



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Janet Napolitano
Governor

David A. Berns
Director

Ms. Debra K. Davenport, CPA
Auditor General
Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

Dear Ms. Davenport:

The purpose of this letter is to forward the Arizona Department of Economic Security's written response to the preliminary draft report of the performance audit of the Department's Service Integration Initiative.

The Department is pleased with your recognition of our commitment and initial efforts to implement a new service delivery approach to improve outcomes for families served. We also appreciate the cooperation of your staff throughout the performance audit process.

If you have any questions regarding this response, please contact me at (602) 542-5678 or Susan Hallett, Service Integration Project Coordinator at (602) 542-6017.

Thank you for the opportunity to review the preliminary draft report.

Sincerely,

David A. Berns

Enclosures

**ARIZONA DEPARTMENT OF ECONOMIC SECURITY
SUNSET REVIEW ON SERVICE INTEGRATION DRAFT REPORT
RESPONSE TO AUDITOR GENERAL RECOMMENDATIONS
JUNE 30, 2005**

Finding 1: Department should take steps to ensure service integration efforts are sustainable.

The Department concurs with the finding.

Auditor General Recommendations:

a. Identify and make plans to overcome the barriers to success encountered by past efforts.

The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

DES Response:

There is a strong core team made up of key individuals from all areas (representing both staff and management). They are responsible and accountable for identifying tasks and adhering to timelines. This core team was formed in response to prior experiences indicating there is a need for increased coordination and communication among divisions. The group is documenting checkpoints throughout the process to provide the opportunity to evaluate outcomes, along with identifying and communicating “lessons learned”. The information will be utilized to implement any needed changes prior to moving to the next phase. Communication plans are in process that place emphasis on consistent and timely information being distributed to the Agency.

The Agency has placed a strong focus on ensuring that staff be an integral part of the process throughout this initiative. They are encouraged to utilize their knowledge and experience to contribute ideas for change. Focus groups have been, and will continue to be, utilized for development of new processes. An Intranet site is being implemented that will provide a mechanism for communicating to staff as well as soliciting ideas and feedback. In addition, the Department is identifying perceived barriers and developing solutions to further service integration initiatives.

b. Continue to share experiences and ideas from local office initiatives with other local offices to facilitate their development of successful service integration initiatives.

The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

DES Response:

The Agency will continue to investigate and rely on what other States and Agencies have done successfully. We also rely on bringing in community representatives as part of the process of identifying needs or procedural changes that will ensure our clients needs are met most effectively.

As a new process is implemented in a local office, it is evaluated to determine if any changes or updates are needed. The results are used to communicate and improve the process prior to incorporating in other offices. An Intranet site is being implemented that will provide a mechanism for communicating to staff as well as soliciting ideas and feedback.

c. Identify measurable outcomes, assess the implications of relying on its current measures, and evaluate the success of its service integration efforts.

The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

DES Response:

A key element to the success of Service Integration is measuring whether the new process is working, along with developing new measures where needed. A team has been established to focus on Performance Management and implement appropriate measures. A consultant will also be utilized to help us ensure we are focused on the right things. The data obtained in the process will be analyzed and utilized to identify areas we need to modify or reevaluate, if necessary, as we progress through the service integration process. The measurements will also identify successes we can use as a communication tool and encouragement for Agency staff as we implement changes.