

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999

A request for base level general revenue funding into the amount of \$3,390,000 for each year of biennium without the necessity of providing additional appropriation. The general revenue is required as matching for federal reimbursement. The total effect of \$3,390,000 in general revenue means \$10,000,500 in services can and will be delivered from the base level appropriation.

AFDC Contract has experienced a large increase in Contractor expense due to the increased number of cases and the increase in the volume of collections handled by these organizations. The requested increase of \$1,500,000 each year is in accordance with projected expenditures.

An increase in Maintenance and Operations is needed to accommodate the additional paper and notices automatically generated by ACTS which must be mailed to the custodial and noncustodial parents, attorneys, etc. We estimate this cost to be \$350,000 in each year of the biennium. The remaining request is to bring the appropriation and funding to a level commensurate with the base level needs as well as the need of the requested priorities.

Capital Appropriation and funding is requested to replace five (5) state vehicles and approximately three hundred seventy five (375) computers and/or computer related equipment. Much of OCSE's data processing equipment is aging rapidly with the increased workloads we have seen in the past few years. The request will replace about 90% of the aging equipment each year of the biennium.

Professional Services Contracts requested increase is for a cost of living increase of our OCSE contractors. A significant portion of this expense is for the contractor handling the OCSE clearinghouse process.

There is a request of \$2,000,000 which is for appropriation only to be used in the recovery of Medicaid costs. A contractor for OCSE will recover medicaid costs from noncustodial parents and, after receiving their negotiated fee, will forward the remaining funds to OCSE. The Agency will then transfer funds to the Department of Human Services and reimbursement for their medicaid expenditures.

AGENCY DFA - Office of Child Support Enforcement	DIRECTOR Ed Baskin	AGENCY PROGRAM COMMENTARY BR2	PAGE 348
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ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999

During the three year period ending in June 30, 1996, the Office of Child Support Enforcement experienced collections and expenses as follows:

	<u>Expenses</u>	<u>Collections</u>
FY 94	\$17,894,007	\$63,954,021
FY 95	21,922,985	72,657,329
FY 96	27,908,655	90,043,693

There is a 56% increase in expenses with a corresponding 41% increase in collection from FY 94 to FY 96. The disparity is due primarily to the federal requirement put upon all states to develop a new child support tracking system. The Arkansas Child Support Tracking system (ACTS) will cost over \$27,000,000. Initially, federal funding was at 90%. It has now been reduced to 66%. The Arkansas system is scheduled to come on line October 1, 1997. Costs will then shift from development and implementation to operations.

The Office of Child Support Enforcement proposes funding for its appropriation to be a combination of federal reimbursement, other funding (fees for collection services) and general revenue. The distribution of funds is:

Federal Reimbursement	66%
Other Funding	24%
General Revenue	<u>10%</u>
Total	100%

The Office of Child Support Enforcement priorities are as follows:

The restoration of 83 currently authorized positions which are unbudgeted due to cap level and funding restrictions in FY 1997. The positions are needed to bring caseloads to a more manageable level. They are also needed in support of the additional work imposed by the implementation of the Arkansas Office of Child Support Enforcement Clearinghouse function. There is an additional request for 13 new positions needed to support the collections and distribution process.

AGENCY DFA - Office of Child Support Enforcement	DIRECTOR Ed Baskin	AGENCY PROGRAM COMMENTARY BR21	PAGE 349
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ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 634 - CHILD SUPPORT ENFORCEMENT

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>54</u>	<u>169</u>	<u>223</u>	<u>71%</u>
BLACK EMPLOYEES	<u>7</u>	<u>83</u>	<u>90</u>	<u>29%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>1</u>	<u>1</u>	<u>0%</u>
TOTAL EMPLOYED AS OF <u>08/10/96</u> DATE			<u>91</u>	<u>29%</u>
			TOTAL MINORITIES	
			<u>314</u>	<u>100%</u>
			TOTAL EMPLOYEES	



 AGENCY DIRECTOR

DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
 SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED JUNE 30, 1994

Assets				Liabilities			Total Equity
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total	
\$ 12,717,193	\$ 1,351,654	\$ 452,888	\$ 14,521,735	\$ 605,018	\$ 371,568	\$ 976,586	\$ 13,545,149

Revenues					Expenditures					Other Sources (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 14,081,158	\$ 0	\$ 65,294,801	\$ 79,375,959	\$ 6,165,386	\$ 0	\$ 216,788	\$ 71,266,053	\$ 77,648,227	\$ 10,465,762

Findings

A. INTERNAL CONTROL:

1. COLLATERAL - The audit of bank balances at June 30, 1994, revealed the Agency had uninsured and uncollateralized cash deposits of \$1,073,237.33 out of total deposits of \$9,810,532.76. Chapter II-28 of the State Accounting Procedures Manual requires that all cash deposits be fully insured and collateralized to protect State funds from risk of loss.
2. ACCOUNTS RECEIVABLE - The Agency does not maintain an adequate accounts receivable accounting record for amounts due for returned checks, recipient overpayments, and reimbursements due from noncustodial parents for court costs and blood tests as required by Chapter II-21.2 of the State Accounting Procedures Manual. Additionally, generally accepted accounting principles require that accounts receivable be recognized as income in the year earned and that a corresponding asset be recorded.
3. PRENUMBERED RECEIPTS - Prenumbered receipts were not used for all items of income received at the Central Office and at County Offices as required by Chapter II-16.2 of the State Accounting Procedures Manual.
4. CAPITAL LEASES - The Agency contracts with various vendors throughout the State for the lease of office space, and currently reports all leases as operating leases for both financial and federal reporting purposes. The Office of Management and Budget, Circular A-87, allows costs associated with capital leases to be claimed either through a use allowance computed at an annual rate not exceeding two percent or by a generally accepted method of depreciation. Our review of lease contracts for the year ended June 30, 1994, and subsequent period, revealed that 13 of the 25 contracts in force may qualify as capital leases under guidelines established by the Financial

Recommendations

1. Review and comply with Chapter II-28 of the State Accounting Procedures Manual regarding collateralization of State funds.
2. Review and comply with Chapter II-21.2 of the State Accounting Procedures Manual regarding the recording and accountability of accounts receivable. Subsidiary and control ledgers should be utilized to provide for the reporting of accounts receivable by classification and to provide good internal control over the collection of outstanding balances.
3. Review and comply with Chapter II-16.2 of the State Accounting Procedures Manual regarding the receipting of cash items.
4. Review and comply with Chapter II-25.4 of the State Accounting Procedures Manual regarding the recording of capital leases.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Findings (Continued)

A. INTERNAL CONTROL: (CONTINUED)

4. CAPITAL LEASES (CONTINUED)

Accounting Standards Board Statement 13 (FASB 13). Chapter II-25.4 of the State Accounting Procedures Manual requires the Agency to properly account for and record capitalized leases. It also requires the Agency provide the pertinent information necessary to determine whether lease contracts meet the criteria for capitalization.

This finding also applies to all federal programs.

5. PROFESSIONAL SERVICES CONTRACTS - The audit of the professional services contracts for child support enforcement and legal services rendered for the year ended June 30, 1994 revealed the following:

- A. Expense reimbursements and incentives paid to vendors were not always adequately documented as prescribed by the contract and included by the Agency as voucher support.
- B. Payments for legal services were made in equal monthly installments to vendors based on the full contract amount rather than as reimbursement for actual services rendered as required by the terms of the contract.
- C. In most cases, the Agency has not provided for an annual financial and compliance audit for the vendor's activity as required by contract provisions.
- D. Proof of bonding required of vendors under contract have not been submitted to the Agency.
- E. Performance reviews required by contracts to be conducted by the Agency for all vendors were not accomplished in most cases.

This finding also applies to the federal program for Child Support Enforcement.

Recommendations (Continued)

- 5. Monitor vendor activities for compliance with all provisions set forth by professional services contracts.

DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
 SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED JUNE 30, 1994

Findings (Continued)

- A. INTERNAL CONTROL AND STATE COMPLIANCE MATTERS: (CONTINUED)
6. EXPENDITURES - The audit of vouchers for the year ended June 30, 1994 revealed that, for a random sample of eighty-two vouchers, two vouchers could not be located by the Agency and support documentation was not included for three other vouchers. This resulted in a six-percent error rate. Chapter II-1.2 of the State Accounting Procedures Manual requires that all vouchers and original supporting documents to support expenditures be maintained by the Agency for audit.

This finding also applies to all federal programs.

- B. FEDERAL GRANT COMPLIANCE MATTERS:
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 ALL FEDERAL PROGRAMS
1. FINANCIAL REPORTS - The Agency did not provide support documentation for expenditures and matching reported on their required federal financial reports for the year ended June 30, 1994 as follows:

<u>Program</u>	<u>Report</u>	<u>Reported Expenditures</u>	<u>Reported Match</u>
Child Support Enforcement Program (93.563)	Quarterly Report of Expenditures and Estimates (OCSE 131)	\$13,672,180.00	\$5,766,995.00
	Federal Cash Transactions Report (PMS 272)	24,810,819.98	
Program Improvement Demonstration Grant (93.562)	Financial Status Report (SF 269)	50,033.00	12,069.00
	Federal Cash Transactions Report (PMS 272)	50,033.00	

Recommendations (Continued)

6. Review and comply with Chapter II-1.2 of the State Accounting Procedures Manual regarding the Agency's responsibility to retain vouchers and voucher support for audit.
1. Review and comply with the Post Award Requirements, Subpart C.20, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments regarding the accountability and reporting of grant expenditures.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Findings (Continued)

- B. FEDERAL GRANT COMPLIANCE MATTERS: (CONTINUED)
DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)
ALL FEDERAL PROGRAMS (CONTINUED)
1. FINANCIAL REPORTS (CONTINUED)

As a result, expenditures and matching claimed could not be reconciled to expenditures recorded on the Accounting Federal Grants Management (AFGM) System. It was also determined, as illustrated above, that amounts recorded in various reports for the same period were not always consistent. The failure to maintain adequate records to support claims made to the federal government for reimbursement of expenditures, as well as failure to accurately disclose the financial activity of the grant is in violation of the Post Award Requirements, Subpart C.20, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments.

CHILD SUPPORT ENFORCEMENT PROGRAM (CFDA 93.563)

2. CONTRACT SERVICES - During the year ended June 30, 1994, the Agency contracted with several private vendors and local governmental agencies to provide child support enforcement and legal services in various counties throughout the State. While the Agency reimbursed the contractors for 66% of their expenses in accordance with contract provisions, they actually claimed 100% of the contractor's costs as the basis for federal reimbursement. Contractors were then paid federal incentive payments equal to or in excess of the billing deficiencies to cover their expenses. By using this method of reimbursement to contractors, the Agency was in effect utilizing funds expended by the private contractors as match for federal reimbursement. This practice is in violation of the Code of Federal Regulations 45, Part 304.30, which allows only public funds to be considered as the State's share in claiming federal reimbursement.

It was also noted that none of the contracts referred to above, as well as contracts for the year ended June 30, 1995, were submitted to the cognizant federal agency for prior approval as required under the Post Award Requirements, Subpart C.30, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments. Furthermore, private vendor contracts submitted for prior approval for the 1996 and 1997 State fiscal years have been denied approval by the cognizant federal agency based on the Agency's failure to justify costs under the contracts as reasonable and necessary. Currently the Agency continues to make payments to vendors under these contracts.

Recommendations (Continued)

2. Review and comply with the Code of Federal Regulations 45, Part 304.30 and the Post Award Requirements, Subpart C.30, of the Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments regarding the authorization and reporting of grant expenditures relating to the procurement of contract services.

DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - OFFICE OF CHILD SUPPORT ENFORCEMENT
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Findings (Continued)

3. FEDERAL GRANT COMPLIANCE MATTERS: (CONTINUED)
DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)
CHILD SUPPORT ENFORCEMENT PROGRAM (CFDA 93.563) (CONTINUED)
3. QUALITY CONTROL PROCEDURES - Corrective action plans, in response to deficiencies found by the Agency during performance reviews of respective County Child Support Enforcement Units, are not always submitted within the time-frame required by Section 3600.3 of the Agency's Child Support Enforcement Manual.

Recommendations (Continued)

3. Review and comply with Section 3600.3 of the Child Support Enforcement Manual regarding performance reviews of County Child Support Enforcement Units.

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY

AGENCY: DEPARTMENT OF FINANCE AND ADMINISTRATION - OFFICE OF CHILD SUPPORT ENFORCEMENT

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION FY 95-96	FY 96-97	STATUS
<u>APPROPRIATION: 120 - Office of Child Support Enforcement</u>				
Regular Salaries & Matching	154	\$2,419,470	\$2,978,662	During FY96 the Office of Child Support Enforcement utilized 74 of the 154 authorized positions and expended \$1,206,602 in additional salaries and matching costs. For FY97, \$2,568,440 in salaries and matching and 71 positions are budgeted.
Extra Help		\$267,000	\$267,000	In FY96, \$86,749 was expended, and \$100,000 is budgeted for FY97.
Operating Expenses		\$1,543,771	\$1,900,762	Additional authorization expended in FY96 was \$308,572. For FY97, only \$682,546 is budgeted due to limited funding.
Overtime		\$3,000	\$3,000	In FY96, \$1,554 was expended, and none is budgeted in FY97.
Conference Fees and Travel		\$2,700	\$2,700	In FY96, none of the additional authorization was expended, and the full amount is budgeted in FY97.
Professional Fees & Services		\$2,398,366	\$2,725,775	During FY96 expenditures were \$1,637,325. In FY97, \$2,111,679 is budgeted.
Capital Outlay		\$439,687	\$320,400	In FY96, \$96,592 was expended, and none is budgeted in FY97.

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY

AGENCY: DEPARTMENT OF FINANCE AND ADMINISTRATION - OFFICE OF CHILD SUPPORT ENFORCEMENT

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
AFDC Contract Expenses		\$900,000	\$1,400,000	In FY96, the full amount of additionally authorized appropriation was expensed. The total amount is budgeted in FY97.
Clearing House Expenses		\$207,050	\$362,318	None was expensed in FY96, nor budgeted in FY97.

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

Act 957 of 1993 transferred the Office of Child Support Enforcement from the Department of Human Services to the Department of Finance and Administration - Revenue Services Division. This agency is responsible for locating absent parents, establishing paternity, establishing orders for support, collecting and disbursing support, and enforcing payment of support. Funding for this appropriation consists of a combination of federal reimbursement and fees for collection services. Base Level for the agency is \$33,899,034 in FY98 and \$34,150,701 in FY99.

The priority requests for the agency total \$7,211,367 in FY98 and \$7,287,320 in FY99. Components of the request include:

- ◆ Reauthorization of 83 positions not budgeted due to funding restraints. Salary and Matching costs total \$1,891,367 in FY98 and \$1,937,320 in FY99. These additional positions would allow the agency to reduce caseloads which currently over 900 cases per Investigator.
- ◆ Operating Expenses of \$750,000 in FY98 and \$830,000 in FY99 to accommodate increased costs associated with the Child Support Tracking System. A majority of the increase is to provide cost of paper increase and postage increases.
- ◆ Professional Fees and Services of \$145,000 each year to accommodate projected increases in contracts for legal services.
- ◆ Capital Outlay of \$925,000 in FY98 and \$875,000 in FY99 to provide for the replacement of data processing equipment to include 375 computers and five (5) state vehicles.
- ◆ AFDC Contract Expenses of \$1,500,000 each year to provide for contracts for collection services with county judges, prosecutors, and private vendors for collection of child support payments. Because of unanticipated increases in contract expenses, a Miscellaneous Federal Grant was needed for FY96 and will be necessary for FY97.
- ◆ Clearing House Expenses/Collection Account of \$2,000,000 each year to provide a mechanism to allow the agency to recover Medicaid costs from non-custodial parents and transfer the funds to the Department of Human Services. This request is for appropriation only.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: DFA - Office of Child Support Enforcement Code: 634	Name: Office of Child Support Enforcement Code: 120	Name: Child Support Enforcement Code: MCE	BR20	358

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

- ◆ General Revenue funding of \$3,911,137 in FY98 and \$3,918,732 in FY99. The Welfare Reform Act potentially reduces the amount of fees that the Office of Child Support and Enforcement may retain, and the agency may no longer be able to retain enough fees to match federal funding to cover operational costs.

The Executive Recommendation provides for Base Level, which includes appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements. The Executive Recommendation further provides for Agency Request for appropriation for AFDC Contract and Clearing House Expenses. The Executive Recommendation includes Special Language provisions and establishment of a Contingency appropriation line item; reauthorization of the 83 positions requested as Contingent positions; and funding which could be made available to the agency upon sufficient justification, and upon approval of the Chief Fiscal Officer of the State and review of the Arkansas Legislative Council. These provisions would be necessary only in the event the agency could not meet its operational costs due to the effects of Welfare Reform or other unanticipated events. Funding for Contingency appropriation would be transferred from the State Central Services Fund to the Child Support Enforcement Fund.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: DFA - Office of Child Support Enforcement	Name: Office of Child Support Enforcement	Name: Child Support Enforcement	BUDGET REQUEST	
Code: 634	Code: 120	Code: MCE	BR20	359

ARKANSAS BUDGET SYSTEM

01 02 03 04 05 06 07 08 09 10 11 12 13 14

CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----RECOMMENDATIONS-----			
	95-96	96-97	96-97	PRIORITY	TOTAL	PRIORITY	TOTAL	EXECUTIVE	LEGISLATIVE				
	ACTUAL	BUDGETED	AUTHORIZED APPRO	PROGRAMS	REQUEST	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99		
REGULAR SALARIES	6,553,251	7,574,401	7,893,181	7,863,620	1,394,424	9,258,044	8,077,336	1,433,455	9,510,791	7,863,620	8,077,336		
NUMBER OF POSITIONS	335	332	415	332	83	415	332	83	415	332	332		
EXTRA HELP	86,749	100,000	267,000	100,000	0	100,000	100,000	0	100,000	100,000	100,000		
NUMBER OF POSITIONS	15	15	15	15	0	15	15	0	15	15	15		
PERSONAL SERV MATCHING	1,856,407	2,197,095	2,288,537	2,379,742	496,943	2,876,685	2,417,693	503,865	2,921,558	2,379,742	2,417,693		
OVERTIME	1,554	0	0	0	0	0	0	0	0				
OPERATING EXPENSES	4,227,317	4,601,291	5,819,507	4,601,291	750,000	5,351,291	4,601,291	830,000	5,431,291	4,601,291	4,601,291		
CONF FEES & TRAVEL	34,359	47,700	47,700	47,700	0	47,700	47,700	0	47,700	47,700	47,700		
PROF FEES & SERVICES	2,432,327	2,906,681	3,520,777	2,906,681	145,000	3,051,681	2,906,681	145,000	3,051,681	2,906,681	2,906,681		
CAPITAL OUTLAY	96,592	0	320,400	0	925,000	925,000	0	875,000	875,000				
DATA PROCESSING	6,555,001	10,000,000	14,353,000	10,000,000	0	10,000,000	10,000,000	0	10,000,000	10,000,000	10,000,000		
AFDC CONTRACT EXPENSE	6,023,643	7,223,000	6,000,000	6,000,000	1,500,000	7,500,000	6,000,000	1,500,000	7,500,000	7,500,000	7,500,000		
CLEARING HOUSE EXPENSES	0	0	362,318	0	2,000,000	2,000,000	0	2,000,000	2,000,000	2,000,000	2,000,000		
CHILD SUPPORT - CONTINGENCY	0	0	0	0	0	0	0	0	0	3,911,137	3,918,732		
TOTAL	27,867,200	34,650,168	40,872,420	33,899,034	7,211,367	41,110,401	34,150,701	7,287,320	41,438,021	41,310,171	41,569,433		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	3,251,454	2,090,516	*****	1,140,348		1,140,348				1,140,348			
GENERAL REVENUES			*****		3,911,137	3,911,137		3,918,732	3,918,732				
SPECIAL REVENUES	8,813,066	6,300,000	*****	6,300,000		6,300,000	6,300,000		6,300,000	6,300,000	6,300,000		
FEDERAL FUNDS	17,893,196	25,800,000	*****	25,800,000		25,800,000	25,800,000		25,800,000	25,800,000	25,800,000		
STATE CENTRAL SERVICES FUND			*****							3,911,137	3,918,732		
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
Contractor Contributions		1,600,000	*****	1,600,000		1,600,000	1,600,000		1,600,000	1,600,000	1,600,000		
TOTAL FUNDING	29,957,716	35,790,516	*****	34,840,348	3,911,137	38,751,485	33,700,000	3,918,732	37,618,732	38,751,485	37,618,732		
EXCESS APPRO/ (FUNDING)	(2,090,516)	(1,140,348)	*****	(941,314)	3,300,230	2,358,916	450,701	3,368,588	3,819,289	2,558,686	3,950,701		
TOTAL	27,867,200	34,650,168	*****	33,899,034	7,211,367	41,110,401	34,150,701	7,287,320	41,438,021	41,310,171	41,569,433		

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
 AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
 APPRO 120 DFA REVENUE - OFFICE OF CHILD SUPPORT ENFORCEMENT

APPROPRIATION SUMMARY

BR 215

FUND HCE CHILD SUPPORT ENFORCEMENT-(634)

Appropriation was established through the authority of the MFG Holding Account

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIIUM REQUISIS						R E C O M M E N D A T I O N S					
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
000		HCE	634 120	B	27,867,200 335	34,650,168 332	33,899,034 332		34,150,701 332		33,899,034 332	34,150,701 332						
000		HCE	634 120 210 01 CHILD SUPPORT - CONTINGENCY	P01		0 0	0 0			0 0			3,911,137	3,918,732				
<p>General Revenue funding of \$3,911,137 in FY98 and \$3,918,732 in FY99 is requested as the Welfare Reform Act potentially reduces the amount of fees that this office may retain. The agency may no longer be able to retain enough fees to match federal funding to cover operational costs.</p>												<p>Executive Recommendation includes contingency appropriation, positions, and funding to be utilized as specified in the Special Language Recommendation.</p>						
001		HCE	634 120 210 50 CENTRAL OFFICE	P01		0 0	1,891,367 83			1,937,320 83								
<p>This request is for the restoration of 83 current positions which were not filled due to cap restrictions and funding limitations in SFY 1997.</p>																		

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
 AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
 APPRO 120 DFA REVENUE - OFFICE OF CHILD SUPPORT ENFORCEMENT
 FUND HCE CHILD SUPPORT ENFORCEMENT-(634)

RANK BY APPROPRIATION
 BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		-1997 - 99 BIENNIUM REQUESTS-				-R E C O M M E N D A T I O N S-							
					ACTUAL 95-96	BUDGETED 96-97	FY 1997 - 98 REQUEST		FY 1998 - 99 REQUEST		EXECUTIVE 1997-98		LEGISLATIVE 1997-98					
001		MCE	634 120 210 50 CENTRAL OFFICE	P02		0	5,320,000				5,350,000				3,300,230	3,368,588		
<p>This request would provide for additional AFDC Contract Expenses, Maintenance and Operations which will be necessary to provide for increases in postage costs, Capital Outlay to purchase (5) vehicles and computer equipment, and Professional Fees and Services. Also included in the Clearing House Expenses line item is \$2,000,000 in appropriation only for each year to recover Medicaid costs from noncustodial parents which would be transferred to the Department of Human Services.</p>																		

DEPT 016 DEPARTMENT OF FINANCE AND ADMINISTRATION
 AGY 634 DFA-REVENUE-OFFICE OF CHILD SUPPORT ENFORCEMENT
 APPRO 120 DFA REVENUE - OFFICE OF CHILD SUPPORT ENFORCEMENT
 FUND MCE CHILD SUPPORT ENFORCEMENT-(634)

RANK BY APPROPRIATION
 BR 264