



Innovative Workforce Solutions

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**Workforce Innovation and Opportunity Act (WIOA) Annual Statewide  
Performance Report Narrative for Titles I and III**

**Program Year 2021**

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The Arizona Department of Economic Security (ADES), the State Workforce Agency, prepared this narrative for Program Year (PY) 2021, with contributions from the Arizona Office of Economic Opportunity (OEO) and local workforce development area<sup>1</sup> partners. This narrative highlights services to job seekers and employers through the Adult, Dislocated Worker, Youth (Title I) and Wagner-Peyser Employment Service (Title III) Programs under the Workforce Innovation and Opportunity Act (WIOA). The Adult Education (Title II) and Vocational Rehabilitation (Title IV) Programs collaborated in the development of this narrative.

## **Services that Prepare Job Seekers**

### **Virtual Appointment Scheduler**

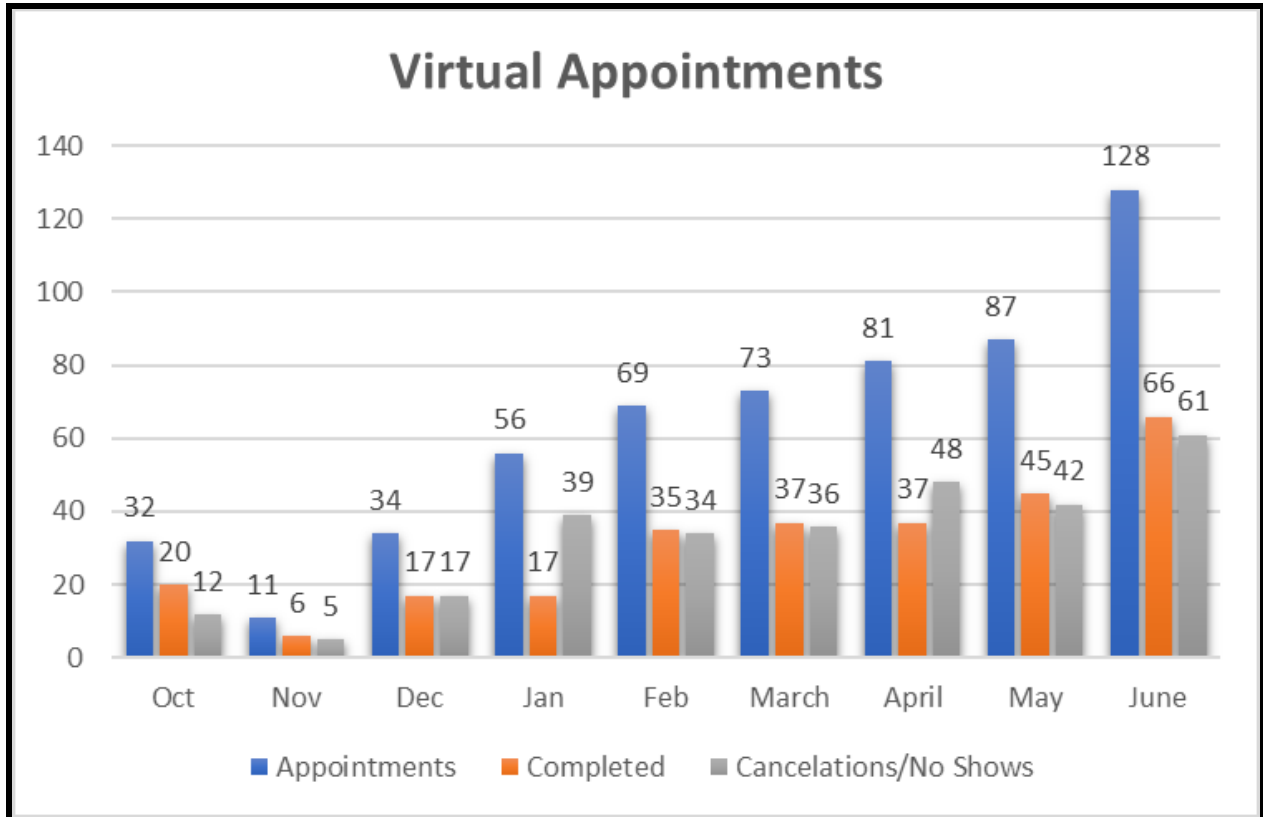
Arizona uses technology to extend services to those who were unable to participate in in-person activities or preferred to receive services remotely. The virtual appointment scheduler was established at the end of PY 2020 serving multiple programs, including Employment Service. Virtual office staff have received extensive training on the scheduler as well as cross-training on partner programs, which enable immediate provision of services or referrals to partner programs, including the following:

- Temporary Assistance for Needy Families (TANF);
- Supplemental Nutrition Assistance Program Career Advancement Network;
- Reentry Services;
- Jobs for Veterans State Grant;
- Reemployment Services and Eligibility Assessment;
- Trade Adjustment Assistance (TAA) for Workers;
- TANF - Refugee;
- Adult, Dislocated Worker, and Youth under Title I;
- Employment Service under Title III; and
- Vocational Rehabilitation under Title IV.

Virtual office staff call and email clients prior to the appointment as a reminder and to ascertain what services they need in order to further research services available for clients. The team's goal is to provide clients with thorough and effective employment services. From October of 2021 until June of 2022, the virtual office team completed 282 out of 546 scheduled appointments for a completion rate of 51.6 percent. The remaining clients either did not report to the appointment or canceled the appointment.

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<sup>1</sup> Local workforce development area will be referred to as "local area," as defined in section 3 of WIOA.



## Reentry Services

In keeping with Arizona’s goal to provide impactful services to previously incarcerated individuals, ADES continues its partnership with the Arizona Department of Corrections, Rehabilitation and Reentry (ADCRR), utilizing two service-delivery models: Prison Based Reentry Services and Community Based Reentry Services. Through these models, ADES Reentry Program staff have served approximately 40 percent of the monthly releases in Arizona.

### Prison-Based Reentry Services

- The Second Chance Center has continued its program that provides eight weeks of employment services to incarcerated individuals nearing release from State-run prisons. The ADES Reentry team has also joined forces with ADCRR and the Men in Recovery Community Program to expand services through the Second Chance Center.
- Resource Education and Development (RED) Program has continued to provide virtual 30-day pre-release employment services. Through RED, Reentry staff provided 869 inmates with job development courses.

## Community-Based Reentry Services

Community-based reentry services were provided at parole offices, Native Health, Center of Opportunity, and New Freedom, where ADES staff served justice-involved individuals:

- New Freedom is a program focused on recovery and support for those reentering the community from prison. Near the completion of the 90 day program, Reentry employment counselors provide services and resources to participants to help them pursue employment opportunities. Since March 2022, Reentry staff have served 799 clients.
- Center of Opportunity provides services to the homeless community to help them get back on their feet and thrive. The Reentry team provides onsite services that include job matching and career search services. Since November 2021, Reentry staff have served 115 clients.
- ADES staff provide post-release employment services through 12 parole offices using virtual and co-located arrangements. In PY 2021, Reentry staff served 3,995 individuals.

## **Arizona Career Readiness Credential**

The [Arizona Career Readiness Credential](#) (ACRC) is a Statewide initiative that serves job seekers and employers alike. Through the completion of career readiness modules and assessments, ACRC equips job seekers with employability skills that help them thrive in the workplace. Further, it helps employers validate that job candidates possess foundational academic and technical knowledge as well as the necessary interpersonal and soft skills.

In PY 2021, there were 1,817 new enrollments for the ACRC. A total of 359 individuals earned an ACRC, which required the completion of four assessments: work-ready math, work-ready reading, work-ready data, and professional skills. Another 300 individuals earned professional skills certificates, which are awarded after completing only one assessment.

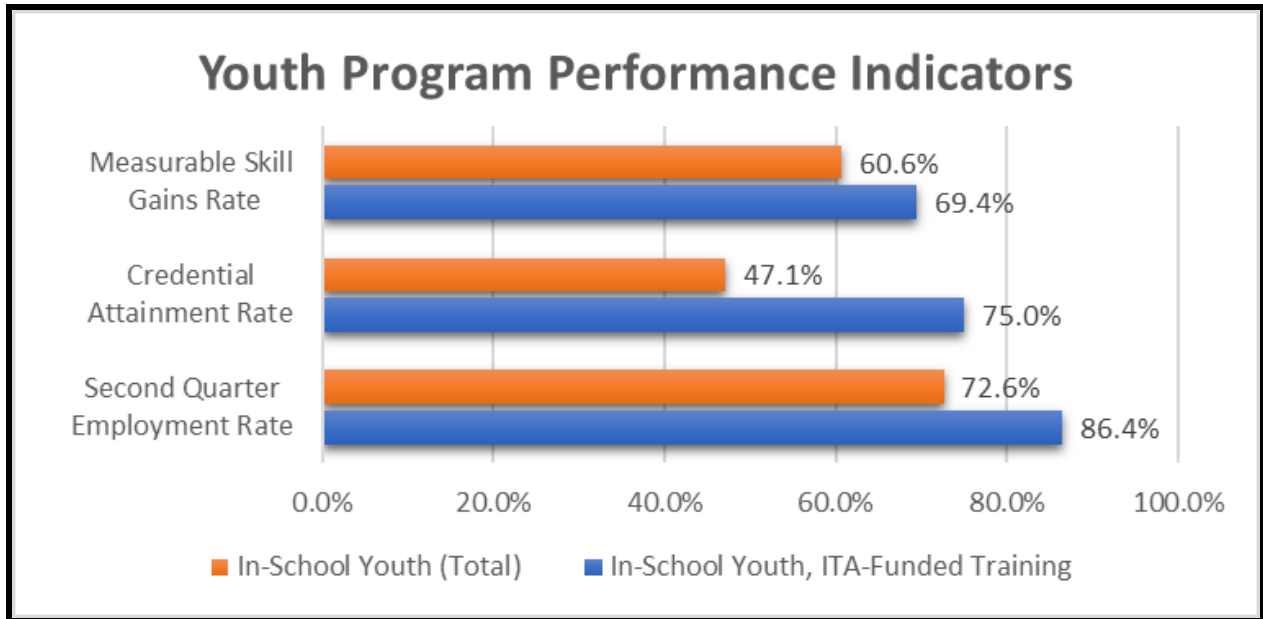
Participating job seekers logged a total of 10,297 hours in the Learning and Testing Portal. A total of 7,943 eBadges were earned, which signify skills development and learning progress.

## Waiver: Individual Training Account for In-School Youth

Activities that impact job seekers' readiness for entry into the workforce include the use of individual training accounts (ITAs) to fund training for in-school youth, ages 16-21. The waiver, which allows ITAs for in-school youth, continued to benefit participants in PY 2021, when 136 training services funded by ITAs were delivered to 124 in-school youth participants. As shown in the table and chart below, in-school youth who received training via ITAs were more likely to be employed in the second quarter after exit, attain a credential, and achieve a measurable skill gain.

### PY 2021 Performance Indicators Comparison

Indicator	In-school Youth with ITA-funded Training			In-school Youth Total		
	Achieved a Positive Outcome	Total Qualified to Achieve Outcome	Rate	Achieved a Positive Outcome	Total Qualified to Achieve Outcome	Rate
Employment Rate, Second Quarter After Exit	19	22	86.4	167	230	72.6
Credential Attainment Rate	12	16	75.0	88	187	47.1
Measurable Skill Gains Rate	86	124	69.4	177	292	60.6



While the impacts of the waiver on WIOA performance indicators appear promising for PY 2021, it is important to consider the size of the cohorts when compared to the broader in-school youth population. The waiver was approved in late 2019, with 2020 being the first full Calendar Year (CY) in which ITA funding was accessible to participants. As seen in the credential attainment denominator, only 16 individuals who participated in ITA-funded training exited during CY 2020, thus impacting the PY 2021 credential attainment rate. Similarly, just 22 individuals exited between July 1, 2020 and June 30, 2021, and were counted in the second quarter placement rate.

However, the measurable skill gains rate as a “real-time” indicator, offers a larger sample. As of PY 2021, this may be the most informative indicator as to the impact of the waiver on performance outcomes. The impact of the waiver will continue to become more clear in future PYs as the cohort sample sizes increase.

### **Business Engagement Strategies**

Arizona’s collective business engagement professionals collaborate with employers to advance sector strategies and to develop solutions for company- and industry-related workforce challenges.

#### **Systemwide Collaboration**

[Statewide Business Services Call](#)

State and local business services teams continue to engage in a weekly Statewide Business Services Call. The call's agenda includes information on labor market information, employer presentations, and Rapid Response and layoff aversion efforts. The call also serves as a platform for attendees to ask questions of systems experts, share best practices, and identify roadblocks from around the State.

### AZHiresVets!

AZHiresVets! is a recruitment effort coordinated with the Office of the Governor and other local and Statewide partners. Since the initiative began in early 2021, ADES was a driving force in three Statewide virtual events and five in-person hiring events in Phoenix, Tucson, and Flagstaff. The virtual and in-person hiring events have averaged 14 State agencies in attendance and resulted in over 20 new hires for jobs within the State of Arizona.

### Lucid Motors Hiring Project

Employment Service, with local area business service representatives, spearheaded the Lucid Motors hiring project. Staff involved in the project assisted job seekers with completing applications and helped Lucid Motors in the candidate screening process. The effort resulted in 139 screenings and led to the recruitment of 76 applicants who had been screened (55 percent).

### **Registered Apprenticeship**

The Arizona Apprenticeship Office (AAO) continues to assist Arizona businesses with attracting and retaining quality talent and job seekers who are in pursuit of worthwhile employment and viable career pathways. In PY 2021, 2,563 new apprentices were placed in registered apprenticeship programs. The State has also experienced growth and diversification of opportunities in sectors<sup>2</sup> that include the following:

- Construction;
- Health Care;
- Manufacturing;
- Finance and Insurance;
- Information Technology; and
- Cybersecurity.

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<sup>2</sup> North American Industry Classification System <https://www.census.gov/naics/?58967?yearbck=2022>



The AAO added 40 new registered apprenticeship programs in PY 2021. Fifteen new registered apprenticeship programs opted to be included in the State Eligible Training Provider List (ETPL), with a total of 54 registered apprenticeship programs in the ETPL as of the end of the PY 2021.

### Partnership with Education Programs

The AAO has worked closely with Arizona community colleges that have active programs with registered apprentices. This allows for apprentices registered with those programs to earn college credits toward an associate degree.

The AAO has also worked closely with Career Technical Education (CTE) to align CTE occupational programs with industry standards in registered apprenticeship. In Arizona, quality pre-apprenticeship programs have been established with CTE in Maricopa County as well as youth apprenticeships in Maricopa and Pima counties. The AAO has been working to increase pre-apprenticeship opportunities in all 12 local areas. As pre-apprenticeship programs allow for dual enrollment in many cases, a graduate from a CTE or pre-apprenticeship program may earn college credit for their school work even before entering a registered apprenticeship program.

The AAO has engaged national intermediary sponsors of registered apprenticeships and intermediary contractors that are subject-matter experts in their industries. Information technology and cybersecurity programs have grown over the years and are helping to fill the gap of skilled workers in the industry. A number of Arizona community colleges and organizations such as Computing Technology Industry Association (CompTIA) provide the proper instruction required and the correct certifications needed by apprentices for each of the industry occupations. Universities are becoming more involved with registered apprenticeships, with University of Arizona and Arizona State University currently having active programs.

### Partnerships with Industry Sectors

The AAO has targeted the healthcare industry and engaged subject-matter experts from national intermediaries to assist with providing relevant information to healthcare providers in the State. The intermediaries provided detailed information on how registered apprenticeships may help sector employers address recruitment challenges and develop a skilled workforce.

The AAO has also worked with the manufacturing industry and national intermediaries' subject-matter experts to help grow registered apprenticeship opportunities in

manufacturing. The AAO sees opportunities for growth as the State has become a hub for semiconductor production and has worked with the National Institute for Innovation and Technology, a national intermediary, to provide the proper certification and training outlines required to open newer occupations to registered apprenticeship.

## **Performance Accountability**

The narrative addresses two elements that affect the State's performance accountability: (1) data validation and (2) common exit among programs that use the State's system of record.

### **Data Validation**

To help improve performance accountability and ensure the accuracy of participant information, ADES conducted data validation for the Adult, Dislocated Worker, and Youth programs, in accordance with policy and procedures established in PY 2020. In PY 2021, ADES also completed a joint data validation policy for the Employment Service and Jobs for Veterans State Grants (JVSG) Programs.

The joint Employment Service and JVSG data validation policy outlines the State's responsibilities in ensuring the integrity and accuracy of data elements reported to the United States Department of Labor. The policy establishes the requirements for the following:

- Data validation selection method and sample size;
- Corrective actions for failure to correct errors;
- Training and technical assistance; and
- Record retention.

### **Frequency of Data Validation**

ADES conducted quarterly data validation of the Adult, Dislocated Worker, and Youth Program participant records. Data validation for PY 2021 began July 1, 2021, and initiated each quarter on the first business day beginning the quarter end date. Data validation for the Employment Service, JVSG, and TAA Programs will be conducted quarterly as well.

## Sampling Methodology

The participant records pulled for data validation are selected from the reporting cohorts for the quarter. The system generates a file with participant information from the reporting cohort and displays the breakdown of the total number of records, the number of the sample size for each office or job center, and the number of records to be validated to reach the sample size needed. The [Creative Research Systems Sample Size Calculator](#) is used to determine the sample size needed based on the population, with a 95 percent confidence level and a 5 percent confidence interval.

While the files for data validation are generated and pulled from the system as described in the preceding paragraph, the sample size for the Adult, Dislocated Worker, and Youth Program quarterly review is ultimately based on staff resources in the audit unit. The unit supervisor overseeing the validators is tasked with randomly selecting five participant records from each program, for a total of 15 exited participant records per local area. If less than five participant records exist in any program, all files in that program will be reviewed. The supervisor will evenly distribute the local area participant records amongst the four validators.

The sample size selected for the Employment Service quarterly review is also based on staff resources within the audit unit. The audit unit supervisor is tasked with randomly selecting a combination of 234 active and exited participant records from 33 ARIZONA@WORK job centers based on the number of Employment Service participants at each job center the previous quarter. As 234 active and exited participant files are validated each quarter, a total of 936 participants files are validated a year. Case records to be reviewed are evenly assigned to the three validators.

Prior to starting the review, the validators will compare the selected participant records for the previous quarter's data validation to the current record selection to avoid any duplication in the two quarters.

## Correction of Erroneous Data

For the Adult, Dislocated Worker, and Youth Programs, ADES gives each local area 10 business days from the date of issuance of the monitoring report to respond to the report, address program errors, upload missing source documents in the Arizona Job Connection (AJC) System, and address any out-of-range variances or other anomalies.

All identified data inaccuracies or missing data must be addressed by each local area during the quarterly data validation. In PY 2021, the 12 local areas have a combined data accuracy rate of 97 percent after corrections have been made.

If ADES determines that a local area has exhibited a consistent pattern of meeting or exceeding a two percent error threshold, ADES will require additional corrective action, which may include the following:

- Additional data validation of local area participant records; and
- The reporting of noncompliance to the ADES Finance and Business Operation Administration for possible implementation of substantial violations following Section 1300 of the State's WIOA Data Validation Policy.

The two percent threshold is determined by simply not meeting an accuracy rate of 98 percent per local area, quarter after quarter, within the PY.

#### Data Validation Training

ADES conducted its annual data validation training for the Adult, Dislocated Worker, and Youth Programs in August 2022. The training covered the following: a review of the data validation policy and procedures for the Title I Programs, common findings in PY 2021, the reasons for the findings, and how to address them.

Technical assistance is also available to individual local areas to address common monitoring findings and any concerns specific to the local area.

ADES is developing a virtual training module for the Employment Service Program to assist in the implementation of the data validation policy and procedures. Employment Service staff will receive the training annually. In addition, staff will be able to access and refer to the data validation policy, procedures, and checklist at any time as they will be uploaded to the ADES intranet.

#### Record Retention

All records pertaining to data validation are maintained pursuant to 29 Code of Federal Regulations § 97.42 and maintained for a period of three years in accordance with the state disposition schedule.

## **Common Exit**

Performance indicators related to participants are based on the participant's exit date (excluding measurable skill gains). A participant enrolled in multiple programs with a common exit will have an exit date based on the date the participant received the last service in any of the programs. In PY 2021, the H-1B One Workforce Grant Program (lead by ARIZONA@WORK Pima County) was added to the programs with a common exit, as listed below:

- Adult, Dislocated Worker, and Youth (Title I-B of WIOA);
- National Dislocated Worker Grant (Title I-D of WIOA);
- Wagner-Peyser Employment Service (Title III);
- TAA for Workers;
- Jobs for Veterans State Grant;
- H-1B One Workforce Grant; and
- Registered Apprenticeship.

For a participant co-enrolled in any of the programs listed above, AJC will retroactively apply the date when the participant received the last service from any of the programs above as the participant's exit date.

## **Research and Evaluation: ARIZONA@WORK Training Program Effectiveness**

### **Project Objective**

The objective of the study is to evaluate the effectiveness of workforce training Programs provided by eligible training providers within the Title I Adult and Dislocated Worker Programs. The analysis is intended to help workforce policy makers adopt training program strategies that align with the goals of the ARIZONA@WORK system: promoting resources that lead participants to meaningful employment with livable wages.

### **Overview**

The study will include Adult and Dislocated Worker participants who exited the workforce system between fourth quarter CY 2018 and fourth quarter CY 2022. The study will compare employment and wage outcomes of two groups of participants: those who completed at least one training program and those who did not complete a training program, to identify if training programs are effective in improving participant employment and wage results. The study will examine participant employment and

wage outcomes by training subjects to better understand the differences in effectiveness between training programs. Finally, the study will review participant training completion rates to highlight training programs with above- and below-average completion rates.

Other considerations are as follows:

- Participants who started a training program but did not finish were included in a training program's training completion evaluation.
- Participants who completed a training program were included in a training program's employment and average wage evaluation.
- Only the last completed training program was considered for participants who completed multiple training programs.
- The study evaluated employment and wage outcomes for those participants who completed a training program in the other occupational skills training service type category. Note, "other occupation training service" is an official training type category defined under WIOA as training that combines workplace training with related instruction, or skill upgrading and retraining.

## **Evaluation Method**

To determine the quality of available training programs, this study reviewed participant performance across four outcome measures for participants who completed a training program. These measures included:

- Employment rate two quarters after exit;
- Employment rate four quarters after exit;
- Average quarterly wage received two quarters after exit; and
- Sustained employment (difference between second quarter and fourth quarter employment rates).

Actual participant performance by training program was compared to the predicted participant performance estimated by the Statistical Adjustment Model (SAM) for Training Programs. The SAM for Training Providers estimates performance outcomes for each participant who completed a training program based on that participant's demographic and economic characteristics. A training program was determined to be effective if participants who completed a training program had higher performance outcomes on average in all four categories than the estimated lower bound performance results calculated by the SAM for training providers model.

The model's predicted results of a training program were compared to the average results of all programs. Lower predictions indicate the training program served a harder-to-serve group. The SAM for Training Providers is described in detail in the next section.

The completion rate of training programs was also analyzed to identify training programs with favorable employment and wage outcomes, but below-average training completion rates. The training completion rate was calculated by dividing the number of participants who completed a training program by the number of participants who started a training program.

Training programs are classified into four categories based on their employment outcomes and average wages. The programs are mapped into four quadrants based on the following criteria. With the employment outcomes and average wages on the x-axis and y-axis, the training programs' contrasting or similar attributes can be approached differently.

- Programs with high employment outcomes and high average wages.
- Programs with high employment outcomes and low average wages.
- Programs with low employment outcomes and high average wages.
- Programs with low employment outcomes and low average wages.

### **Barriers to Employment Consideration Using the SAM for Training Programs**

The SAM for Training Programs evaluates the employment and wage outcomes of a training program, taking into consideration the characteristics of the participants served. The model attempts to identify and manage factors outside of the control of training providers/programs. Factors could include barriers to employment as defined under WIOA along with other characteristics such as previous employment, education level, age, etc. A lower-than-average prediction results generated by the model indicate that the training program served a harder-to-serve population. A training program's actual employment outcomes will be compared to the model predictions, anticipating participants' characteristics that the training provider cannot control. In other words, each training provider's employment outcomes are only compared to a standard based on the group of participants it served.

### **Current progress**

Tables containing each training program's actual performances and average results of all programs by local area and occupation groups have been created. Initial sets of

parameters for the SAM for Training Programs model were produced to predict each training program's performance, which considered participants' barriers to employment and other characteristics.

The study's end product will consist of tables for each training program to identify its performances compared to average performances and whether or not it served a harder-to-serve population. Training programs will be ranked and programs with good or poor performances will be defined. Training programs will also be classified into four groups based on employment outcomes and average wages.

The project started in April 2022 and is expected to be completed by June 2023. The information, likely a report, methodology document, and tableau data visualization tools, will be published on the ARIZONA@WORK website as its own subpage accessible through the workforce performance landing page [here](#).

The report would include summary analysis and tables containing each training program's actual performances and average results of all programs by local area and occupation groups. The methodology document would include an explanation of our modeling process, along with the initial sets of parameters for the SAM for Training Programs model produced to predict each training program's performance.

## **Customer Satisfaction**

### **Statewide Methodology**

In PY 2021, the State continued to measure customer satisfaction by surveying job seekers and employers on the following:

- Overall satisfaction with services;
- Whether services met their expectations;
- How services compare to the person's ideal set of skills; and
- Whether ARIZONA@WORK assisted the employer in identifying qualified job applicants (for employers only).

### **Response Rate**

#### Exited Participants

There were 264 participants surveyed, and 209 (79 percent) responded to the survey. The survey yielded an 87 percent satisfaction score, which is based on satisfaction



ratings for each survey question or criterion. (Refer to Tables A1 and A2 in Appendix A: Customer Satisfaction Surveys.)

### Employers

There were 300 employers surveyed, and 135 (45 percent) responded to the survey. The survey yielded a 75 percent satisfaction score, which is based on satisfaction ratings for the first three survey questions or criteria. For the survey question gauging satisfaction with ARIZONA@WORK's assistance in identifying qualified applicants, 35 percent of employers who responded expressed satisfaction with the number of qualified applicants they received. (Refer to Tables A3 and A4 in Appendix A: Customer Satisfaction Surveys.)

### **Customer Satisfaction at the Local Area Level**

Local areas also solicited feedback from job seekers and employers they served in PY 2021. Methods used to obtain feedback included 'paper' surveys at job centers as well as online surveys after workshops and hiring events.

### **Customer Feedback and Continuous Improvement**

Statewide and local area surveys were used to evaluate service delivery as well as identify and address areas of improvement in the workforce system as a whole. For instance:

- Job seeker comments led the State to examine how unemployment insurance claimants receive meaningful assistance at job centers and reaffirm the importance of stronger communication and collaboration among the workforce system partners, including the Unemployment Insurance Program.
- Customer feedback also led one local area to make adjustments to its hiring event preparation and its hours of operation.

The ADES Employer Engagement Administration (EEA) has taken the following steps to help ensure that the AJC system facilitates appropriate matching of qualified applicants with employers, a Statewide customer satisfaction indicator:

- Using the Advanced Resume search function in AJC, the Employer Engagement team began to isolate expired resumes so they no longer appeared during the resume search. Through this activity, the team discovered a system glitch that was reported to the system vendor America's Job Link Alliance (AJLA). AJLA in

turn designed a system update to correct the issue, to be shared with all states in its network. The EEA team has thus far “resolved” over 10,000 resumes that should not have appeared in search results.

- The EEA team refined and honed the Advanced Search or resume match process to help employers find qualified candidates.

## **Effectiveness In Serving Employers**

Arizona chose the following indicators to measure effectiveness in serving employers: retention rate and employer penetration rate.

### **Retention Rate**

Retention rate is the percentage of participants who have exited the program and are working for the same employer in the second and fourth quarters after exit. In PY 2021, 54 percent remained employed with the same employer in the second and fourth quarters after exit, down from 59 percent in PY 2020.

### **Employer Penetration Rate**

Employer penetration rate is the percentage of employers in Arizona that use the ARIZONA@WORK services. The employer penetration rate for PY 2021 is 4.5 percent, slightly down from 4.8 percent in PY 2020.

### **New State Measures**

The Workforce Arizona Council will pilot the following three new measures during PY 2022, which were developed with input from core program partners:

- Connecting with employers - includes consultations and visits, and customized interaction with a specific employer or industry group; talent matching; recruitment events; and pre-employment screening;
- Individual participant training completions, aggregated from the following WIOA-funded worked-based learning programs:
  - Registered Apprenticeship (excludes industry-recognized apprenticeship programs);
  - Incumbent worker training;
  - On-the-job training;
  - Work experience;
  - Internships; and

- Customized Training.
- Number of unique employers utilizing ARIZONA@WORK work-based learning programs.

## **Local Area Best Practices and Success Stories**

### **City of Phoenix**

#### Work-Based Learning Activities

ARIZONA@WORK City of Phoenix worked with 13 companies to provide 214 incumbent worker training and matched \$268,024 in training funds. It also partnered with six companies to administer on-the-job training to 30 participants, matching \$32,000 in participant wages.

#### Marketing and Targeted Outreach

The City of Phoenix Youth Program implemented new outreach and marketing strategies to continue to deliver services quickly and conveniently to meet the needs of participants. In PY 2021, this included increased social media campaigning, online program and service delivery, and having dedicated job developer positions to connect with employers and businesses for increased placements and job opportunities. Online and in-person services were made available for youth participants as well as utilizing mobile and smart devices for increased outreach and communication efforts. The Youth Program was able to serve 1,044 youth participants despite the unique barriers and additional needs COVID-19 presented for providers and participants.

ARIZONA@WORK City of Phoenix has also recognized the need for concentrated outreach efforts to serve niche populations experiencing poverty income levels, justice-involved backgrounds, and unstable housing. From this need, essential partnerships were fostered with community organizations to serve two of the most vulnerable populations: justice-involved individuals and those experiencing homelessness. Through a partnership launched in April 2022 with New Freedom Recovery Center, an organization providing a restorative environment for individuals recently released from incarceration, ARIZONA@WORK City of Phoenix connected with and enrolled 166 job seekers into the Adult Program. The provision of support and employability services of over \$126,222 were fundamental in preparing all 166 job seekers for accepting their employment offers. The second partnership originated in May 2022 with United Methodist Outreach Ministries (UMOM), an organization providing crisis shelter and affordable housing, and led to the enrollment of seven individuals into

the Adult Program, with an additional 15 in the pipeline. Enrolled participants received transportation, employability skills training, occupational training, and work-related support services totaling \$27,733.

### Participant Success Story

A veteran experiencing homelessness was enrolled in the Adult Program. He is a father of two who resides with his wife and sons at UMOM New Day Center. He received training and support services funds to attend Apartment Maintenance training at RSI Refrigeration School. He graduated and earned an industry certification in building and property maintenance and was hired as a Maintenance Technician at the Palazzo Townhomes for \$23.00 per hour.

## **Coconino County**

### Rapid Response

A partnership between Coconino County Health and Human Services and the Coconino County Workforce Development Board resulted in the availability of WIOA Rapid Response dollars to assist with the emergency response and recovery in Coconino County after the Tunnel Fire. Additionally, a collaboration with Home Depot provided even more help to residents impacted by the fire when they needed it most. Most recently, Home Depot came to the aid of residents Luis, a licensed contractor, and Lance, who owns a painting company. The two were personally impacted by the Tunnel Fire. They lost their homes and many of the tools used for their businesses. Home Depot was able to provide them with a meaningful discount on the supplies and WIOA Rapid Response funds were used to purchase the items needed to get their businesses back at full capacity.

### Participant Success Story

With the help of ARIZONA@WORK Coconino County, Lisa Black earned a Class A Commercial Driver's License (CDL) through Phoenix Truck Driving School, in partnership with Coconino Community College. This participant success story is highlighted in the Navajo-Hopi Observer:

<https://www.nhnews.com/news/2021/aug/31/lisa-black-receives-her-cdl-after-course-cc-c-and-p/>

## **Maricopa County**

### In-School Youth with an ITA

Prior to enrolling in the ARIZONA@WORK Youth Program in May 2021, Airlin struggled as a 20-year-old unemployed youth, living in a low-income neighborhood. Airlin stated that she is an English language learner with her native language being Spanish. Airlin immediately identified her goal of entering the dental field, spoke about the field with great passion, and understood this would require extensive education.

Entering the program as an in-school youth, Airlin was determined to complete a dental assisting occupational skills training program to further employability in the field. In the justification letter for the training, Airlin expressed a “thirst for developing new skills and knowledge” and further stated, “I am seeking training to keep the dream alive and achieve becoming a Certified Dental Assistant. I am motivated in this dental training because I want to build upon it and attend Dental Hygiene School in the future and keep furthering my education.” Airlin attended the American Institute of Dental Assisting in July 2021 and completed the 13-week course with a cumulative grade of 93 percent.

In November 2021, Airlin was placed in a work experience at OoLi Orthodontics making \$14.00 an hour and in February 2022, accepted a full-time dental assistant position with the same employer, making \$15.00 an hour. Airlin’s passion, hard work, dedication, and the ITA for in-school youth led to a dream realized and a promising start to a new career.

## **Mohave - La Paz Counties**

### Reentry Success Story

Justin came into the Kingman job center seeking a career change that will lead to economic self-sufficiency. He is a 41-year-old male with an extensive criminal history and was placed on parole. Justin’s work history was in construction and food and beverage. When Justin enrolled into the WIOA Adult Program, he had a career goal of earning his CDL A. The only support Justin had was his parole officer, his two children, and his ARIZONA@WORK career coach. He was dedicated and motivated to earn his license. While Justin was in training, he successfully completed parole and was able to discharge his ADCRR number. Justin noted that all he has ever been known by was a number. Justin reclaimed his identity as his past does not define him as the person he is today. Justin successfully completed training and earned his CDL-A. He is now gainfully employed with Western Express and earning a wage higher than his previous

employment. Justin has been able to provide for himself and his children and reduce the cycle or recidivism.

## **Pinal County**

On June 16, 2022, the Pinal County Workforce Development Board hosted “Challenging the Status Quo!”. This event, held at the Central Arizona College’s Signal Peak campus, was an invitation to community leaders to join together for a unique opportunity to directly contribute to the design and implementation of a workforce system to meet these demands of Pinal County’s long-standing businesses, as well as businesses who are considering establishing themselves as a Pinal County employer. The 89 attendees represented the Pinal County Board of Supervisors, Pinal County Workforce Development Board, Mayors and council representatives, community college, businesses, K-12 system, Vocational Rehabilitation, and other economic and workforce development professionals, including ARIZONA@WORK Pinal County service providers.

Following opening remarks by the Pinal County Workforce Development Chair and President of Central Arizona College, attendees were treated to presentations on the topics of the Pinal County economic development landscape, workforce data in the form of “Talent, Technology and Transformation: Labor Market Trends That Will Define Pinal County's Future” and a presentation on career pathways “Lifelong Career Path Progressions - Student to Job Seeker to Employee”.

Interactive “Table Talks” were part of the afternoon agenda. This session allowed all attendees to provide insights to a series of workforce development-related questions. Each table then shared their input which was recorded. This information is now being used to help align workforce development efforts and initiatives by the Pinal County Workforce Development Board and other community workforce development leaders to the benefit of Pinal County’s businesses and job seekers.

The Pinal County Communications and Marketing Department produced a video of the event which can be viewed [here](#).

## **Yuma County**

ARIZONA@WORK Yuma County has partnered with Arizona Western College in sponsoring cadets/participants in training future law enforcement professionals and detention officers. Arizona Western College’s Law Enforcement Training Academy (L.E.T.A.) and Detention Officer Academy (DO) is fully accredited by Arizona Peace

Officers Standards and Training (AZPOST) and complies with all recommended and existing AZPOST rules and regulations. During the past year, ARIZONA@WORK Yuma County has sponsored over 20 L.E.T.A. participants, providing tuition and supportive services valued at over \$100,000. It also assisted ten DO participants, with services valued over \$25,000. In sending participants to the Arizona Western College L.E.T.A., local law enforcement agencies partnering with ARIZONA@WORK Yuma County saved over \$300,000 (over \$15,000 per participant) in travel and lodging expenses, which would have been incurred if participants had been sent to Phoenix or Tucson instead.

## Appendix A: Customer Satisfaction

### Exited Participants

Number of Completed Surveys	Number of Customers Eligible for the Survey	Number of Customers Included in the Sample	Response Rate	Satisfaction Score
209	13699	264	79 percent	87 percent

Table A1: Exited Participants Survey Results

Overall Satisfaction With Services	Services Met Expectations	Services Matched Skill Set
85.81 percent	87.40 percent	86.92 percent

Table A2: Satisfaction Rate Per Survey Criterion

### Employers

Number of Completed Surveys	Number of Customers Eligible for the Survey	Number of Customers Included in the Sample	Response Rate	Satisfaction Score
135	4462	300	45 percent	75 percent

Table A3: Employer Survey Results

Overall Satisfaction with Services	Services Met Expectations	Services Matched Job Seeker Skill Set	Qualified Job Applicants Identified
78.85 percent	79.84 percent	63.89 percent	35 percent

Table A4: Satisfaction Rate Per Survey Criterion



## Appendix B: Arizona Economic Overview

OEO produces demographic, labor force, regulatory, workforce, and economic information for Arizona. OEO submitted the following summary of economic highlights for PY 2021.

Prior to the recession (Feb. 2020 to April 2020) brought on by the COVID-19 Pandemic, the Arizona economy was recording robust growth according to several key economic variables. Total nonfarm employment had increased year-over-year for 113 consecutive months, while the unemployment rate reached record lows. The recession had a notably negative impact on the Arizona economy in PY 2019, but PY 2020 and PY 2021 fostered a strong economic recovery. Total nonfarm employment increased over those PYs, while the Arizona unemployment rate fell below pre-pandemic lows. Employment growth is likely to continue, as OEO has projected employment growth to continue in nearly all supersectors through Q2 2023.

Some economic highlights for PY 2021 include:

- Arizona's population continued to grow across the state, and is projected to continue to increase over the next several years.
- In June 2022, the Arizona unemployment rate was 3.3 percent, which was lower than the United States unemployment rate of 3.6 percent in the same month.
- Arizona gained 104,000 jobs year-over-year in June 2022. These gains were recorded in all 11 supersectors.
- All eleven supersectors, including Self-Employed, are projected to gain jobs through Q2 2023. Self-Employed is projected to have the highest percent change (18.3 percent growth), while Education and Health Services is projected to record the largest job gain (52,422 jobs).
- The State Coincident Index for Arizona, an indicator for measuring economic activity, improved to 164.5 in June 2022 from a 53-month low of 124.9 in April 2020.
- Arizona per capita personal income grew 5.8 percent from CY 2020 to CY 2021. United States per capita personal income grew 7.3 percent over the same period.

Figure 1: Arizona Population Projections

Year	Population	Population Change	Population % Change	Natural Change (Births - Deaths)	Total Net Migration (Inflows - Outflows)	Special Population Change <sup>1</sup>
2021	7,387,836	101,688	1.4%	22,149	77,764	1,777
2022	7,489,121	101,285	1.4%	22,059	77,363	1,865
2023	7,590,127	101,006	1.3%	21,909	77,141	1,958

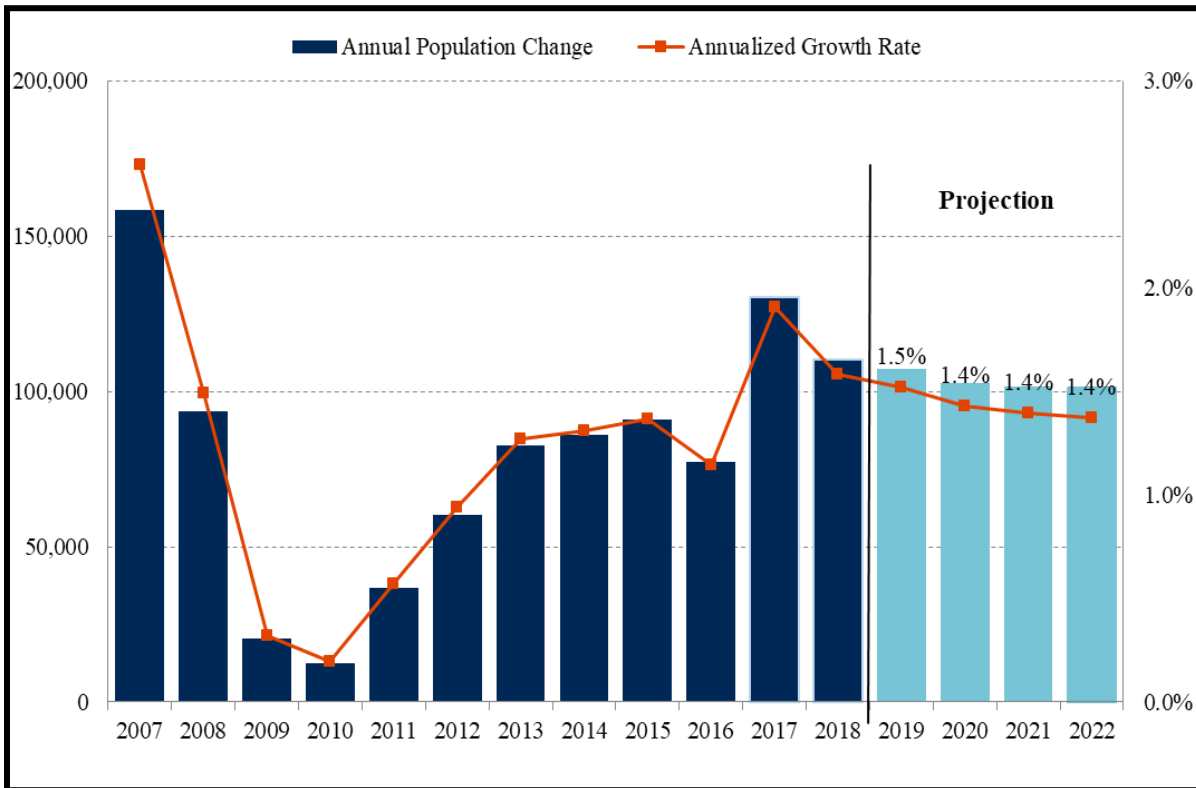
Source: Office of Economic Opportunity 2018 - 2055 Population Projections, Medium Series

<sup>1</sup> Special population changes are related to the temporary residencies caused by university students

Note: These projections were made prior to the 2020 Census and are therefore not consistent with the 2020 Census results

Population growth in Arizona increased by 1.4 percent (101,688 individuals) in CY 2021. Roughly 1/5 of this growth is attributed to natural change (more births than deaths), while over 3/4 of this growth is attributed to net migration (more individuals moving into Arizona than leaving). Barring the impact of COVID-19, Arizona’s population is projected to continue to grow through 2022 and 2023.

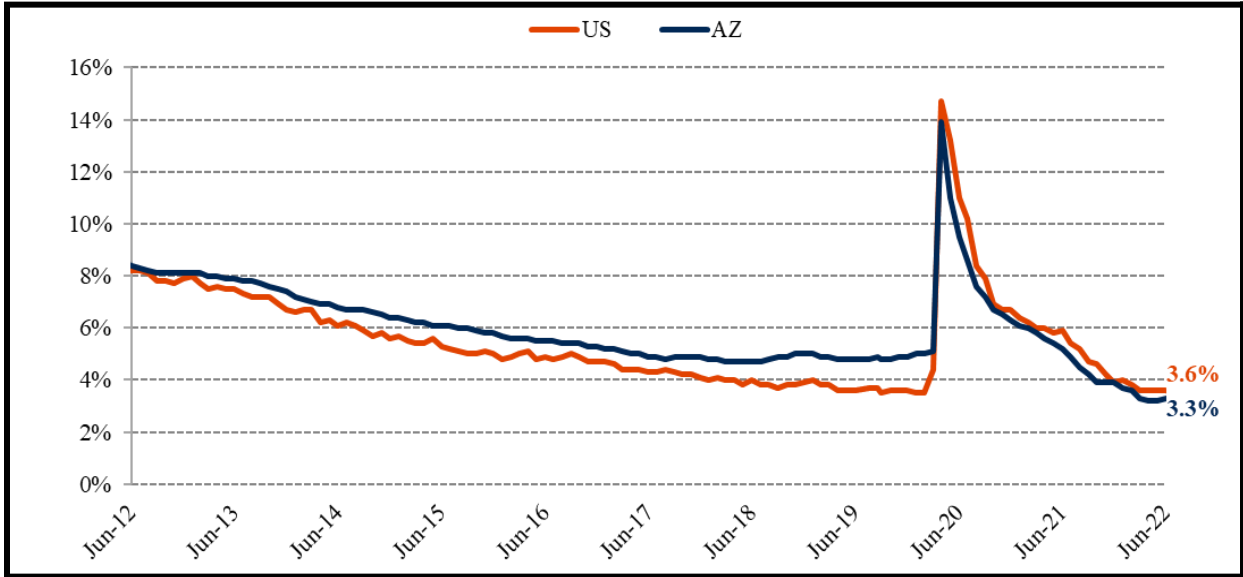
Figure 2: Arizona Population Growth



Source: OEO 2018-2055 Population Projections, Medium Series

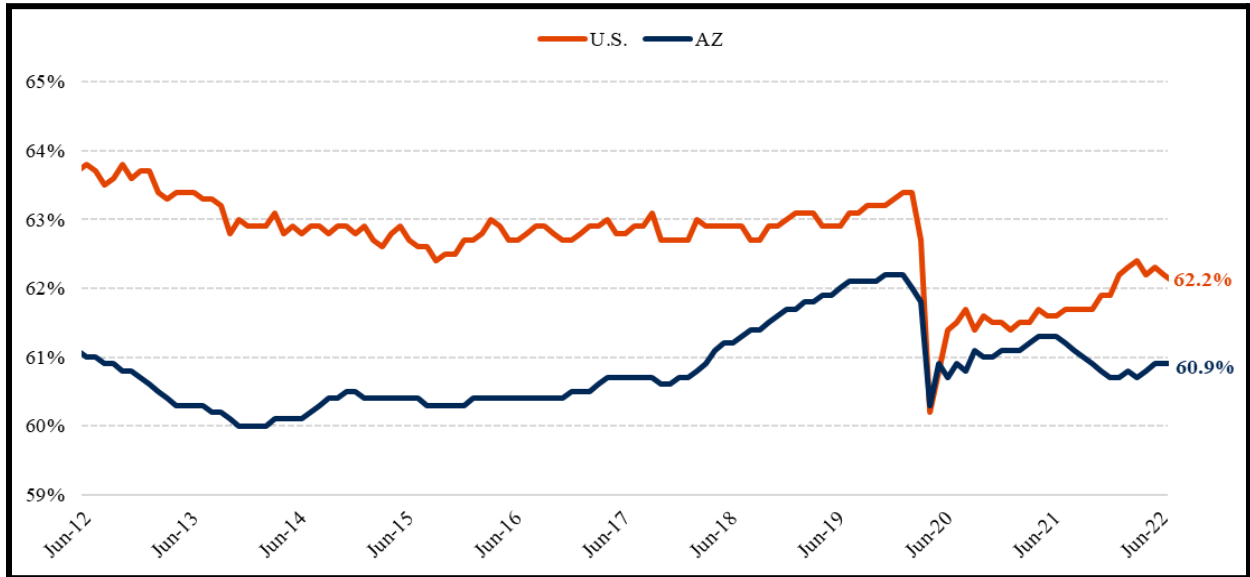
Arizona’s population growth rate has exceeded 1.0 percent every year since CY 2013 (see figure 2). CY 2009 and CY 2010 had particularly low population growth rates due to the impacts of the Great Recession (December 2007 – June 2009). As the Arizona

economy recovered from 2011-2019, net migration began to increase.



Source: OEO in cooperation with the United States Bureau of Labor Statistics, Local Area Unemployment Statistics

Figure 4: Arizona and United States Labor Force Participation Rates



Source: Federal Reserve Bank of St. Louis

Note: Data is seasonally-adjusted

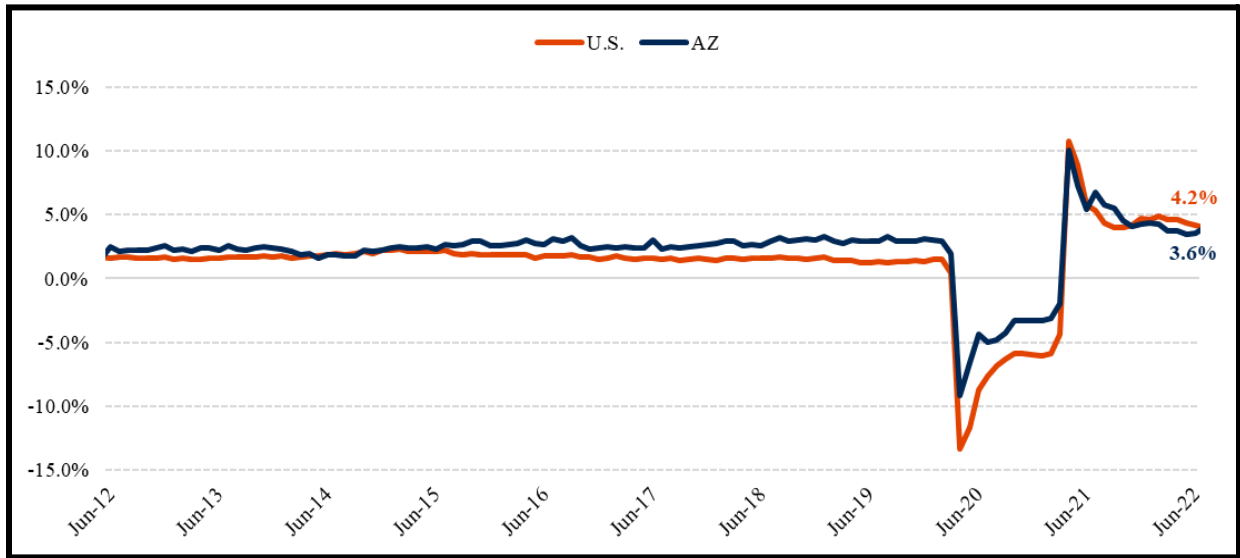
Since the Great Recession, Arizona’s unemployment rate and labor force participation rate have generally recorded positive changes. This trend ended abruptly in March 2020, when the Arizona unemployment rate increased and labor force participation

decreased. These trends mirrored national trends, and can be attributed to the effects of COVID-19.

After the initial negative impacts to the economy caused by the COVID-19 Pandemic subsided, Arizona employment began to grow, while the unemployment rate began to decline. Arizona began PY 2021 with a seasonally-adjusted unemployment rate of 4.9 percent in July 2021 and ended PY 2021 with an unemployment rate of 3.3 percent in June 2022. The United States began PY 2021 with a seasonally-adjusted unemployment rate of 5.4 percent, and ended PY 2021 with an unemployment rate of 3.6 percent in June 2022.

Figure 4 compares monthly labor force participation rates between the United States and Arizona. The Arizona labor force participation rate has trended below the United States labor force participation rate historically. From PY 2014 to PY 2018, the Arizona labor force participation rate recorded positive growth, but in April 2020, experienced a sharp decline. This decline in labor force participation was primarily due to the economic impact of the COVID-19 Pandemic. Arizona's labor force participation rate was 61.2 percent at the beginning of PY 2021 (July 2021), and 60.9 percent by the end of PY 2021 (June 2022). The United States labor force participation rate was 61.7 percent at the beginning of PY 2021, and 62.2 percent by the end of PY 2021.

Figure 5: Arizona and US Nonfarm Employment Year-to-Year Change Not Seasonally Adjusted



Source: OEO in cooperation with the United States Bureau of Labor Statistics, Current Employment Statistics

Figure 5 compares annual nonfarm employment growth rates between the United States and Arizona. From October 2014 through March 2021, Arizona’s nonfarm job year-over-year growth rates have equaled or exceeded United States nonfarm growth rates in every month. Before declining to -9.2 percent in April 2020, Arizona nonfarm employment recorded positive year-over-year employment change for 113 consecutive months. Arizona nonfarm employment increased by 3.6 percent year-over-year in June 2022, while United States nonfarm employment growth increased by 4.2 percent year-over-year in June 2022.

<b>Figure 6: Arizona Employment Growth by Industry Not Seasonally Adjusted (in thousands, reference month of June)</b>					
	<b>PY 2017</b>	<b>PY 2018</b>	<b>PY 2019</b>	<b>PY 2020</b>	<b>PY 2021</b>
<b>Total Nonfarm</b>	<b>70.8</b>	<b>81.5</b>	<b>-129.2</b>	<b>150.0</b>	<b>104.0</b>
<i>OTY Percentage Change</i>	<i>2.6%</i>	<i>2.9%</i>	<i>-4.5%</i>	<i>5.4%</i>	<i>3.6%</i>
<b>Natural Resources &amp; Mining</b>	<b>1.4</b>	<b>0.3</b>	<b>-1.5</b>	<b>0.0</b>	<b>0.5</b>
<i>OTY Percentage Change</i>	<i>11.8%</i>	<i>2.3%</i>	<i>-11.0%</i>	<i>0.0%</i>	<i>4.1%</i>
<b>Construction</b>	<b>12.1</b>	<b>13.7</b>	<b>-3.0</b>	<b>3.5</b>	<b>5.4</b>
<i>OTY Percentage Change</i>	<i>8.3%</i>	<i>8.7%</i>	<i>-1.7%</i>	<i>2.0%</i>	<i>3.0%</i>
<b>Manufacturing</b>	<b>6.0</b>	<b>6.8</b>	<b>-2.2</b>	<b>3.9</b>	<b>11.8</b>
<i>OTY Percentage Change</i>	<i>3.6%</i>	<i>4.0%</i>	<i>-1.2%</i>	<i>2.2%</i>	<i>6.6%</i>
<b>Trade, Transportation, &amp; Utilities</b>	<b>10.0</b>	<b>8.8</b>	<b>-0.6</b>	<b>36.9</b>	<b>23.6</b>
<i>OTY Percentage Change</i>	<i>1.9%</i>	<i>1.7%</i>	<i>-0.1%</i>	<i>6.9%</i>	<i>4.1%</i>
<b>Information</b>	<b>0.1</b>	<b>1.8</b>	<b>-6.5</b>	<b>4.2</b>	<b>4.3</b>
<i>OTY Percentage Change</i>	<i>0.2%</i>	<i>3.8%</i>	<i>-13.2%</i>	<i>9.8%</i>	<i>9.1%</i>
<b>Financial Activities</b>	<b>6.7</b>	<b>8.0</b>	<b>5.6</b>	<b>11.9</b>	<b>0.9</b>
<i>OTY Percentage Change</i>	<i>3.2%</i>	<i>3.7%</i>	<i>2.5%</i>	<i>5.1%</i>	<i>0.4%</i>
<b>Professional &amp; Business Services</b>	<b>13.1</b>	<b>14.8</b>	<b>-19.8</b>	<b>14.5</b>	<b>8.9</b>
<i>OTY Percentage Change</i>	<i>3.2%</i>	<i>3.5%</i>	<i>-4.5%</i>	<i>3.4%</i>	<i>2.0%</i>
<b>Education &amp; Health Services</b>	<b>10.6</b>	<b>17.2</b>	<b>-9.5</b>	<b>14.9</b>	<b>19.8</b>
<i>OTY Percentage Change</i>	<i>2.5%</i>	<i>4.0%</i>	<i>-2.1%</i>	<i>3.4%</i>	<i>4.3%</i>
<b>Leisure &amp; Hospitality</b>	<b>5.6</b>	<b>4.7</b>	<b>-65.5</b>	<b>43.6</b>	<b>24.3</b>
<i>OTY Percentage Change</i>	<i>1.8%</i>	<i>1.5%</i>	<i>-19.9</i>	<i>16.6%</i>	<i>7.9%</i>
<b>Other Services</b>	<b>3.0</b>	<b>1.5</b>	<b>-11.7</b>	<b>8.3</b>	<b>4.3</b>
<i>OTY Percentage Change</i>	<i>3.3%</i>	<i>1.6%</i>	<i>-12.4%</i>	<i>10.0%</i>	<i>4.7%</i>
<b>Government</b>	<b>2.2</b>	<b>3.9</b>	<b>-17.1</b>	<b>8.3</b>	<b>0.2</b>
<i>OTY Percentage Change</i>	<i>0.6%</i>	<i>1.0%</i>	<i>-4.4%</i>	<i>2.3%</i>	<i>0.1%</i>

Source: OEO in cooperation with Bureau of Labor Statistics, Current Employment Statistics

Figure 6 shows nonfarm employment levels and the percentage change from prior PYs. Nonfarm employment increased sharply in PY 2020. This is primarily due to the impact of COVID-19 in PY 2019, when ten of the eleven supersectors lost jobs over the year. Strong year-over-year increases in nonfarm employment continued through PY 2021. Among the eleven supersectors in PY 2021, Information had the highest year-over-year employment growth rate (9.1 percent). This was followed by Leisure and Hospitality (7.9 percent) and Manufacturing (6.6 percent). Other Services grew by 4.7 percent year-over-year; Education and Health Services grew by 4.3 percent year-over-year; Trade, Transportation, and Utilities grew by 4.1 percent year-over-year; and Natural Resources and Mining grew by 4.1 percent

year-over-year. Supersectors that did not exceed Arizona’s total nonfarm employment growth rate of 3.6 percent include Construction (3.0 percent), Professional and Business Services (2.0 percent), Financial Activities (0.4 percent), and Government (0.1 percent).

Numerically, Leisure and Hospitality gained 24,300 jobs; Trade, Transportation and Utilities gained 23,600 jobs; and Education and Health Services gained 19,800 jobs year-over-year in PY 2021. Manufacturing gained 11,800 jobs year-over-year; Professional and Business Services gained 8,900 jobs; Construction gained 5,400 jobs; Information gained 4,300 jobs; Other Services gained 4,300 jobs; Financial Activities gained 900 jobs; Natural Resources and Mining gained 500 jobs; and Government gained 200 jobs year-over-year. Total nonfarm employment increased by 104,000 year-over-year in PY 2021.

<b>Figure 7: Arizona Total Nonfarm Gains by Region Not Seasonally Adjusted (in thousands, reference month of June)</b>					
	<b>PY 2017</b>	<b>PY 2018</b>	<b>PY 2019</b>	<b>PY 2020</b>	<b>PY 2021</b>
<b>Arizona</b>	<b>70.8</b>	<b>81.5</b>	<b>-125.8</b>	<b>150.0</b>	<b>104.0</b>
<i>OTY Percentage Change</i>	<i>2.6%</i>	<i>2.9%</i>	<i>-4.4%</i>	<i>5.4%</i>	<i>3.6%</i>
<b>United States</b>	<b>2,362</b>	<b>1,786</b>	<b>-13,209</b>	<b>7,986</b>	<b>6,141</b>
<i>OTY Percentage Change</i>	<i>1.6%</i>	<i>1.2%</i>	<i>-8.7%</i>	<i>5.8%</i>	<i>4.2%</i>
<b>Flagstaff MSA</b>	<b>0.6</b>	<b>0.3</b>	<b>-7.1</b>	<b>3.3</b>	<b>4.0</b>
<i>OTY Percentage Change</i>	<i>0.9%</i>	<i>0.4%</i>	<i>-10.5%</i>	<i>5.5%</i>	<i>6.3%</i>
<b>Lake Havasu City-Kingman MSA</b>	<b>1.5</b>	<b>0.8</b>	<b>-1.3</b>	<b>2.9</b>	<b>2.1</b>
<i>OTY Percentage Change</i>	<i>3.0%</i>	<i>1.6%</i>	<i>-2.5%</i>	<i>5.8%</i>	<i>3.9%</i>
<b>Phoenix-Mesa-Scottsdale MSA</b>	<b>57.9</b>	<b>69.0</b>	<b>-83.8</b>	<b>125.4</b>	<b>81.8</b>
<i>OTY Percentage Change</i>	<i>2.9%</i>	<i>3.3%</i>	<i>-3.9%</i>	<i>6.1%</i>	<i>3.8%</i>
<b>Prescott MSA</b>	<b>1.6</b>	<b>0.2</b>	<b>-3.0</b>	<b>3.1</b>	<b>2.5</b>
<i>OTY Percentage Change</i>	<i>2.5%</i>	<i>0.3%</i>	<i>-4.6%</i>	<i>5.0%</i>	<i>3.8%</i>
<b>Sierra Vista-Douglas MSA</b>	<b>0.1</b>	<b>-0.0</b>	<b>0.4</b>	<b>-0.4</b>	<b>0.9</b>
<i>OTY Percentage Change</i>	<i>0.3%</i>	<i>-0.0%</i>	<i>1.2%</i>	<i>-1.2%</i>	<i>2.8%</i>
<b>Tucson MSA</b>	<b>4.7</b>	<b>8.5</b>	<b>-20.3</b>	<b>9.7</b>	<b>11.2</b>
<i>OTY Percentage Change</i>	<i>1.3%</i>	<i>2.3%</i>	<i>-5.3%</i>	<i>2.7%</i>	<i>3.0%</i>
<b>Yuma MSA</b>	<b>0.9</b>	<b>1.8</b>	<b>-2.7</b>	<b>3.0</b>	<b>3.2</b>
<i>OTY Percentage Change</i>	<i>1.7%</i>	<i>3.4%</i>	<i>-4.9%</i>	<i>5.7%</i>	<i>5.8%</i>

Source: OEO in coordination with Bureau of Labor Statistics, Current Employment Statistics

The geographic distribution of job growth in Arizona is predominantly concentrated in the Phoenix Metropolitan Statistical Area (MSA) though in PY 2021, five of the seven Arizona MSAs grew at rates exceeding the job growth rate of Arizona (3.6 percent): Flagstaff MSA (6.3 percent), Yuma MSA (5.8 percent), Lake Havasu City-Kingman MSA (3.9 percent), Phoenix-Mesa-Scottsdale MSA (3.8 percent), and Prescott MSA (3.8 percent). Flagstaff MSA and Yuma MSA also surpassed the United States' job growth rate of 4.2 percent. The job growth rates for Tucson MSA (3.0 percent) and Sierra Vista-Douglas MSA (2.8 percent) trailed Arizona's job growth rate.

<b>Figure 8: Arizona Employment Shares June 2012 to June 2022, Not Seasonally Adjusted</b>				
<b>Supersector Title</b>	<b>June 2012 Share</b>	<b>June 2022 Share</b>	<b>Share Change</b>	<b>Numeric Change</b>
Construction	4.8%	6.1%	1.3%	67,700
Financial Activities	7.2%	8.2%	0.9%	70,300
Education & Health Services	15.0%	15.8%	0.8%	112,900
Trade, Transportation, & Utilities	19.4%	19.8%	0.4%	125,900
Professional & Business Services	14.6%	14.9%	0.2%	92,600
Information	1.7%	1.7%	0.0%	10,300
Leisure & Hospitality	11.0%	11.0%	0.0%	64,700
Natural Resources & Mining	0.5%	0.4%	-0.1%	-100
Manufacturing	6.5%	6.4%	-0.1%	34,800
Other Services	3.6%	3.2%	-0.4%	8,400
Government	15.5%	12.5%	-3.0%	-300
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>587,200</b>

Source: OEO in coordination with Bureau of Labor Statistics, Current Employment Statistics

Figure 8 shows how the composition of Arizona's economy has changed in the past decade. From June 2012 to June 2022, Construction increased its share of nonfarm employment by 1.3 percentage points, the largest share increase over this period. Other supersectors that recorded positive employment share gains included Financial Activities (0.9 percentage points); Education and Health Services (0.8 percentage points); Trade, Transportation and Utilities (0.4 percentage points); Professional and Business Services (0.2 percent); Information (0.0 percent); and Leisure and Hospitality (0.0 percent). The largest decrease in nonfarm employment share occurred in Government, losing 3.0 percentage points. This was followed by Other Services (-0.4 percentage points), Manufacturing (-0.1 percent percentage points), and Natural Resources and Mining (-0.1 percent).

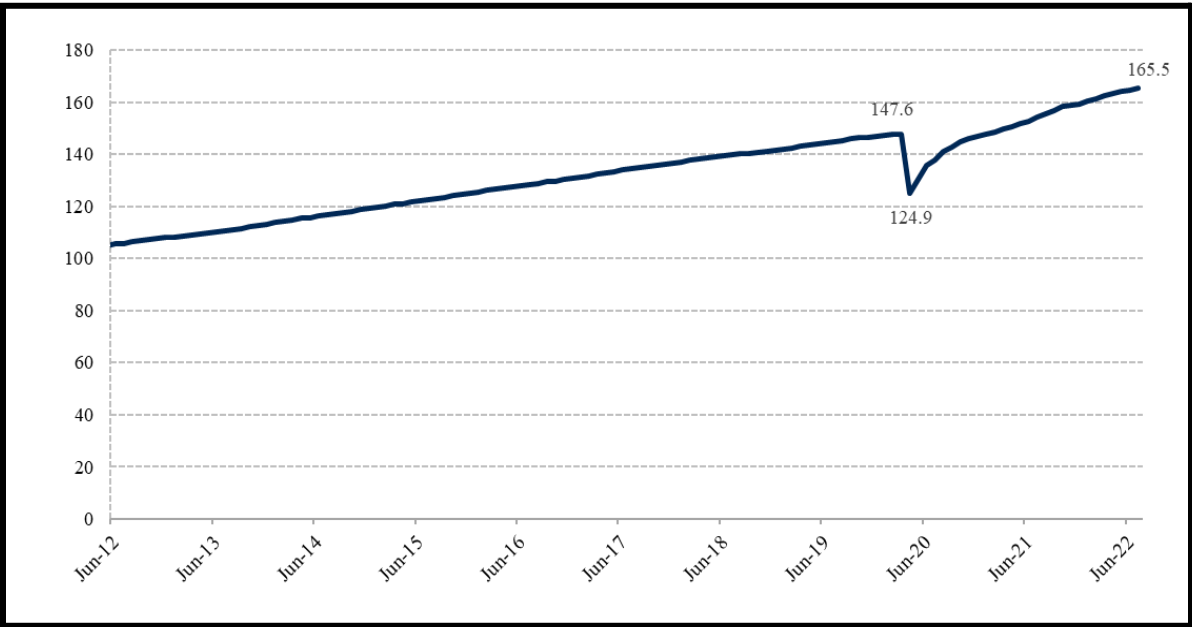


<b>Figure 9: Arizona Short-Term Industry Employment Projections 2021-2023</b>				
<b>Supersector Title</b>	<b>Base Employment 2021 Q2</b>	<b>Projected Employment 2023 Q2</b>	<b>Numeric Change</b>	<b>Percent Change</b>
Self-Employed	179,429	212,213	32,784	18.3%
Leisure & Hospitality	322,214	366,510	44,296	13.7%
Construction	179,658	200,434	20,776	11.6%
Manufacturing	179,630	195,051	15,421	8.6%
Education & Health Services	631,589	684,011	52,422	8.3%
Financial Activities	233,503	251,417	17,914	7.7%
Professional & Business Services	443,652	476,688	33,036	7.4%
Information	48,164	51,450	3,286	6.8%
Trade, Transportation, & Utilities	582,754	622,249	39,495	6.8%
Other Services	99,788	104,472	4,684	4.7%
Government	160,287	162,077	1,790	1.1%
Natural Resources & Mining	48,522	48,943	421	0.9%

Source: OEO using Short Term Industry Employment Projections 2021-2023

Figure 9 shows the short-term employment projections for supersectors in Arizona. All 11 supersectors, along with Self-Employed, are projected to gain jobs in Arizona from Q2 2021 – Q2 2023. The largest percent increase is projected to occur in Self-Employed (18.3 percent), followed by Leisure and Hospitality (13.7 percent); Construction (11.6 percent); Manufacturing (8.6 percent); Education and Health Services (8.3 percent); Financial Activities (7.7 percent); Professional and Business Services (7.4 percent); Information (6.8 percent); Trade, Transportation and Utilities (6.8 percent); Other Services (4.7 percent); Government (1.1 percent); and Natural Resources and Mining (0.9 percent).

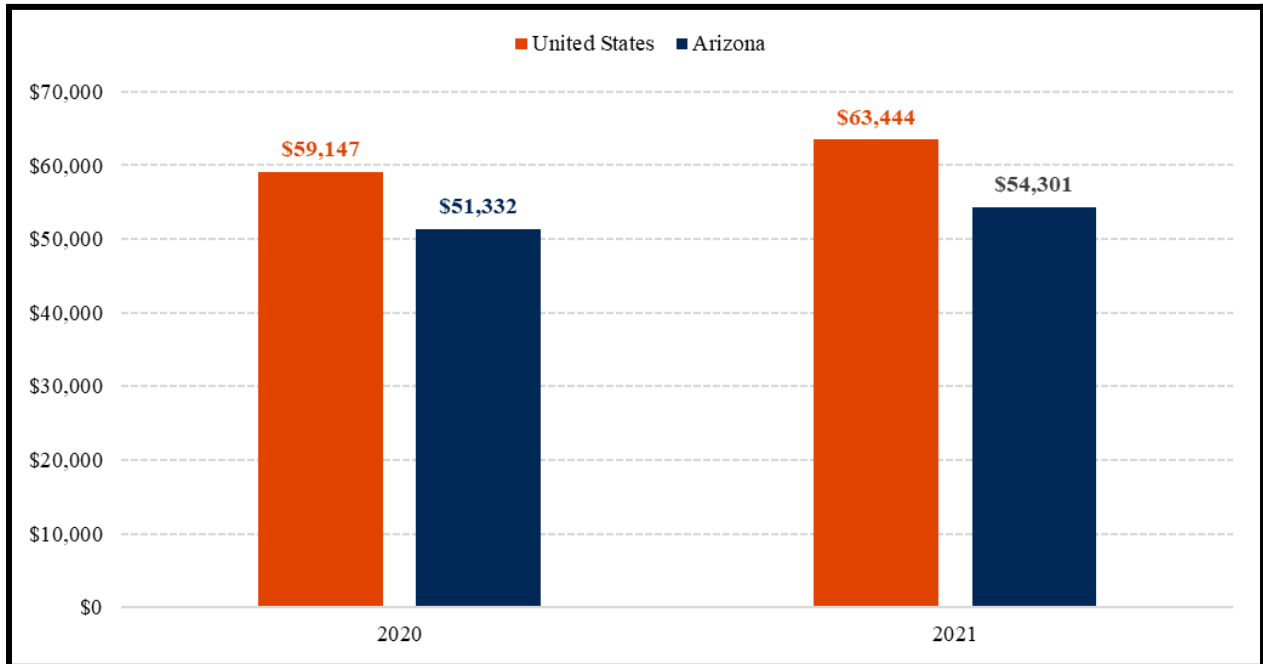
Figure 10: Arizona Coincident Economic Activity



Source: Federal Reserve Bank of St. Louis  
Note: This index combines four variables: total nonfarm employment, average hours worked in manufacturing, the unemployment rate, and wages

The coincident economic activity index is an economic indicator compiled by the Federal Reserve that tends to correlate with economic growth. Figure 10 shows the changes in the coincident economic activity index over the past ten years. As the coincident index increases, economic growth tends to increase. After experiencing 125 continuous months of growth, Arizona’s coincident index declined by 0.1 in March 2020, dropping to 147.5. The coincident index declined again in April 2020 to 124.9. By June 2021, Arizona’s index was at 152.8. In June 2022, the end of PY 2021, Arizona’s coincident economic activity index had improved to 164.5.

Figure 11: Arizona and United States Per Capita Personal Income



Source: OEO in cooperation with the Bureau of Economic Analysis

Arizona's per capita personal income in 2021 was \$54,301, an increase of 5.8 percent from 2020's per capita personal income of \$51,332 (see figure 11). Over the same period, per capita income in the United States grew by 7.3 percent, going from \$59,147 in 2020 to \$63,444 in 2021. Among the states, Arizona ranked 41st in per capita personal income in 2021.