



DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*



Maricopa Family Support Alliance: A Partnership for Human Services

*August 25, 2023*



# DES Director: Angie Rodgers

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- Over 25 years of experience in public policy research and advocacy focusing on human services.
- 10 years as the President and CEO for the Arizona Food Bank Network (AzFBN).
- Served as the Human Services Policy Advisor between the Governor's Office and DES, as well as Juvenile Corrections.
- <https://des.az.gov/blog>

A wide-angle photograph of the Grand Canyon, showing its vast, layered rock formations and deep valleys. The sky is a clear, pale blue.

# Agenda

1. Overview
2. DES History
3. Strategic Plan
4. FY 2024 Budget Overview
5. FY 2025 Budget Priorities
6. Questions

# DES History

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In 1972, the Department of Economic Security (DES) was established by consolidating multiple state agencies to provide an integrated approach to human services.

In 2014, the Arizona Legislature created the Department of Child Safety (DCS), which officially moved Child Protective Services (CPS) out of DES and made it a stand-alone agency.

2023 marks the 50th year of operations for the Department. Today, DES invests approximately \$7.5 billion annually to assist more than 3 million Arizonans. Our staff of nearly 8,600 team members strive daily to improve the lives of the people we serve.

# DES Vision, Mission, and Values

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## **Vision**

A Thriving Arizona.

## **Mission**

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

## **Values**

- **Integrity:** We are honest and transparent and are accountable for our actions and their impacts.
- **People First:** We prioritize our staff and the people we serve to achieve the best and most equitable outcomes.
- **Respect:** We demonstrate compassion, treat all people with dignity and kindness and embrace diversity.

# DES Goals

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The Department's goals are to:

- Implement technology system replacements and upgrades.
- Reduce barriers for clients in intake and eligibility processes.
- Increase access to services through stakeholder and community engagement.
- Improve employee development and retention.
- Align physical locations and call center capacity to client demand.

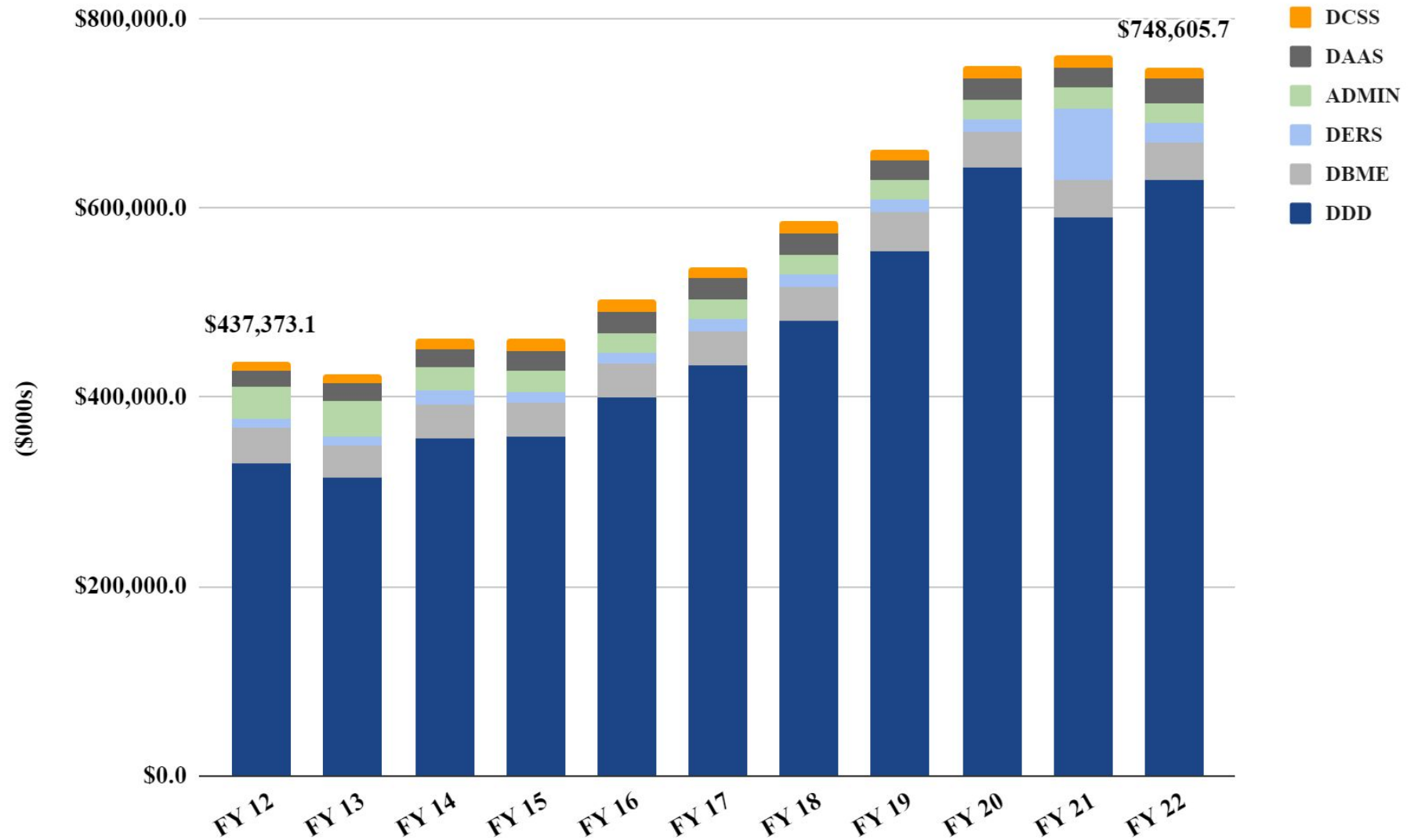
# DES Goals

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Our team accomplishes the Agency goals through seven programmatic divisions and administrative support divisions:

- Division of Aging and Adult Services (**DAAS**)
- Division of Benefits and Medical Eligibility (**DBME**)
- Division of Community Assistance and Development (**DCAD**)
- Division of Child Care (**DCC**)
- Division of Child Support Services (**DCSS**)
- Division of Developmental Disabilities (**DDD**)
- Division of Employment and Rehabilitation Services (**DEERS**)
- Central Administration (Includes **HR, IT, Finance, etc.**)

# DES General Fund History



\*Total Funds, in Thousands



# New & Noteworthy Items

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## **DES celebrates its 50th anniversary of serving Arizonans:**

- Operations began in January 1973
- The Department now have more than 50 programs and services to comprehensively meet the needs of our communities, serve diverse populations and ensure everyone has the opportunity to overcome barriers and reach their potential

## **Public Health Emergency Unwinding/Expiration of Pandemic Legislation & Funding:**

- Leveraging available funding and temporary flexibilities, DES was able to ramp up services to Arizonans impacted by the pandemic
  - Overall budget grew from \$4.6 billion in FY 2020 to a peak of \$8.6 billion in FY 2022
- As these taper off, the Department is working with impacted individuals, food banks, and other community stakeholders to once again help them adapt

# New & Noteworthy Items (*cont.*)

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## **System Modernization:**

- DES is currently engaged in replacing three legacy mainframe systems to streamline and improve service delivery and adaptability.
- The Department is embarking upon a path to build a department-wide network of systems with one unified client portal, vendor portal, and an employer portal.

## **Strategic Shift:**

- DES' focus is on the long-term vision to minimize homelessness, enhancing services to promote family stability and safe home environments, improving systems and operations, and serving our clients better
- DES will implement a community resource navigation model statewide with the goals of increasing public awareness and reducing barriers to accessing programs
- DES has implemented three initiatives related to additional child care support, including the Arizona Education Workforce Scholarship Program, temporary provider rate increases, and targeted child care provider grants.
- DES has also implemented a new public awareness campaign, *Speak Up AZ!*, to help educate Arizonans about the prevalence of abuse, neglect, and exploitation among vulnerable adults



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# Strategic Plan



# Strategic Plan

## Department of Economic Security (DES)

Fiscal Year 2024 Strategic Plan

Agency Director: Angie Rodgers  
Strategic Planner: Richard David  
Last modified: 07/17/2023

**Vision:**  
**A THRIVING ARIZONA**

**Mission:**  
**TO STRENGTHEN INDIVIDUALS, FAMILIES, AND COMMUNITIES  
FOR A BETTER QUALITY OF LIFE**

**Agency Description:** With a staff of more than 8,600, DES is the human services agency for the State of Arizona that oversees more than 50 different programs and services and distributes benefits to more than 3 million Arizonans. The benefit assistance, care, and services provided to some of Arizona's most vulnerable populations include Adult Protective Services (APS), Developmental Disabilities (DDD), Emergency Rental and Utility Assistance (ERAP), Emergency Food Assistance, Nutrition, Cash, and Medical Assistance, Vocational Rehabilitation (VR), Unemployment Insurance (UI), Employment services, Child Care, and Child Support Services.

**Executive Summary:** Beginning with the Vision and Mission, the agency executive team has examined what we do for our clients, how we deliver services to them, as well as the value we bring to our clients. During the past year, DES disbursed over \$200M in rent and utility assistance to over 83,000 households through the ERAP program and provided over 160M pounds of food to an average of over 250,000 individuals each month through the Hunger Relief program. While we believe this assistance is integral in preventing homelessness and hunger, and as we strive to continuously improve, we have refocused several of our Multi Year strategies to more closely align with what we do - Promote Family Stability and Community Support across the entire agency. Additionally, we plan to continue to drive a Client Centric Culture throughout our programs as well as engage our community stakeholders in our planning and deployment efforts. Our annual objectives and initiatives have been realigned with this new plan; seven initiatives are carried over from the previous plan and nine new initiatives have been added including an initiative focusing on new employee retention and development.

### Summary of Multi-Year Strategic Priorities

#	Multi-Year Strategy	Start Year	Progress / Successes
1	Modernize Agency Technology Solutions	2021	AZCARES System in user acceptance testing phase. Vulnerability Management Scores improved by over 10%. 24/7 security monitoring in place. Master Data Management (MDM) initial phase complete. RSA System replacement- VR design in process. UI Benefit System replacement design in process, gap analysis complete. Central Client Portal in initial planning phase. Child Care Attendance Tracking completed user acceptance testing phase. Implementation of new claims processing system for Division of Developmental Disabilities (DDD).
2	Drive a Client Centric Culture	2021	31 Community Navigator Partners active. ERAP assisted over 18,000 households on average per month and prevented eviction for over 22,000 households. Second consecutive year of significant reduction in DBME FAA Field office wait times. YoY June average wait time was reduced by 28%. Added significant client-service capabilities and digital client communications via MyFamilyBenefits.
3	Promote family stability and community support	2022	\$1.3B Child Care Infrastructure Plan on track with 73% of funds expended to support 3,000+ regulated providers and over 130,000 children. Through financial support and leveraging process improvements, APS investigator caseloads were reduced by over 50% and open cases were reduced by over 35%. Refugee Resettlement Program served 5924 clients - 15% more than FY22, and 9 times more than FY21. Arizona's Reemployment Services and Eligibility Assessments (RESEA) recognized for virtual services to Unemployment Insurance claimants most likely to exhaust benefits before becoming reemployed.
4	Optimize agency operations, infrastructure, and employee development and engagement	2022	Leased office space consolidation (62,477 sq ft reduction in FY23). DDD released by AHCCCS from the remaining 2 Notices to Cure (NTC) in FY23; all NTC's now closed. Employee Retention improved by over 6% correlating with year over year improvements in employee engagement scores.

## DES Multi-Year Strategies

- Modernizing Agency Technology Solutions
  - AZCARES, RSA, UI System Replacement
- Driving a Client Centric Culture
  - Community partnerships
  - Field office wait time reductions
- Promoting Family Stability & Community Support
  - Child Care Infrastructure Plan
  - APS Investigator caseload ratio reductions
- Optimize Agency Operations, Infrastructure and employee development and engagement
  - Reduction of employee turnover and increased retention
  - Consolidation of leased office space

# Strategic Plan

## Department of Economic Security Fiscal Year 2024 Strategic Plan

Current Annual Focus

Strategy #	FY24 Annual Objectives	Objective Metrics	Annual Initiatives
1	Implement Technology System Replacements and Upgrades	<ol style="list-style-type: none"> <li>1. RiskSense Score</li> <li>2. Division Systems Replacement Progress</li> <li>3. Central Client Portal and Master Data Management Project Milestones Completed</li> </ol>	<ol style="list-style-type: none"> <li>1. IT Security Enhancement</li> <li>2. Divisional System Upgrades following city plan</li> <li>3. Central Client Portal and Master Data Management Implementation</li> </ol>
2	Reduce Barriers for Clients in Intake and Eligibility Processes	<ol style="list-style-type: none"> <li>1. Case Completion Rate</li> <li>2. Number of IV-D Support Cases Receiving Child Support Payments</li> <li>3. Number of Fully Revised Notices Completed</li> </ol>	<ol style="list-style-type: none"> <li>1. Improve Client Experience with Benefit Programs</li> <li>2. Timeliness and Consistency of Payments to Families</li> <li>3. Revise and Issue Plain Language Notices</li> </ol>
3	Increase Access to Services through Stakeholder and Community Engagement	<ol style="list-style-type: none"> <li>1. Percent of DES Child Care Providers Achieving High Quality</li> <li>2. AzEIP Active Case Count</li> <li>3. APS Investigator Caseload Ratio</li> <li>4a. Number of Programs Supported by Community Navigators</li> <li>4b. LIHEAP Application Completion Accuracy Percentage</li> <li>5. Percent of Older Americans Act Target Demographic Population within Regional Goal</li> <li>6. Behavioral Health Services Project Milestones Completed</li> <li>7. RFQVA DDD-2024 Project Milestones Completed</li> </ol>	<ol style="list-style-type: none"> <li>1. Access to High Quality Child Care</li> <li>2. Early Identification of Infants and Toddlers with Disabilities and Delays (AzEIP)</li> <li>3. Reduce APS Investigation Caseload to National Best Practice Target of 25</li> <li>4. Strengthen Partnerships with Community Navigators</li> <li>5. Expand services to older adults served by Area Agencies on Aging</li> <li>6. Strengthen Behavioral Health Services for DDD Members</li> <li>7. Implement RFQVA DDD-2024</li> </ol>
4	Improve Employee Development and Retention	<ol style="list-style-type: none"> <li>1. Employee Retention Percentage</li> <li>2. Number of Academies Implemented</li> </ol>	<ol style="list-style-type: none"> <li>1. Expand Advanced Leadership Program (ALP)</li> <li>2. Implement New Employee Training Academies</li> </ol>
4	Align Physical Locations and Call Center Capacity to Client Demand	<ol style="list-style-type: none"> <li>1. Percentage of Clients Served</li> <li>2. Number of Navigation Partners</li> </ol>	<ol style="list-style-type: none"> <li>1. Call Center Capacity Enhancement</li> <li>2. Community Resource Navigation Implementation</li> </ol>

## FY 2024 Objectives

- Implement technology system replacements and upgrades
- Reduce barriers for clients in intake and eligibility processes
- Increase access to services through stakeholder and community engagement
- Improve employee development and retention
- Align physical locations and call center capacity to client demand





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# DES Budget Overview

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# FY 2024 Budget Overview

Budget Issue	General Fund	Other Funds	Notes
IT Security and Infrastructure	\$1,587,900		Funding to support IT authentication, safeguarding, protection, ad server and network refresh. Includes \$70,000 <b>ongoing</b> funding for annual maintenance costs; General Fund investment represents 20% of the project's total cost, the agency will draw down federal funds for the remaining 80%
Adult Protective Services VOCA Backfill	\$9,100,000		Includes one-time VOCA back to sustain previously federally funded APS staff. Funding gap expected for caseload growth in FY 2024.
DDD Caseload and Cap	\$31,154,550	\$72,693,950	Projected 4.5% caseload growth and 3.1% capitation growth, matches JLBC baseline
ARPA FMAP Reinvestment		\$115,792,900	Remaining non-lapsing expenditure authority request for FY24
AzEIP Rates Baseline Adjust	\$4,400,000		Provider rates were increased to 75%; increase backfills the federal funding that was utilized in FY 2023
Graham County Rehabilitation Center	\$830,000		Specifies that \$800,000 must be used to remodel the facilities in Safford and \$30,000 for an afterschool program
Globe/Miami Food Bank	\$250,000		Requires the appropriation to be distributed to a food bank that maintains its headquarters in the Globe-Miami area

*\*All General Fund amounts are one-time or non-lapsing unless otherwise noted.*

# FY 2024 Budget Overview

Budget Issue	General Fund	Other Funds	Notes
Produce Incentive Program	\$5,462,600		Additional funding for the Double-Up Food Bucks program and annotates as <b>non-lapsing</b>
Diaper/Incontinence Products Assistance	\$1,000,000		Assume funding will support a pilot diaper bank throughout Arizona
Homeless Youth			Delays an additional \$1,000,000 of GF for homeless youth to FY 2025
Adult Services	\$5,000,000		Additional funding to be passed through to the AAAs for services
Adult Services - Housing Assistance	\$5,000,000		Requires monies be distributed to AAAs for housing assistance for persons over 60 years old
WIOA Appropriation Authority Increase		\$85,824,200	Appropriation authority increased to match the current award and keeps escalator clause in effect
Child Care Attendance Appropriation Extension			One year extension (6/30/2024) on unexpended monies from the \$9M appropriation to replace child care tracking system

*\*All General Fund amounts are one-time or non-lapsing unless otherwise noted.*



# FY 2025 Budget Priorities

## **Service Network Stabilization:**

- DES is focused on the stabilization of the service networks Arizona relies on, leveraging efforts that were implemented during the pandemic to promote provider, family and housing stability within Arizona communities.

## **Reducing Child Protection System Involvement:**

- Through partnership and collaboration with the Department of Child Safety, DES is working to increase family stability by providing support and assistance to families prior to the need for child safety intervention.

## **Addressing Caseload Growth:**

- Arizona's Adult Protective Services and Developmental Disabilities systems both experience annual increases in caseload and DES is committed to having adequate staff and service access to address the caseload needs for these vulnerable populations.

## **IT Modernization Strategy:**

- In alignment with the strategic plan, it is imperative our client systems are up to date and meet the needs of our clients. DES is in the process of undergoing foundational improvements to the agency's most out of date systems.



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## Questions