

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999**

BASE LEVEL

The sole purpose of the DHS Division of Services for the Blind (DSB) is to ensure cost-effective, specialized services are provided to blind and visually impaired Arkansans to enable them to be personally and economically self-sufficient. The average cost of long term care in a facility setting exceeded \$22,000 in 1995. Conversely, the DSB cost to instruct a blind person on techniques of safety, communication, hygiene, home management, business affairs, etc., was \$648 for the same period. In addition to the savings realized, blind persons who received specialized training became skilled employees, and contributing taxpayers. In 1995, DSB rehabilitated 252 blind and severely visually impaired individuals. Of this number, 147 persons were competitively employed. Subsequent annual earnings increased an average of 91%, that is from \$5,750 to \$10,972 annually (24% above min.wage).

The 1997-99 Base Level reflects the continuation of specialized services to Arkansas constituents. Due to a shift in federal priorities, and a redesign of service delivery for streamlining, DSB has reduced its budgeted staff from 90 to 81 in Base Level. This entails significant cross-training, enhanced communication to consumers as well as staff, and greatly improved teamwork. Resultant salary savings have shifted to pay tuition, medical, equipment and other costs of clients pursuing rehabilitation goals aimed at employment.

PRIORITY 1

Priority 1 totals \$495,674 per year in federal funds, including \$5,987 per year for mandatory overtime and matching; \$85,503 per year in anticipated equipment costs related to completion of approved automation plan and relocation of central field services and administrative unit to DHS complex. This amount includes establishment of specialized technology lab constructed into relocated facility.

\$404,184 of the above total each year is requested to provide for increases in the cost of educational and diagnostic expenses and other costs related to the successful rehabilitation of blind and severely visually impaired persons whose ultimate goal is employment. Increased partnership activities with the Department of Education and the Health Department has produced a dramatic increase in referrals, requiring revision in future planning. The federal costs are governed by an Order of Selection dictating that only those blind persons who are the most severely disabled shall be served by DSB by order of their severity.

PRIORITY 2

Priority 2 requests unfunded appropriation of \$77,195 and \$79,104 in Year 1 and 2 respectively for three positions for DHS flexibility

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
DHS DIVISION OF SERVICES FOR THE BLIND	JAMES C. HUDSON	BR21	104

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY

AGENCY: DHS-DIVISION OF SERVICES FOR THE BLIND

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: 042-STATE SERVICES FOR THE BLIND</u>				
Salary and Matching	8	\$211,720	\$192,030	In FY96 none of the additional authority was expended nor is any budgeted in FY97. None of the additional positions have been utilized nor are they budgeted in FY97. By authority of ACA 25-10-112 \$25,000 was transferred to Administrative Services for Data Processing Services.
Extra Help		\$25,026	\$25,026	Job Development in rural areas of the State. The Division utilized \$2,079 of the additional authority in FY96 and has budgeted the entire amount in FY97.
Overtime		\$5,000	\$5,000	Fair Labor Standards Act Compliance. The Division utilized \$2,110 of the additional authority in FY96 and has not budgeted any additional authority in FY97.
Extra Salaries		\$6,000	\$9,750	Incentive for certification and mentoring activities. The Division utilized none of the additional authority in FY96 and has budgeted none in FY97.
Operating Expenses		\$134,900	\$103,900	Costs associated with office relocation in Central Little Rock, establishment of an office in eastern Arkansas, leases, janitorial and utility costs. The Division expended none of the additional authority in FY96 and has budgeted all of the additional authority in

SUMMARY
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AGENCY: DHS-DIVISION OF SERVICES FOR THE BLIND

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		FY 95-96	FY 96-97	
				FY97. By authority of ACA 25-10-112 \$25,000 was transfered to Administrative Services for Data Processing Services.
Conference Fees and Travel		\$51,958	\$51,958	Implementation of initiatives under 1992 Rehabilitation Act for Training. The Division utilized \$21,507 of the added authority in FY96 and and has budgeted \$26,958 of the additional authority in FY97.
Professional Fees and Services		\$37,000	\$17,000	Contracted evaluation per year. The Division utilized none of the additional authority in FY96 and has budgeted \$14,000 in additional authority in FY97. By authority of ACA 25-10-112, \$20,000 was transfered to Administrative Services for Data Processing Services.
Capital Outlay		\$89,000	\$77,055	The Division utilized \$68,977 of the authority granted in FY96 for federal automation plan. The division has budgeted \$90,800 of the additional authorization in FY97. By authority of ACA 25-10-112, \$23,945 was transfered to Administrative Services for Data Processing Services.
Purchase of Services		\$216,938	\$216,938	Inflationary costs of purchased services, tuition at postsecondary education institutions, and vision related supplies in self sufficiency training. The Division utilized \$187,244 of the additional authority in FY96 and has budgeted \$195,061 of the additional authority in FY97.

ARKANSAS BUDGET SYSTEM DEPARTMENT PROGRAM SUMMARY

AGENCY TITLE	1995-97 Expenditures				1997-99 Biennium Request				1997-99 Executive Recommendation			
	Actual 1995-96	No. of Pos.	Budgeted 1996-97	No. of Pos.	Year 1 1997-98	No. of Pos.	Year 2 1998-99	No. of Pos.	Year 1 1997-98	No. of Pos.	Year 2 1998-99	No. of Pos.
Department of Human Services (710) Division of Services for the Blind												
Vocational Rehabilitation	\$3,174,720	53	\$3,643,247	55	\$4,232,350	58	\$4,285,127	58	\$3,639,410	55	\$3,689,873	55
Rehabilitation Teaching	946,826	23	1,031,075	23	1,089,283	23	1,112,835	23	1,089,283	23	1,112,835	23
Living Independence for Elders	190,031	3	198,623	3	206,612	3	209,940	3	206,612	3	209,940	3
Special Programs	58,228	0	132,500	0	132,500	0	132,500	0	132,500	0	132,500	0
Staff Development	39,410	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0
TOTALS	\$4,409,215	79	\$5,045,445	81	\$5,700,745	84	\$5,780,402	84	\$5,107,805	81	\$5,185,148	81
Funding Sources		% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances												
General Revenues	1,652,610	37.5%	1,711,059	33.9%	1,796,304	35.0%	1,823,891	35.0%	1,796,304	35.2%	1,823,891	35.2%
Special Revenues												
Federal Funds	2,756,272	62.5%	3,270,903	64.8%	3,331,572	65.0%	3,381,733	65.0%	3,311,501	64.8%	3,361,257	64.8%
Const. & Fiscal Agency Fund												
State Central Services Fund												
Merit Adjustment Fund			63,483	1.3%								
Cash Funds												
Various Program Support	333											
Total Funding	4,409,215	100.0%	5,045,445	100.0%	5,127,876	100.0%	5,205,624	100.0%	5,107,805	100.0%	5,185,148	100.0%
Excess Appr./ (Funding)					572,869		574,778					
TOTAL	\$4,409,215		\$5,045,445		\$5,700,745		\$5,780,402		\$5,107,805		\$5,185,148	
DEPARTMENT	DHS-Division of Services for the Blind				DIRECTOR Tom Dalton				DEPARTMENT PROGRAM SUMMARY BR 22			

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

In 1983, Act 481 was passed, creating the Division of Services for the Blind. The Act removed the Division from the jurisdiction of the Department of Rehabilitation Services and made it an autonomous state agency within the Department of Human Services. The Division is responsible for its own State Plan under the Federal Rehabilitation Act. Agency direction and performance responsibility lies with a seven (7) member consumer board comprised of organization representatives involved in providing services for people who have visual impairments. The member organizations include those such as Arkansas Lions, Blinded Veterans Association, Lions World Services for the Blind, Arkansas School for the Blind, and the Arkansas Affiliate of the National Federation of the Blind. By law, the majority of the members of the Board must be persons who are blind. This organizational structure was maintained when the Department of Human Services was reorganized under Act 348 of 1985.

Services to individuals with visual impairments are provided by agency staff and by contracting with service providers who specialize in services for people with visual impairments. There are 81 positions currently in the Agency. In keeping with the Federal streamlining initiative, the Division is continuing to "downsize." Staff size has decreased from 90 to 81 with this initiative. With the changes at the Federal level these nine (9) positions are not necessary and therefore, have not been filled.

Funding for the Division of Services for the Blind comes from General and Federal Revenue. Base Level for the Biennium is \$5,127,876 (General Revenue \$1,796,304) in FY98 and \$5,205,624 (General Revenue \$1,823,891) in FY99.

The agency priority request for FY98 totals \$572,869 and \$574,778 in FY99. This request is for **appropriation only** and includes:

- \$5,987 for Overtime Expenses and Matching costs in FY98 and FY99. This increase is to help ensure the continued operation of the Division when regular staff positions are difficult to fill on a permanent basis and when work loads are heavy.
- \$85,503 in Capital Outlay the Division anticipates needing for completion of an approved automation plan and relocation of central field services and the administrative office to downtown Little Rock. This amount includes a specialized technology lab at the new office space. The amount requested is the same for FY98 and FY99.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Department of Human Services Division of State Services for the Blind	Name: State Services for the Blind	Name: DHS- Administrative	BUDGET REQUEST	108
Code: 710	Code: 042	Code: PWP	BR20	

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

- \$404,184 in Purchase of Services in FY98 and FY99 for tuition, books, fees and related expenses at the college and vocational technical level for clients. This amount further includes specialized equipment and expenses toward employment.
- \$77,195 in FY98 and \$79,104 in FY99 for Salary and associated Matching costs for reauthorization of three (3) positions the agency did not budget in FY97.

The Biennial Budget also includes a request to increase the maximum annual salary of one (1) non-classified position above the 2.8% recommended for State Employees. This position serves as an Assistant Director. This request is a component of a departmental request that would provide a maximum salary that could be paid to 51 various non-classified personnel based on criteria to be developed by the Department. Payment of the maximum salary would not be automatic and would depend on functions performed, supervisory responsibility, and financial accountability as determined by respective Division Directors. Salary and Matching appropriation for this request totals \$20,071 in FY98 and \$20,476 in FY99.

The Executive Recommendation provides for Base Level which includes appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements. The Executive Recommendation does not address agency request for extraordinary increases for non-classified positions at this time.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Department of Human Services Division of State Services for the Blind	Name: State Services for the Blind	Name: DHS- Administrative	BUDGET REQUEST	109
Code: 710	Code: 042	Code: PWP	BR20	

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							97-98	98-99	97-98	98-99
REGULAR SALARIES	2,044,763	2,306,748	2,384,029	2,387,362	56,931	2,444,293	2,452,204	58,525	2,510,729	2,375,272	2,439,775		
NUMBER OF POSITIONS	79	81	90	81	3	84	81	3	84	81	81		
EXTRA HELP	17,081	40,028	40,028	40,028	0	40,028	40,028	0	40,028	40,028	40,028		
NUMBER OF POSITIONS	5	14	14	14	0	14	14	0	14	14	14		
PERSONAL SERV MATCHING	557,520	644,800	728,224	722,920	21,251	744,171	735,826	21,566	757,392	714,939	727,779		
OVERTIME	2,110	0	5,000	0	5,000	5,000	0	5,000	5,000				
EXTRA SALARIES	0	0	9,750	0	0	0	0	0	0				
OPERATING EXPENSES	299,468	446,500	496,900	446,500	0	446,500	446,500	0	446,500	446,500	446,500		
CONF FEES & TRAVEL	34,549	40,000	65,000	40,000	0	40,000	40,000	0	40,000	40,000	40,000		
PROF FEES & SERVICES	23,311	47,000	70,000	47,000	0	47,000	47,000	0	47,000	47,000	47,000		
CAPITAL OUTLAY	68,997	90,800	121,800	14,497	85,503	100,000	14,497	85,503	100,000	14,497	14,497		
DATA PROCESSING	0	0	3,000	0	0	0	0	0	0				
PURCHASE OF SERVICES	1,344,245	1,395,816	1,590,877	1,395,816	404,184	1,800,000	1,395,816	404,184	1,800,000	1,395,816	1,395,816		
DATA PROCESSING SERVICES	17,171	33,753	33,753	33,753	0	33,753	33,753	0	33,753	33,753	33,753		
TOTAL	4,409,215	5,045,445	5,548,361	5,127,876	572,869	5,700,745	5,205,624	574,778	5,780,402	5,107,805	5,185,148		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES	1,652,610	1,711,059	*****	1,796,304		1,796,304	1,823,891		1,823,891	1,796,304	1,823,891		
SPECIAL REVENUES			*****										
FEDERAL FUNDS	2,756,272	3,270,903	*****	3,331,572		3,331,572	3,381,733		3,381,733	3,311,501	3,361,257		
STATE CENTRAL SERVICES FUND			*****										
Merit Adjustment Fund		63,483	*****										
CASH FUNDS			*****										
Various Program Support	333		*****										
TOTAL FUNDING	4,409,215	5,045,445	*****	5,127,876		5,127,876	5,205,624		5,205,624	5,107,805	5,185,148		
EXCESS APPRO/ (FUNDING)			*****		572,869	572,869		574,778	574,778				
TOTAL	4,409,215	5,045,445	*****	5,127,876	572,869	5,700,745	5,205,624	574,778	5,780,402	5,107,805	5,185,148		

DEPT 019 DEPARTMENT OF HUMAN SERVICES
 AGY 710 DEPARTMENT OF HUMAN SERVICES
 APPRO 042 STATE SERVICES FOR THE BLIND
 FUND D5B DHS-STATE SERV FOR BLIND-(710)

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-----				-----1997 - 99 BIENNIIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----											
					---ACTUAL---		---BUDGETED---		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----									
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99												
000		DSB	710 042	B	4,409,215 79	5,045,445 81	5,127,876 81	5,205,624 81						5,107,805 81	5,185,148 81									
001		DSB	710 042 650 05 VOCATIONAL REHABILITATION BASIC	P01		0 0	495,674 0	495,674 0																
<p>The Division of Services for the Blind (DSB) seeks federal appropriation totaling \$495,674 for continuation of federal streamlining initiative, completion of automation plan and purchase of specialized education, equipment, medical services, etc. for blind and visually impaired Arkansans. Of this amount each year, \$5,987 is sought for mandatory overtime (salary and matching), \$85,503 is requested for automation and equipping of the newly relocated facility, and \$404,184 is sought for college and vo-tech tuition, books, fees, etc., for clients, as well as specialized equipment, etc. toward employment.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: center;">FY98</td> <td style="text-align: center;">FY99</td> </tr> <tr> <td style="text-align: center;">Federal Revenue</td> <td style="text-align: center;">\$495,674</td> <td style="text-align: center;">\$495,674</td> </tr> </table>																				FY98	FY99	Federal Revenue	\$495,674	\$495,674
	FY98	FY99																						
Federal Revenue	\$495,674	\$495,674																						
002		DSB	710 042 650 05 VOCATIONAL REHABILITATION BASIC	P02		0 0	77,195 3	79,104 3																
<p>The Division of Services for the Blind (DSB) seeks reauthorization of three positions and unfunded appropriation of \$77,195 in FY98 and \$79,104 in FY99 for personnel flexibility within DHS. Positions include one Grade 10, E047 Rehabilitation Teacher for the Blind, one Grade 17, Stationary Engineer Y021, and one Grade 15, E084 Habilitation/Rehabilitation Instructor. Salary appropriation totals \$56,931 and \$58,525 in year 1 and 2 respectively, with matching requested at \$20,264 and \$20,579 for year 1 and 2.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: center;">FY98</td> <td style="text-align: center;">FY99</td> </tr> <tr> <td style="text-align: center;">Unfunded Appropriation</td> <td style="text-align: center;">\$77,195</td> <td style="text-align: center;">\$79,104</td> </tr> </table>																				FY98	FY99	Unfunded Appropriation	\$77,195	\$79,104
	FY98	FY99																						
Unfunded Appropriation	\$77,195	\$79,104																						

DEPT 019 DEPARTMENT OF HUMAN SERVICES
AGY 710 DEPARTMENT OF HUMAN SERVICES
APPRO 042 STATE SERVICES FOR THE BLIND
FUND DSB DHS-STATE SERV FOR BLIND-(710)

RANK BY APPROPRIATION
BR 264