the Joint Legislative Budget Committee
James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Paula Aboud
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Aboud:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

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James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Amanda Aguirre
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Aguirre:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

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James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Jake Flake
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Flake:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

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Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Jorge Luis Garcia
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Garcia:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

cc: Members of the Joint Legislative Budget Committee
James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Thayer Verschoor
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Verschoor:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

A handwritten signature in cursive script that reads "Tracy L. Wareing".

Tracy L. Wareing
Director

Enclosure

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James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

The Honorable Jim Waring
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Waring:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

Enclosure

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James Apperson, Director, Governor's Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

Mr. James Apperson
Director, Governor's Office of Strategic Planning and Budgeting
1700 West Washington
Phoenix, Arizona 85007

Dear Mr. Apperson:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

Tracy L. Wareing
Director

Enclosure

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Richard Stavneak, Director, Joint Legislative Budget Committee



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1717 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

Tracy L. Wareing
Director

OCT 01 2007

Mr. Richard Stavneak
Director, Joint Legislative Budget Committee
1716 West Adams
Phoenix, Arizona 85007

Dear Mr. Stavneak:

The Department of Economic Security (DES) is submitting the Child Care Report as required by A.R.S § 46-810.

If you have any questions, please contact Brad Willis, Acting Program Administrator for the Child Care Administration, at (602) 542-1957 or me at (602) 542-5757.

Sincerely,

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Tracy L. Wareing
Director

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James Apperson, Director, Governor's Office of Strategic Planning & Budgeting