

DHS - Developmental Disabilities Services

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2015

Findings

Recommendations

Audit findings are reported under the DHS Director's Office/Office of Chief Counsel.

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2015

State Contracts over \$50,000 awarded to Minority Owned Businesses are reported under the DHS Director's Office/Office of Chief Counsel.

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
147 Special Olympics	178,768	0	178,768	0	178,768	0	178,768	0	178,768	0	178,768	0
397 Children's Medical Services	1,402,922	0	1,729,279	0	1,729,279	0	1,729,279	0	1,729,279	0	1,729,279	0
408 Children's Medical Services-Federal	602,163	0	1,144,083	0	1,446,205	0	1,446,205	0	1,446,205	0	1,446,205	0
59J Autism Treat/Coord	0	0	273,974	0	273,974	0	273,974	0	273,974	0	273,974	0
653 DDS-State Operations	3,516,729	0	5,354,325	0	7,119,242	0	7,119,242	0	7,119,242	0	7,119,242	0
657 Community Programs	10,399	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
658 Grants to Community Providers	15,665,850	0	15,892,045	0	15,892,045	0	15,892,045	0	15,892,045	0	15,892,045	0
896 Division of Developmental Disabilities Srvs	136,777,963	2,643	142,136,413	2,438	156,887,627	2,713	156,892,986	2,713	156,892,986	2,713	156,892,986	2,713
982 Inter-Divisional Programs	70,139	0	108,644	0	108,644	0	108,644	0	108,644	0	108,644	0
Total	158,224,933	2,643	166,867,531	2,438	183,685,784	2,713	183,691,143	2,713	183,691,143	2,713	183,691,143	2,713

Funding Sources		%		%		%		%		%	
General Revenue 4000010	67,504,585	42.7	67,600,248	40.5		68,346,930	39.7	68,640,132	39.6	68,346,930	39.7
Federal Revenue 4000020	13,920,967	8.8	23,314,529	14.0		25,546,210	14.8	25,881,650	14.9	25,546,210	14.8
Special Revenue 4000030	10,399	0.0	50,000	0.0		50,000	0.0	50,000	0.0	50,000	0.0
Merit Adjustment Fund 4000055	0	0.0	233,131	0.1		0	0.0	0	0.0	0	0.0
Transfer to Medicaid Match 4000660	(12,836,261)	(8.1)	(12,836,261)	(7.7)		(12,836,261)	(7.5)	(12,836,261)	(7.4)	(12,836,261)	(7.5)
Various Program Support 4000730	89,625,243	56.6	88,505,884	53.0		91,064,784	52.9	91,639,142	52.9	91,064,784	52.9
Total Funds	158,224,933	100.0	166,867,531	100.0		172,171,663	100.0	173,374,663	100.0	172,171,663	100.0
Excess Appropriation/(Funding)	0		0			11,519,480		10,316,480		11,519,480	
Grand Total	158,224,933		166,867,531			183,691,143		183,691,143		183,691,143	

Analysis of Budget Request

Appropriation: 147 - Special Olympics

Funding Sources: DEA - Developmental Disabilities Services Fund

This appropriation is for a grant to the Arkansas Special Olympics, Inc. This program provides sports training and competitive opportunities throughout the year for athletes who are developmentally challenged.

Funding for this appropriation is 100% general revenue (DEA-Developmental Disabilities Services Fund 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: 147 - Special Olympics

Funding Sources: DEA - Developmental Disabilities Services Fund

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	178,768	178,768	178,768	178,768	178,768	178,768
Total	178,768	178,768	178,768	178,768	178,768	178,768
Funding Sources						
General Revenue 4000010	178,768	178,768		178,768	178,768	178,768
Total Funding	178,768	178,768		178,768	178,768	178,768
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	178,768	178,768		178,768	178,768	178,768

Analysis of Budget Request

Appropriation: 397 - Children's Medical Services

Funding Sources: DGF - DHS Grants Fund

The State Children's Medical Services (CMS) program provides services to children with special health care needs. CMS assists in the provision of services through service teams, satellite offices and parent support groups. In addition to the children with special health care needs, CMS also assists children with special needs on the Tax Equity and Fiscal Responsibility Act (TEFRA) program. TEFRA considers just the child and the child's income for eligibility and is broader in scope than Medicaid. A medical condition must be present to be eligible.

CMS programs are community based with staff at the local level making decisions on behalf of the families receiving services. CMS staff members assist families by coordinating care in areas such as assessments, arranging medical appointments, determining additional needed services, payment authorization, coordinating parent support groups, arranging respite care and transportation, and coordinating the TEFRA program.

Funding for this appropriation is 100% general revenue (DGF - Department of Human Services Grants Fund 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: 397 - Children's Medical Services

Funding Sources: DGF - DHS Grants Fund

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	1,402,922	1,729,279	1,729,279	1,729,279	1,729,279	1,729,279
Total	1,402,922	1,729,279	1,729,279	1,729,279	1,729,279	1,729,279
Funding Sources						
General Revenue 4000010	1,402,922	1,729,279		1,729,279	1,729,279	1,729,279
Total Funding	1,402,922	1,729,279		1,729,279	1,729,279	1,729,279
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	1,402,922	1,729,279		1,729,279	1,729,279	1,729,279

Analysis of Budget Request

Appropriation: 408 - Children's Medical Services-Federal

Funding Sources: FWF - DHS Federal

The Federal Children's Medical Services (CMS) appropriation is a companion to the State Children's Medical Services appropriation 397 and provides for community based services for children with special health care needs, including chronic illnesses and physical disabilities. Examples of services include therapies, medications, transportation, medical treatments and equipment. The community based offices allow for more rapid responses to the needs of the children and their families. This appropriation supports the programs and services detailed in the State CMS program appropriation.

Funding for this appropriation is 100% federal revenue consisting of Title V funding.

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: 408 - Children's Medical Services-Federal

Funding Sources: FWF - DHS Federal

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	602,163	1,144,083	1,446,205	1,446,205	1,446,205	1,446,205
Total	602,163	1,144,083	1,446,205	1,446,205	1,446,205	1,446,205
Funding Sources						
Federal Revenue 4000020	602,163	1,144,083		1,446,205	1,446,205	1,446,205
Total Funding	602,163	1,144,083		1,446,205	1,446,205	1,446,205
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	602,163	1,144,083		1,446,205	1,446,205	1,446,205

Analysis of Budget Request

Appropriation: 59J - Autism Treat/Coord

Funding Sources: DEA - Developmental Disabilities Services Fund Account

An increasing number of Arkansans are being diagnosed with Autism Spectrum Disorders. Children and adults with Autism Spectrum Disorders require specialized treatment. To address this need, state general revenues generated from an increase in the tax on cigarettes and other tobacco products as a result of Act 180 of 2009 were provided to the Division of Developmental Disabilities Services.

The Division of Developmental Disabilities Services is working closely with the Legislative Task Force on Autism to identify and prioritize needed services to this population.

Funding is 100% general revenue (DEA - Developmental Disabilities Services Fund 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: 59J - Autism Treat/Coord

Funding Sources: DEA - Developmental Disabilities Services Fund Account

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	0	273,974	273,974	273,974	273,974	273,974
Total	0	273,974	273,974	273,974	273,974	273,974
Funding Sources						
General Revenue 4000010	0	273,974		273,974	273,974	273,974
Total Funding	0	273,974		273,974	273,974	273,974
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	0	273,974		273,974	273,974	273,974

Analysis of Budget Request

Appropriation: 657 - Community Programs

Funding Sources: SDT - DDS Dog Track Special Revenue Fund

The Community Programs appropriation is utilized to provide services for eligible individuals through licensed community providers. Pursuant to Arkansas Code Annotated §23-111-503, this appropriation is funded by fees generated from proceeds of the Southland Greyhound Park. Generally, this appropriation is used to supplement contracts with community providers for a wide range of services provided to individuals with developmental disabilities.

Funding for this appropriation includes 100% special revenue consisting of two-thirds (2/3) of the net proceeds derived from the three (3) additional days of racing authorized by the Arkansas Racing Commission for any dog racing meet, and is to be used for the sole benefit for Community Programs of the Division of Developmental Disabilities Services.

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: 657 - Community Programs

Funding Sources: SDT - DDS Dog Track Special Revenue Fund

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Community Programs 5900046	10,399	50,000	50,000	50,000	50,000	50,000
Total	10,399	50,000	50,000	50,000	50,000	50,000
Funding Sources						
Special Revenue 4000030	10,399	50,000		50,000	50,000	50,000
Total Funding	10,399	50,000		50,000	50,000	50,000
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	10,399	50,000		50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 658 - Grants to Community Providers

Funding Sources: DEA - Developmental Disabilities Services Fund Account

The Grants to Community Providers appropriation provides for community based services through private non-profit service providers throughout the state for individuals who do not meet Medicaid eligibility criteria for services such as speech, occupational and physical therapy, adult development and preschool services. In addition to grants to community providers for contracted services, this appropriation provides Medicaid Match paid by warrant for Developmental Day Treatment Clinic Services (5 day week clinics that provide work training for adults and preschool training for children), Therapy, Personal Care and Case Management.

Funding for this appropriation is 100% general revenue (DEA - Developmental Disabilities Services Fund 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: 658 - Grants to Community Providers

Funding Sources: DEA - Developmental Disabilities Services Fund Account

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	15,665,850	15,892,045	15,892,045	15,892,045	15,892,045	15,892,045
Total	15,665,850	15,892,045	15,892,045	15,892,045	15,892,045	15,892,045
Funding Sources						
General Revenue 4000010	15,665,850	15,892,045		15,892,045	15,892,045	15,892,045
Total Funding	15,665,850	15,892,045		15,892,045	15,892,045	15,892,045
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	15,665,850	15,892,045		15,892,045	15,892,045	15,892,045

Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

This appropriation provides administrative support for the Division of Developmental Disabilities (DDS). This Division administers state programs and services for people with developmental disabilities. Arkansas Statutes define a developmental disability as impairment generally attributable to mental retardation, cerebral palsy, epilepsy or autism. Services through DDS are available for persons diagnosed as having a disability occurring prior to age 22.

In addition to the coordination of community programs and services for individuals with disabilities, DDS is responsible for the management and operation of five (5) state-owned and controlled Human Development Centers (HDCs). These institutional facilities provide 24-hour residential services, habilitation, medical services, therapies and education at the following:

Conway HDC: Provides comprehensive services including a skilled nursing facility for children and adults. Primary emphasis is on medical services, special education, domestic and personal skill development, habilitation training, workshop opportunities, employment training, recreation opportunities and development.

Arkadelphia HDC: Provides comprehensive services for adults of all functioning levels except for those with severe medical needs. Primary emphasis is on adult enrichment, vocational training and transitional placement.

Jonesboro HDC: Provides comprehensive services for adults of all functioning levels except those with severe medical needs. Primary emphasis is on serving individuals with a primary diagnosis of mental retardation.

Booneville HDC: Provides varied services for adults who are ambulatory with no severe medical needs. Primary emphasis is training programs and living options for those that do not require extensive medical care, but may need behavioral services due to mental illness.

Southeast Arkansas (Warren) HDC: Provides both institutional and group home services for adults. Primary emphasis includes functional training for daily living skills and vocational training.

Funding for this appropriation consists of general revenue (DEA - Developmental Disabilities Services Fund Account), federal revenue and other revenue. Federal revenue primarily includes Title XIX, Title V, Early Intervention, Foster Grandparent and Social Service Block Grant

Case Management, and Medicaid reimbursements.

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: 896 - DHS--Admin Paying Account

Funding Sources: PWP - Administration Paying

Appropriation		2014-2015	2015-2016	2015-2016	2016-2017		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	72,962,678	70,859,309	79,497,145	79,564,445	79,564,445	79,564,445
	#Positions	2,643	2,438	2,713	2,713	2,713	2,713
Extra Help	5010001	1,258,403	1,436,484	1,889,553	1,889,553	1,889,553	1,889,553
	#Extra Help	179	194	200	200	200	200
Personal Services Matching	5010003	29,587,681	28,923,691	32,842,642	32,860,701	32,860,701	32,860,701
Overtime	5010006	1,168,216	1,171,609	2,310,000	2,310,000	2,310,000	2,310,000
Extra Salaries	5010008	0	27,000	27,000	27,000	27,000	27,000
Operating Expenses	5020002	25,289,789	30,383,422	30,396,008	30,396,008	30,396,008	30,396,008
Conference & Travel Expenses	5050009	51,899	103,253	103,253	103,253	103,253	103,253
Professional Fees	5060010	804,166	1,012,518	1,318,147	1,318,147	1,318,147	1,318,147
Data Processing	5090012	0	0	0	0	0	0
Grants/Patient Services	5100004	3,316,950	4,987,134	6,752,051	6,752,051	6,752,051	6,752,051
Capital Outlay	5120011	605,528	641,150	783,000	703,000	703,000	703,000
Foster Grandparent Stipends	5900038	199,779	300,000	300,000	300,000	300,000	300,000
Data Processing Services	5900044	521,579	600,005	600,000	600,000	600,000	600,000
Vocational Trainees	5900046	127,918	212,500	239,000	239,000	239,000	239,000
Purchase of Services	5900047	4,400,106	6,765,472	6,881,879	6,881,879	6,881,879	6,881,879
Children & Adolescent Svcs	5900047	0	67,191	67,191	67,191	67,191	67,191
Total		140,294,692	147,490,738	164,006,869	164,012,228	164,012,228	164,012,228
Funding Sources							
General Revenue	4000010	50,186,906	49,417,538		50,164,220	50,457,422	50,164,220
Federal Revenue	4000020	13,318,804	22,170,446		24,100,005	24,435,445	24,100,005
Merit Adjustment Fund	4000055	0	233,131		0	0	0
Transfer to Medicaid Match	4000660	(12,836,261)	(12,836,261)		(12,836,261)	(12,836,261)	(12,836,261)
Various Program Support	4000730	89,625,243	88,505,884		91,064,784	91,639,142	91,064,784
Total Funding		140,294,692	147,490,738		152,492,748	153,695,748	152,492,748
Excess Appropriation/(Funding)		0	0		11,519,480	10,316,480	11,519,480
Grand Total		140,294,692	147,490,738		164,012,228	164,012,228	164,012,228

Analysis of Budget Request

Appropriation: 982 - Inter-Divisional Programs

Funding Sources: DEA - Developmental Disabilities Services Fund Account

The DHS Inter-Divisional Program appropriation provides integrated services and programs for individuals with complex needs requiring the combined efforts of multiple DHS Divisions. The programs/services are for individualized “wrap around” services (e.g. respite care, in-home assistance, out of home support, etc.) to supplement and enhance available program options. These individualized services are alternatives to out-of-state placements and in-state residential options that allow the individual to remain in the community. The Division of Developmental Disabilities (DDS) staff coordinates the provision of services to ensure that those individuals with special needs that cross divisional lines receive needed services.

Funding for this appropriation is 100% general revenue (DEA - Developmental Disabilities Services Fund 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: 982 - Inter-Divisional Programs

Funding Sources: DEA - Developmental Disabilities Services Fund Account

Appropriation	2014-2015	2015-2016	2015-2016	2016-2017		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Grants and Aid 5100004	70,139	108,644	108,644	108,644	108,644	108,644
Total	70,139	108,644	108,644	108,644	108,644	108,644
Funding Sources						
General Revenue 4000010	70,139	108,644		108,644	108,644	108,644
Total Funding	70,139	108,644		108,644	108,644	108,644
Excess Appropriation/(Funding)	0	0		0	0	0
Grand Total	70,139	108,644		108,644	108,644	108,644