

**Arkansas Budget System
Agency Program Commentary
1999-2001**

The Office of Child Support Enforcement (OCSE) is not adequately or properly staffed in the field or central office to provide the service desired and demanded. Changes in law which are reducing welfare roles are increasing the child support caseload. It is imperative that these families receive the child support due them because the opportunity to go back on welfare is no longer available to them. Change in distribution of collections and in the funding structure have made it impossible for the program to be self supporting. The desired goal of reducing the welfare cases has severely reduced the base from which this program generated income. Further erosion into program income results from the requirement to pay off the former welfare recipients arrears before any part of the collection can be retained to recover the unreimbursed assistance. The exact impact of the change in incentive structure is unknown at this time but preliminary indications are that Arkansas will not earn more than it does now. Depending on how a federal cap is applied, the program may earn less.

The welfare reform legislation has placed increased requirements on the program. Significant among these are: establish and operate a central registry of child support orders on both private and Title IV-D cases; match the new hire data base and implement income withholding on IV-D cases within two days; receive, account for and disburse payments on private cases that have payments collected through income withholding; interface with all financial institutions in the state for the purpose of detecting and freezing assets belonging to non-custodial parents in the Title IV-D cases; interfacing with 107 licensing agencies and boards for the purpose of suspending drivers, occupation, or professional licenses; interface with the federal new hire and case registries; bring prompt enforcement actions on interstate referrals; and automate the functions mentioned through data system development.

Other factors indicate the need for change. The central payment clearinghouse has not performed well. Payments have been misposted and delayed. Better control and better service could be provided if this operation is taken over by the state. Local contractors are finding it increasingly difficult financially to continue contracting with the state. OCSE cannot continue to subsidize contract operations. In general contracted offices do not perform as well as state staffed offices primarily because they cannot afford to hire adequate staff. Because of these factors our citizens would be better served if all child support cases were assigned to state staff and all full service contracts terminated. Taking over the clearinghouse and full service contracts would essentially be revenue neutral except for the one time investment in equipment.

Recent events have shown that OCSE needs an internal audit to review money handling practices and accounting procedures in the central and field offices. Review of the data system development and funding is also needed. With collections in excess of \$100,000,000 and expenses \$50,000,000 it is essential that in depth reviews are on going.

The production of child support checks is convoluted and cumbersome. The data system produces a tape which is taken to the bank where checks are written. The checks are taken to the Revenue Division where they are signed, bursted and stuffed into envelopes. They next are taken to a commercial facility where they are sorted in zip code order and then they are delivered to the post office. A disruption at anyone of these sites can delay the delivery of the checks to parents by one to two days. Again, better control and service can be provided if these functions were consolidated into one facility in OCSE. The cost now is approximately \$200,000 a year. With the exception of a one time outlay for equipment this operation will be revenue neutral.

Agency	Director	Agency Program Commentary	Page
DFA – Office of Child Support Enforcement	 Tim Leathers, Acting Director	BR21	208

**Arkansas Budget System
Agency Program Commentary
1999-2001**

317 contingency positions are requested to provide OCSE with the resources necessary to react to unforeseen events. Local contractors who provide service on child support cases are finding it increasingly difficult to balance program needs and adequate funding. Invariably it is the program needs that suffer. In general full service contracts do not perform as well as state offices because they cannot afford the level of staff needed. Two contractors have already terminated their operations and OCSE used contingency positions to take over those sites. Other contractors are seriously discussing the possibility of turning their operation back to the state. Conversely, OCSE is looking at some contracts with the idea of taking them over if performance does not improve. Without the positions and funds OCSE and the public is forced to accept inadequate service because there are no alternatives.

1. Base Level - \$37,970,200 and \$38,298,171

Base level funding/appropriation/staffing is requested to allow OCSE to continue to provide the services required by federal and state law and regulations. Child Support staff is required to service 128,000 cases by locating or relocating parents; establishing paternity; establishing or modifying orders for child and medical support; enforce orders; provide customer service; provide policy, support and control; develop and maintain a statewide data system; and collect, distribute and account for in excess of \$100,000,000 annually.

2. Program Change 2 - M & O and Conference Fees & Travel - \$1,361,961 & \$1,290,712

This request is for appropriation and funds for the 105 new positions requested in change request 3. This will provide for the operating expense for this staff, which currently runs 59% of salary cost, and for a one time expense for office furniture and equipment

Agency	Director	Agency Program Commentary	Page
DFA – Office of Child Support Enforcement	Tim Leathers, Acting Director	BR21	209

**Arkansas Budget System
Agency Program Commentary
1999-2001**

3. **Change Request 3 - New Positions - Non - Technical - \$2,633,919 & \$2,707,714**

One hundred five (105) new positions are requested to meet new or changing requirements. OCSE is not adequately or properly staffed in the field or central office to provide the service desired or demanded. Changes have become necessary. OCSE has already taken over the operation of two large contractor offices requiring the use of approximately 50 of the 415 base level positions. Because of problems with operation of the central payment clearinghouse it is felt that better service can be provided if this function is taken over by the State. That will require 51 positions, including customer service staff and check production staff. An internal audit unit is needed requiring 4 positions. The complexity of the new data system in the caseload and the need to provide more onsite supervision and better management requires 50 more positions be added.

4. **Change Request 4 - Capital Equipment - \$854,000 & \$260,000**

It is estimated that the purchase of equipment necessary to take over operation of the Clearinghouse will cost \$489,000. The volume of payments is now 100,000 per month and is expected to almost double when private case payments are directed through that facility. High speed, high volume scanning and processing equipment is essential to handle the transactions. Other equipment such as microfilm machines, mail extraction machines, encoders, and security equipment are essential to an efficient and safe operation. Equipment for a check printing unit will cost \$525,000. This includes printer, signers, burster, sorter, and stuffer and will eliminate the need to transport checks to three different sites before they can go to the post office. The cost for check production now is approximately \$200,000 a year. Five vehicles are requested. Two cargo vans are needed to deliver, pick up and repair data processing equipment which now exceeds 800 pieces statewide. Three vehicles are needed to replace vehicles that are now five years old and will be eight years old by the end of the new biennium.

<p>Agency DFA – Office of Child Support Enforcement</p>	<p>Director Tim Leathers, Acting Director</p>	<p>Agency Program Commentary BR21</p>	<p>Page 210</p>
---	---	---	--------------------------

**Arkansas Budget System
Agency Program Commentary
1999-2001**

5. **Change Request 5**

OCSE has appropriation for contracts in characters 10 and 43. This request is to consolidate that appropriation and funding into character 10.

6. **Change Request 8 - Data Processing - \$7,032,483 & 7,032,483**

This request is needed to provide appropriation and funds necessary for operation of current data system and for development required to implement welfare reform. Current cost of OCSE data processing is \$17,000,000 annually, half of which is operations and half is for maintenance and development. The base level is only \$10,000,000.

Agency	Director	Agency Program Commentary	Page
DFA – Office of Child Support Enforcement	Tim Leathers, Acting Director	BR21	211

DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
 SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED JUNE 30, 1996

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 11,785,706	\$ 2,146,478	\$ 697,127	\$ 14,629,311	\$ 1,244,064	\$ 453,159	\$ 1,697,223	\$ 12,932,088		

Revenues					Expenditures					
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	Other Sources (Uses)
\$ 0	\$ 18,777,730	\$ 0	\$ 92,325,623	\$ 111,103,353	\$ 8,531,601	\$ 0	\$ 132,949	\$ 104,824,404	\$ 113,488,954	\$ 24,062

Findings

A. INTERNAL CONTROL AND STATE COMPLIANCE MATTERS:

1. UNACCOUNTED FOR FUNDS - During the year ended June 30, 1996 and subsequent months, the Agency discovered and investigated four (4) instances of unaccounted for funds. These incidents are summarized below and detailed at Schedule 4:

Recommendations

1. Our findings in these matters are being reported in accordance with Ark. Code Ann. 10-4-111 and 21-2-708.

Location	Date of Incident	Nature of Unaccounted For Funds	Amount
County Office, Columbia County	2-18-97	Theft of child support collections	\$ 45.00
County Office, Garland County	8-8-97/ 8-27-97	Theft of child support collections	950.00
Child support clearinghouse	5-22-97	Theft of child support collections	3,292.00
Child support clearinghouse	8-16-96	Theft of child support collections	350.00
Total Unaccounted For Funds			4,637.00
Amount Recovered			3,892.00
Net Unrecovered Amount			\$ 745.00

The Garland County Office and the child support clearinghouse are operated by private contractors. These contracts provide that losses of child support funds are the responsibility of the contractors. Therefore, full restitution is expected upon completion of investigations.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

Findings (Continued)

- A. INTERNAL CONTROL AND STATE COMPLIANCE MATTERS: (Continued)
2. CASH RECEIPTS - The Agency utilizes a mail log to record receipts for child support payments which are subsequently forwarded to the automated clearinghouse for deposit. The Agency was unable to locate and provide for audit receipt records for the period May 11, 1996 through June 30, 1996. Chapter II-1 of the State Accounting Procedures Manual requires that original supporting documentation be kept in a safe place subject to audit, and not destroyed until authorization is given for their destruction by the Legislative Auditor.
 3. ACCOUNTS RECEIVABLE - (The Agency does not maintain an adequate accounts receivable accounting record for amounts due for returned checks, recipient overpayments, and reimbursements due from noncustodial parents for court costs and blood tests as required by Chapter II-21.2 of the State Accounting Procedures Manual. Additionally, generally accepted accounting principles require that accounts receivable be recognized as income in the year earned and that a corresponding asset be recorded.)
 4. PROFESSIONAL SERVICES CONTRACTS - (The audit of expenditures for professional services for the year ended June 30, 1996 revealed that for a sample of fifteen vendors, four vendors were paid for services rendered to the Agency in absence of a professional services contract. Services provided by each of the vendors exceeded \$1,000 for the year ended June 30, 1996, and totaled \$73,581.99. Procurement of professional services is prescribed in Chapter II-10 of the State Accounting Procedures Manual.)

(This finding also applies to the federal program for Child Support Enforcement.)

Recommendations (Continued)

2. Review and comply with Chapter II-1 of the State Accounting Procedures Manual regarding the Agency's responsibility to retain original supporting documentation for audit purposes.
3. (Review and comply with Chapter II-21.2 of the State Accounting Procedure Manual regarding the recording and accountability of accounts receivable Subsidiary and control ledgers should be utilized to provide for the reporting of accounts receivable by classification and to provide good internal control over the collection of outstanding balances.)
4. (Review and comply with Chapter II-10 of the State Accounting Procedures Manual regarding professional services contracts.)

() Noted in previous year's audit report.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

Findings (Continued)

B. FEDERAL GRANT COMPLIANCE MATTERS:
DEPARTMENT OF HEALTH AND HUMAN SERVICES
ALL FEDERAL PROGRAMS

1. FINANCIAL REPORTS - (The Agency did not provide support documentation for expenditures and matching reported on their required federal financial reports for the year ended June 30, 1996 as follows:)

<u>Program</u>	<u>Report</u>	<u>Reported Expenditures</u>	<u>Reported Match</u>
Child Support Enforcement Program (93.563)	Quarterly Report of Expenditures and Estimates (OCSE-131)	\$18,101,293.00	\$8,710,168.00
	Federal Cash Transactions Report (PMS-272)	18,485,753.00	
Program Improvement Demonstration Grant (93.562)	Financial Status Report (SF-269)	69,251.00	11,823.68
	Federal Cash Transactions Report (PMS-272)	69,251.00	

(As a result, expenditures and matching claimed could not be reconciled to expenditures recorded on the Accounting Federal Grants Management (AFGM) System. It was also determined, as illustrated above, that amounts recorded in the various reports for the same period were not always consistent. Additionally, information provided by the Agency on the Child Support Enforcement Program Quarterly Report of Collections (OCSE-34) was not always supported and documented. The failure to maintain adequate records to support claims made to the federal government for reimbursement of expenditures, as well as failure to accurately disclose the financial activity of the grant is in violation of the Post Award Requirements, Subpart C.20, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments.)

Recommendations (Continued)

1. (Review and comply with the Post Award Requirements of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments and with the requirements of the grantor agency regarding the accountability and reporting of grant expenditures.)

() Noted in previous year's audit report.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

Findings

- B. FEDERAL GRANT COMPLIANCE MATTERS: (Continued)
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)
ALL FEDERAL PROGRAMS (Continued)

1. FINANCIAL REPORTS (Continued)

(Additionally, the Agency did not always submit their federal reports by the due date required by the grantor agency or in compliance with the Post Award Requirements, Subpart C.41, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments.)

CHILD SUPPORT ENFORCEMENT PROGRAM (CFDA 93.563)

2. QUALITY CONTROL PROCEDURES - (Corrective action plans, in response for deficiencies found by the Agency during performance reviews of respective County Child Support Enforcement Units, are not always submitted within the time-frame required by Section 3600.3 of the Agency's Child Support Enforcement Manual.)

Recommendations

2. (Review and comply with Section 3600.3 of the Child Support Enforcement Manual regarding performance reviews of County Child Support Enforcement Units.)

Audited by Division of Legislative Audit
SA1662496

() Noted in previous year's audit report.

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 634 - CHILD SUPPORT ENFORCEMENT

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>46</u>	<u>181</u>	<u>227</u>	<u>69%</u>
BLACK EMPLOYEES	<u>7</u>	<u>95</u>	<u>102</u>	<u>31%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>1</u>	<u>1</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/08/98			103	31%
DATE			TOTAL MINORITIES	<u> </u>
			330	100%
			TOTAL EMPLOYEES .	<u> </u>



 AGENCY DIRECTOR

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1999 - 2001**

The Office of Child Support Enforcement is responsible for locating absent parents, establishing paternity, establishing orders for child support, collecting and disbursing support, and enforcing payment of support. Funding for this appropriation consists of a combination of federal reimbursement, fees for collection services, and the State Central Services Fund. The Federal Welfare Reform Act has changed the fee structure, resulting in a reduction in the income that OCSE receives from fees. Total Base Level for the agency is \$37,965,426 in FY00 and \$38,293,259 in FY01. Base Level includes a 2.8% increase each year over FY99 Budgeted Levels, with a corresponding increase in Matching amounts.

The change requests for the agency include:

- ◆ In addition to the Base Level of \$3,918,732 each year from the State Central Services Fund, the agency is requesting additional funding of \$6,911,517 in FY00 and \$6,820,581 in FY01 to offset the reduction in fee based income.
- ◆ 105 additional positions for operation of the central payment clearing house, establishment of an internal audit unit, provision of additional on-site supervision, and positions needed for an increasing caseload. Salary and Matching costs for these positions is requested at \$2,679,269 in FY00 and \$2,744,841 in FY01.
- ◆ Operating Expenses of \$1,309,661 in FY00 and \$1,238,411 in FY01 will accommodate increased costs associated with the new positions.
- ◆ The Agency is requesting that Base Level of \$6,500,000 each year for AFDC Contract Expenses be moved to the Professional Fees and Services line item, and that Base Level for Professional Fees and Services also be continued. These fees cover the cost of contracts for collection services with county judges, prosecutors, and private vendors for collection of child support payments. Requested Special Language would authorize the transfer of appropriation from this line item to Regular Salaries and Matching as needed when these contracted services are performed in house.
- ◆ Capital Outlay of \$854,000 in FY00 and \$260,000 in FY01 is requested to provide furnishings and equipment necessary for the 105 new positions.
- ◆ Data Processing in the amount of \$7,032,483 each year is requested to cover the operating costs of the federally mandated Child

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: DFA - Office of Child Support Enforcement	Name: Office of Child Support Enforcement	Name: Child Support Enforcement	BUDGET REQUEST	217
Code: 634	Code: 120	Code: MCE	BR20	

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1999 - 2001**

Support Tracking System, and to implement new requirements that are anticipated.

- ◆ The Agency is requesting Special Language authorizing 317 contingency positions that will be needed if contractors that currently perform collection services cancel their contracts, or other changes occur that require additional staffing. Supporting authorization of \$2,213,591 in FY00 and \$2,275,620 in FY01 has been requested from the State Central Services funded Contingency line item.

The Executive Recommendation provides for the Agency Request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: DFA - Office of Child Support Enforcement Code: 634	Name: Office of Child Support Enforcement Code: 120	Name: Child Support Enforcement Code: MCE	BR20	218

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----99-00 FISCAL YEAR-----			-----00-01 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	97-98	98-99	98-99	CHANGE		TOTAL	CHANGE		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	LEVEL	REQUEST	BASE	LEVEL	REQUEST	99-00	00-01	99-00	00-01
REGULAR SALARIES	7,326,267	9,482,007	8,077,641	9,933,320	2,120,221	12,053,549	10,211,496	2,179,581	12,390,997	12,044,459	12,381,653		
NUMBER OF POSITIONS	353	415	332	415	105	520	415	105	520	520	520		
EXTRA HELP	113,994	100,000	100,000	100,000	0	100,000	100,000	0	100,000	100,000	100,000		
NUMBER OF POSITIONS	15	15	15	15	0	15	15	0	15	15	15		
PERSONAL SERV MATCHING	2,130,214	2,969,032	2,417,693	3,113,997	716,995	3,830,992	3,163,662	727,562	3,891,224	3,829,371	3,889,556		
OVERTIME	12,756	0	0	0	0	0	0	0	0	0	0		
OPERATING EXPENSES	4,190,338	5,470,401	4,601,291	5,470,401	1,309,661	6,780,062	5,470,401	1,230,411	6,708,812	6,780,062	6,708,812		
CONF FEES & TRAVEL	35,157	47,700	47,700	47,700	52,300	100,000	47,700	52,300	100,000	100,000	100,000		
PROF FEES & SERVICES	2,710,626	2,800,000	2,906,681	2,800,000	6,500,000	9,300,000	2,800,000	6,500,000	9,300,000	9,300,000	9,300,000		
CAPITAL OUTLAY	0	200,000	0	0	854,000	854,000	0	260,000	260,000	854,000	260,000		
DATA PROCESSING	17,511,169	20,000,000	10,000,000	10,000,000	7,032,483	17,032,483	10,000,000	7,032,483	17,032,483	17,032,483	17,032,483		
CONTINGENCY	0	0	3,918,732	0	2,213,591	2,213,591	0	2,275,620	2,275,620	2,213,591	2,275,620		
AFDC CONTRACT EXPENSE	6,659,890	6,500,000	7,500,000	6,500,000	-6,500,000	0	6,500,000	-6,500,000	0	0	0		
CLEARING HOUSE EX/MEDICAID	124,526	0	2,000,000	0	0	0	0	0	0	0	0		
TOTAL	40,814,937	47,569,140	41,569,730	37,965,426	14,299,251	52,264,677	38,293,259	13,765,877	52,059,136	52,253,966	52,048,124		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	2,911,583	3,413,209	*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS	25,336,565	29,192,914	*****	25,064,069	7,976,536	33,040,605	25,200,633	7,583,570	32,864,203	33,030,126	32,853,191		
STATE CENTRAL SERVICES FUND	3,911,137	3,918,732	*****	3,918,732	9,125,349	13,044,072	3,918,732	9,096,201	13,014,933	13,043,849	13,014,933		
NON-REVENUE RECEIPTS	12,068,861	11,099,285	*****	6,180,880		6,180,880	6,180,880		6,180,880	6,180,880	6,180,880		
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	44,228,146	47,569,140	*****	35,162,891	17,101,876	52,264,677	35,379,365	16,679,771	52,059,136	52,253,966	52,048,124		
EXCESS APPRO/ (FUNDING)	(3,413,209)		*****	2,892,625	(2,892,625)		2,913,894	(2,913,894)					
TOTAL	40,814,937	47,569,140	*****	37,965,426	14,299,251	52,264,677	38,293,259	13,765,877	52,059,136	52,253,966	52,048,124		

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
 AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
 APPRO 120 DFA REVENUE -- OFFICE OF CHILD SUPPORT ENFORCEMENT
 FUND HCE CHILD SUPPORT ENFORCEMENT-(634)

Budgeted levels exceed authorized due to the implementation of a Miscellaneous Federal Grant. Budgeted positions exceed authorized due to implementation of Contingency positions authorized in Act 1359 of 1997. Base Level each year includes unfunded appropriation, since the certified amount of fee based funding is insufficient to cover the required state match for federal funds.

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1999 - 01 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---	---BUDGETED---	-----FY 1999 - 00-----			-----FY 2000 - 01-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					97-98	98-99	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1999-00	2000-01	1999-00	2000-01		
000		MCE	634 120	B	40,814,937 353	47,569,140 415	37,965,426 415					38,293,259 415			38,117,573 415	38,449,518 415		
001		MCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C02			1,361,961 0					1,290,711 0			1,361,961	1,290,711		
					This request is for Maintenance and Operating costs and Conference Fees and Travel to support the 105 additional positions that we are requesting in Change Level 3.													
002		MCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C03			2,679,269 105					2,744,841 105			2,674,358 105	2,739,792 105		
					This is to request salaries, fringe benefits, M&O expenses and capital outlay for 105 additional positions to meet the new and changing requirements of OCSE. The State plans to take over the operation of the central payment clearinghouse. This will require 51 positions, including customer service and check production. An internal audit unit is needed requiring 4 positions. The complexity of the new data system and an increasing caseload coupled with the need to provide more onsite supervision and better management requires 50 more positions be added.													

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
APPRO 120 DFA REVENUE -- OFFICE OF CHILD SUPPORT ENFORCEMENT
FUND MCE CHILD SUPPORT ENFORCEMENT-(634)

RANK BY APPROPRIATION
BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----				-----1999 - 01 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---		---BUDGETED---		-----FY 1999 - 00-----		-----FY 2000 - 01-----		-----EXECUTIVE-----		-----LEGISLATIVE-----			
					97-98	98-99	REQUEST	REQUEST	1999-00	2000-01	1999-00	2000-01						
003		HCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C04			854,000 0			260,000 0				854,000	260,000			
<p>This request is for Capital Outlay to purchase office equipment and furnishings that will be needed as a result of adding 105 new employees.</p>																		
004		HCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C05			0 0			0 0								
<p>This is to request the transfer of \$6,500,000 in base level appropriation from AFDC Contract Expense (character 43) to Professional Fees and Services. This reallocation of appropriation has no affect upon the total budget of the agency.</p>																		
005		HCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C08			7,032,483 0			7,032,483 0				7,032,483	7,032,483			
<p>This request is for the restoration of \$4,532,483 in appropriation of SFY 1999 deferment to bring our base level to authorization in the base year. There is an additional request of \$2,500,000 for the operation of the current data system and for the development required to implement welfare reform. Our current base level in technology is \$10,000,000 with a spending level, as of SFY 1998, of at least \$17,000,000.</p>																		

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
 AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
 APPRO 120 DFA REVENUE -- OFFICE OF CHILD SUPPORT ENFORCEMENT
 FUND HCE CHILD SUPPORT ENFORCEMENT-(634)

RANK BY APPROPRIATION
 BR 264

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1999 - 01 BIENNIUM REQUESTS-----						-----RECOMMENDATIONS-----						
					ACTUAL 97-98	BUDGETED 98-99	-----FY 1999 - 00-----		-----FY 2000 - 01-----				-----EXECUTIVE-----		-----LEGISLATIVE-----				
006		HCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C09			147,267 0					151,244 0							
<p>This item requests that certain positions be established within OCSE as eligible for the Career Ladder Incentive Program (CLIP).</p>																			
007		HCE	634 120 210 CHILD SUPPORT ENFORCEMENT	C10			10,600 0					10,978 0							
<p>This requests the reclassifications of two positions which report directly to the Administrator of OCSE. The reclassification would put these two positions on the same grade level as three other positions with similar responsibilities.</p>																			

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
APPRO 120 DFA REVENUE -- OFFICE OF CHILD SUPPORT ENFORCEMENT
FUND HCE CHILD SUPPORT ENFORCEMENT-(634)

RANK BY APPROPRIATION
BR 264