

DFA - CHILD SUPPORT ENFORCEMENT

Employment Summary

	Male	Female	Total	%
White Employees	51	357	408	62 %
Black Employees	20	212	232	35 %
Other Racial Minorities	5	9	14	3 %
Total Minorities			246	38 %
Total Employees			654	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Custodial Parent Handbook	N/A	N	N	4,300	Customer Education	0	0.00
Need Help? General Information Brochure	N/A	N	N	3,500	Public information and convenience	0	0.00
Non Custodial Parent Handbook	N/A	N	N	5,000	Customer Education	0	0.00
Paternity Acknowledgement Form	20-18-408 (2) (3)	N	N	50,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information.	0	0.00
Request for Child Support Services	9-14-210 (d) (2)	N	N	20,000	Public information and convenience	0	0.00

A.C.A. 25-1-201 et seq.

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		Governor	General Assembly				
Understanding the Acknowledgement of Paternity Brochure	20-18-408 (2) (3)	N	N	8,000	Federal and State law require Hospital based Paternity. Acknowledgement Program and issuance of a form and information.	0	0.00

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES
 Fiscal Year 2018
 Required by A.C.A. 25-36-104

AGENCY: 0634 DFA - CHILD SUPPORT ENFORCEMENT

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
Protech Solutions	\$7,748,771				X		

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	<u>1</u>
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	<u>\$15,535,731</u>
% OF MINORITY CONTRACTS AWARDED	<u>48.90 %</u>

Analysis of Budget Request

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

The Office of Child Support Enforcement (OCSE) is a federal/state effort to collect child support from non-custodial parents. OCSE establishes and enforces orders to collect child support. The Agency determines on a case-by-case basis which of the following services will be utilized:

- Locating the non-custodial parent
- Establishing paternity
- Establishing, modifying, and terminating support/medical obligations
- Collecting and disbursing support obligations
- Enforcing delinquent child support obligations

Funding for this appropriation consists of a combination of federal funds (66%), general revenue, fees, federal incentive payments, and state share of Temporary Assistance for Needy Families (TANF) collections (34%). Currently, 55% of the Agency's budget is personnel related costs with the remaining 45% operating expenses.

The Agency requests appropriation totaling \$66,561,713 in FY20 and \$66,576,730 in FY21. The request includes a \$100,000 reallocation of resources and a reduction of (\$175,000) in maintenance and operations appropriation.

- Conference and Travel reduction of (\$25,000) in each year of the biennium to bring appropriation more in line with expenditures.
- Professional Fees reduction of (\$250,000) to reallocate \$100,000 to Capital Outlay and (\$150,000) reduction in appropriation to bring more in line with expenditures.
- Restoration of Capital Outlay by \$100,000 in each year of the biennium, reallocated from Professional Fees. This represents the agencies FY19 Authorized Level and is used to provide for improvements to field office facilities, vehicles, and any unexpected major equipment replacement.

The Agency provided the following justification of appropriation requests that exceeds the FY18 Actual Expenditures by more than 10%:

- Extra Help: To provide for the potential cost for processing additional cases from Department of Human Services which are required to be processed in accordance with Federal Regulations and are often very time sensitive.
- Operating Expenses: Appropriation is needed to cover the anticipated increase in cost associated with growing case loads; which includes activities such as process service, filing fees and paternity establishment. Additionally, an increase is expected in rent and utilities during the 2019-2021 Biennium.
- Professional Fees: The Agency is bidding a new professional services contract for paternity testing this year, costs are anticipated to

increase starting FY19 and forward.

- Data Processing and Equipment Expense: There are upcoming needed expenditures in the biennium associated with the regular PC replacement cycle and IT updates needed in the field offices. These updates include Hardware upgrades necessary to utilize VoIP telecommunications for all offices, estimated at around \$600,000, and an Access Control System for selected offices, estimated at \$400,000.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	23,590,117	28,993,560	26,469,260	28,947,300	28,947,300	28,959,500	28,959,500
#Positions		731	808	808	808	808	808	808
Extra Help	5010001	0	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		0	15	15	15	15	15	15
Personal Services Matching	5010003	9,388,839	10,685,549	10,218,727	10,755,276	10,755,276	10,758,093	10,758,093
Operating Expenses	5020002	12,114,893	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654
Conference & Travel Expenses	5050009	17,186	50,000	50,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	135,301	500,000	500,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing and Equipment	5900046	9,807,184	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483
Total		55,053,520	66,813,246	63,822,124	66,561,713	66,561,713	66,576,730	66,576,730

Funding Sources								
Fund Balance	4000005	11,216,829	10,766,010		7,436,817	7,436,817	4,359,157	4,359,157
General Revenue	4000010	12,984,053	12,984,053		12,984,053	12,984,053	12,984,053	12,984,053
Federal Revenue	4000020	36,518,743	37,500,000		37,500,000	37,500,000	37,500,000	37,500,000
Non-Revenue Receipts	4000040	5,099,028	13,000,000		13,000,000	13,000,000	13,000,000	13,000,000
M & R Sales	4000340	877	0		0	0	0	0
Total Funding		65,819,530	74,250,063		70,920,870	70,920,870	67,843,210	67,843,210
Excess Appropriation/(Funding)		(10,766,010)	(7,436,817)		(4,359,157)	(4,359,157)	(1,266,480)	(1,266,480)
Grand Total		55,053,520	66,813,246		66,561,713	66,561,713	66,576,730	66,576,730

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.