

# ARKANSAS DEPARTMENT OF HEALTH

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS DEPARTMENT OF HEALTH  
FOR THE YEAR ENDED JUNE 30, 2014

### Findings

Agency management discovered a theft of funds totaling \$2,951 from a Johnson County Local Health Unit (LHU) bank account. This bank account received funds from Johnson County for operational expenses of the LHU but was not recorded in the Agency's financial accounting system (AASIS). The Agency reviewed transactions from January 2011 through October 2013 and determined that a Health Services Specialist made cash withdrawals and debit card purchases at various restaurant, retail, and gasoline establishments. The Health Services Specialist's employment was terminated effective November 9, 2013. On January 10, 2014, the Circuit Court of Johnson County issued a sentencing order, requiring the former Health Services Specialist to pay fines, fees, and court costs and to make full restitution to the LHU via \$60 monthly installments beginning February 10, 2014. The Agency has discontinued the use of debit cards for this account, implemented a requirement of two signatures on all disbursements, and incorporated the internal control of the County Clerk's office performing the monthly bank statement reconciliations.

### Recommendations

We recommend the Agency continue to be cognizant of theft possibilities regarding LHU operational expense bank accounts. Additionally, we again recommend the Agency strengthen its controls and procedures to ensure proper accountability and reporting of all bank accounts used and controlled by the Agency to carry out its missions and purposes.

#### Agency Response:

The Agency has provided direction and technical assistance to the Local Health Unit Administrators regarding the proper process for maintaining these types of funds. A review of these funds will be completed by the Agency's Internal Audit Section on a regular basis. Also, the Agency will develop strong policies to ensure accountability and strengthen controls. The Agency will seek the guidance of Legislative Audit to comply with recommendations to properly record these types of accounts.

**ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM**  
**STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES**  
 Fiscal Year 2015  
 Required by A.C.A. 25-36-104

**AGENCY: 0645 ARKANSAS DEPARTMENT OF HEALTH**

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Advantage Communications, Inc.	\$250,000	X					

<b>TOTAL NUMBER OF MINORITY CONTRACTS AWARDED</b>	<u>1</u>
<b>TOTAL EXPENDITURES FOR CONTRACTS AWARDED</b>	<u>\$13,717,264</u>
<b>% OF MINORITY CONTRACTS AWARDED</b>	<u>1.62 %</u>

# Department Appropriation Summary

## Historical Data

## Agency Request and Recommendations

Appropriation	2014-2015		2015-2016		2015-2016		2016-2017					
	Actual	Pos	Budget	Pos	Authorized	Pos	Legislative Recommendation	Pos	Agency Request	Pos	Executive Recommendation	Pos
34C Rural Health Facilities	25,924	0	42,477	0	65,500	0	65,500	0	65,500	0	65,500	0
34D Emergency Medical Services	23,287	0	60,000	0	69,728	0	69,728	0	69,728	0	69,728	0
34P Health Operations Paying	272,968,497	2,759	290,349,508	2,766	320,102,712	3,097	320,386,150	3,099	320,221,641	3,097	320,386,150	3,099
38D Nuclear Planning Grants	325,000	0	325,000	0	375,000	0	375,000	0	375,000	0	375,000	0
59T Trauma System	18,611,490	18	22,939,255	18	28,592,492	18	28,593,514	18	28,593,514	18	28,593,514	18
604 Tobacco Prevention & Cessation Programs	11,986,144	36	15,144,902	36	17,380,822	47	17,383,691	47	17,383,691	47	17,383,691	47
803 Health Building & Local Health Grant Trust	871,316	0	1,355,473	0	1,950,000	0	1,950,000	0	1,950,000	0	1,950,000	0
B72 WIC Food Instruments - Cash	65,322,827	0	74,877,695	0	75,813,059	0	75,813,059	0	75,813,059	0	75,813,059	0
N62 Interpreters for Deaf and Hearing Impair	0	0	10,000	0	25,000	0	25,000	0	0	0	25,000	0
<b>Total</b>	<b>370,134,485</b>	<b>2,813</b>	<b>405,104,310</b>	<b>2,820</b>	<b>444,374,313</b>	<b>3,162</b>	<b>444,661,642</b>	<b>3,164</b>	<b>444,472,133</b>	<b>3,162</b>	<b>444,661,642</b>	<b>3,164</b>

Funding Sources		%		%		%		%		%	
Fund Balance	4000005	12,686,889	3.3	12,176,657	3.0	3,082,159	0.8	3,049,698	0.7	3,082,159	0.8
General Revenue	4000010	85,301,946	22.3	78,896,794	19.3	78,896,794	19.7	84,828,774	20.8	78,896,794	19.7
Federal Revenue	4000020	124,845,208	32.7	160,147,610	39.2	157,225,654	39.2	157,225,654	38.6	157,225,654	39.2
Special Revenue	4000030	3,449,451	0.9	4,130,058	1.0	4,052,543	1.0	3,962,543	1.0	4,052,543	1.0
Special Revenue Restricted	4000031	15,684,599	4.1	16,774,052	4.1	15,684,599	3.9	15,684,599	3.9	15,684,599	3.9
Manufacturer Rebate	4000341	22,978,261	6.0	25,102,750	6.1	24,875,112	6.2	24,875,112	6.1	24,875,112	6.2
Other	4000370	433,279	0.1	0	0.0	0	0.0	0	0.0	0	0.0
Third Party Reimbursement	4000490	78,951,956	20.7	83,764,762	20.5	83,257,813	20.8	83,257,813	20.5	83,257,813	20.8
Tobacco Settlement	4000495	14,257,275	3.7	12,147,307	3.0	14,257,275	3.6	14,257,275	3.5	14,257,275	3.6
Transfer from DHS	4000510	253,287	0.1	149,888	0.0	267,578	0.1	267,578	0.1	267,578	0.1
Transfer to Medicaid Match	4000660	(356,135)	(0.1)	(555,202)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)
Transfers / Adjustments	4000683	(2,763,618)	(0.7)	(1,568,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)
Various Program Support	4000730	26,588,744	7.0	17,020,491	4.2	21,459,672	5.3	21,459,672	5.3	21,459,672	5.3
<b>Total Funds</b>		<b>382,311,142</b>	<b>100.0</b>	<b>408,186,469</b>	<b>100.0</b>	<b>401,169,366</b>	<b>100.0</b>	<b>406,978,885</b>	<b>100.0</b>	<b>401,169,366</b>	<b>100.0</b>
Excess Appropriation/(Funding)		(12,176,657)		(3,082,159)		43,492,276		37,493,248		43,492,276	
<b>Grand Total</b>		<b>370,134,485</b>		<b>405,104,310</b>		<b>444,661,642</b>		<b>444,472,133</b>		<b>444,661,642</b>	

Variance in the fund balance is due to FC (N62) - Interpreters for Deaf and Hearing Impaired.

## **Analysis of Budget Request**

**Appropriation:** 34C - Rural Health Facilities

**Funding Sources:** MRH - Rural Health Services Revolving Fund

The Department of Health's Rural Health Facilities appropriation, in accordance with A.C.A. 20-12-401 et seq., provides matching funds for applicants on a fifty/fifty basis for assisting the stabilization of necessary medical services provided by county, local, commercial or nonprofit organizations. If the applicant completes a community health needs assessment, the applicant shall be eligible to match funds on a 25/75 basis. The state portion shall at no time exceed two hundred thousand dollars (\$200,000) per county, local, commercial, or nonprofit operation.

Funding for this appropriation consists of General Improvement Fund transfers or other funds made available by the General Assembly and held in a revolving fund (A.C.A. 19-5-1039 MRH - Rural Health Services Revolving Fund).

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 34C - Rural Health Facilities

**Funding Sources:** MRH - Rural Health Services Revolving Fund

Appropriation	2014-2015 Actual	2015-2016 Budget	2015-2016 Authorized	2016-2017		
				Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	25,924	42,477	65,500	65,500	65,500	65,500
<b>Total</b>	<b>25,924</b>	<b>42,477</b>	<b>65,500</b>	<b>65,500</b>	<b>65,500</b>	<b>65,500</b>
<b>Funding Sources</b>						
Fund Balance 4000005	82,900	56,976		14,499	14,499	14,499
Total Funding	82,900	56,976		14,499	14,499	14,499
Excess Appropriation/(Funding)	(56,976)	(14,499)		51,001	51,001	51,001
<b>Grand Total</b>	<b>25,924</b>	<b>42,477</b>		<b>65,500</b>	<b>65,500</b>	<b>65,500</b>

## **Analysis of Budget Request**

**Appropriation:** 34D - Emergency Medical Services

**Funding Sources:** MEM - Emergency Medical Services Revolving Fund

The Department of Health's Emergency Medical Services appropriation will provide for certification processing and expenses of on-site examinations for Emergency Medical Technicians (EMTs), maintenance of certification software, educational programs, maintenance of EMT-Instructor certification for agency personnel, and other purposes consistent with A.C.A. 20-13-101 et seq.

Funding for this appropriation consists of certification and renewal fees held in the MEM - Emergency Medical Services Revolving Fund.

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 34D - Emergency Medical Services

**Funding Sources:** MEM - Emergency Medical Services Revolving Fund

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Operating Expenses	5020002	13,596	60,000	60,000	60,000	60,000	60,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0
Emerg Medical Srvs/Trauma Sys Exp	5900046	9,691	0	9,728	9,728	9,728	9,728
<b>Total</b>		<b>23,287</b>	<b>60,000</b>	<b>69,728</b>	<b>69,728</b>	<b>69,728</b>	<b>69,728</b>
<b>Funding Sources</b>							
Fund Balance	4000005	52,578	79,837		54,837	54,837	54,837
Other	4000370	9,729	0		0	0	0
Various Program Support	4000730	40,817	35,000		44,728	44,728	44,728
<b>Total Funding</b>		<b>103,124</b>	<b>114,837</b>		<b>99,565</b>	<b>99,565</b>	<b>99,565</b>
Excess Appropriation/(Funding)		(79,837)	(54,837)		(29,837)	(29,837)	(29,837)
<b>Grand Total</b>		<b>23,287</b>	<b>60,000</b>		<b>69,728</b>	<b>69,728</b>	<b>69,728</b>

## **Analysis of Budget Request**

**Appropriation:** 34P - Health Operations Paying

**Funding Sources:** PHD - Administration Paying

The Department of Health is comprised of the Center for Health Protection, the Center for Health Advancement, the Center for Local Public Health, the Center for Public Health Practice, the Office of Minority Health and Health Disparities, the Arkansas Public Health Laboratory and Health Administration, which includes the Offices of the Director, Chief Financial Officer and the Office of System Technology. The Department has 2 central office locations and 94 Local Health Units located throughout the State. This organizational structure enables the Department to provide public health policy and assessment, as well as preventive and regulatory services for the State's citizens.

This appropriation provides for the operations of the Department of Health. Duties include the operation of the Breast and Cervical Cancer Control programs; the collection, analysis, and communication of data regarding health events, disease incidence, the healthcare system, and health status indicators; the protection of the public's health by ensuring safe food and drinking water and maintaining the quality of health facilities and services through monitoring, laboratory testing, and evaluation; educating the public concerning healthy behavior and providing accessible personal health services; and providing in-home services to individuals so they may remain at home instead of receiving extended hospitalization or nursing home placement.

Funding for this appropriation consists of general revenue (BAA - Public Health Fund), federal funding, special revenues, Third Party Reimbursement, Tobacco Settlement Funding and other funding. Federal revenues include Immunization and Vaccines for Children, Ryan White Care Act Title II, Public Health Preparedness and Response/BIO, Bioterrorism Hospital Preparedness Program, Epidemiology and Laboratory Capacity for Infectious Diseases, Title X Family Planning Services Program, National Cancer Prevention and Control Program, Chronic Disease Prevention and Health Promotion Programs, Maternal and Child Health, and Women Infants and Children (WIC). Special revenues include the Cigarette Tax; licensing fees for Cosmetology, Radiology, Plumbing, Pharmacy, HVAC, Health Facilities, Waterworks and the Athletic Commission; Milk Inspection and Marine Sanitation Fees; and Nuclear Planning and Response Funds. Third Party Reimbursement funding includes Medicaid and Insurance funding. Other Funding, as indicated as Various Program Support, includes fees related to Vital Records, Immunization, Rabies, Swimming Pools, etc.

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 34P - Health Operations Paying

**Funding Sources:** PHD - Administration Paying

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	109,255,140	116,032,111	125,401,503	125,567,154	125,493,803	125,567,154
	<b>#Positions</b>	<b>2,759</b>	<b>2,766</b>	<b>3,097</b>	<b>3,099</b>	<b>3,097</b>	<b>3,099</b>
Extra Help	5010001	877,271	1,476,940	1,586,737	1,586,737	1,586,737	1,586,737
	<b>#Extra Help</b>	<b>105</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>
Personal Services Matching	5010003	38,862,236	40,181,921	44,479,090	44,531,942	44,503,874	44,531,942
Overtime	5010006	37,404	22,656	120,559	120,559	120,559	120,559
Operating Expenses	5020002	69,396,464	71,815,452	71,971,436	72,034,425	71,971,436	72,034,526
Conference & Travel Expenses	5050009	515,163	1,209,359	1,243,565	1,243,565	1,243,565	1,243,565
Professional Fees	5060010	32,349,743	36,112,539	39,456,027	39,456,027	39,456,027	39,456,027
Data Processing	5090012	0	0	0	0	0	0
Grants and Aid	5100004	15,001,866	12,726,808	23,083,198	23,083,198	23,083,198	23,083,198
Refunds/Reimbursements	5110014	3,691	11,613	11,613	11,613	11,613	11,613
Capital Outlay	5120011	1,074,055	636,285	1,750,000	1,750,000	1,750,000	1,750,000
Breast Care Program	5900048	5,595,464	10,123,824	10,998,984	11,000,829	11,000,829	11,000,829
<b>Total</b>		<b>272,968,497</b>	<b>290,349,508</b>	<b>320,102,712</b>	<b>320,386,150</b>	<b>320,221,641</b>	<b>320,386,150</b>

Funding Sources							
General Revenue	4000010	65,619,946	59,662,794		59,120,117	65,052,097	59,120,117
Federal Revenue	4000020	83,279,374	110,372,665		106,287,707	106,287,707	106,287,707
Special Revenue	4000030	2,987,543	3,195,058		3,067,543	2,987,543	3,067,543
Special Revenue Restricted	4000031	15,684,599	16,774,052		15,684,599	15,684,599	15,684,599
Third Party Reimbursement	4000490	78,951,956	83,764,762		83,257,813	83,257,813	83,257,813
Transfer from DHS	4000510	253,287	149,888		267,578	267,578	267,578
Transfer to Medicaid Match	4000660	(356,135)	(555,202)		(356,135)	(356,135)	(356,135)
Various Program Support	4000730	26,547,927	16,985,491		21,414,944	21,414,944	21,414,944
<b>Total Funding</b>		<b>272,968,497</b>	<b>290,349,508</b>		<b>288,744,166</b>	<b>294,596,146</b>	<b>288,744,166</b>
Excess Appropriation/(Funding)		0	0		31,641,984	25,625,495	31,641,984
<b>Grand Total</b>		<b>272,968,497</b>	<b>290,349,508</b>		<b>320,386,150</b>	<b>320,221,641</b>	<b>320,386,150</b>

## **Analysis of Budget Request**

**Appropriation:** 38D - Nuclear Planning Grants

**Funding Sources:** SNP - Arkansas Nuclear Planning and Response Fund

The grants for Nuclear Planning appropriation provides grants to the Arkansas Department of Emergency Management for local governments located in close proximity to nuclear-powered electricity generating facilities in the State. These grants are used to maintain nuclear disaster response procedures and precautions as a part of the Department of Health's Nuclear Planning and Response Program, A.C.A. 20-21-401 et seq., which provides for the following:

- Continuous radiation surveillance
- Training and education of residents in the affected areas
- Protective measures/procedures/plans and such other actions to be taken in the event of a radiation incident or accident

Funding for this appropriation consists of Special Revenue (A.C.A. 19-6-435 SNP - Arkansas Nuclear Planning and Response Fund), including assessments against utilities operating nuclear generating facilities within the State.

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 38D - Nuclear Planning Grants

**Funding Sources:** SNP - Arkansas Nuclear Planning and Response Fund

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	325,000	325,000	375,000	375,000	375,000	375,000
<b>Total</b>	<b>325,000</b>	<b>325,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>
<b>Funding Sources</b>						
Special Revenue 4000030	325,000	325,000		375,000	375,000	375,000
<b>Total Funding</b>	<b>325,000</b>	<b>325,000</b>		<b>375,000</b>	<b>375,000</b>	<b>375,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0
<b>Grand Total</b>	<b>325,000</b>	<b>325,000</b>		<b>375,000</b>	<b>375,000</b>	<b>375,000</b>

## **Analysis of Budget Request**

**Appropriation:** 59T - Trauma System

**Funding Sources:** BAA - Public Health Fund

The Trauma System appropriation provides for operations as established by Act 393 of 2009 (A.C.A. 20-13-801 et. seq.) in which the legislature created a comprehensive trauma care system under the auspices of the Department and Board of Health. This system provides guidelines for the care of trauma victims and is fully integrated with all available resources, including, but not limited to, existing emergency medical services providers, hospitals, or other health care providers that would like to participate in the program. Funding for this appropriation is 100% General Revenue.

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 59T - Trauma System

**Funding Sources:** BAA - Public Health Fund

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	753,907	1,010,377	970,796	971,396	971,396	971,396
	<b>#Positions</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
Extra Help	5010001	28,127	75,000	75,000	75,000	75,000	75,000
	<b>#Extra Help</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Personal Services Matching	5010003	269,328	323,141	318,119	318,541	318,541	318,541
Operating Expenses	5020002	194,973	308,406	355,545	355,545	355,545	355,545
Conference & Travel Expenses	5050009	17,975	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0
Trauma System Expenses	5900046	17,347,180	21,172,331	26,823,032	26,823,032	26,823,032	26,823,032
<b>Total</b>		<b>18,611,490</b>	<b>22,939,255</b>	<b>28,592,492</b>	<b>28,593,514</b>	<b>28,593,514</b>	<b>28,593,514</b>
<b>Funding Sources</b>							
Fund Balance	4000005	3,382,104	4,079,269		374,014	374,014	374,014
General Revenue	4000010	19,682,000	19,234,000		19,776,677	19,776,677	19,776,677
Transfers / Adjustments	4000683	(373,345)	0		0	0	0
<b>Total Funding</b>		<b>22,690,759</b>	<b>23,313,269</b>		<b>20,150,691</b>	<b>20,150,691</b>	<b>20,150,691</b>
Excess Appropriation/(Funding)		(4,079,269)	(374,014)		8,442,823	8,442,823	8,442,823
<b>Grand Total</b>		<b>18,611,490</b>	<b>22,939,255</b>		<b>28,593,514</b>	<b>28,593,514</b>	<b>28,593,514</b>

The FY16 Budget amount in Regular Salaries and Personal Services Matching exceeds the FY16 authorized amount due to salary and matching rate adjustments. Fund transfers consist of transfers of General Revenue between appropriate funds per A.C.A. 19-5-106.

## **Analysis of Budget Request**

**Appropriation:** 604 - Tobacco Prevention & Cessation Programs

**Funding Sources:** TSD - Tobacco Prevention & Cessation Program Account

The Tobacco Prevention and Cessation program, created by Initiated Act 1 of 2000 (A.C.A. 19-12-101 et seq.), develops, integrates, and monitors tobacco prevention and cessation programs and provides administrative oversight and management of those programs. Program components approved by the Board of Health include community prevention youth programs, school education and prevention programs, enforcement of tobacco control laws, tobacco cessation programs, tobacco related disease prevention programs, public awareness and health promotion campaign, as well as grants and contracts for monitoring and evaluation. This appropriation is funded from Tobacco Settlement proceeds (TSD - Prevention and Cessation Program Account).

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 604 - Tobacco Prevention & Cessation Programs

**Funding Sources:** TSD - Tobacco Prevention & Cessation Program Account

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	1,555,335	1,633,952	1,929,605	1,931,705	1,931,705	1,931,705
	<b>#Positions</b>	<b>36</b>	<b>36</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>
Extra Help	5010001	2,171	25,000	50,000	50,000	50,000	50,000
	<b>#Extra Help</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Personal Services Matching	5010003	496,802	516,447	648,739	649,508	649,508	649,508
Operating Expenses	5020002	141,130	233,272	325,000	325,000	325,000	325,000
Conference & Travel Expenses	5050009	9,250	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	1,777,532	2,183,913	2,279,633	2,279,633	2,279,633	2,279,633
Data Processing	5090012	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0
Tobacco Prevention & Cessation Exp	5900046	7,484,849	9,836,700	11,405,398	11,405,398	11,405,398	11,405,398
Exp. Nutrition & Physical Activity	5900047	519,075	690,618	717,447	717,447	717,447	717,447
<b>Total</b>		<b>11,986,144</b>	<b>15,144,902</b>	<b>17,380,822</b>	<b>17,383,691</b>	<b>17,383,691</b>	<b>17,383,691</b>
<b>Funding Sources</b>							
Fund Balance	4000005	5,659,661	5,540,519		974,226	974,226	974,226
Tobacco Settlement	4000495	14,257,275	12,147,307		14,257,275	14,257,275	14,257,275
Transfers / Adjustments	4000683	(2,390,273)	(1,568,698)		(1,533,698)	(1,533,698)	(1,533,698)
Total Funding		17,526,663	16,119,128		13,697,803	13,697,803	13,697,803
Excess Appropriation/(Funding)		(5,540,519)	(974,226)		3,685,888	3,685,888	3,685,888
<b>Grand Total</b>		<b>11,986,144</b>	<b>15,144,902</b>		<b>17,383,691</b>	<b>17,383,691</b>	<b>17,383,691</b>

FY2015 and FY2016 transfers include \$500,000 to the Breast Cancer Control Fund per Act 146 of 2014 and Act 265 of 2015 and various other transfers as allowed by A.C.A. 19-5-106.

## **Analysis of Budget Request**

**Appropriation:** 803 - Health Building & Local Health Grant Trust

**Funding Sources:** THL - Health Bldg and Local Grant Trust

The Department of Health's Health Building and Local Grant Trust appropriation is used for expansion, renovation, construction, or improvement to the State Health Building and for grants for construction, renovation, or other expansion of approved local health unit facilities in the State as proscribed by A.C.A. 20-7-201 et seq.

Funding for this appropriation consists of visit fees to local health units that are held in a trust fund (A.C.A. 19-5-962 THL - Health Building and Local Grant Trust Fund).

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 803 - Health Building & Local Health Grant Trust

**Funding Sources:** THL - Health Bldg and Local Grant Trust

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	871,316	1,355,473	1,950,000	1,950,000	1,950,000	1,950,000
<b>Total</b>	<b>871,316</b>	<b>1,355,473</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>
<b>Funding Sources</b>						
Fund Balance 4000005	1,420,730	1,109,872		354,399	354,399	354,399
Special Revenue 4000030	136,908	600,000		600,000	600,000	600,000
Other 4000370	423,550	0		0	0	0
<b>Total Funding</b>	<b>1,981,188</b>	<b>1,709,872</b>		<b>954,399</b>	<b>954,399</b>	<b>954,399</b>
Excess Appropriation/(Funding)	(1,109,872)	(354,399)		955,601	995,601	995,601
<b>Grand Total</b>	<b>871,316</b>	<b>1,355,473</b>		<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>

## **Analysis of Budget Request**

**Appropriation:** B72 - WIC Food Instruments - Cash

**Funding Sources:** 163 - Cash Funds

The Department of Health's Women Infants and Children (WIC) Food Instruments appropriation provides for the issuance of vouchers to at-risk persons to improve the nutrition of eligible pregnant, breastfeeding and postpartum women to provide for infants and young children during periods of critical growth. The food instruments are redeemable for specific foods at local grocery stores. The program also provides nutrition education and referral to other services.

Funding for this appropriation consists of funds from the United States Department of Agriculture that are held in a Cash fund to provide electronic benefits transfers to vendors and reimbursements from contracted formula companies.

The Agency Request reflects the FY17 requests from the 2014 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## **Appropriation Summary**

**Appropriation:** B72 - WIC Food Instruments - Cash

**Funding Sources:** 163 - Cash Funds

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
WIC Food Instruments	5900040	65,322,827	74,877,695	75,813,059	75,813,059	75,813,059	75,813,059
<b>Total</b>		<b>65,322,827</b>	<b>74,877,695</b>	<b>75,813,059</b>	<b>75,813,059</b>	<b>75,813,059</b>	<b>75,813,059</b>
Funding Sources							
Fund Balance	4000005	2,056,455	1,277,723		1,277,723	1,277,723	1,277,723
Federal Revenue	4000020	41,565,834	49,774,945		50,937,947	50,937,947	50,937,947
Manufacturer Rebate	4000341	22,978,261	25,102,750		24,875,112	24,875,112	24,875,112
<b>Total Funding</b>		<b>66,600,550</b>	<b>76,155,418</b>		<b>77,090,782</b>	<b>77,090,782</b>	<b>77,090,782</b>
Excess Appropriation/(Funding)		(1,277,723)	(1,277,723)		(1,277,723)	(1,277,723)	(1,277,723)
<b>Grand Total</b>		<b>65,322,827</b>	<b>74,877,695</b>		<b>75,813,059</b>	<b>75,813,059</b>	<b>75,813,059</b>

## **Analysis of Budget Request**

**Appropriation:** N62 - Interpreters for Deaf and Hearing Impair

**Funding Sources:** SDI- Interpreters for Deaf Fund

This appropriation provides for the Advisory Board expenses for the Department's Interpreters for Deaf and Hearing Impaired.

Funding for this appropriation comes from Special Revenues as authorized by A.C.A.19-6-827.

The Legislative Recommendation and Executive Recommendation reflect the FY17 ALC/JBC recommendation from the 2014 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** N62 - Interpreters for Deaf and Hearing Impair

**Funding Sources:** SDI- Interpreters for Deaf Fund

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Advisory Board Expenses 5900046	0	10,000	25,000	25,000	0	25,000
<b>Total</b>	0	10,000	25,000	25,000	0	25,000
Funding Sources						
Fund Balance 4000005	32,461	32,461		32,461	0	32,461
Special Revenue 4000030	0	10,000		10,000	0	10,000
<b>Total Funding</b>	32,461	42,461		42,461	0	42,461
Excess Appropriation/(Funding)	(32,461)	(32,461)		(17,461)	0	(17,461)
<b>Grand Total</b>	0	10,000		25,000	0	25,000