

**Department of Economic Security**  
**Aging and Community Services**

A.R.S. § 41-1954

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	<b>FY 2005 Actual</b>	<b>FY 2006 Estimate</b>	<b>FY 2007 Approved</b>
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	80.6	80.6	107.6
Personal Services	2,900,600	3,597,300	4,596,500
Employee Related Expenditures	1,000,400	1,063,600	1,426,700
Professional and Outside Services	18,700	0	0
Travel - In State	50,500	98,400	98,400
Other Operating Expenditures	571,000	583,900	711,700
Equipment	85,900	39,100	39,100
<b>OPERATING SUBTOTAL</b>	<b>4,627,100</b>	<b>5,382,300</b>	<b>6,872,400<sup>1/</sup></b>
<b>SPECIAL LINE ITEMS</b>			
Adult Services	10,070,300	11,599,300	17,899,300 <sup>2/</sup>
Community and Emergency Services	4,759,200	5,924,900	5,924,900 <sup>3/</sup>
Coordinated Hunger	1,718,500	1,786,600	1,786,600 <sup>4/</sup>
Coordinated Homeless	2,656,000	2,804,900	2,804,900
Ch. 243 Homelessness Trust Fund	0	0	850,000 <sup>5/</sup>
Domestic Violence Prevention	8,048,700	10,828,600	13,647,400 <sup>6/7/8/</sup>
Community-Based Marriage and Communication Skills Program Fund Deposit	0	1,200,000	1,200,000 <sup>9/</sup>
<b>PROGRAM TOTAL</b>	<b>31,879,800</b>	<b>39,526,600</b>	<b>50,985,500<sup>10/</sup></b>
<b>FUND SOURCES</b>			
General Fund	19,070,500	22,905,100	33,500,100
<u>Other Appropriated Funds</u>			
Domestic Violence Shelter Fund	1,571,000	1,700,000	1,700,000
Federal TANF Block Grant	10,950,800	14,421,500	14,435,400
Homeless Trust Fund	0	0	850,000
Utility Assistance Fund	287,500	500,000	500,000
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>12,809,300</b>	<b>16,621,500</b>	<b>17,485,400</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>31,879,800</b>	<b>39,526,600</b>	<b>50,985,500</b>
Other Non-Appropriated Funds	576,600	1,294,200	1,294,200
Federal Funds	47,245,700	54,013,700	54,013,700
<b>TOTAL - ALL SOURCES</b>	<b>79,702,100</b>	<b>94,834,500</b>	<b>106,293,400</b>

<sup>1/</sup> Laws 2006, Chapter 350 appropriation of \$1,161,400.

<sup>2/</sup> Laws 2006, Chapter 350 appropriation of \$2,300,000.

<sup>3/</sup> It is the intent of the Legislature that the department use at least \$1,038,900 of Federal Temporary Assistance for Needy Families Block Grant monies in the appropriation for Community and Emergency Services to ensure that councils of governments and tribal governments receive at least the same amount of Federal Social Services Block Grant monies that those entities received in FY 2001. (General Appropriation Act footnote)

<sup>4/</sup> The department shall report on activities of food distribution efforts funded through the monies in the Coordinated Hunger Special Line Item to the Joint Legislative Budget Committee by March 15, 2007. The report shall demonstrate how the food was distributed and shall include letters from each participating regional food bank stating its satisfaction with the distribution process. (General Appropriation Act footnote)

<sup>5/</sup> Any monies remaining unexpended and unencumbered on December 31, 2007 revert to DES for serving homeless persons and the working poor in any county. (Laws 2006, Ch. 243 footnote)

<sup>6/</sup> All Domestic Violence Shelter Fund monies above \$1,700,000 received by the Department of Economic Security are appropriated for the Domestic Violence Prevention Special Line Item. The Department of Economic Security shall report the intended use of the monies above \$1,700,000 to the Joint Legislative Budget Committee. (General Appropriation Act footnote)

<sup>7/</sup> The Department of Economic Security shall report to the Joint Legislative Budget Committee on the amount of state and federal monies available statewide for domestic violence funding by December 15, 2006. The report shall include, at a minimum, the amount of monies available and the state fiscal agent receiving those monies. (General Appropriation Act footnote)

<sup>8/</sup> The department shall increase expenditures from the Domestic Violence Special Line Item to faith-based programs by at least \$700,000 over the FY 2006 level. (General Appropriation Act footnote)

**COST CENTER DESCRIPTION** — The program provides alternatives to institutional care for the elderly and physically disabled through a range of non-medical home and community-based services. It includes statewide programs of advocacy, social services, nutrition services, program development services, adult protective services, nursing home ombudsman services, volunteer services, and employment opportunities. The program also serves victims of domestic violence and individuals in need of food and shelter.

<b>PERFORMANCE MEASURES</b>	FY 2003	FY 2004	FY 2005	FY 2007
	Actual	Actual	Actual	Approved
• Adult Protective Services investigation % rate	78	74	83	83

Comments: In FY 2005 the agency investigated a higher percentage of calls in rural areas.

**Operating Budget**

The budget provides \$6,872,400 for the operating budget in FY 2007. This amount consists of:

	<u>FY 2007</u>
General Fund	\$6,632,100
Federal Temporary Assistance for Needy Families (TANF) Block Grant	240,300

These amounts include an increase of \$328,700 for statewide adjustments. This amount consists of:

General Fund	314,800
Federal TANF Block Grant	13,900

*(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

The budget also includes the following adjustment:

**Adult Protective Services Investigations**

The State Government Budget Reconciliation Bill (BRB) (Laws 2006, Chapter 350) provides \$1,161,400 and 27 FTE Positions from the General Fund in FY 2007 for Adult Protective Services Investigations. The approved amount includes \$286,000 for equipment.

For the FY 2007 budget, a total of \$1,500,000 was added to the DES budget for 30 additional adult protective services workers to investigate 100% of referrals received. In FY 2005, adult protective services investigated 83% of referrals received. An amount of \$338,600 of the \$1,500,000 is contained in the Administration cost center for 3 additional Attorney General Staff to handle Adult Protective Services cases and rent costs for the new staff. *(Please see the Administration Cost Center for additional information.)*

**Special Line Items**

**Adult Services**

The budget provides \$17,899,300 from the General Fund for Adult Services in FY 2007.

**Independent Living Support**

The budget provides an increase of \$6,300,000 from the General Fund in FY 2007 for Independent Living Support. Of this amount \$4,000,000 was appropriated in the General Appropriation Act and \$2,300,000 was appropriated by the State Government BRB. The approved increase will allow an additional 3,460 individuals to receive services.

This line item provides an array of services to elderly persons. The appropriation is distributed as follows:

Adult Protective Contracted Services — Provides \$345,400 for services to elderly people who are abused or neglected.

Supplemental Payments — Provides \$1,856,600 for a continuation of care and services, such as housekeeper, home health aide, and visiting nurse services, for Supplemental Security Income (SSI)-eligible households. Any funds not expended on SSI recipients may be reallocated to pay for housekeeper, home health aide, and visiting nurse services provided to non-SSI recipients who are eligible for the Home Care services component of the Adult Services line item. In FY 2005, 432 individuals were served.

Home Care — Provides \$11,217,800 for supplemental services, plus personal care to non-SSI recipients who are disabled or elderly and do not qualify for the Arizona Long Term Care System. In FY 2005, approximately 18,000 individuals were served. The monies represent a \$6,300,000 increase over FY 2006.

9/ The department shall apply for the maximum allowable Federal Temporary Assistance for Needy Families Block Grant funding in FY 2007 available to the state through a grant program to promote healthy marriages and responsible fatherhood. These monies shall be deposited in the Community-Based Marriage and Communication Skills Program Fund established by A.R.S. § 41-2032, for at least the following purposes:

1. Marketing and advertising of marriage skills classes.
2. The Community-Based Relationship Skills High School Pilot Program. (General Appropriation Act footnote)

10/ General Appropriation Act funds are appropriated as Operating Lump Sum with Special Line Items by Program.

**Supportive Services** — Includes \$500,000 to provide other supportive home and community based services, and/or supplies to maintain an individual in the home. Examples are home delivered meals and personal care supplies such as dietary supplements. This amount will serve an estimated 275 clients at an average cost of \$1,821 each.

**Older Americans Act** — Includes \$1,453,500 in General Fund monies that will draw down \$16,923,900 in federal Older Americans Act funds. The state and Federal Funds are for congregate and home-delivered meals, as well as other social services. In FY 2005, over 76,000 individuals were served through these programs.

**Assessments and Case Management** — Provides \$2,064,000 through contracted agencies to assess the service needs of the person by measuring ability to perform activities of daily living, family support, and financial status. In FY 2005, approximately 14,000 individuals were served.

**Respite Care** — Includes \$462,000 for providing services to prevent premature institutionalization by giving relief to care givers of the elderly. In FY 2005, approximately 700 individuals were served.

**Community and Emergency Services**

The budget provides \$5,924,900 for Community and Emergency Services in FY 2007. This amount consists of:

Federal TANF Block Grant	5,424,900
Utility Assistance Fund	500,000

These amounts are unchanged from FY 2006.

Monies in this line item provide funding to 20 community action agencies to deliver a wide range of services related to the needs of low-income families and individuals. The line item also provides financial and technical assistance for local communities to identify priority problems and needs of individuals in poverty. In FY 2005 this line item, along with non-appropriated funds, provided case management services to 48,236 individuals, short-term crisis services to 4,233 individuals and utility assistance related services to 22,465 individuals.

**Coordinated Hunger**

The budget provides \$1,786,600 for Coordinated Hunger programs in FY 2007. This amount consists of:

General Fund	1,286,600
Federal TANF Block Grant	500,000

These amounts are unchanged from FY 2006.

Monies in this line item are used to fund programs that address hunger issues throughout Arizona. State and federal dollars are used to administer a USDA commodities food program, assist in statewide food

distribution and for food banks. Monies are also used to provide information on where to obtain food for individuals and families. In FY 2005, 174,125 individuals were served monthly through the USDA commodities food program.

**Coordinated Homeless**

The budget provides \$2,804,900 for Coordinated Homeless programs in FY 2007. This amount consists of:

General Fund	1,155,400
Federal TANF Block Grant	1,649,500

These amounts are unchanged from FY 2006.

In FY 2005, this line item, along with non-appropriated funds, provided emergency shelter services to 26 organizations that served 14,776 individuals. In addition, 2,230 individuals received transitional shelter services.

**Ch. 243 Homelessness Trust Fund**

Laws 2006, Chapter 243 includes \$850,000 from the Homeless Trust Fund in FY 2007. The total dollars available are the unexpended and unencumbered monies on September 21, 2006 in the Homeless Trust Fund; the fund balance is currently estimated at \$855,300.

The Homeless Trust Fund was originally established in 1990 with \$1,000,000 from unclaimed or void warrants. The subsequent sources of revenue were donations and investment earnings.

This bill repeals the Homeless Trust Fund. The fund balance is to be used for 3 specific purposes if the appropriations can be matched dollar for dollar by other private or local government monies:

- \$400,000 is designated for an integrated services campus serving homeless persons and the working poor in Maricopa County.
- \$200,000 is designated for services to homeless persons and the working poor in Pima County.
- \$250,000 and any remaining monies is to be distributed by DES for serving homeless persons and the working poor in counties with a population of 500,000 persons or less.

Any monies remaining unexpended and unencumbered on December 31, 2007 revert to DES for serving homeless persons and the working poor in any county.

**Domestic Violence Prevention**

The budget provides \$13,647,400 for Domestic Violence Prevention in FY 2007. This amount consists of:

General Fund	5,326,700
Federal TANF Block Grant	6,620,700
Domestic Violence Shelter Fund	1,700,000

The budget also includes the following adjustment:

**New Shelter Beds**

The budget provides an increase of \$2,818,800 from the General Fund to establish new shelter beds and increase the number of individuals served. The monies will help fund 243 new shelter beds which will serve an additional 3,564 individuals. A footnote indicates that \$700,000 of the new funds shall be given to faith-based domestic violence programs.

In FY 2005, this line item, along with non-appropriated funds, provided funding to 29 organizations that served approximately 9,029 women and children in emergency shelters, 551 women and children in transitional housing and 10,874 victims with legal and lay legal advocacy.

***Community-Based Marriage and Communication Skills***

***Program Fund Deposit***

The budget provides \$1,200,000 from the General Fund in FY 2007 for Community-Based Marriage and Communication Skills line item. This amount is unchanged from FY 2006.

The General Fund monies are to be deposited into the non-appropriated Community-Based Marriage and Communication Skills Program Fund in A.R.S. § 41-2032. The appropriation consists of \$1,000,000 for grants to local communities and organizations. The monies are for implementing new or continuing existing programs which build marriage and communication skills and educate clients about family law and domestic violence issues. There also is \$100,000 to provide vouchers for attending training courses and \$100,000 for marriage handbooks for free distribution. As of the end of May 2006, 3 programs are currently in place.

A footnote indicates that the division shall apply to the federal government for the maximum amount of available federal funds for providing and marketing marriage skill classes.