

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Department Appropriation Summary

Agency Name DEPARTMENT OF HUMAN SERVICES
Agency Code 710

Code	Appropriation Name	2001-02		2002-03		Agency Request				Executive Recommendation			
		Actual	Pos.	Budget	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
47	Developmental Disabilities Services - Special Olympics	\$ 92,975		\$ 94,459.0	0	\$ 94,459	0	\$ 94,459	0	\$ 94,459	0	\$ 94,459	0
96	Mental Health Services - Community Mental Health Centers	7,948,699		7,878,967	0	7,878,967	0	7,878,967	0	7,878,967	0	7,878,967	0
20	Child Care/Early Childhood-Child Care Development Discretionary	19,493,088		21,741,878	0	27,741,878	0	29,741,878	0	27,741,878	0	29,741,878	0
96	County Operations - Aid to Aged, Blind, Disabled	0		4,000	0	4,000	0	4,000	0	4,000	0	4,000	0
97	Developmental Disabilities Services - Children's Medical Services	1,713,647		1,729,279	0	1,729,279	0	1,729,279	0	1,729,279	0	1,729,279	0
08	Developmental Disabilities Services - Children's Medical Services-Federal	5,040		1,377,338	0	1,377,338	0	1,377,338	0	1,377,338	0	1,377,338	0
09	County Operations - Weatherization Program	3,421,739		4,420,000	0	4,920,000	0	5,420,000	0	4,920,000	0	5,420,000	0
10	County Operations - Emergency Food Program	355,132		480,000	0	480,000	0	480,000	0	480,000	0	480,000	0
11	County Operations - Low Income Energy Assistance Program	9,455,784		8,108,200	0	10,959,034	0	10,959,034	0	10,959,034	0	10,959,034	0
112	County Operations - Refugee Resettlement Program	86,466		91,500	0	91,500	0	91,500	0	91,500	0	91,500	0
114	Administrative Services Consolidated Cost Revolving Fund	2,127,263		271,500	0	271,500	0	271,500	0	271,500	0	271,500	0
118	Aging and Adult Services - Meals on Wheels	3,495,817		3,000,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0
126	County Operations - Homeless Assistance Grant	930,820		1,500,100	0	1,700,100	0	1,900,100	0	1,700,100	0	1,900,100	0
129	Youth Services - Community Based Sanctions	2,128,290		2,500,000	0	2,500,000	0	2,500,000	0	2,500,000	0	2,500,000	0
142	County Operations - Medicaid Expansion Program	2,033,877	63	2,033,877	63	2,101,856	63	2,146,255	63	2,101,856	63	2,146,255	63
142	Medical Services - Medicaid Expansion Program	32,859	2	107,528	2	110,538	2	112,853	2	110,538	2	112,853	2
148	Medical Services - Medicaid Expansion Program - Hospital and Medical Services	4,567,729	0	46,765,542	0	46,765,542	0	46,765,542	0	46,765,542	0	46,765,542	0
148	Medical Services - Medicaid Expansion Program - Prescription Drugs	41,273	0	29,063,678	0	29,063,678	0	29,063,678	0	29,063,678	0	29,063,678	0
357	Developmental Disabilities Services - Community Programs	198,352	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
358	Developmental Disabilities Services - Grants-In-Aid	10,242,509	0	10,446,362	0	10,446,362	0	10,446,362	0	10,446,362	0	10,446,362	0
360	Mental Health Services - Arkansas State Hospital - M & O	1,526,590	0	0	0	0	0	0	0	0	0	0	0
781	County Operations - Individual Development Account Program	408,045	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
971	Youth Services - Youth Svc-Loans	0	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
976	Medical Services - Nursing Home Closure Costs	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
978	Medical Services - Long Term Care Facility Receivership	0	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
882	Children and Family - State Residential Treatment Care	1,737,268	0	11,762,121	0	13,285,197	0	13,435,197	0	13,285,197	0	13,435,197	0
883	Children and Family Services - Foster Care-State	13,724,002	0	0	0	0	0	0	0	0	0	0	0
884	Children and Family Services - SCAN	437,844	0	0	0	0	0	0	0	0	0	0	0
886	Youth Services - Community Services	24,509,900	0	29,159,461	0	41,837,005	0	43,724,505	0	41,837,005	0	43,724,505	0
890	Child Care/Early Childhood - Food Program - Federal	28,099,451	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
892	Youth Services - Federal Child and Youth Services Grants	900,213	0	1,519,312	0	3,412,000	0	3,412,000	0	3,412,000	0	3,412,000	0
896	Administrative Services - Operations	27,486,662	363	30,412,172	363	33,991,693	412	34,405,137	412	32,252,063	412	32,664,977	412
896	Aging and Adult Services - Adult Protective Services	1,038,460	24	1,108,442	24	1,138,852	24	1,162,847	24	1,209,723	24	1,235,632	24
896	Aging and Adult Services - Operations	27,872,296	86	30,380,208	86	28,785,494	86	28,895,297	86	28,785,494	86	28,895,297	86
896	Child Care/Early Childhood Education - Operations	8,152,487	104	9,945,744	104	10,684,702	111	10,849,351	111	10,684,702	111	10,849,351	111
896	Children and Family Services - Operations	50,188,839	1,030	52,363,616	1,030	57,419,287	1,095	58,558,432	1,095	57,419,287	1,095	58,558,661	1,095
896	County Operations - Operations	91,846,355	1,849	104,551,061	1,849	108,171,421	1,899	109,253,578	1,899	108,171,421	1,899	109,253,578	1,899
896	Developmental Disabilities Services - Operations	95,626,755	2,314	101,242,672	2,314	128,777,002	2,577	143,021,255	2,577	128,777,002	2,577	143,021,255	2,577
896	Director's Office - Operations	7,671,280	145	7,923,191	145	9,943,552	177	10,054,527	177	8,974,805	165	9,173,518	165
896	Medical Services - Operations	18,905,094	375	21,376,390	375	18,121,909	291	18,469,930	291	17,910,409	291	18,260,930	291
896	Mental Health Services - Arkansas Health Center	21,757,059	515	22,132,204	515	24,398,359	572	24,869,685	572	24,398,359	572	24,869,685	572
896	Mental Health Services - State Operations	38,565,387	372	39,820,527	372	51,723,554	532	52,209,485	532	51,723,554	532	52,209,485	532
896	Services for the Blind - Operations	5,529,462	78	5,930,274	78	6,041,701	78	6,134,768	78	6,041,701	78	6,134,768	78
896	Volunteerism - Operations	3,234,743	22	3,330,982	22	3,448,748	23	3,475,836	23	3,414,848	23	3,438,436	23
896	Youth Services-Operations	12,771,474	91	8,142,510	91	9,434,888	172	9,601,639	172	9,434,888	172	9,601,639	172
897	County Operations - TANF Block Grant	41,318,127	0	67,035,946	0	70,035,946	0	70,035,946	0	70,035,946	0	70,035,946	0
897	Medical Services - ARKids B Program	40,288,486	0	42,980,759	0	47,368,431	0	52,230,965	0	47,368,431	0	52,230,965	0
897	Medical Services - Hospital and Medical Services	1,459,620,844	0	1,400,554,808	0	1,850,504,148	0	2,001,613,071	0	1,850,504,148	0	2,001,613,071	0
897	Medical Services - Prescription Drug Waiver for the Elderly	0	0	3,952,384	0	19,280,065	0	19,280,065	0	19,280,065	0	19,280,065	0
897	Medical Services - Prescription Drugs	256,882,387	0	284,733,310	0	348,826,208	0	399,753,505	0	348,826,208	0	399,753,505	0
897	Medical Services - Private Nursing Home Care	384,411,553	0	448,291,161	0	488,866,748	0	528,536,619	0	488,866,748	0	528,536,619	0
898	Administrative Services - Social Services Block Grant - Federal	10,532,055	0	888,133	0	888,133	0	888,133	0	888,133	0	888,133	0
898	Child Care/Early Childhood - Child Care Grant	18,655,109	0	22,391,392	0	26,391,392	0	26,391,392	0	26,391,392	0	26,391,392	0
898	Children and Family Services - TANF/Foster Care	22,602,530	0	21,196,797	0	25,696,797	0	25,696,797	0	25,696,797	0	25,696,797	0

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Department Appropriation Summary

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 Agency Code 710

Code	Appropriation Name	2001-02		2002-03		Agency Request				Executive Recommendation			
		Actual	Pos.	Budget	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
898	County Operations - Community Service Block Grant	8,473,947		8,331,604	0	9,831,604	0	10,331,604	0	9,831,604	0	10,331,604	0
898	Medical Services - Child and Family Life Institute	0		2,100,000	0	2,100,000	0	2,100,000	0	2,100,000	0	2,100,000	0
898	Medical Services - Infant Infirmary	17,151,240		16,962,608	0	19,058,505	0	19,600,261	0	19,058,505	0	19,600,261	0
898	Medical Services - Public Nursing Home Care	126,093,780		128,747,757	0	136,481,442	0	140,455,885	0	136,481,442	0	140,455,885	0
930	County Operations - Commodity Distribution and Salvage Container	0		380,000	0	380,000	0	380,000	0	380,000	0	380,000	0
934	Developmental Disabilities Services - School Lunch Program	1,241,891		1,400,000	0	1,800,000	0	1,800,000	0	1,800,000	0	1,800,000	0
935	Volunteerism - Cash	0		15,000	0	15,000	0	15,000	0	15,000	0	15,000	0
937	Mental Health Services - Canteens - Cash	2,727		74,048	0	74,048	0	74,048	0	74,048	0	74,048	0
938	Mental Health Services - Patient Benefits - Cash	12		75,000	0	75,000	0	75,000	0	75,000	0	75,000	0
978	Aging and Adult Services - Arkansas Senior Olympics	60,000		60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
979	Mental Health Services - Tracking and Treatment Program	3,093,241		3,024,000	0	3,024,000	0	3,024,000	0	3,024,000	0	3,024,000	0
982	Developmental Disabilities Services - InterDivisional Programs	270,311		441,469	0	441,469	0	441,469	0	441,469	0	441,469	0
1AK	Children and Family Services - Angela R Court Settlement	262,493		0	0	0	0	0	0	0	0	0	0
1DE	Administrative Services Various Building Construction	540,068		2,813,060	0	2,813,060	0	2,813,060	0	2,813,060	0	2,813,060	0
1DK	County Operations - Shelter Plus Care Program	713,935		1,500,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
1TF	Youth Services - Juvenile Accountability Incentive Block Grant	2,616,461		4,736,274	0	5,710,418	0	5,710,418	0	5,710,418	0	5,710,418	0
2MN	Mental Health Services - Block Grant - Federal	3,788,112		4,623,574	0	4,623,574	0	4,623,574	0	4,623,574	0	4,623,574	0
C99	Administrative Services - Client Specific Emergency Services - Cash	0		120,000	0	120,000	0	120,000	0	120,000	0	120,000	0
Grand Total		\$ 2,942,922,155		\$ 3,122,621,980	7,431	\$ 3,799,497,380	8,112	\$ 4,079,247,028	8,112	\$ 3,798,614,474	8,100	\$ 4,078,452,473	8,100

Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Name													
Fund Balance	\$ 5,205,770	0.2%	\$ 10,621,788	0.3%	\$ 5,331,305	0.1%	\$ 2,330,809	0.1%	\$ 5,331,305	0.2%	\$ 2,330,809	0.1%	
General Revenue	822,008,555	21.1%	835,278,131	20.3%	757,263,488	21.0%	821,816,148	21.2%	739,158,939	20.8%	817,722,783	21.1%	
Special Revenue	1,159,725	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%	
Federal Funds	2,043,298,156	69.3%	2,203,083,129	70.3%	2,542,029,641	70.7%	2,756,394,287	71.0%	2,511,389,122	70.8%	2,754,628,333	71.0%	
Cash Funds	3,635,812	0.1%	7,030,540	0.2%	9,874,110	0.3%	9,959,529	0.3%	9,874,110	0.3%	9,959,529	0.3%	
Trust Funds	1,526,590	0.1%											
Various Program Support	295,269,037	10.0%	282,932,711	9.0%	293,485,862	8.1%	303,180,127	7.8%	293,485,862	8.3%	303,180,127	7.6%	
Fund Transfers Medicaid Match	(8,905,588)	-0.3%	(9,202,396)	-0.3%	(9,202,396)	-0.3%	(9,202,396)	-0.2%	(9,202,396)	-0.3%	(9,202,396)	-0.2%	
Reallocation of Resources	(18,693,997)	-0.6%											
Fund Transfer - State Police	(1,149,584)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	
Fund Transfer - DFA	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	
Child Family Life Institute	625,000	0.0%	1,981,234	0.1%									
AFDC Reimbursement	4,803,181	0.2%	1,322,878	0.0%									
Total Funding	2,948,253,457	100.0%	3,131,719,075	100.0%	3,607,453,092	100.0%	3,883,149,588	100.0%	3,548,708,026	100.0%	3,877,290,269	100.0%	
Excess Approval(Funding)	(5,331,302)		(9,097,095)		182,044,288		198,097,440		247,906,448		199,162,204		
Grand Total	\$ 2,942,922,155		\$ 3,122,621,980		\$ 3,799,497,380		\$ 4,079,247,028		\$ 3,796,614,474		\$ 4,076,452,473		

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM

DEPARTMENT PROGRAM SUMMARY

AGENCY TITLE	2001-03 Expenditures				2003-05 Biennium Request				2003-05 Executive Recommendation			
	Actual 2001-02		Budgeted 2002-03	No. of Pos.	Year 1 2003-04	No. of Pos.	Year 2 2004-05	No. of Pos.	Year 1 2003-04	No. of Pos.	Year 2 2004-05	No. of Pos.
DEPARTMENT OF HUMAN SERVICES (710)												
Director's Office	\$7,671,280		\$7,923,191	145	\$9,943,552	177	\$10,054,527	177	\$8,974,805	165	\$9,173,518	165
Administrative Services	40,686,046		34,504,865	363	38,084,386	412	38,497,830	412	36,344,756	412	36,757,670	412
Volunteer Services	<u>3,234,743</u>		<u>3,345,982</u>	<u>22</u>	<u>3,463,748</u>	<u>23</u>	<u>3,490,836</u>	<u>23</u>	<u>3,429,848</u>	<u>23</u>	<u>3,453,436</u>	<u>23</u>
Sub-totals	51,592,069		45,774,038	530	51,491,686	612	52,043,193	612	48,749,409	600	49,384,624	600
Training and Adult Services	32,466,573		34,546,650	110	33,484,346	110	33,618,144	110	33,555,217	110	33,690,929	110
Children and Family Services	88,952,976		87,322,534	1,030	98,401,281	1,095	99,690,426	1,095	98,401,281	1,095	99,690,655	1,095
Elder Care and Early Childhood Education Services	70,400,135		84,079,014	104	94,817,972	111	99,482,621	111	94,817,972	111	99,482,621	111
Mental Health Services	76,677,727		77,428,320	887	91,797,501	1,104	92,754,760	1,104	91,797,501	1,104	92,754,760	1,104
Medical Services	2,307,975,245		2,425,785,926	377	3,006,697,212	293	3,258,132,375	293	3,006,485,712	293	3,257,923,375	293
County Operations	157,010,150		198,916,088	1,912	209,155,461	1,962	213,482,017	1,962	209,155,461	1,962	213,482,017	1,962
Developmental Disabilities Services	109,391,480		116,781,579	2,314	144,715,909	2,577	158,960,162	2,577	144,715,909	2,577	158,960,162	2,577
Services for the Blind	5,529,462		5,930,274	76	6,041,701	76	6,134,768	76	6,041,701	76	6,134,768	76
Elder Services	42,926,338		46,057,557	91	62,894,311	172	64,948,562	172	62,894,311	172	64,948,562	172
TOTALS	\$2,942,922,155		\$3,122,621,980	7,431	\$3,799,497,380	8,112	\$4,079,247,028	8,112	\$3,796,614,474	8,100	\$4,076,452,473	8,100
Funding Sources		% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
End Balances	\$5,205,770	0.2%	\$10,621,766	0.3%	\$5,331,305	0.1%	\$2,330,809	0.1%	\$5,331,305	0.2%	\$2,330,809	0.1%
General Revenues	622,009,555	21.1%	635,278,131	20.3%	757,263,486	21.0%	821,816,148	21.2%	739,158,939	20.8%	817,722,783	21.1%
Special Revenues	1,159,725	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%	250,557	0.0%
Federal Funds	2,043,268,156	69.2%	2,203,083,129	70.4%	2,552,029,641	70.8%	2,756,394,287	70.8%	2,511,389,122	70.7%	2,754,628,333	70.9%
State Funds	3,635,612	0.1%	7,030,540	0.2%	9,874,110	0.3%	9,959,529	0.3%	9,874,110	0.3%	9,959,529	0.3%
Trust Funds	1,526,590	0.1%										
Grants and Program Support	295,269,037	10.0%	282,932,711	9.0%	293,485,862	8.1%	303,180,127	7.8%	293,485,862	8.3%	303,180,127	7.8%
Federal Transfers - Medicaid	(8,905,588)	-0.3%	(9,202,396)	-0.3%	(9,202,396)	-0.3%	(9,202,396)	-0.2%	(9,202,396)	-0.3%	(9,202,396)	-0.2%
Allocation of Resources	(18,693,997)	-0.6%										
Federal Transfer - State Police	(1,149,584)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%	(1,179,473)	0.0%
Federal Transfer - DFA	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%	(400,000)	0.0%
Child & Family Life Institute	525,000	0.0%	1,981,234	0.1%								
DC Reimbursement	4,803,181	0.2%	1,322,876	0.0%								
Total Funding	2,948,253,457	100.0%	3,131,719,075	100.0%	3,607,453,092	100.0%	3,883,149,588	100.0%	3,548,708,026	100.0%	3,877,290,269	100.0%
Access Appr./ (Funding)	(5,331,302)		(9,097,095)		192,044,288		196,097,440		247,906,448		199,162,204	
TOTAL	\$2,942,922,155		\$3,122,621,980		\$3,799,497,380		\$4,079,247,028		\$3,796,614,474		\$4,076,452,473	
DEPARTMENT	DIRECTOR				DEPARTMENT PROGRAM SUMMARY							
Department of Human Services	Kurt Knickrehm											

DEPARTMENT OF HUMAN SERVICES
COMPARISON OF THE AGENCY REQUEST FOR GENERAL REVENUE WITH THE EXECUTIVE RECOMMENDATION
2003 - 2005

FUND ACCOUNTS	FY03 FORECAST	Fiscal Year 2004					Fiscal Year 2005				
		BASE LEVEL	CHANGE LEVEL	TOTAL	DIFF. FY04. VS.	% OVER	BASE LEVEL	CHANGE LEVEL	TOTAL	DIFF. FY04.	% OVER
					FY03 FRCST	FY03				VS. FY05	FY04
Agency Request											
DHS-Administration											
Director's Office/Chief Counsel	\$2,659,800	\$2,737,118	\$469,012	\$3,206,130	\$546,330	20.5%	\$2,797,211	\$433,169	\$3,230,380	\$24,250	0.8%
Administrative Services	10,697,057	10,816,523	0	10,816,523	119,466	1.1%	10,949,074	0	10,949,074	132,551	1.2%
Volunteerism	428,846	439,216	60,194	499,410	70,564	16.5%	446,925	64,124	511,049	11,639	2.3%
Subtotal DHS-Administration	13,785,703	13,992,857	529,206	14,522,063	736,360	5.3%	14,193,210	497,293	14,690,503	168,440	1.2%
Aging and Adult Services	10,602,576	10,654,234	0	10,654,234	51,658	0.5%	10,695,899	0	10,695,899	41,665	0.4%
Children & Family Services	38,069,686	38,502,071	1,523,076	40,025,147	1,955,461	5.1%	38,814,838	1,673,076	40,487,914	462,767	1.2%
Child Care/Early Childhood Ed.	527,678	528,761	0	528,761	1,083	0.2%	534,570	0	534,570	5,809	1.1%
Youth Services	41,093,995	41,223,805	688,434	41,912,239	818,244	2.0%	41,324,004	2,575,934	43,899,938	1,987,699	4.7%
Devel. Disab. Services	41,426,250	41,967,450	3,744,714	45,712,164	4,285,914	10.3%	42,442,496	6,996,122	49,438,618	3,726,454	8.2%
Medical Services	4,574,127	4,676,287	(60,878)	4,615,409	41,282	0.9%	4,756,738	(61,511)	4,695,227	79,818	1.7%
DHS-Grants	393,161,101	393,161,101	105,734,836	498,895,937	105,734,836	26.9%	393,161,101	161,937,141	555,098,242	56,202,305	11.3%
Mental Health Services	50,974,670	51,644,228	5,900,000	57,544,228	6,569,558	12.9%	52,139,454	5,800,000	57,939,454	395,226	0.7%
Services for the Blind	1,770,435	1,754,362	325,000	2,079,362	308,927	17.4%	1,788,977	325,000	2,113,977	34,615	1.7%
County Operations	39,291,910	40,331,024	442,918	40,773,942	1,482,032	3.8%	41,097,659	1,124,147	42,221,806	1,447,864	3.6%
TOTAL HUMAN SERVICES	\$635,278,131	\$638,436,180	\$118,827,306	\$757,263,486	\$121,985,355	19.2%	\$640,948,946	\$180,867,202	\$821,816,148	\$64,552,662	8.5%
Executive Recommendation											
DHS-Administration											
Director's Office/Chief Counsel	\$2,659,800	\$2,737,118	\$0	2,737,118	\$77,318	2.9%	\$2,797,211	\$0	\$2,797,211	\$60,093	2.2%
Administrative Services	10,697,057	10,816,523	0	10,816,523	\$119,466	1.1%	10,949,074	0	10,949,074	132,551	1.2%
Volunteerism	428,846	439,216	26,294	465,510	\$36,664	8.5%	446,925	26,724	473,649	8,139	1.7%
Subtotal DHS-Administration	13,785,703	13,992,857	26,294	14,019,151	233,448	1.7%	14,193,210	26,724	14,219,934	200,783	1.4%
Aging and Adult Services	10,602,576	10,654,234	0	10,654,234	51,658	0.5%	10,695,899	0	10,695,899	41,665	0.4%
Children & Family Services	38,069,686	38,502,071	1,500,000	40,002,071	1,932,385	5.1%	38,814,838	1,500,000	40,314,838	312,767	0.8%
Child Care/Early Childhood Ed.	527,678	528,761	0	528,761	1,083	0.2%	534,570	0	534,570	5,809	1.1%
Youth Services	41,093,995	41,223,805	688,434	41,912,239	818,244	2.0%	41,324,004	2,575,934	43,899,938	1,987,699	4.7%
Devel. Disab. Services	41,426,250	41,967,450	3,744,714	45,712,164	4,285,914	10.3%	42,442,496	6,800,000	49,242,496	3,530,332	7.7%
Medical Services	4,574,127	4,676,287	(190,962)	4,485,325	(88,802)	-1.9%	4,756,738	(190,962)	4,565,776	80,451	1.8%
DHS-Grants	393,161,101	393,161,101	88,729,279	481,890,380	88,729,279	22.6%	393,161,101	159,937,141	553,098,242	71,207,862	14.8%
Mental Health Services	50,974,670	51,644,228	5,900,000	57,544,228	6,569,558	12.9%	52,139,454	5,800,000	57,939,454	395,226	0.7%
Services for the Blind	1,770,435	1,754,362	325,000	2,079,362	308,927	17.4%	1,788,977	325,000	2,113,977	34,615	1.7%
County Operations	39,291,910	40,331,024	0	40,331,024	1,039,114	2.6%	41,097,659	0	41,097,659	766,635	1.9%
TOTAL HUMAN SERVICES	\$635,278,131	\$638,436,180	\$100,722,759	\$739,158,939	\$103,880,808	16.4%	\$640,948,946	\$176,773,837	\$817,722,783	\$78,563,844	10.6%

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

Weak computer application internal controls within the Childcare Program of the Division of Child Care and Early Childhood Education, as well as the lack of adequate supervision and training of county caseworkers by the Division of County Operations, has led to instances of daycare billing abuses within the program. This program disbursed daycare assistance totaling \$65,629,805 for the two-year period ended June 30, 2002 to approximately 31,000 families. Although our audit is for the year ended June 30, 2001, we also reviewed daycare activity for the 2002 fiscal year. During this period, poor management and weak internal controls allowed routine duplicate billings by daycare centers and homes totaling \$854,130 and probable inappropriate billing of school aged children during the school year totaling \$1,437,699. Currently, the Department has also documented sixteen (16) daycares, which billed for services not provided. In these instances, parents surveyed stated that their child did not attend the daycare that billed the Agency. The Federal Bureau of Investigation and the United States Attorney's Office are currently conducting an investigation, and specific details regarding the investigation are not available at the report date. Internal control weaknesses related to the program include the following:

- Lack of monitoring of open daycare authorizations by county caseworkers;
- Inadequate computer system controls to prevent duplicate payments and payments for school aged children during the school year;
- Lack of adequate computer system password controls; and
- Inadequate review of retroactive billings.

Eligibility files could not be located for eight percent (8%) of the payments to families for Foster Care and Adoption Assistance benefits that were selected for audit review. These programs provided assistance to families totaling \$18,370,181 during the year ended June 30, 2001. Internal controls were jeopardized due to management's lack of sound business and record retention practices in the Central office. As a result, we were unable to determine if payments totaling \$1,469,614 were actually made on behalf of eligible children.

Recommendations

Review management oversight of the Childcare program and strengthen the internal controls related to the computer applications to prevent duplicate billings and the billing of school aged children during the school year. Also, we recommend that activities of the county caseworkers be reviewed to ensure that daycare authorizations are properly monitored.

Review controls over computer applications and segregate duties to the maximum extent possible.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

Also, we noted the following internal control weaknesses related to computer applications used to process foster care and adoption assistance payments:

- Several segregation of duty conflicts were identified during the review of users access abilities. Some personnel had the ability to enter as well as approve transactions. Also, county office supervisors could approve payments on cases that they did not have authority over, such as cases in other counties;
- The Foster Care and Adoption Assistance computer system would process payments without the supervisor approval being entered into the system;
- System controls did not exist to prevent the editing of the payee and the dollar amount after approval had been made; and
- In effort to process payments, central office personnel routinely approved large blocks of transactions with no specific knowledge of the case, because the county caseworkers failed to approve the transactions.

These weaknesses allowed Patricia Rhodes, an Agency employee within the Adoption Assistance Program, to establish her daughter as an adoption assistance provider and assign five (5) ineligible children to her daughter for which services were not provided. The employee then inappropriately disbursed funds to her daughter totaling \$191,088 during the period July 1, 1999 through June 30, 2002. The Federal Bureau of Investigation is currently investigating this matter.

Ms. Debbie Carroll, a secretary in the Division of Services for the Blind, purchased equipment and other items totaling \$9,684 for clients, but the clients have stated that they never received the merchandise. The employee has been terminated and the matter has been referred to the Arkansas State Police for further investigation.

Recommendations

Strengthen controls over the supervision of employees.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

The Office of Fiscal Management failed to maintain adequate internal controls over the processing of 20,897 checks totaling \$7,888,029, which were written on the Transitional Employment Assistance (TEA) checking account. As a result of weak controls, 187 TEA checks totaling \$64,011 were stolen and cashed by unauthorized individuals. We noted the following specific weaknesses concerning the TEA account and the related computer applications:

- Only one (1) employee delivered checks to the mail room from the check printing room even though procedures required that two (2) employees do so;
- The data downloaded from county offices around the State on the Work Incentive Service Eligibility System (WISE) for the processing of payments to eligible clients could easily be altered to authorize payments to ineligible individuals;
- There was an inadequate segregation of duties in that the Security Administrator for the automated system used to process checks, also signed checks and delivered them to the mail room;
- More than one person was using the same password to access the automated system; and
- Inadequate segregation of duties also existed at the county level. The county caseworker established client eligibility, entered the client into the WISE system, and approved the payments.

Internal control weaknesses have placed assets at risk and jeopardized services to individual citizens. As of our report date, the bank has refunded the Agency \$37,426, which was based upon forgery determinations. The State Police and the United States Postal Service are currently reviewing this case regarding the stolen TEA checks, but as of report date no conclusion had been reached.

The Office of Fiscal Management failed to properly monitor and record investment transactions and adequately segregates receipting duties. The employee requesting the drawdown of federal funds in the Reporting and Forecasting section also receipted the funds. The review of investments, which amounted to \$5,338,611 at June 30, 2001, revealed the following weaknesses:

- Investment purchases, redemptions and interest income were not recorded in the accounting records;
- Documentation supporting investment activity was misfiled or lost;
- The receipt of interest and dividends was not deposited in a timely manner; and
- One certificate of deposit amounting to \$50,000 was not renewed at maturity, resulting in the loss of fifteen (15) months interest income.

Recommendations

Review controls over processing checks and enforce existing controls.

Provide adequate training to staff; provide procedures for staff to follow, and provide adequate supervision of those employees. Properly segregate receipting functions in the Reporting and Forecasting Section

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

An inadequately trained and supervised staff that was operating without written policies or procedures contributed to these conditions. The result was inaccurate accounting records and financial reports, and could lead to unaccounted for funds or misuse of assets.

The Office of Fiscal Management also failed to update bank account signature cards as employee changes occurred and provide for sound internal controls. This could result in the misappropriation of assets. Bank balances totaled \$6,080,172 at June 30, 2001. Specifically, we noted the following internal control weaknesses related to bank account activity:

- Nine (9) former employees still had the authority to sign checks and gain access to the safe deposit box where securities are stored;
- Bank balances were not being reconciled to accounting records and ledgers in the Low Income Home Energy Assistance Program and the Long Term Care accounts;
- Lack of segregation of duties in the processing of Foster Care Trust Fund payments. One employee had complete control of the disbursement process; and
- Transactions within the Central Administration Cash Fund, Early Childhood Loan Guarantee Fund, and the Mental Health Patients Benefit Fund were not posted to the State accounting system.

The Office of Administrative Services did not properly record equipment purchases in the State's property management system and we were unable to locate eleven percent (11%) of the equipment assigned in the Central Office. Failure to maintain adequate internal controls over equipment has placed these assets at risk.

Recommendations

Ensure signature cards are periodically reviewed and are updated whenever changes occur. Establish procedures to ensure accounts are properly reconciled and recorded in the State's accounting system and provide for adequate segregation of duties.

Review the controls over fixed assets.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

In effort to provide job related transportation to clients, the Department of Human Services made down payments on 1,158 vehicles totaling \$2,805,846. According to the Department's policy, county offices may develop alternative methods of providing transportation to clients. Under the Temporary Assistance for Needy Families (TANF) program, the Department can make a down payment on a vehicle, up to a maximum of \$2,500, and pay the sales tax and first six months insurance on the vehicle for a qualifying client. Our review of 163 vehicle down payments totaling \$387,486 revealed the following:

- Twenty-one percent (21%) of the vehicles reviewed were repossessed within a one (1) year period. When the dealer repossesses a TANF vehicle, the dealer keeps the down payment made by DHS.
- Three (3) of the vehicles repossessed were sold to other clients;
- Sales prices were frequently reported incorrectly to DFA to avoid paying sales taxes;
- Two (2) instances were noted in which the down payment was made on a vehicle already owned by the client; and
- Three (3) instances were noted in which the check for the sales tax was not used to pay the sales tax on the vehicle.

The Division of Legislative Audit also performed separate information system controls audits of the Arkansas Client Eligibility System (ACES) and the Food Stamp Automated Client Tracking System (FACTS). Detailed results of the audits are presented in two (2) separate reports dated February 15, 2002 and April 17, 2002, respectively. Deficiencies identified are summarized below:

- Programmers with update ability;
- Terminated employees with data file access;
- User passwords stored in clear text;
- No contingency plan;
- No interface balancing controls; and
- Data integrity weaknesses.

Recommendations

Due to the high percentage of vehicles repossessed and the risk of irregularities, we recommend management review the program to determine if making down payments on vehicles is a cost effective method of providing job related transportation to clients.

Comply with recommendations contained in reports.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2001

Findings

In addition, the Division of Legislative Audit, in conjunction with the Medicaid Fraud Control Unit of the Office of the Attorney General, is reviewing certain Medicaid billings. An investigative report will be issued at the conclusion of the review.

Recommendations

Continue to cooperate with the review.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
COMMUNITY COUNSELING SERVICES, INC.
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A01801

Audited By: Jordan, Woosley, Crone & Keaton, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
COUNSELING ASSOCIATES, INC.
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A01001

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
COUNSELING CLINIC, INC.
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A01101

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DELTA COUNSELING ASSOCIATES
FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

SA0A01202

Audited By: Searcy, Saffold & Co., CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
LITTLE ROCK COMMUNITY MENTAL HEALTH CENTER, INC. AND AFFILIATE
FOR THE YEAR ENDED JUNE 30, 2001

Findings

None

Recommendations

None

SA0A04901

Audited By: Robert Richard Wallace, CPA

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
MID-SOUTH HEALTH SYSTEMS, INC.
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A04801

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
NORTH ARKANSAS HUMAN SERVICES SYSTEM, INC.
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SAOA01701

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
OZARK COUNSELING SERVICES, INC.
FOR THE YEAR ENDED JUNE 30, 2002

	Findings		Recommendations
None		None	

SAOA01902

Audited By: Cobb and Suskie, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
OZARK GUIDANCE CENTER
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A02001

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
PROFESSIONAL COUNSELING ASSOCIATES, INC.
FOR THE YEAR ENDED JUNE 30, 2002

None Findings

None Recommendations

SAOA02102

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
SOUTH ARKANSAS REGIONAL HEALTH CENTER, INC.
FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

SAOA02202

Audited By: Thomas & Thomas, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
SOUTHEAST ARKANSAS BEHAVIORAL HEALTHCARE SYSTEM
FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

SAOA02402

Audited By: BKD, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
SOUTHWEST ARKANSAS COUNSELING AND MENTAL HEALTH CENTER, INC.
FOR THE YEAR ENDED JUNE 30, 2002

Findings
None

Recommendations
None

SAOA02502

Audited By: Thomas & Thomas, CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
WESTERN ARKANSAS COUNSELING AND GUIDANCE CENTER
FOR THE YEAR ENDED JUNE 30, 2001

Findings	Recommendations
None	None

SA0A03901

Audited By: Beall Barclay & Co., CPAs

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
WESTERN ARKANSAS PLANNING AND DEVELOPMENT DISTRICT, INC.
FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

SAOA02702

Audited By: Alan K. Minor, CPA

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
EMPLOYMENT SUMMARY
Required by: A.C.A. 19-4-307

AGENCY TITLE: 0710 DEPARTMENT OF HUMAN SERVICES

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>1,022</u>	<u>3,534</u>	<u>4,556</u>	<u>66%</u>
BLACK EMPLOYEES	<u>379</u>	<u>1,885</u>	<u>2,264</u>	<u>33%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>20</u>	<u>59</u>	<u>79</u>	<u>1%</u>
TOTAL EMPLOYED AS OF <u>08/05/2002</u>			<u>2,343</u>	<u>34%</u>
DATE			TOTAL MINORITIES	
			<u>6,899</u>	<u>100%</u>
			TOTAL EMPLOYEES	



AGENCY DIRECTOR

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005

The Director's Office requests one change level in Regular Salaries and Personal Services Matching. This change level provides restoration of two positions totaling \$131,131 in FY04 and \$134,671 in FY05.

Appropriation only is requested. General Revenue is not requested to support these positions.

AGENCY
Department of Human Services
Director's Office

DIRECTOR

Atee Williams 6/28/02

**AGENCY
PROGRAM
COMMENTARY**

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ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005


The Office of Chief Counsel is funded from a mix of sources that include General Revenue, Federal Funds and Other sources. Federal and Other funding is determined by the Department's Cost Allocation Plan with Other funds from sources such as client fees, food stamp and overpayment collections.

The Office of Chief Counsel's total change level request includes the following:

- **Salaries and Personal Services Match** totaling \$751,599 in FY04 and \$770,441 for FY05 to provide for twelve new attorney positions, three restored attorney positions and one administrative support position. The Twelve new attorney positions will be working in the County Offices representing all DHS Divisions with their primary clients, Division of Children and Family Services, Adult Protective Services and Division of Youth Services. We are asking for General Revenue to support this request in the amount of \$323,188 in FY04 and \$331,289.
- **Salaries and Personal Services Match** totaling \$525,050 in FY04 and \$537,950 in FY05 to provide for restoration of fourteen positions. These fourteen positions will provide flexibility in staffing needs in audit and hearings. General Revenue is not being requested to support the fifteen remaining positions.
- **Operating Expenses** totaling \$317,294 in FY04 and \$215,000 in FY05 to cover expenses related to the twelve new attorneys and general operating costs as follows:

\$102,294 in FY04 as a one-time startup costs for the twelve new attorneys and restored positions assigned to fair hearings. This cost would include field office desks, chairs, computers, printers, fax machine, etc. \$215,000 in FY04 would cover operating expenses for the Office of Chief Counsel where current base level would not be sufficient. Such as, repair of existing equipment, increases in network charges, increase in postage rates, increase in rent of facilities, replacement of old outdated computer equipment. We are asking for General Revenue in the amount of \$136,436 in FY04.

FY05 change level requests totals \$215,000 (reduced from FY04 because one-time costs was considered in the first year of the biennium and will not be necessary in the second year). We are asking for General Revenue in the amount of \$92,450 in FY05.

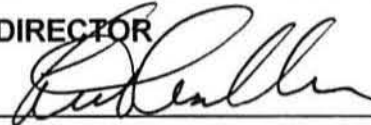
AGENCY Department of Human Services Office of Chief Counsel	DIRECTOR  9/25/02	AGENCY PROGRAM COMMENTARY	PAGE 29
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ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005

- **Professional Services** totaling \$20,000 in FY04 and FY05 respectively and includes the following:
Laboratory/Diagnostics Services that cover drug tests for new employees. This will also cover additional costs for attorney fees in litigation cases. The cost of attorney fees has increased over the past biennium and is of major importance to our County Legal Operations cases. We are asking for General Revenue to support this request in the amount of \$8,600 in FY04 and FY05.
- **Conference Fees and Travel** totaling \$52,000 in FY04 and FY05 respectively and includes the following:
Current base level is at zero. This appropriation would allow for attorneys, auditors, and fraud investigators to meet their continuing education and training requirements for certification. Without the proper certification their licenses are in jeopardy. We are asking for General Revenue to support this request in the amount of only \$788 in FY04 and \$830 in FY05, the remainder will be appropriation only.

AGENCY
Department of Human Services
Office of Chief Counsel

DIRECTOR



**AGENCY
PROGRAM
COMMENTARY**

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ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
STATE AGENCY PUBLICATIONS

Fiscal Year 2002-2003
Required by: A.C.A. 25-1-204

AGENCY: DHS-Director's Office

NAME OF PUBLICATION	STATUTORY AUTHORIZATION	PUBLICATION REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
None				
				31

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
ANALYSIS OF BUDGET REQUEST
2003 - 2005

Act 348 of 1985 delegated administrative authority for the entire Department of Human Services to the Office of the Director. According to ACA §25-10-102, the Department operates under an integrated service delivery system provided by eleven divisions in addition to the Director's Office that includes the Office of Chief Counsel. Both the Director and Chief Counsel operate from the same appropriation but are given separate paying funds. The DHS Director is responsible for establishing Departmental policy to carry out Executive Directives, federal and state legislative mandates and coordination of services across Division lines when individuals and families are provided services by multiple programs. Arkansas Code Annotated §20-76-201 delineates the powers and duties of the Department of Human Services.

The Mission of the Department is "To provide quality services, within available resources, which enable people to maximize their potential and to increase their abilities; preserve and enhance human dignity and worth; and prevent or reduce the need for services."

The Office of the Director has a total of 5 budgeted positions. The Office of Chief Counsel has 140 budgeted positions and provides legal, investigative, and administrative hearing services and internal audit functions to the various Divisions and Offices within the Department of Human Services. There are five (5) areas of responsibility within OCC as follows:

- Legal Operations - litigation pertaining to delivery of services, program administration, personnel, civil rights and overpayment collections
- County Legal Operations - legal support services in all 75 counties primarily in the areas of child welfare and adult protective services. Currently attorneys are physically located in 18 county offices.
- Fraud Investigation - Medicaid, food stamp and child nutrition with referrals for prosecution as necessary and appropriate and also includes coordination of investigations with law enforcement agencies with regard to food stamp trafficking.
- Appeals and Hearing - includes all categories of Medicaid, TANF, Child Maltreatment and employee grievances.
- Audit - conducts performance, compliance and financial audits with follow up monitoring. The area is also responsible for development of audit requirements and guidelines.

The Director's Office/Office of Chief Counsel are funded from a mix of sources that include General Revenue, Federal, and Other funds. Federal and Other funding is determined by the Department Cost Allocation Plan. Other funding which is indicated as Various Program Support are sources such as client fees, Food Stamp and overpayment collections.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: DHS Director's Office	Name: Director's Office - Operations	Name: Administration Paying - Director's Office	BUDGET REQUEST	32
Code: 710	Code: 896	Code: PWP		

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
ANALYSIS OF BUDGET REQUEST
2003 - 2005

The agency Base Level request for this appropriation is \$8,151,523 in FY2004 and \$8,329,828 in FY2005 with 145 base level positions. This includes a payplan increase of 2.7% each year above the FY2003 salary levels for all incumbents plus appropriate Personal Services Matching costs. Included in Personal Services Matching is a \$33 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$280 per month per budgeted employee.

The agency Change Level request for this appropriation is \$1,792,029 in FY2004 and \$1,724,699 in FY2005 with a General Revenue request of \$469,012 in FY2004 and \$433,169 in FY2005. The following delineates the agency request:

- Restoration of 20 position that are authorized but not budgeted with salary and matching appropriation to allow for flexibility.
- 12 new Attorney positions with salary and matching appropriation to be located in the DHS county offices to reduce attorney caseloads.
- \$317,294 in FY2004 and \$215,000 in FY2005 is requested for the Operating Expenses line item for office supplies.
- \$52,000 each year of the biennium is requested for the Travel line item for continuing legal and auditing education.
- \$20,000 each year of the biennium is requested for the Professional Fees and Services line item for professional attorney fees primarily for child welfare client.

The Executive Recommendation provides for Base Level and restoration of the 20 positions with unfunded salary and matching appropriation.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: DHS Director's Office	Name: Director's Office - Operations	Name: Administration Paying -	BUDGET REQUEST	33
Code: 710	Code: 896	Director's Office Code: PWP		

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name DEPARTMENT OF HUMAN SERVICES
 Agency Code 710
 Appropriation Name Director's Office - Operations
 Appropriation Code 898
 Fund Name Administration Paying - Director's Office
 Fund Code PWP

Character Name	Expenditures					Agency Request										Recommendations			
	2001-02		2002-03		2002-03		2003-04					2004-05					Executive		
	Actual	Budget	Pos.	Authorized	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	2003-04	2004-05
Regular Salaries	5,432,421	5,433,341	145	6,278,968	166	5,580,039	145	1,094,486	32	6,674,525	177	5,730,700	145	1,124,032	32	6,854,732	177	6,218,945	165
Extra Help	17,598	22,579	5	136,124	5	22,579	5	0	0	22,579	5	22,579	5	0	0	22,579	5	22,579	5
Personal Serv Match	1,306,545	1,427,387	0	1,617,370	0	1,509,020	0	308,249	0	1,817,269	0	1,536,664	0	313,667	0	1,850,332	0	1,693,396	0
Operating Expenses	804,933	992,112	0	1,000,258	0	992,112	0	317,294	0	1,309,406	0	992,112	0	215,000	0	1,207,112	0	992,112	0
Travel-Conferences	10,525	24,473	0	92,280	0	24,473	0	52,000	0	76,473	0	24,473	0	52,000	0	76,473	0	24,473	0
Capital Outlay	0	0	0	62,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prof. Fees & Serv.	5,979	11,000	0	11,000	0	11,000	0	20,000	0	31,000	0	11,000	0	20,000	0	31,000	0	11,000	0
Data Processing Services	1,321	12,300	0	18,400	0	12,300	0	0	0	12,300	0	12,300	0	0	0	12,300	0	12,300	0
Grand Total	7,671,260	7,923,191	150	8,268,900	171	8,151,523	150	1,792,029	32	9,943,552	182	8,329,828	150	1,724,699	32	10,054,527	182	8,974,806	170

Funding Sources Name	2001-02 Actual	2002-03 Budget	2002-03 Pos.	2002-03 Authorized	2002-03 Pos.	2003-04 Base Level	2003-04 Pos.	2003-04 Change Level	2003-04 Pos.	2003-04 Total	2003-04 Pos.	2004-05 Base Level	2004-05 Pos.	2004-05 Change Level	2004-05 Pos.	2004-05 Total	2004-05 Pos.	2003-04 Pos.	2004-05 Pos.
General Revenue	2,749,470	2,659,600	*****	*****	*****	2,737,118	*****	469,012	*****	3,206,130	*****	2,797,211	*****	433,169	*****	3,230,380	*****	2,737,118	*****
Federal Revenue	3,792,034	4,966,720	*****	*****	*****	5,109,373	*****	623,259	*****	5,732,632	*****	5,220,975	*****	541,259	*****	5,762,234	*****	5,109,373	*****
Various Program Support	1,277,690	266,671	*****	*****	*****	305,032	*****	0	*****	305,032	*****	311,642	*****	0	*****	311,642	*****	305,032	*****
Reallocation of Resources	(147,914)	0	*****	*****	*****	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Total Funding	7,671,260	7,923,191	*****	*****	*****	8,151,523	*****	1,092,271	*****	9,243,794	*****	8,329,828	*****	974,428	*****	9,304,256	*****	8,151,523	*****
Excess Appri(Funding)	0	0	*****	*****	*****	0	*****	699,758	*****	699,758	*****	0	*****	750,271	*****	750,271	*****	823,282	*****
Grand Total	7,671,260	7,923,191	*****	*****	*****	8,151,523	*****	1,792,029	*****	9,943,552	*****	8,329,828	*****	1,724,699	*****	10,054,527	*****	8,974,806	*****

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 Fund Code PWP

Character		Expenditures				
		2001-02	2002-03	2002-03		
Name	Code	Actual	Budget	Pos.	Authorized	Pos.
Regular Salaries	5010000	5,432,421	5,433,341	145	6,278,968	166
Extra Help	5010001	17,556	22,579	5	138,124	5
Personal Serv Match	5010003	1,398,545	1,427,387	0	1,617,370	0
Operating Expenses	5020002	804,933	992,112	0	1,060,258	0
Travel-Conferences	5050009	10,525	24,473	0	92,280	0
Capital Outlay	5120011	0	0	0	52,500	0
Prof. Fees & Serv.	5060010	5,979	11,000	0	11,000	0
Data Processing Services	5900044	1,321	12,300	0	18,400	0
Grand Total		7,671,280	7,923,191	150	9,268,900	171

Funding Sources						
Name	Code					
General Revenue	4000010	2,749,470	2,659,800	*****	*****	*****
Federal Revenue	4000020	3,792,034	4,966,720	*****	*****	*****
Various Program Support	4000060	1,277,690	296,671	*****	*****	*****
Reallocation of Resources	4000075	(147,914)	0	*****	*****	*****
Total Funding		7,671,280	7,923,191	*****	*****	*****
Excess Appro/(Funding)		0	0	*****	*****	*****
Grand Total		7,671,280	7,923,191	*****	*****	*****

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Character		Agency Request											
		2003-04						2004-05					
Name	Code	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.
Regular Salaries	5010000	5,580,039	145	1,094,486	32	6,674,525	177	5,730,700	145	1,124,032	32	6,854,732	177
Extra Help	5010001	22,579	5	0	0	22,579	5	22,579	5	0	0	22,579	5
Personal Serv Match	5010003	1,509,020	0	308,249	0	1,817,269	0	1,536,664	0	313,667	0	1,850,332	0
Operating Expenses	5020002	992,112	0	317,294	0	1,309,406	0	992,112	0	215,000	0	1,207,112	0
Travel-Conferences	5050009	24,473	0	52,000	0	76,473	0	24,473	0	52,000	0	76,473	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0	0	0	0
Prof. Fees & Serv.	5060010	11,000	0	20,000	0	31,000	0	11,000	0	20,000	0	31,000	0
Data Processing Services	5900044	12,300	0	0	0	12,300	0	12,300	0	0	0	12,300	0
Grand Total		8,151,523	150	1,792,029	32	9,943,552	182	8,329,828	150	1,724,699	32	10,054,527	182

Funding Sources													
Name	Code												
General Revenue	4000010	2,737,118	*****	469,012	*****	3,206,130	*****	2,797,211	*****	433,169	*****	3,230,380	*****
Federal Revenue	4000020	5,109,373	*****	623,259	*****	5,732,632	*****	5,220,975	*****	541,259	*****	5,762,234	*****
Various Program Support	4000060	305,032	*****	0	*****	305,032	*****	311,642	*****	0	*****	311,642	*****
Reallocation of Resources	4000075	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Total Funding		8,151,523	*****	1,092,271	*****	9,243,794	*****	8,329,828	*****	974,428	*****	9,304,256	*****
Excess Approl(Funding)		0	*****	699,758	*****	699,758	*****	0	*****	750,271	*****	750,271	*****
Grand Total		8,151,523	*****	1,792,029	*****	9,943,552	*****	8,329,828	*****	1,724,699	*****	10,054,527	*****

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Character		Recommendations							
		Executive				Legislative			
		2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
Regular Salaries	5010000	6,218,945	165	6,386,851	165	0	0	0	0
Extra Help	5010001	22,579	5	22,579	5	0	0	0	0
Personal Serv Match	5010003	1,693,396	0	1,724,202	0	0	0	0	0
Operating Expenses	5020002	992,112	0	992,112	0	0	0	0	0
Travel-Conferences	5050009	24,473	0	24,473	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0
Prof. Fees & Serv.	5060010	11,000	0	11,000	0	0	0	0	0
Data Processing Services	5900044	12,300	0	12,300	0	0	0	0	0
Grand Total		8,974,805	170	9,173,518	170	0	0	0	0

Funding Sources									
Name	Code								
General Revenue	4000010	2,737,118	*****	2,797,211	*****	0	*****	0	*****
Federal Revenue	4000020	5,109,373	*****	5,220,975	*****	0	*****	0	*****
Various Program Support	4000060	305,032	*****	311,642	*****	0	*****	0	*****
Reallocation of Resources	4000075	0	*****	0	*****	0	*****	0	*****
Total Funding		8,151,523	*****	8,329,828	*****	0	*****	0	*****
Excess Appro/(Funding)		823,282	*****	843,690	*****	0	*****	0	*****
Grand Total		8,974,805	*****	9,173,518	*****	0	*****	0	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Rank by Appropriation

Agency Name DEPARTMENT OF HUMAN SERVICES
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Rank	Justification	Designation	Cost Center	2001-02 Actual	2002-03 Budget Pos.	Agency Request 2003-04 Pos. 2004-05 Pos.	Executive Recommendation 2003-04 Pos. 2004-05 Pos.	Legislative Recommendation 2003-04 Pos. 2004-05 Pos.
		BL Base Level	Total	7,671,280	7,923,191 145	8,151,523 145 8,329,828 145	8,151,523 145 8,329,828 145	0 0 0 0
1	This request is to restore two (2) positions located in the DHS Director's Office. The grade 99 position will enable the Director's office to strengthen policy development and the grade 17 position will act as support for this area. Appropriation only.	C01	416601 DirectorsOffAdmin	0	0 0	128,086 2 129,310 2	128,086 2 129,310 2	0 0 0 0
3	Restore one (1) auditor position to be reassigned to OCC audit section. Appropriation only.	C01	416700 OCC Administration	0	0 0	38,318 1 39,261 1	38,318 1 39,261 1	0 0 0 0
2	Restore one (1) attorney position to handle the caseload for litigation. Appropriation only.	C01	416710 Legal Operations	0	0 0	51,204 1 52,495 1	51,204 1 52,495 1	0 0 0 0
2	Restore three (3) Social Service Investigator II positions to provide flexibility in staffing needs. Appropriation only.	C01	416722 Fraud Investigations	0	0 0	98,740 3 99,080 3	98,740 3 99,080 3	0 0 0 0
2	Restore one (1) Social Service Investigator II position to provide flexibility in staffing needs. Appropriation only.	C01	416724 I/A Investigations	0	0 0	32,247 1 33,027 1	32,247 1 33,027 1	0 0 0 0
2	Restore four (4) audit positions to provide flexibility in staffing needs. Appropriation only.	C01	416732 Field Audit I	0	0 0	153,271 4 157,043 4	153,271 4 157,043 4	0 0 0 0
2	Restore two (2) audit positions to provide flexibility in staffing needs. Appropriation only.	C01	416733 Field Audit II	0	0 0	78,635 2 78,522 2	78,635 2 78,522 2	0 0 0 0
2	Restore two (2) audit positions to provide flexibility in staffing needs. Appropriation only.	C01	416735 Audit Coordination	0	0 0	78,635 2 78,522 2	78,635 2 78,522 2	0 0 0 0
1	Request for twelve (12) new attorney positions, restore two (2) attorney positions and restore (1) administrative office supervisor position. All will be located in various DHS county offices representing all DHS Divisions with special emphasis on the Division of Children & Family Services, Adult Protective Services and Division of Youth Services. The current caseload per attorney is 137 cases. The additional attorney positions will reduce the caseload to 80 cases per attorney. The ABA Standards for Child Welfare Attorneys is 40 to 50 cases per attorney. OCC has not received new attorney positions in 1999-01 & 2001-03 bienniums. However, the caseloads have continued to increase as follows: 1997-99 biennium caseload per attorney was 107; 1999-01 caseload per attorney was 118; 2001-03 caseload per attorney was 137. OCC is asking for support of this request in the amount of \$302,424 SGR in FY 04 and \$310,004 SGR in FY 05	C01	416800 CLO Administration	0	0 0	703,311 15 720,940 15	123,858 3 126,930 3	0 0 0 0
1	This request is to restore one (1) attorney position located in Pulaski County representing child welfare clients. OCC is asking for support of this position in the amount of \$20,764 SGR in SFY 04 & \$21,285SGR in SFY 05.	C01	416880 CLO Pulaski Co	0	0 0	48,288 1 49,501 1	48,288 1 49,501 1	0 0 0 0
		C01	Total	0	0 0	1,402,735 32 1,437,699 32	823,281 20 843,689 20	0 0 0 0
2	This additional operating expense will cover increased expenses for repair of existing aged equipment, increases in network charges, increase in postage rates, increase in rent of facilities, replacement of computer equipment. OCC is asking for support of this request in the amount of \$13,330 SGR in SFY 04 and SFY 05.	C03	416700 OCC Administration	0	0 0	31,000 0 31,000 0	0 0 0 0	0 0 0 0
2	This additional operating expense will cover expenses for the fraud investigations. OCC is asking for support of this request in the amount of \$12,470 SGR in SFY 04 and SFY05.	C03	416720 Fraud/IA Admin	0	0 0	29,000 0 29,000 0	0 0 0 0	0 0 0 0
2	This additional operating expense will enable auditors to perform their audit functions. This request will also cover increase in rent and replacement of computer equipment. OCC is asking for General Revenue to support its request in the amount of \$21,758 SGR in SFY 04 and SFY 05.	C03	416730 Audit Administration	0	0 0	50,600 0 50,600 0	0 0 0 0	0 0 0 0
2	This additional operating expense will cover costs of computer equipment, increase in rent, telephone, postage and network services. OCC is asking for support of this request in the amount of \$19,178 SGR in SFY 04 and \$14,018 SGR in SFY 05.	C03	416740 A&H Administration	0	0 0	44,600 0 32,600 0	0 0 0 0	0 0 0 0

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Rank	Justification	Designation	Cost Center	2001-02 Actual	2002-03 Budget Pos.	Agency Request		Executive Recommendation		Legislative Recommendation	
						2003-04 Pos.	2004-05 Pos.	2003-04 Pos.	2004-05 Pos.	2003-04 Pos.	2004-05 Pos.
1	This additional operating expense will cover in-state travel for child welfare attorneys and the start-up cost for twelve (12) new attorney positions that will handle the increasing cases of child abuse and neglect. The remainder of the request will cover increase in rent, postage and network services as well as equipment repair. OCC is asking for General Revenue to support this request in the amount of \$69,700 SGR in SFY 04 and \$30,874 SGR in SFY 05.	C03	416800 CLO Administration	0	0 0	162,094 0	71,800 0	0 0	0 0	0 0	0 0
		C03	Total	0	0 0	317,294 0	215,000 0	0 0	0 0	0 0	0 0
3	This additional Conference Fees and Travel expense will cover CLE (Continuing Legal Education) credits needed to continue legal license certification. Appropriation Only.	C05	416700 OCC Administration	0	0 0	1,000 0	1,000 0	0 0	0 0	0 0	0 0
3	This additional Conference Fees and Travel expense will cover CLE (Continuing Legal Education) credits needed to continue legal license certification. Appropriation Only.	C05	416710 Legal Operations	0	0 0	3,000 0	3,000 0	0 0	0 0	0 0	0 0
3	This additional Conference Fees and Travel expense will cover continuing education requirements for credits needed to continue license certification. Appropriation Only.	C05	416720 Fraud/IA Admin	0	0 0	3,500 0	3,500 0	0 0	0 0	0 0	0 0
3	This additional Conference Fee and Travel expense will cover continuing education requirements for credits needed to continue license certification. Appropriation Only.	C05	416730 Audit Administration	0	0 0	34,500 0	34,500 0	0 0	0 0	0 0	0 0
3	This additional Conference Fees and Travel expense will cover CLE (Continuing Legal Education) credits needed to continue legal license certification. OCC is asking to support this request in the amount of only \$788 SGR in FY04 and \$830 SGR in FY05.	C05	416740 A&H Administration	0	0 0	2,000 0	2,000 0	0 0	0 0	0 0	0 0
3	This additional Conference Fees and Travel expense will cover CLE (Continuing Legal Education) credits needed to continue legal license certification. Appropriation Only.	C05	416800 CLO Administration	0	0 0	8,000 0	8,000 0	0 0	0 0	0 0	0 0
		C05	Total	0	0 0	52,000 0	52,000 0	0 0	0 0	0 0	0 0
2	This additional request will cover professional fees (attorney fees) primarily for our child welfare client. OCC is asking for support of this request in the amount of \$8,600 SGR in SFY 04 and SFY 05.	C07	416700 OCC Administration	0	0 0	20,000 0	20,000 0	0 0	0 0	0 0	0 0
		C07	Total	0	0 0	20,000 0	20,000 0	0 0	0 0	0 0	0 0
		Grand Total	Total	7,671,280	7,923,191 145	9,943,552 177	10,054,527 177	8,974,605 165	9,173,518 165	0 0	0 0