

PROGRAM FACT SHEET

Arizona Department of Economic Security

Division of Employment and Rehabilitation Services

Services:

The Department of Economic Security (Department) provides a variety of assistance programs to needy families and individuals throughout Arizona. The Division of Employment and Rehabilitation Services (DERS) is one of two divisions that administer the Department's primary welfare and employment programs.

DERS administers the State's Unemployment Insurance, Job Service (recruitment), and Vocational Rehabilitation Programs. Additionally, it provides job-training opportunities through the Workforce Investment Act and Jobs Program and administers a comprehensive set of child care programs through the Child Care Administration. Beginning in July 2004, the Division is required to privatize the Jobs Program and will then monitor the private contractors that will provide Jobs Program services.

Facilities and equipment:

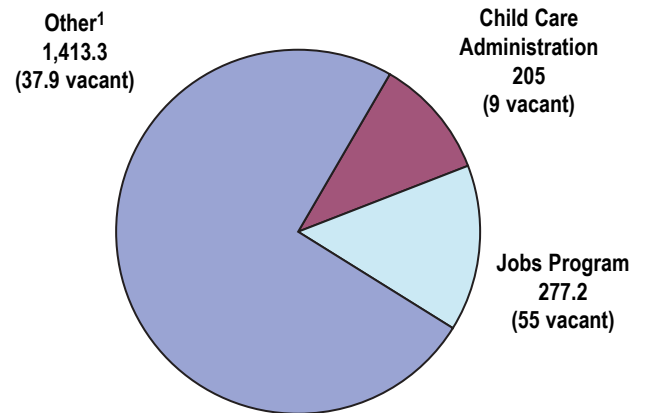
DERS leases office space in 102 locations, including 60 locations shared with other DES divisions, at an annual cost of nearly \$5.3 million. It also has offices in 19 DES-owned buildings. Additionally, DERS owns a variety of equipment and property, including standard office equipment such as computer equipment, furniture, and a \$3.2 million telephone system, and 94 vehicles, costing approximately \$1.75 million. DERS also owns other equipment, including scanners, Braille and eye-testing equipment, and Palm Pilots.

Mission:

To assist Arizonans in finding and maintaining meaningful work and independence and to develop a skilled, productive, and resilient workforce.

DERS staffing:

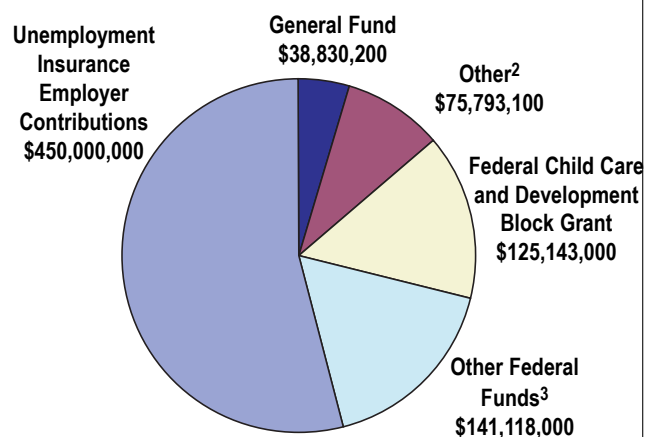
1,895.5 FTE, as of June 30, 2003, including 101.9 vacancies



¹ According to the Department, DERS' vacancies were unusually high due to Special Session budget reductions in fiscal year 2003.

DERS revenue:

\$830,884,300 (fiscal year 2004 estimated)



¹ Other Administrations within DERS include Employment Services, Rehabilitation Services, Workforce Development, and General Administration.

² Other revenues include employer taxes for job training, interest and penalties for late payments, and miscellaneous revenues.

³ Other federal funds include TANF Block Grant, Workforce Investment Act Grant, Vocational Rehabilitation Grant, and Unemployment Insurance Grant.

Jobs Program goals:

This audit focused on the Jobs Program in DERS. The Jobs Program has established the following goals:

- To increase the number of Temporary Assistance for Needy Families (TANF) participants who obtain employment.
- To increase the number of TANF participants placed in employment.
- To increase the number of TANF participants who obtain employment with medical benefits.
- To increase the number of participants who remain employed 90 days following placement.
- To increase the average wage of participants who obtain employment.

Adequacy of goals and performance measures:

The Jobs Program's goals appear appropriate for its mission. However, it has established only one performance measure for each of its five goals. Further, although it has output and outcome measures, it does not have any input, efficiency, or quality measures. DERS should consider adding input measures, such as the number of TANF recipients participating in Jobs Program activities; efficiency measures, such as the average number of days to place a participant in a job; and quality measures, such as employer satisfaction with participants placed in jobs.

Source: Auditor General staff compilation of unaudited information obtained from the Department's Web site, the Department's FTE Status/Tracking Report for the year ended June 30, 2003, the Department's Datawarehouse, the Department's strategic plan, and information provided by the Department from its Financial Management Control System for the years ended June 30, 2002 and 2003, and other information provided by the Department.