

**Department of Economic Security**  
**Benefits and Medical Eligibility**

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DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	569.9	569.9	569.9
Personal Services	20,867,300	20,661,500	20,661,500
Employee Related Expenditures	8,407,200	7,283,600	7,223,700
Professional and Outside Services	3,499,700	4,055,900	4,055,900
Travel - In State	180,100	174,800	174,800
Other Operating Expenditures	2,680,900	2,757,800	2,572,600
Equipment	726,200	0	0
<b>OPERATING SUBTOTAL</b>	<b>36,361,400</b>	<b>34,933,600</b>	<b>34,688,500</b>
<b>SPECIAL LINE ITEMS</b>			
TANF Cash Benefits	137,159,600	135,605,400	131,809,000
FLSA Supplement	444,000	508,900	508,900
Tribal Pass-Through Funding	4,288,700	4,288,700	4,288,700
General Assistance	2,816,000	4,260,800	3,060,800
Tuberculosis Control Payments	30,700	32,200	32,200
<b>PROGRAM TOTAL</b>	<b>181,100,400</b>	<b>179,629,600</b>	<b>174,388,100</b>
<b>FUND SOURCES</b>			
General Fund	77,581,700	89,768,700	84,564,600
<u>Other Appropriated Funds</u>			
Federal TANF Block Grant	103,518,700	89,860,900	89,823,500
SUBTOTAL - Other Appropriated Funds	103,518,700	89,860,900	89,823,500
<b>SUBTOTAL - Appropriated Funds</b>	<b>181,100,400</b>	<b>179,629,600</b>	<b>174,388,100</b>
Other Non-Appropriated Funds	193,600	215,000	215,000
Federal Funds	132,756,700	155,085,500	155,098,600
<b>TOTAL - ALL SOURCES</b>	<b>314,050,700</b>	<b>334,930,100</b>	<b>329,701,700</b>
<b>CHANGE IN FUNDING SUMMARY</b>			
	<u>FY 2007 to FY 2008 JLBC</u>		
	<u>\$ Change</u>	<u>% Change</u>	
General Fund	(5,204,100)	(5.8%)	
Other Appropriated Funds	(37,400)	0.0%	
Total Appropriated Funds	(5,241,500)	(2.9%)	
Non Appropriated Funds	13,100	0.0%	
Total - All Sources	(5,228,400)	(1.6%)	
<b>COST CENTER DESCRIPTION</b> — The program develops policy and operating procedures, determines eligibility, pays benefits and carries out an evaluation and monitoring program for the following programs: Temporary Assistance for Needy Families (TANF), Food Stamps, General Assistance (GA), Tuberculosis Control, and Institutional Support Payments.			

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	JLBC
• % of Cash Benefits issued timely	92.0	97.5	96.7	98.6
• % of total Cash Benefits payments issued accurately Comments: The % of Cash Benefits payments issued accurately measure is based on a federal fiscal year.	90.9	93.8	92.7	95.0
• % of total Food Stamps payments issued accurately Comments: The % of Food Stamps payments issued accurately measure is based on a federal fiscal year.	93.6	93.1	92.7	95.0
• % of clients satisfied with Family Assistance Admin.	88.7	88.8	87.9	90.0

## CHANGES FROM FY 2007

### Operating Budget

The JLBC includes \$34,688,500 and 569.9 FTE Positions for the operating budget in FY 2008. This amount consists of:

	FY 2008
General Fund	\$24,671,100
Federal TANF Block Grant	10,017,400

These amounts would fund the following adjustments:

<b>Standard Changes</b>	<b>GF</b>	<b>(50,800)</b>
	<b>OF</b>	<b>(37,400)</b>

The JLBC includes a decrease of \$(88,200) in FY 2008 for standard changes. This amount consists of:

General Fund	(50,800)
Federal TANF Block Grant	(37,400)

### One-Time AZNet Appropriation GF (153,200)

The JLBC includes a decrease of \$(153,200) from the General Fund in FY 2008 to reflect the one-time appropriation for AZNet telecommunication charges.

### Administration Funding Shift GF (3,700)

The JLBC includes a decrease of \$(3,700) from the General Fund in FY 2008 to shift rent funding from this division to the Administration Division. Rent payments for the department are paid out of the Administration Division. There is no net overall funding change for the agency. (See *Administration Funding Shift description in the Administration Division for more details.*)

### Special Line Items

#### TANF Cash Benefits

The JLBC includes \$131,809,000 for TANF Cash Benefits in FY 2008. This amount consists of:

General Fund	52,511,800
Federal TANF Block Grant	79,297,200

These amounts would fund the following adjustment:

### TANF Caseload Decline GF (3,796,400)

The JLBC includes a decrease of \$(3,796,400) from the General Fund in FY 2008 for caseload declines. This amount would fund 89,100 recipients receiving \$122.80 monthly. This is a decrease from the budgeted FY 2007 level of 92,000 recipients at \$122.80 per month and reflects a 2.5% increase in caseload from June 2007 to June 2008.

Monies in this line item provide financial assistance on a temporary basis to dependent children in their own homes or in the homes of responsible caretaker relatives. Financial eligibility is currently set at 36% of the 1992 Federal Poverty Level.

### Fair Labor Standards Act Supplement

The JLBC includes \$508,900 from the Federal TANF Block Grant for Fair Labor Standards Act (FLSA) Supplement in FY 2008. This amount is unchanged from FY 2007.

In addition to regular TANF Cash Benefits, this program pays cash supplements to certain TANF clients participating in unpaid work activities and community work experience programs. These supplements ensure that clients' participation in these programs meets FLSA requirements.

### Tribal Pass-Through Funding

The JLBC includes \$4,288,700 from the General Fund for Tribal Pass-Through Funding in FY 2008. This amount is unchanged from FY 2007.

Monies in this line item are passed through to Native American tribes operating their own welfare programs, allocated as shown in *Table 1*. A.R.S. § 46-134 authorizes DES to provide monies to a tribal government electing to operate their own cash assistance program. The amount is roughly equivalent to what the state would be spending on the population if the state still had responsibility for the case assistance program for any particular tribe.



likely first result of failure, however, will be placing the state on a federal corrective action plan. The state would not incur a penalty unless it displayed continued non-compliance over a period of time.

The JLBC Baseline does not address this potential impact of the DRA. Any possible penalty may not occur for several years. In addition, DES has not yet provided an

estimate of added funding needed to increase work participation rates or possible program changes to enhance this rate within the current budget. *(Please see the DRA Impact discussion in the Other Items for Legislative Consideration section of the DES Summary for further information.)*

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**SUMMARY OF FUNDS - SEE AGENCY SUMMARY**

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