

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES
Fiscal Year 2023
Required by A.C.A. 25-36-104

AGENCY: 0710 DHS - Secretary's Office

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
Arkansas Quality Therapy Co.	\$300,000	X					
Arkansas Spanish Interpreters	\$1,622,028		X				
Still Waters Consulting Group LLC	\$430,000	X					

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	<u>3</u>
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	<u>\$165,283,899</u>
% OF MINORITY CONTRACTS AWARDED	<u>0.41 %</u>

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Recommendations					
	2022-2023		2023-2024		2023-2024		2024-2025					
	Actual	Pos	Budget	Pos	Authorized	Pos	Legislative Recommendation	Pos	Agency Request	Pos	Executive Recommendation	Pos
1DE Various Building Construction	4,500,929	0	14,250,990	0	15,914,729	0	15,914,729	0	15,914,729	0	15,914,729	0
414 Consolidated Cost	744,823	0	821,500	0	821,500	0	821,500	0	821,500	0	821,500	0
896 DHS-Admin Paying Account	54,838,528	615	59,954,850	589	68,120,925	662	68,588,154	662	67,848,126	652	67,848,126	652
898 Social Svcs Blk Grant-Fed	0	0	0	0	129,084	0	129,084	0	129,084	0	129,084	0
Total	60,084,280	615	75,027,340	589	84,986,238	662	85,453,467	662	84,713,439	652	84,713,439	652

Funding Sources		%		%		%		%		%	
Fund Balance	4000005	22,143,919	25.3	27,393,495	26.7	27,393,495	24.1	27,393,495	24.1	27,393,495	24.1
General Revenue	4000010	23,577,114	27.0	24,302,008	23.7	24,518,586	21.6	24,518,586	21.6	24,518,586	21.6
Federal Revenue	4000020	21,860,874	25.0	24,997,406	24.4	31,330,476	27.6	31,330,476	27.6	31,330,476	27.6
Performance Fund	4000055	0	0.0	360,793	0.4	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	(613,022)	(0.7)	0	0.0	(247,078)	(0.2)	(247,078)	(0.2)	(247,078)	(0.2)
M & R Sales	4000340	7,344	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Reallocation of Resources	4000410	3,426,001	3.9	0	0.0	0	0.0	0	0.0	0	0.0
Reimbursement	4000425	3,664,000	4.2	14,250,990	13.9	15,914,729	14.0	15,914,729	14.0	15,914,729	14.0
Transfer from General Revenue	4000542	2,300,000	2.6	0	0.0	0	0.0	0	0.0	0	0.0
Various Program Support	4000730	11,111,545	12.7	11,116,143	10.9	14,536,754	12.8	14,536,754	12.8	14,536,754	12.8
Total Funds		87,477,775	100.0	102,420,835	100.0	113,446,962	100.0	113,446,962	100.0	113,446,962	100.0
Excess Appropriation/(Funding)		(27,393,495)		(27,393,495)		(27,993,495)		(28,733,523)		(28,733,523)	
Grand Total		60,084,280		75,027,340		85,453,467		84,713,439		84,713,439	

The Agency Request and Executive Recommendation reflect Act 237 of 2023. Appropriation and positions moved to the Department of Education - Office of Early Childhood (FC 896).

Analysis of Budget Request

Appropriation: 1DE - Various Building Construction

Funding Sources: DHR - Human Services Renovation Fund

The Various Building Construction appropriation is for the purpose of construction, acquisition, renovation, maintenance, repair and equipping facilities of the Department of Human Services and for paying disallowances cited by the federal government. Facilities are those operated by the Divisions of Developmental Disabilities-Human Development Centers; Aging, Adult, and Behavioral Health-Arkansas State Hospital and Arkansas Health Center; and Youth Services-Juvenile Treatment Centers.

Funding for this appropriation is from the Human Services Renovation Fund and is derived from three sources. Federal reimbursement received by the Department. General revenue transferred from these three (3) Divisions with an annual maximum of five million dollars. Other funds may be utilized as determined to be available.

At the request of the Secretary of the Department of Human Services and upon certification of the availability of such funds, the Chief Fiscal Officer of the State shall initiate the necessary transfer documents to reflect the transfer on the books of record of the Treasurer of State, the Auditor of State, the Chief Fiscal Officer of the State and the Department. Ark. Code Ann. § 19-5-1020 was amended by Act 1537 of 1999 to require that transfers into the Renovation Fund must be submitted to and receive approval from the Chief Fiscal Officer of the State, the Governor and the Legislative Council prior to the effective date of the transfer. This appropriation is centralized within the DHS Secretary's purview in order that the needs of the Department can be prioritized, however, maintained by the Division of Administrative Services.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

Appropriation Summary

Appropriation: 1DE - Various Building Construction

Funding Sources: DHR - Human Services Renovation Fund

Appropriation		2022-2023	2023-2024	2023-2024	2024-2025		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Construction	5090005	4,500,929	14,250,990	15,914,729	15,914,729	15,914,729	15,914,729
Total		4,500,929	14,250,990	15,914,729	15,914,729	15,914,729	15,914,729
Funding Sources							
Fund Balance	4000005	11,795,476	13,258,547		13,258,547	13,258,547	13,258,547
Reimbursement	4000425	3,664,000	14,250,990		15,914,729	15,914,729	15,914,729
Transfer from General Revenue	4000542	2,300,000	0		0	0	0
Total Funding		17,759,476	27,509,537		29,173,276	29,173,276	29,173,276
Excess Appropriation/(Funding)		(13,258,547)	(13,258,547)		(13,258,547)	(13,258,547)	(13,258,547)
Grand Total		4,500,929	14,250,990		15,914,729	15,914,729	15,914,729

Analysis of Budget Request

Appropriation: 414 - Consolidated Cost

Funding Sources: MCC - Consolidated Cost Revolving Fund

The Division of Shared Services is responsible for the centralized purchasing of postage, forms printing, and warehouse storage for the Department. Purchases are made through this appropriation with funding transferred from the respective Divisions to the Consolidated Cost Revolving Fund.

Funding for this appropriation, as indicated as various program support, is revenue transferred based on cost allocation derived from the program to which funds are assigned and can be a mix of funding sources such as general revenue, federal revenue, other revenue and/or a combination of each.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

Appropriation Summary

Appropriation: 414 - Consolidated Cost

Funding Sources: MCC - Consolidated Cost Revolving Fund

Appropriation		2022-2023	2023-2024	2023-2024	2024-2025		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Operating Expenses	5020002	744,823	800,000	800,000	800,000	800,000	800,000
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	21,500	21,500	21,500	21,500	21,500
Total		744,823	821,500	821,500	821,500	821,500	821,500
Funding Sources							
Fund Balance	4000005	222,507	86,443		86,443	86,443	86,443
Various Program Support	4000730	608,759	821,500		821,500	821,500	821,500
Total Funding		831,266	907,943		907,943	907,943	907,943
Excess Appropriation/(Funding)		(86,443)	(86,443)		(86,443)	(86,443)	(86,443)
Grand Total		744,823	821,500		821,500	821,500	821,500

Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

Shared Services combines the core business functions of the agency including: Office of Finance, Office of Procurement, Office of Chief Counsel, Office of Information & Technology, Office of Human Resources, Office of Legislative & Intergovernmental Affairs, Office of Communications & Community Engagement, Office of Security & Compliance. Shared Services continues to refine business operations and to reorganize internal agency resources to better serve DHS and its mission. Budgets, expenses, and resource needs have re-aligned to perform the requirements and tasks of the agency while positions and programs continue to be reorganized as Shared Services has evolved.

Funding for this appropriation consists of a mix of revenue sources which includes general revenue, federal funds, and other. Federal and other funding is determined by the Department's Cost Allocation Plan (CAP).

The Legislative Recommendation reflects the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments. The Agency Request and Executive Recommendation reflect Act 237 of 2023.

Appropriation Summary

Appropriation: 896 - DHS--Admin Paying Account

Funding Sources: PWP - Administration Paying

Appropriation		2022-2023	2023-2024	2023-2024	2024-2025		
		Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Regular Salaries	5010000	33,499,363	35,373,367	37,048,480	37,073,480	36,537,461	36,537,461
	#Positions	615	589	662	662	652	652
Extra Help	5010001	273,634	298,556	298,556	298,556	298,556	298,556
	#Extra Help	20	27	27	27	27	27
Personal Services Matching	5010003	11,827,096	12,324,354	13,455,690	13,897,919	13,693,910	13,693,910
Overtime	5010006	140	8,383	8,383	8,383	8,383	8,383
Operating Expenses	5020002	4,170,121	5,571,872	5,571,873	5,571,873	5,571,873	5,571,873
Conference & Travel Expenses	5050009	22,172	59,433	59,433	59,433	59,433	59,433
Professional Fees	5060010	3,178,910	3,902,175	9,261,800	9,261,800	9,261,800	9,261,800
Data Processing	5090012	0	0	0	0	0	0
Capital Outlay	5120011	47,988	400,000	400,000	400,000	400,000	400,000
Data Processing Services	5900044	1,819,104	2,016,710	2,016,710	2,016,710	2,016,710	2,016,710
Total		54,838,528	59,954,850	68,120,925	68,588,154	67,848,126	67,848,126
Funding Sources							
Fund Balance	4000005	10,076,355	13,998,074		13,998,074	13,998,074	13,998,074
General Revenue	4000010	23,577,114	24,302,008		24,518,586	24,518,586	24,518,586
Federal Revenue	4000020	21,088,342	24,997,406		31,201,392	31,201,392	31,201,392
Performance Fund	4000055	0	360,793		0	0	0
Inter-agency Fund Transfer	4000316	158,660	0		(247,078)	(247,078)	(247,078)
M & R Sales	4000340	7,344	0		0	0	0
Reallocation of Resources	4000410	3,426,001	0		0	0	0
Various Program Support	4000730	10,502,786	10,294,643		13,715,254	13,715,254	13,715,254
Total Funding		68,836,602	73,952,924		83,186,228	83,186,228	83,186,228
Excess Appropriation/(Funding)		(13,998,074)	(13,998,074)		(14,598,074)	(15,338,102)	(15,338,102)
Grand Total		54,838,528	59,954,850		68,588,154	67,848,126	67,848,126

The Agency Request and Executive Recommendation reflect Act 237 of 2023. Positions and appropriation were transferred to the Department of Education - Office of Early Childhood.

Analysis of Budget Request

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

The Division of Administrative Services administers the Social Services Block Grant (SSBG). The Office of Community Services, Administration for Children and Families, U. S. Department of Health and Human Services is responsible for the administration of the grant program at the federal level with grants made directly to the State. Grant amounts are determined by a statutory formula based on individual state population. Up to 10% of block grant funds are allowed to be transferred to other block grant programs for support of health services, health promotion and disease prevention campaigns, and low-income home energy assistance.

Under the provisions of the block grant, each state has the authority to determine the most appropriate social services for the state's citizens. Included are services such as assistance to individuals and families to become more independent relative to financial support and personal care, family maintenance and avoidance of institutional care. These services are rendered through contracts with community programs across the state to provide services to people with developmental disabilities, mental illness, the elderly, and children. The agency has elected to allocate the majority of the SSBG funds to various divisions within the Department and other departments in state government - Workforce Education, Rehabilitation Services and Spinal Cord Commission thus eliminating the need for the majority of this appropriation. Each of the DHS divisions and other departments certify the funds in the respective division/department and budget for utilization of these funds.

Funding for this appropriation is 100% federal funds and is provided under Title XX of the Social Security Act (Omnibus Budget Reconciliation Act of 1981 as amended, P.L. 97-35; Jobs Training Bill, P.L. 98-8; P.L. 98-473; Medicaid and Medicare Patient and Program Act of 1987; Omnibus Budget Reconciliation Act of 1987, P.L. 100-203; Family Support Act of 1988, P.L. 100-485; Omnibus Budget Reconciliation Act of 1993, P.L. 103-66; 42 U.S.C. 1397 et seq.).

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

Appropriation Summary

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

Appropriation	2022-2023	2023-2024	2023-2024	2024-2025		
	Actual	Budget	Authorized	Legislative Recommendation	Agency Request	Executive Recommendation
Purchase of Services 5100004	0	0	129,084	129,084	129,084	129,084
Total	0	0	129,084	129,084	129,084	129,084
Funding Sources						
Fund Balance 4000005	49,581	50,431		50,431	50,431	50,431
Federal Revenue 4000020	772,532	0		129,084	129,084	129,084
Inter-agency Fund Transfer 4000316	(771,682)	0		0	0	0
Total Funding	50,431	50,431		179,515	179,515	179,515
Excess Appropriation/(Funding)	(50,431)	(50,431)		(50,431)	(50,431)	(50,431)
Grand Total	0	0		129,084	129,084	129,084