

# Department of Economic Security

## Summary

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DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC
<b>PROGRAM BUDGET</b>			
Administration	38,527,100	42,469,800	42,827,600
Developmental Disabilities	53,457,700	67,875,200	67,651,600
Long Term Care	629,355,400	705,840,400	780,016,300
Benefits and Medical Eligibility	181,100,400	179,629,600	174,388,100
Child Support Enforcement	54,572,100	60,102,000	59,797,700
Aging and Community Services	35,043,700	50,985,500	49,960,500
Children, Youth and Families	223,898,400	273,705,500	275,946,200
Employment and Rehabilitation Services	256,139,100	301,168,800	300,971,500
<b>AGENCY TOTAL</b>	<b>1,472,093,900</b>	<b>1,681,776,800</b>	<b>1,751,559,500</b>
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	5,608.9	5,680.8	5,729.8
Personal Services	129,442,400	144,648,600	144,648,600
Employee Related Expenditures	45,329,500	49,859,000	49,301,100
Professional and Outside Services	12,869,100	12,054,600	12,054,600
Travel - In State	2,636,700	3,562,300	3,562,300
Travel - Out of State	56,700	58,500	58,500
Other Operating Expenditures	43,679,300	50,601,000	49,156,600
Equipment	8,170,000	3,193,400	3,193,400
<b>OPERATING SUBTOTAL</b>	<b>242,183,700</b>	<b>263,977,400</b>	<b>261,975,100</b>
Special Line Items (SLI)	1,229,910,200	1,417,799,400	1,489,584,400
<b>AGENCY TOTAL</b>	<b>1,472,093,900</b>	<b>1,681,776,800</b>	<b>1,751,559,500</b>
<b>FUND SOURCES</b>			
General Fund	596,704,700	718,950,200	743,873,800
<u>Other Appropriated Funds</u>			
Child Abuse Prevention Fund	72,200	1,574,900	1,574,700
Child Support Enforcement Administration Fund	11,939,300	14,287,200	14,190,900
Children and Family Services Training Program Fund	68,100	209,600	209,600
Domestic Violence Shelter Fund	1,700,000	1,700,000	1,700,000
Federal CCDF Block Grant	105,782,700	117,114,900	117,080,400
Federal TANF Block Grant	235,640,800	232,894,600	232,831,300
Homeless Trust Fund	0	850,000	0
Long Term Care System Fund (Non-Federal Matched)	19,021,200	21,897,200	21,896,800
Public Assistance Collections Fund	275,700	502,600	501,200
Risk Management Fund	0	271,500	271,500
Special Administration Fund	844,100	2,193,600	2,192,300
Spinal and Head Injuries Trust Fund	2,102,600	2,551,400	2,549,600
Statewide Cost Allocation Plan Fund	0	1,000,000	1,000,000
TTHCF Medically Needy Account	0	200,000	0
Utility Assistance Fund	266,400	500,000	500,000
Workforce Investment Act Grant	42,183,200	55,871,400	55,864,800
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>419,896,300</b>	<b>453,618,900</b>	<b>452,363,100</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>1,016,601,000</b>	<b>1,172,569,100</b>	<b>1,196,236,900</b>
Federal Funds	37,261,400	40,096,300	39,915,900
Long Term Care System Fund (Federal Match)	418,231,500	469,111,400	515,406,700
<b>SUBTOTAL - Expenditure Authority Funds</b>	<b>455,492,900</b>	<b>509,207,700</b>	<b>555,322,600</b>
<b>SUBTOTAL - Appropriated/Expenditure Authority Funds</b>	<b>1,472,093,900</b>	<b>1,681,776,800</b>	<b>1,751,559,500</b>
Other Non-Appropriated Funds	227,061,300	230,312,900	230,312,900
Federal Funds	522,926,500	573,585,900	578,151,300
<b>TOTAL - ALL SOURCES</b>	<b>2,222,081,700</b>	<b>2,485,675,600</b>	<b>2,560,023,700</b>

**CHANGE IN FUNDING SUMMARY**

	FY 2007 to FY 2008 JLBC	
	\$ Change	% Change
General Fund	24,923,600	3.5%
Other Appropriated Funds	(1,255,800)	(0.3%)
Expenditure Authority Funds	46,114,900	9.1%
Total Appropriated/Expenditure Authority Funds	69,782,700	4.1%
Non Appropriated Funds	4,565,400	0.6%
Total - All Sources	74,348,100	3.0%

**AGENCY DESCRIPTION** — The department provides an array of services for low-income households and others in need. These services are provided through the following divisions: Administration, Developmental Disabilities; Long Term Care, Benefits and Medical Eligibility; Child Support Enforcement; Aging and Community Services; Children, Youth and Families; and Employment and Rehabilitation Services.

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	JLBC
• Agencywide customer satisfaction rating (Scale 1 to 5)	3.6	3.7	3.6	3.8

**CHANGES FROM FY 2007**

		FY 2008
<b>DD Long Term Care Caseload Growth</b>	GF	\$29,365,000
	EA	47,235,100
<b>Adoption and Permanent Guardianship Caseload Growth</b>	GF	6,133,100
<b>TANF and General Assistance Caseload Decline</b>	GF	(4,996,400)
<b>Elimination of One-time Issues</b>	GF	(5,212,000)
	OF	(1,050,000)
	EA	(728,000)
<b>Standard Changes</b>	GF	(366,100)
	OF	(205,800)
	EA	(392,200)

Block Grant permanent revenues are projected to be \$(6,200,800) less than permanent spending.

	FY 2007	FY 2008
Beginning Balance	\$ 13,222,200 <sup>1/</sup>	\$ 6,958,100
TANF Base Revenues	<u>226,630,500</u>	<u>226,630,500</u>
Total – Available TANF	239,852,700	233,588,600
Total TANF Expenditures	<u>232,894,600</u>	<u>232,831,300</u>
Ending Balance	\$6,958,100	\$757,300
Permanent Revenues vs. Expenditures <sup>2/</sup>	\$(6,264,100)	\$(6,200,800)

<sup>1/</sup> Does not include any administrative adjustments for FY 2006.  
<sup>2/</sup> Difference between Base Revenues and Total Expenditures.

Table 2 provides detailed information on TANF expenditures and appropriations.

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**Federal Block Grants**

The JLBC includes \$232,831,300 of the state’s federal Temporary Assistance for Needy Families (TANF) Block Grant allocation. Table 1 summarizes expected yearly revenues, expenditures, and fund balances.

The table compares ongoing revenues and expenditures from the TANF Block Grant. For FY 2008, the TANF

Table 2

	<b>TANF Block Grant Spending</b>			
<b>Cost Center/Special Line Item</b>	<b>Actual FY 2006</b>	<b>Estimated FY 2007</b>	<b>Change from FY 2007</b>	<b>JLBC FY 2008</b>
<b>Administration</b>				
Operating	4,644,800	4,739,100	276,100	5,015,200
Finger Imaging	75,400	276,700	(100)	276,600
Lease Purchase Equipment	571,700	661,000	0	661,000
Public Assistance Collections	175,900	251,500	(600)	250,900
Attorney General Legal Services	145,700	162,500	(500)	162,000
Total – Administration	5,613,500	6,090,800	274,900	6,365,700
<b>Benefits and Medical Eligibility</b>				
Operating	12,467,900	10,054,800	(37,400)	10,017,400
TANF Cash Benefits	90,606,800	79,297,200	0	79,297,200
FLSA Supplement	444,000	508,900	0	508,900
Total – Benefits and Medical Eligibility	103,518,700	89,860,900	(37,400)	89,823,500
<b>Aging and Community Services</b>				
Operating	178,000	240,300	(700)	239,600
Community and Emergency Services	4,427,100	5,424,900	0	5,424,900
Coordinated Hunger Program	414,500	500,000	0	500,000
Coordinated Homeless Programs	1,502,800	1,649,500	0	1,649,500
Domestic Violence Prevention	5,706,700	6,620,700	0	6,620,700
Total – Aging and Community Services	12,229,100	14,435,400	(700)	14,434,700
<b>Children, Youth and Families</b>				
Operating	31,686,700	29,378,400	(272,400)	29,106,000
Adoption Services	10,686,100	10,686,100	0	10,686,100
Adoption - Family Preservation Projects	0	1,000,000	0	1,000,000
Children Support Services	11,970,200	12,129,100	0	12,129,100
CPS Emergency Placement	2,739,900	4,206,400	0	4,206,400
CPS Residential Placement	11,363,600	13,966,600	0	13,966,600
Foster Care Placement	4,846,300	6,223,100	0	6,223,100
Healthy Families	5,034,000	5,034,200	0	5,034,200
Family Builders Program	4,208,200	5,200,000	0	5,200,000
Attorney General Legal Services	48,400	50,500	(100)	50,400
TANF Dep. to Jt S.A. Treatment Fund (Families FIRST)	1,886,700	2,000,000	0	2,000,000
Homeless Youth Intervention	379,700	400,000	0	400,000
Permanent Guardianship Subsidy	859,300	859,300	0	859,300
Total – Children, Youth and Families	85,709,100	91,133,700	(272,500)	90,861,200
<b>Employment and Rehabilitation Services</b>				
Operating	5,310,100	5,734,700	(21,900)	5,712,800
JOBS	17,618,800	17,618,800	(5,700)	17,613,100
Day Care Subsidy	5,641,500	8,020,300	0	8,020,300
Total – Employment and Rehabilitation Services	28,570,400	31,373,800	(27,600)	31,346,200
<b>TOTAL - DEPARTMENT OF ECONOMIC SECURITY</b>				
	<b>\$235,640,800</b>	<b>\$232,894,600</b>	<b>(\$63,300)</b>	<b>\$232,831,300</b>
<b>Beginning Balance</b>	22,232,500	13,222,200		6,958,100
<b>TANF Base Revenues</b>	226,630,500	226,630,500		226,630,500
<b>Total TANF Revenues</b>	248,863,000	239,852,700		233,588,600
<b>TANF Expenditures</b>	235,640,800 <sup>1/</sup>	232,894,600		232,831,300
<b>Ending Balance</b>	\$13,222,200	\$6,958,100		\$757,300

<sup>1/</sup> Does not include any administrative adjustments for FY 2006.

**FORMAT** — Operating Lump Sum with Special Line Items by Program

**FOOTNOTES**

*Standard Footnotes*

The above appropriations are in addition to funds granted to the state by the federal government for the same purposes but shall be deemed to include the sums deposited in the State Treasury to the credit of the Department of Economic Security, pursuant to A.R.S. § 42-5029.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the President of the Senate, the Speaker of the House of Representatives, the Chairpersons of the Senate and House of Representatives Appropriations Committees and the Director of the Joint Legislative Budget Committee by the 30th of the following month. The report shall include an estimate of (1) potential shortfalls in entitlement programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, and any projected surplus in state supported programs that may be available to offset these shortfalls, and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, (3) shortfalls resulting from new leases or renegotiations of current leases and associated costs, and (4) total expenditure authority of the Child Support Enforcement program for

the month and year-to-date as compared to prior year totals.

The Department of Economic Security shall report the receipt and intended use of all current and prior year reversions from nonappropriated sources to the Joint Legislative Budget Committee.

**OTHER ISSUES FOR LEGISLATIVE CONSIDERATION**

**DRA Impact**

The 2006 Federal Deficit Reduction Act (DRA) changed the funding arrangements and requirements of several health and welfare programs. Three programs in DES may have budgetary impacts due to these changes, namely Foster Care, Child Support Enforcement, and Temporary Assistance for Needy Families (TANF). The cost could be up to \$28.2 million on an on-going, annual basis in FY 2009 with a smaller impact in FY 2008. These impacts may potentially be mitigated to some degree by program changes. Those changes, however, need further research. In addition, the Executive's plans for addressing these issues is unknown at this time (late December 2006). As a result, the JLBC Baseline does attempt to address these costs. *(Please see the DRA Impact discussion in the Other Items for Legislative Consideration section of the Division of Benefits and Medical Eligibility, the Division of Child Support Enforcement, and the Division of Children, Youth and Families for further information.)*

<b>SUMMARY OF FUNDS</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>
<b>Capital Investment Fund (DEA2093/A.R.S. § 4-116)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Receipts received from club license and application fees by organizations selling spirituous liquor as defined in A.R.S. § 4-101.		
<b>Purpose of Fund:</b> To be used by the Department of Mental Retardation (now DES, pursuant to A.R.S. § 36-551) for buildings, equipment, and other capital investments.		
<b>Funds Expended</b>	5,900	5,900
<b>Year-End Fund Balance</b>	288,900	331,100
<b>Child Abuse Prevention Fund (DEA2162/A.R.S. § 8-550.01)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> A portion of monies (1.93%) from statutory filing and copy fees collected by the Superior Court and all funds received through a check-off contributions on the Arizona tax form. Monies also may come from a surcharge on certified copies of death certificates when revenues from the surcharge exceed \$100,000 for the year.		
<b>Purpose of Fund:</b> To provide financial assistance to community treatment programs, benefiting abused children and their parents or guardians. An amount of not more than 5% may be expended for administrative expenses related to the fund.		
<b>Funds Expended</b>	72,200	1,574,900
<b>Year-End Fund Balance</b>	1,401,500	239,000

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Child Passenger Restraint Fund (DEA2192/A.R.S. § 28-907)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Fines or penalties from parents, guardians, or legal custodians who fail to sufficiently restrain in motor vehicles children under the age of 4 or weighing less than 40 pounds.		
<b>Purpose of Fund:</b> To purchase child passenger restraint systems and provide them to hospitals for loan to indigent persons.		
<b>Funds Expended</b>	193,600	215,000
<b>Year-End Fund Balance</b>	37,700	14,900
<b>Child Protective Services Expedited Substance Abuse Treatment Fund (DEA2421/A.R.S. § 8-812)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> An annual appropriation from the state General Fund.		
<b>Purpose of Fund:</b> To provide expedited drug treatment to guardians and parents when a dependency case plan calls for treatment. Expenditures from this fund are not displayed to avoid double counting General Fund monies.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	471,400	471,400
<b>Child Support Enforcement Administration Fund (DEA2091/A.R.S. § 46-406)</b>		<b>Partially-Appropriated</b>
<b>Source of Revenue:</b> State Share of Retained Earnings from child support collections, federal incentives, and fees.		
<b>Purpose of Fund:</b> To fund the statewide Child Support Enforcement program.		
<b>Appropriated Funds Expended</b>	11,939,300	14,787,200
<b>Non-Appropriated Funds Expended</b>	3,887,200	4,046,500
<b>Year-End Fund Balance</b>	2,897,100	707,300
<b>Children and Family Services Training Program Fund (DEA2173/A.R.S. § 8-503.01)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> A portion of monies collected from fees charged for copies of Child Protective Services (CPS) files and assessments against legally responsible parties for the support of a child in the state's custody. The fund receives 90% of the revenues collected. The remaining 10% of revenues are credited to the General Fund.		
<b>Purpose of Fund:</b> To administer training for child protective service workers and employees in related programs. The monies cannot be used to pay salaries or expenses of the training staff. Up to 10% of the monies may be used to enhance the collection of monies owed to the agency. Any monies collected from fees for copies of CPS files may be used only for reimbursing the department for its cost.		
<b>Funds Expended</b>	68,100	209,600
<b>Year-End Fund Balance</b>	497,600	226,200
<b>Community-Based Marriage and Communication Skills Program Fund (DEA2434/A.R.S. § 41-203)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations from the Federal Temporary Assistance for Needy Families Block Grant.		
<b>Purpose of Fund:</b> To distribute to community-based organizations whose plans for marriage and communication skills programs are recommended by the Marriage and Parenting Skills Commission. An amount of not more than 5% can be used for administrative costs. Expenditures from this fund are not displayed to avoid double counting appropriated monies.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>DES Client Trust Fund (DEA3152/A.R.S. § 41-1954)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies collected from Social Security, Veterans' Administration benefits, and other benefits payable to a child in the care, custody, or control of DES.		
<b>Purpose of Fund:</b> To defray the costs of care and services expended for the benefit, welfare, and best interest of the child.		
<b>Funds Expended</b>	1,542,700	1,682,700
<b>Year-End Fund Balance</b>	422,100	504,000

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Developmentally Disabled Client Services Trust Fund (DEA2019/A.R.S. § 36-572)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Proceeds from the sale or lease of the real property and buildings used by the department for the Arizona Training Program at Phoenix (ATP-P). ATP-P land was sold in September 1998 for \$4,250,000. The fund may only spend interest earned on the proceeds.		
<b>Purpose of Fund:</b> To enhance services presently available to the developmentally disabled and to extend services to developmentally disabled persons not presently served.		
<b>Funds Expended</b>	124,400	124,400
<b>Year-End Fund Balance</b>	4,339,700	4,374,300
<b>Domestic Violence Shelter Fund (DEA2160/A.R.S. § 36-3002)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> A portion of monies (8.87%) from statutory filing and copy fees collected by the Superior Court. Monies also come from voluntary contributions using tax returns or federal grants, private grants, or other private gifts or contributions.		
<b>Purpose of Fund:</b> To fund grants to qualified shelters for victims of domestic violence.		
<b>Funds Expended</b>	1,700,000	1,700,000
<b>Year-End Fund Balance</b>	1,002,400	881,700
<b>Economic Security Donations Fund (DEA3145/A.R.S. § 36-571, 41-1954)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Grants, gifts, or bequests.		
<b>Purpose of Fund:</b> To be disbursed for the purpose of and in conformity with the terms of the grant, gift, or bequest. Monies received for developmental disabilities purposes are maintained in a separate account.		
<b>Funds Expended</b>	133,000	131,100
<b>Year-End Fund Balance</b>	266,700	316,800
<b>Federal CCDF Block Grant (DEA2008/U.S. P.L. 104-193)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Federal formula grant.		
<b>Purpose of Fund:</b> To be used for developing child care programs and policies that promote parental choice; providing consumer education to help parents make informed choices on child care; providing child care to welfare recipient parents; and implementing health, safety, licensing, and registration standards under state law for child care. Up to 5% of the aggregate amount of funds expended can be used for administrative costs. At least 4% of funds must be used for consumer education and activities for improving the quality and availability of child care. No monies can be used for purchasing land or building facilities to provide child care.		
<b>Funds Expended</b>	105,782,700	117,114,900
<b>Year-End Fund Balance</b>	15,318,000	0
<b>Federal Grants (DEA2000/A.R.S. § 41-101.01)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grants, excluding Temporary Assistance for Needy Families, Child Care and Development Fund, and Workforce Investment Act Block Grants.		
<b>Purpose of Fund:</b> To be expended as stipulated by federal statutes authorizing the availability of the federal monies. Some major expenditure items include Food Stamp administration and the Social Services Block Grant.		
<b>Funds Expended</b>	560,187,900	613,682,200
<b>Year-End Fund Balance</b>	0	0
<b>Federal Reed Act Grant (DEA9501/A.R.S. § 23-701)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Administrative unemployment security insurance monies redistributed back to the states by the federal Department of Labor.		
<b>Purpose of Fund:</b> To enhance states' employment security programs by providing one-time monies for equipment and short-term operating expenditures to improve customer service delivery for Arizona's unemployment insurance program.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	144,276,500	144,276,500

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Federal TANF Block Grant</b> (DEA2007/U.S. P.L. 104-193)		<b>Appropriated</b>
<b>Source of Revenue:</b> Federal formula grant.		
<b>Purpose of Fund:</b> To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of 2-parent families.		
<b>Funds Expended</b>	235,640,800	232,894,600
<b>Year-End Fund Balance</b>	13,008,200	0
<b>Homeless Trust Fund</b> (DEA3026/A.R.S. § 41-2021)		<b>Appropriated</b>
<b>Source of Revenue:</b> Unclaimed or void warrants, up to \$1,000,000, served as the initial source of financing. The previous sources of revenue were donations and investment earnings.		
<b>Purpose of Fund:</b> To provide funds for homeless shelter and supportive services. Yearly expenditures were limited to interest earned. Expenditures from this fund required a match of 25% by grantees. In FY 2007 the previously non-appropriated fund was eliminated and the fund balance was appropriated as homeless services matching monies in Maricopa and Pima Counties and any county with a population less than 500,000 persons.		
<b>Funds Expended</b>	0	850,000
<b>Year-End Fund Balance</b>	857,900	23,100
<b>Arizona Industries for the Blind Fund</b> (DEA4003/A.R.S. § 41-1975)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Proceeds from sales of products of Arizona Industries for the Blind, as well as interest earned on the fund balance.		
<b>Purpose of Fund:</b> To provide funds for the wages and salaries of production workers, inspectors, and other employees necessary for the operation of the training centers, workshops, or home industries; supplies, equipment or other incidental costs.		
<b>Funds Expended</b>	13,743,600	16,844,700
<b>Year-End Fund Balance</b>	2,591,700	1,344,500
<b>Joint Substance Abuse Treatment Fund</b> (DEA2429/A.R.S. § 8-881)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations from the General Fund and the Federal Temporary Assistance to Needy Families Block Grant.		
<b>Purpose of Fund:</b> To be jointly administered by DES and the Department of Health Services for services to families and Federal Temporary Assistance for Needy Families recipients involved with Child Protective Services and whose substance abuse is a significant barrier to maintaining, preserving, or reunifying the family. An amount of not more than 5% can be used for program development costs. Up to 10% can be used for evaluating community programs delivering the services. Expenditures from this fund are not displayed to avoid double counting appropriated monies.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	123,900	0
<b>Long Term Care System Fund (Federal Match)</b> (DEA2225/A.R.S. § 36-2953)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal Title XIX monies.		
<b>Purpose of Fund:</b> To fund administrative and program costs associated with the Long Term Care system.		
<b>Funds Expended</b>	418,231,500	469,111,400
<b>Year-End Fund Balance</b>	0	0
<b>Long Term Care System Fund (Non-Federal Matched)</b> (DEA2224/A.R.S. § 36-2953)		<b>Appropriated</b>
<b>Source of Revenue:</b> Client revenue for room and board, third-party recovery, interest, and miscellaneous federal monies.		
<b>Purpose of Fund:</b> To fund administrative and program costs associated with the Long Term Care system. These monies are used to offset costs of services provided to Long Term Care clients which are not reimbursed by the federal government, such as room and board.		
<b>Funds Expended</b>	19,021,200	21,897,200
<b>Year-End Fund Balance</b>	20,708,400	12,314,300

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Mesa Land Fund (DEA3151/Laws 1976, Ch. 140)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Proceeds from the sale of donated land located in Mesa. Interest proceeds are transferred to the appropriated Long Term Care System Fund.		
<b>Purpose of Fund:</b> To be used for the establishment and operation of community-based, state-operated, residential group homes and/or habilitation and training facilities. The funds may not be used for the Arizona Training Centers in Coolidge.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Neighbors Helping Neighbors Fund (DEA2348/A.R.S. § 46-741)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Includes contributions from income tax refunds and other donations and interest earnings.		
<b>Purpose of Fund:</b> To provide assistance in paying utility bills, conserving energy and weatherization to eligible individuals. Fund monies are available to designated community action or other agencies currently providing energy assistance services to eligible individuals. An amount of not more than 2% of the fund monies may be used by DES, and an amount of not more than 8% of the fund monies may be used by the designated agencies for administrative costs.		
<b>Funds Expended</b>	20,100	20,700
<b>Year-End Fund Balance</b>	90,100	69,400
<b>Public Assistance Collections Fund (DEA2217/A.R.S. § 46-295)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> A portion of monies collected in recovery payments from ineligible or overpaid public assistance recipients and reimbursements received from persons legally responsible for support of public assistance recipients. The fund receives 25% of the monies collected. The remaining 75% of revenues are credited to the General Fund.		
<b>Purpose of Fund:</b> To improve public assistance collection activities.		
<b>Funds Expended</b>	275,700	502,600
<b>Year-End Fund Balance</b>	456,200	472,600
<b>Risk Management Fund (DEA4216/A.R.S. § 41-622)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Charges assessed on agencies insured under the state's risk management system, as well as all monies recovered by the state pursuant to litigation and other means. Funds are used to pay for damages relating to liability, property, and workers' compensation losses.		
<b>Purpose of Fund:</b> To contract for and implement a disaster recovery plan for DES, in partnership with the Department of Administration and the Department of Public Safety.		
<b>Funds Expended</b>	0	271,500
<b>Year-End Fund Balance</b>	275,400	3,900
<b>Special Administration Fund (DEA2066/A.R.S. § 23-705)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Monies are from interest charges and employers' penalty fees assessed on late unemployment payments.		
<b>Purpose of Fund:</b> To defray administration costs found not to have been properly and validly chargeable against Federal grants or other funds.		
<b>Funds Expended</b>	844,100	2,193,600
<b>Year-End Fund Balance</b>	1,934,800	586,900
<b>Special Olympics Tax Refund Fund (DEA3207/A.R.S. § 41-173)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Includes contributions from income tax refunds and other donations and interest earnings.		
<b>Purpose of Fund:</b> To contract with a nonprofit entity for delivery of those services essential to the Arizona Special Olympics' programs and to cover the Department of Revenue's costs for administering the refund check-off.		
<b>Funds Expended</b>	41,900	41,900
<b>Year-End Fund Balance</b>	58,500	120,700

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Spinal and Head Injuries Trust Fund (DEA2335/A.R.S. § 41-3203)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> The fund receives 22% of monies deposited in the Medical Services Enhancement Fund (MSEF). MSEF revenues consist of a 13% penalty assessment on fines, violations, forfeitures, and penalties imposed by the courts for criminal offenses, civil motor statute violations, and game and fish violations.		
<b>Purpose of Fund:</b> For 1) prevention and education of spinal and head injuries; 2) rehabilitation, transitional living and equipment necessary for daily living activities; 3) a portion of the cost of the disease surveillance system and statewide referral services for those with head injuries and spinal cord injuries; 4) costs incurred by the Advisory Council on Spinal and Head Injuries; and 5) DES' costs for administering the provisions.		
<b>Funds Expended</b>	2,102,600	2,551,400
<b>Year-End Fund Balance</b>	1,816,300	1,521,400
<b>Statewide Cost Allocation Plan Fund (DEA9538/A.R.S. § 41-1954)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Federal reimbursement.		
<b>Purpose of Fund:</b> General operations.		
<b>Funds Expended</b>	0	1,000,000
<b>Year-End Fund Balance</b>	0	0
<b>Tobacco Tax and Health Care - Medically Needy Account (HCA1306/A.R.S. § 36-774)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> The account receives 70¢ of each dollar deposited in the Tobacco Tax and Health Care Fund, administered by the Department of Revenue, and 27¢ of each dollar deposited into the Tobacco Products Tax Fund, also administered by the Department of Revenue. The fund also receives a portion of the monies reverting from the Corrections Fund Adjustment Account and an allocation from the Healthcare Adjustment Account.		
<b>Purpose of Fund:</b> For health care services including, but not limited to, preventive care, transplants and the treatment of catastrophic illness or injury. Eligible recipients include persons statutorily determined to be medically indigent, medically needy, or low-income children. A portion of the monies is transferred to the DHS for statutorily established services, grants and pilot programs. In FY 2007, \$200,000 was appropriated to DES to provide specialized training for habilitation workers who work with autistic children.		
<b>Funds Expended</b>	0	200,000
<b>Year-End Fund Balance</b>	0	0
<b>Unemployment Insurance Benefits Fund (TRA9005/A.R.S. § 23-701)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Employer contributions and interest earnings. The monies are maintained and tracked in 2 separate accounts: one by the U.S. Treasury and one by the state, which is used for clearing and paying benefits. The majority of the funds available are in the U.S. Treasury account. DES, as federally required, deposits all employer contributions, other than those retained for immediate benefit payments, in the U.S. Treasury, which tracks each state's account separately.		
<b>Purpose of Fund:</b> To retain and invest formula-determined employer unemployment contributions to be used for payment of future unemployment benefits and refunds pursuant to § 903 of the federal Social Security Act.		
<b>Funds Expended</b>	206,834,800	206,000,000
<b>Year-End Fund Balance</b>	514,255,900	608,255,900
<b>Utility Assistance Fund (DEA3092/A.R.S. § 46-731)</b>		<b>Partially-Appropriated</b>
<b>Source of Revenue:</b> Unclaimed or abandoned utility deposits as defined under A.R.S. § 46-731B.		
<b>Purpose of Fund:</b> To provide utility repair and deposit assistance to eligible recipients. Financial assistance to an individual shall not exceed \$2,000 per fiscal year. An amount of not more than 2% of the fund monies may be used by DES, and an amount of not more than 8% of the fund monies may be used by the designated community action or other agency providing energy assistance for administrative costs.		
<b>Appropriated Funds Expended</b>	266,400	500,000
<b>Non-Appropriated Funds Expended</b>	534,100	1,200,000
<b>Year-End Fund Balance</b>	1,128,600	928,600

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Workforce Investment Act Grant (DEA2001/U.S. P.L. 105-220)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Federal formula grant.		
<b>Purpose of Fund:</b> To consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs.		
<b>Funds Expended</b>	42,183,200	55,871,400
<b>Year-End Fund Balance</b>	22,386,700	3,144,200