

DHS - Children & Family Services

Enabling Laws

Act 220 of 2012
A.C.A. §25-10-102
A.C.A. §9-16-101 et seq.

History and Organization

DCFS is the designated state agency to administer and supervise all child welfare services (Title Iv-B and IV-E of the Social Security Act), including child maltreatment investigations, child abuse and neglect prevention, protective services, foster care services, supportive services and adoptive programs. The State's child welfare system investigated 33,849 reports of child maltreatment and managed 7,959 foster care cases, 12,479 protective service cases involving 29,658 children and 1,023 supportive service cases involving 2,451 children. The Division is in compliance with Titles VI and VII of the Civil Rights Act and operates, manages, and delivers services without regard to race, color, religion, sex, age, national origin, mental or physical disability, veteran status, political affiliation or belief.

Our mission is to keep children safe and help families. DCFS will respectfully engage families and youth and use community-based services and support to assist parent in successfully caring for their children. We will focus on the safety, permanency and well-being for all children and youth.

In 1985, the 75th Arkansas General Assembly enacted Act 348 that reorganized the Department of Human Services (DHS). Included in this Act was the provision to create a Division of Children and Family Services (DCFS). This legislative action culminated several years of departmental review and legislative interest in the delivery of services to the children, youth, and families throughout the State of Arkansas.

Specifically, Act 348 combined into DCFS all functions and duties of the Division of Youth Services (DYS) as provided in Act 502 of 1977, child welfare functions of the Division of Social Services, and residential treatment services for emotionally disturbed youth previously provided by the Division of Mental Health Services (DMHS).

DCFS' target population included children, and when appropriate, families of children who were or may be at risk of being abused, neglected, exploited, dependent, delinquent, or who were experiencing serious emotional problems. In addition, DCFS served unmarried parents, children in need of substitute care, day care or supervision, and youth entering the juvenile justice system.

The service delivery system included two (2) Youth Services Centers for delinquent youth committed by the courts, an office in each county staffed with direct service worker(s), and a network of private providers supplying contracted services to the target population.

In 1993, the 70th General Assembly enacted Act 1296, which authorized the Governor to create a Division of Youth Services (DYS) within DHS. The juvenile justice functions of DCFS were transferred to the newly created DYS.

In 1997, the 81st General Assembly enacted Act 1132 which authorized the creation of the Division of Child Care and Early Childhood Education (DCC) within DHS. The day care licensing, day care eligibility, and special nutrition functions of DCFS were transferred to the newly created division.

In 1997, the 81st General Assembly also enacted Act 1240, which authorized the formation of a Family Protection Unit within the Arkansas State Police (ASP) to conduct child abuse investigations. The Central Intake and Special Investigation functions of DCFS were transferred to the newly created Family Protection Unit, presently called Crimes Against Children Division of Arkansas State Police.

Act 1014 of 1997 created the Child Welfare Agency Review Board. The Board was given the authority to promulgate rules and regulations to enforce the provisions of this act. The Board was also given authority to identify and implement alternate methods of regulations and enforcement. The Board licenses residential child welfare facilities and child placement agencies including agencies that provide foster care or adoption services.

To accomplish the mandates of ACT 348, DCFS is functionally organized into the following major areas:

- 1) The Office of Director directly supervises the following executive staff and program managers: Assistant Director of Community Services, Chief Fiscal Officer of the Office of Finance and Administrative Support, Assistant Director of Office of Central Operations, Youth Services Manager, Adoption Managers, Planning Manager, Foster Care Manager, Mental Health Manager, and Policy and Professional Development Manager.
- 2) Office of Community Services-This office is responsible for the direct and purchased services delivery of child welfare services in each of the 75 counties of the state. Each of the ten areas has an Area Director, County Supervisors, Family Services Workers, Social Services Aides II, and other county based staff to provide direct services. Services are also provided through a statewide network of community providers.

In central office, the Office of Community Services includes a Program Administrator, Program Manager, the Interstate Compact for the Placement of Children (ICPC) staff, and a Client Advocate who assist DCFS consumers.

- 3) Office of Finance and Administrative Support-This office provides support in the following areas: financial support, budgeting, funds management, accounts payable contracts managements, and personnel.
- 4) Office of Operations - This office provides support in the following areas; Child Maltreatment Registry, Criminal Background Checks, Eligibility, Investigations and Child Protective Services and Vehicle Safety. This office is also responsible for the management of day-to-day operations for DCFS.
- 5) The Quality Assurance management is contracted with Hornby Zeller Associates Inc., and falls under the direction of the Division Director.

DCFS is dedicated to the establishment of a coordinated and integrated service delivery system based on the following objectives:

- The protection of children
- Safety, permanency and well-being of children and youth
- Development of a well-defined family-centered model of practice
- Expansion of the family-centered approach to service delivery to help strengthen and maintain families when possible, with children's safety always paramount
- Development and expansion of programs needed to protect children and serve families
- Continuing development and implementation of integrated administrative/management systems including: a comprehensive management information system, restructuring purchase of service and contracting systems, revising and publishing policy/procedure manuals, refining the a quality assurance monitoring system and enhanced training of supervisory and direct service staff.

The Division delivers services directly and purchases services from private and public agencies, universities and individuals, using state and federal funds. Programs and services of other Divisions within the Department of Human Services (DHS) are also available to clients of DCFS. Delivery of services is coordinated with other Divisions administering TEA/TANF Medicaid, Food Stamps, Social Services Block Grant, and other federal entitlement programs. DCFS continues to work with the state Community-Based Child Abuse Prevention Program (CBCAP) State Lead Agency funded under Title II of CAPTA to develop child abuse prevention programs, in addition to the ones DCFS purchases.

DCFS staff provides child maltreatment investigations, family assessment, case planning, referral, and case management services. If a child cannot be maintained safely in their own home, DCFS will petition the court for custody and place the child in an approved foster home or licensed residential facility.

Child Welfare Services are a broad category of services to children and their families.

In February 2008, the federal Administration for Children and Families in Health and Human Services completed the second round on-site review portion of the Child and Family Service Review (CFSR) of Arkansas child welfare services, as required by Congress. The CFSR is the

Federal Government's program for assessing the performance of State child welfare agencies with regard to achieving positive outcomes for children and families. It is essentially the state's report card from the federal government.

The CFSR assesses State performance on 23 items relevant to 7 outcomes and 22 items pertaining to 7 systemic factors. The 7 outcomes cover the areas of safety, permanency and well-being.

The Division received the report in the fall of 2009 which indicated the state did not have substantial compliance in any of the 7 outcomes and was found to be in compliance with 2 of the systemic factors. As a result of the finding, the Division was required to develop the federally mandated Program Improvement Plan (PIP), which is a plan to address issues identified in the CFSR and aide in the transformation of the Arkansas Child Welfare system. Months before the issuance of the Final Report DCFS began to put in place immediate and long term strategies to assure safety, permanency and well being for vulnerable children and families across the State. The goal of the Division in its transformation is to bring about systemic and long lasting change that will bring positive outcomes for our children and families in the state which in turn will allow us to meet the federal standards.

Since the PIP was developed and implemented, Arkansas' performance has improved on 18 of the 23 individual items. Arkansas' performance has also improved on 6 of the 7 outcomes and 15 of the 23 individual items between the 2010 and 2011 rounds of reviews done internally.

Arkansas Program Improvement Plan established four broad strategies to make significant, systemic and sustainable changes to improve outcomes for children and families. They are:

- 1) Develop and Implement a Sustainable Practice Model to ensure consistent and appropriate services are provided to children and families that lead to positive outcomes
- 2) Establish a System for Effective Communication, Professional Development, and Organizational change to build a child welfare system that keeps children safe and help families; respectfully engages families and youth and uses community based services and supports to assist parents in successfully caring for their children. The focus will be on the safety, permanency, and well being for all children and youth
- 3) Build Arkansas Service Array to have available, appropriated, and accessible services to children and families based on their identified needs
- 4) Develop an Effective Quality Assurance and practice improvement process to ensure the consistency of quality practice and the flexibility to improve based on the data gathered through our Quality Assurance processes

Arkansas implemented the Program Improvement Plan and has utilized our Quality Services Peer Review (QSPR) process to monitor our progress. We continue to monitor our progress throughout the year. It is the goal of the Division to continue to increase the state's performance on these measures so we can be assured to bring about the best outcomes for the children and families we serve.

The Arkansas child welfare practice model describes all of our efforts to renew our work with families and aligns us more readily with our division's mission. It reflects our goals and our principles and is embedded in our casework process, our daily interactions and our decisions. It is not spelled out in any single document but instead is increasingly a part of everything we do - every action, every decision and is reflected in every document we develop and implement.

The practice model is the way our systems work together to serve children and families. One of the key elements is the focus on how we do the work is as important as the work we do.

Practice Model Goals

Our practice model unites our casework process with an approach that values and supports families at every step of a family's encounter with our system. The goals of our practice model are:

- Safely keep children with their families.
- Enhance well-being in all of our practice with families.
- Ensure foster care and other placements support goals of permanency.
- Use permanent placement with relatives or other adults, when reunification is not possible, who have a close relationship to the child or children (preferred permanency option).
- Ensure adoptions, when that is the best permanency option, are timely, well-supported and lifelong.
- Ensure youth have access to an array of resources to help achieve successful transition to adulthood.

Principles to Guide Best Practices

Along with our goals, we support the practice model by looking for ways to incorporate the following principles into every encounter we have when working on behalf of families.

We believe...

- Behavior change and the work of change is a part of our daily challenge.
- Safety for children is achieved through positive protective relationships with caring family and community members.
- Meaningful decisions require close family participation in decision making.
- Strengths of families and supporting these strengths contribute to life-long permanent relationship for children.
- Families' success depends on community involvement and shared problem solving. Practice with families is interrelated at every step of the casework process.

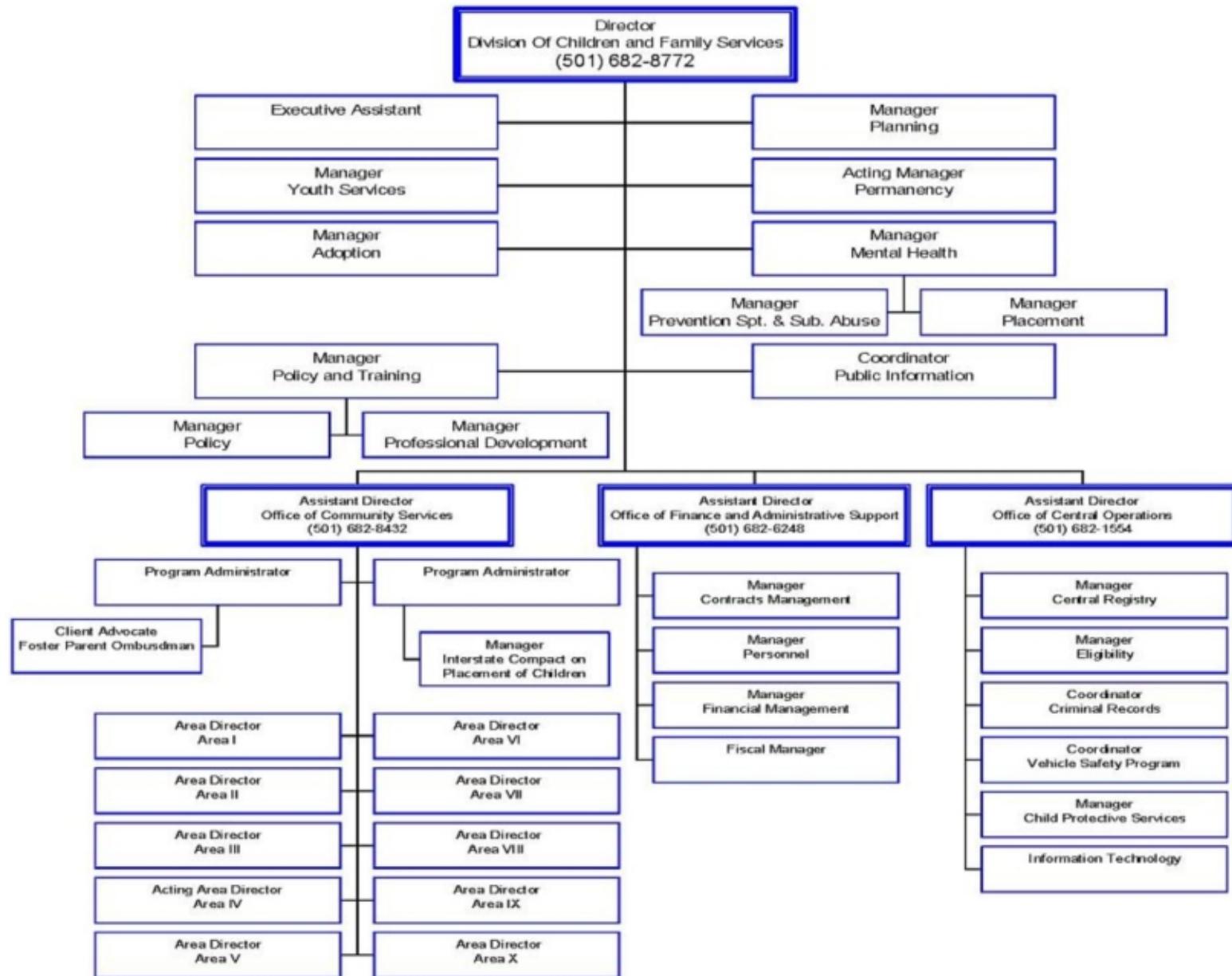
- Sustainable success with families is the work of a team.
- The entire system must support front line practice to achieve positive outcomes with families.
- Every staff position, role, and activity of the Division shows continuous effort to build and maintain professionalism.
- Skill based training and consultation forms the foundation for successful practice with families.
- Quality improvement and accountability guide all of our work.
- How we do the work is as important as the work we do.

Outcomes will address:

- Safety
- Permanency
- Child and family well-being

The Division's child welfare practice should be:

- Child focused
- Family centered
- Individualized to meet the specific needs of the children and families
- Collaborative
- Enhanced to strengthen parent capacity
- Culturally responsive
- Community based
- Outcome oriented



Agency Commentary

DCFS is dedicated to the establishment of a coordinated and integrated service delivery system based on the following objectives:

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In June 2012, the Division sent in a notice of intent to apply for a Title IV-E Waiver demonstration project. The final application is due on July 9, 2012, and if DCFS is awarded this waiver it will be for a five year period with a proposed option to renew and will allow for flexible use of Title IV-E dollars to transform the child welfare system further.

Waiver History:

- Adoption and Safe Families Act of 1997 established the waivers
- September 2011 - Child and Family Services Improvement and Innovation Act renewed the child welfare waiver authority which is designed to improve State effectiveness in protecting children and assisting families as well as point the way to potential broader national reforms to benefit children and families

Goals of the IV E Waiver:

- **Increase permanency** for all infants, children, and youth by **reducing the time in foster placements** when possible and **promoting a successful transition to adulthood** for older youth
- **Increase positive outcomes** for infants, children, youth and **families in their homes** and communities, including tribal communities, and **improve the safety and well-being** of infants, children and youth
- **Prevent** child abuse and neglect and the **re-entry** of infants, children, and youth into foster care

Arkansas broad plan will address:

- Allow us to “jump start” Phase 2 of our system improvement
- Decrease entries into care statewide
- Increase stability of children in foster care
- Children achieve timely permanence from foster care

To continue our mission of protecting children, preserving families and continue the process of transforming the child welfare system, the Division of Children and Family Services 2013 - 2015 Biennial Budget represents a request for:

PERSONNEL REQUESTS:

The ultimate goal of DCFS is to provide safety and permanency for children. In order to do this, we must have quality staff that possesses the necessary skill sets, to respond to reports of suspected child maltreatment, provide services to protect children and assure permanency for them. These staff must have training and sufficient resources to do their jobs, including placement and treatment resources, and access to needed support systems.

State law, agency policy, and national standards set forth requirements for best practice. Workers who possess the necessary skill sets, have quality supervisory support and have a clear understanding of their roles and responsibilities are better able to access and make the best decisions needed for children and families.

DCFS is requesting to restore 211 currently authorized positions with unfunded appropriation for both salary and fringe benefits for both 2014 and 2015. These positions are vital to allowing the Division to continue with the transformation efforts already occurring within the system.

This request will allow the Division to better meet the needs of our children and families, allow us to meet the goals and outcome measures we have set as a division, and implement changes that will be possible if DCFS is awarded the Title IV-E Waiver. DCFS realizes our workers are the heart in the delivery of our services. The development and retention of a quality child welfare workforce is the key to the transformation of our system.

DCFS is requesting to transfer a total of 12 positions, as well as the associated unfunded Regular Salaries and Personal Services Matching appropriation, to other divisions. The Division of Child Care and Early Childhood Education will receive four positions to work in the Summer Food Service Program. The Division of Behavioral Health will receive seven positions that are being utilized at the Arkansas State Hospital to implement a stronger incident management system and investigators for this purpose. The Office of Chief Counsel will receive one position to be utilized to improve accountability in the audit function for the department.

ADOPTION SUBSIDY:

The federal match rate for Title IV-E adoption subsidies has been in a steady decline for years and causes DCFS to match subsidy payments with more state general revenue each year. Adoption subsidies are awarded until a child turns 18 in most cases, though in some instances they last until the age of 21. The Division is requesting appropriation in the amount of \$1,750,000 and \$3,580,000, of which \$700,000 and \$1,450,000 is state general revenue in 2014 and 2015, respectively.

CONTRACT SERVICES:

The Division is requesting appropriation only in the amount of \$1,500,000 in both 2014 and 2015 to meet anticipated needs for contracts and board payments. DCFS has been forced to utilize the reallocation of resources process to meet our appropriation needs in contracts and foster board payments and this request provides the needed appropriation to alleviate this need and to provide appropriation for anticipated changes in the programming mix.

Title IV-E Waiver:

The Division is requesting unfunded appropriation in the amount \$10,000,000 in both 2014 and 2015 to meet possible needs that would arise if DCFS is awarded a Title IV-E Waiver demonstration project. The ability to flexibly use Title IV-E funds for traditionally non-eligible services could create an increased need in contracts and maintenance and operations.

Information Technology:

The Division is requesting unfunded appropriation in the amount of \$100,000 in both 2014 and 2015 to allow for information technology needs related to the Children's Information and Reporting System (CHRIS). The computer servers the CHRIS system resides on are the responsibility of DCFS to replace.

Investigative Funding:

The Division is requesting state general revenue funding only in the amount of \$3,400,000 in 2014 and 2015, respectively, to replace the reduction in federal funding of the Temporary Assistance for Needy Families grant.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

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

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Child Welfare Report Card	Act 1222 of 1995	N	Y	200	AR Child Welfare Public Accountability Act Mandated
Family Preservation	Act 1025 of 1991	N	Y	50	Arkansas Family Preservation Services Program Act

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
882 State Residential Treatment	469,913	0	1,100,000	0	1,341,305	0	1,100,000	0	1,100,000	0	1,100,000	0	1,100,000	0	1,100,000	0	1,100,000	0
883 Foster Care	26,470,332	0	25,815,859	0	23,815,859	0	25,815,859	0	27,315,859	0	27,315,859	0	25,815,859	0	27,315,859	0	27,315,859	0
896 Division of Children & Family Services	70,889,196	1,035	64,246,714	932	83,223,135	1,166	65,268,258	932	84,308,386	1,131	84,308,386	1,131	65,309,039	932	84,349,167	1,131	84,349,167	1,131
898 TANF/Foster Care	38,528,189	0	39,891,796	0	40,291,976	0	39,891,796	0	41,641,796	0	41,641,796	0	39,891,796	0	43,471,796	0	43,471,796	0
Total	136,357,630	1,035	131,054,369	932	148,672,275	1,166	132,075,913	932	154,366,041	1,131	154,366,041	1,131	132,116,694	932	156,236,822	1,131	156,236,822	1,131

Funding Sources		%		%		%		%		%		%		%		%	
General Revenue	4000010	50,251,173	36.9	49,511,800	37.8	49,297,108	37.3	53,397,108	39.9	49,297,108	38.3	49,303,365	37.3	54,153,365	39.9	49,303,365	38.3
Federal Revenue	4000020	66,948,134	49.1	65,913,479	50.3	66,832,014	50.6	64,482,014	48.2	63,432,014	49.3	66,859,413	50.6	65,589,413	48.3	63,459,413	49.3
Merit Adjustment Fund	4000055	817,984	0.6	337,149	0.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Reallocation of Resources	4000410	(325,000)	(0.2)	(600,000)	(0.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Refunds	4000415	3,060,221	2.2	3,720,000	2.8	3,720,000	2.8	3,720,000	2.8	3,720,000	2.9	3,720,000	2.8	3,720,000	2.7	3,720,000	2.9
Transfer to Medicaid Match	4000660	(92,208)	(0.1)	(300,000)	(0.2)	(300,000)	(0.2)	(300,000)	(0.2)	(300,000)	(0.2)	(300,000)	(0.2)	(300,000)	(0.2)	(300,000)	(0.2)
Transfer to State Police	4000675	(1,682,018)	(1.2)	(1,699,208)	(1.3)	(1,699,208)	(1.3)	(1,699,208)	(1.3)	(1,699,208)	(1.3)	(1,699,208)	(1.3)	(1,699,208)	(1.3)	(1,699,208)	(1.3)
Various Program Support	4000730	17,379,344	12.7	14,171,149	10.8	14,225,999	10.8	14,225,999	10.6	14,225,999	11.1	14,233,124	10.8	14,233,124	10.5	14,233,124	11.1
Total Funds		136,357,630	100.0	131,054,369	100.0	132,075,913	100.0	133,825,913	100.0	128,675,913	100.0	132,116,694	100.0	135,696,694	100.0	128,716,694	100.0
Excess Appropriation/(Funding)		0		0		0		20,540,128		25,690,128		0		20,540,128		27,520,128	
Grand Total		136,357,630		131,054,369		132,075,913		154,366,041		154,366,041		132,116,694		156,236,822		156,236,822	

Children & Family (883) Budget exceeds Authorized Appropriation by authority of Reallocation of Resources.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,194	981	79	1060	134	17.84 %	1,166	936	52	988	178	19.73 %	1,166	929	3	932	234	20.33 %

Authorized in Act may differ from Authorized reflected on the Appropriation Summary due to Reallocation of Resources (Act 157 of 2012 section 16(d)), Miscellaneous Federal Grant (A.C.A. 19-7-501 et seq.) and POOL positions (A.C.A. 21-5-225(b)(1)).

Analysis of Budget Request

Appropriation: 882 - State Residential Treatment

Funding Sources: DCF - Children and Family Services Fund Account

This appropriation provides residential treatment services to children in need of placement and treatment. These services are purchased through private provider contracts and Medicaid Eligible service providers. The services are targeted for children who have been diagnosed as having serious emotional and/or behavioral problems and are in need of placement and treatment.

Funding for this appropriation is general revenue (DCF - Children and Family Services Fund Account) and refunds that consist of contract reimbursements for spent general revenue.

The Agency Base Level and total request for this appropriation is \$1,100,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 882 - State Residential Treatment
Funding Sources: DCF - Children and Family Services Fund Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	469,913	1,100,000	1,341,305	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Total		469,913	1,100,000	1,341,305	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Funding Sources										
General Revenue	4000010	394,981	1,080,000		1,080,000	1,080,000	1,080,000	1,080,000	1,080,000	1,080,000
Refunds	4000415	74,932	20,000		20,000	20,000	20,000	20,000	20,000	20,000
Total Funding		469,913	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		469,913	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000

Analysis of Budget Request

Appropriation: 883 - Foster Care

Funding Sources: DCF - Children and Family Services Fund Account

The Division of Children and Family Services (DCFS) provides selective placement for children in the custody of the Department of Human Services in approved foster homes or licensed facilities for a planned period of time when separation from a birth parent or legal guardian necessitates such separation. Foster Care is an integral part of the service delivery system of the Division of Children and Family Services.

Funding for this appropriation consists of general revenue (DCF-Children and Family Services Fund Account) and refunds that consist of board reimbursements for spent general revenue.

The Agency Base Level request for this appropriation is \$25,815,859 each year of the biennium of which \$22,115,859 is funded with general revenue.

The Agency Change Level request for appropriation is \$1,500,000 in each year of the biennium, with no new general revenue request. This appropriation request is to meet the anticipated needs for increases in board rates and contract payments if funding becomes available.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 883 - Foster Care

Funding Sources: DCF - Children and Family Services Fund Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	26,470,332	25,815,859	23,815,859	25,815,859	27,315,859	27,315,859	25,815,859	27,315,859	27,315,859
Total		26,470,332	25,815,859	23,815,859	25,815,859	27,315,859	27,315,859	25,815,859	27,315,859	27,315,859
Funding Sources										
General Revenue	4000010	23,485,043	22,115,859		22,115,859	22,115,859	22,115,859	22,115,859	22,115,859	22,115,859
Refunds	4000415	2,985,289	3,700,000		3,700,000	3,700,000	3,700,000	3,700,000	3,700,000	3,700,000
Total Funding		26,470,332	25,815,859		25,815,859	25,815,859	25,815,859	25,815,859	25,815,859	25,815,859
Excess Appropriation/(Funding)		0	0		0	1,500,000	1,500,000	0	1,500,000	1,500,000
Grand Total		26,470,332	25,815,859		25,815,859	27,315,859	27,315,859	25,815,859	27,315,859	27,315,859

Budget exceeds Authorized Appropriation by authority of Reallocation of Resources.

Change Level by Appropriation

Appropriation: 883 - Foster Care
Funding Sources: DCF - Children and Family Services Fund Account

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	25,815,859	0	25,815,859	100.0	25,815,859	0	25,815,859	100.0
C05	Unfunded Appropriation	1,500,000	0	27,315,859	105.8	1,500,000	0	27,315,859	105.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	25,815,859	0	25,815,859	100.0	25,815,859	0	25,815,859	100.0
C05	Unfunded Appropriation	1,500,000	0	27,315,859	105.8	1,500,000	0	27,315,859	105.8

Justification

C05	Unfunded appropriation requested to meet the anticipated needs for contracts and board payments.
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Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

This appropriation provides administrative support for the Division of Children and Family Services (DCFS). This Division is responsible for the protection of children, the continuation of the family-centered approach to service delivery to help strengthen and maintain natural families when possible, the expansion of programs such as therapeutic services, foster care prevention, management information systems and quality assurance and monitoring.

DCFS provides family supports to keep children at home, assist families when the families temporarily can't provide the necessary care for their children and help eliminate child maltreatment. DCFS attempts to keep families together and only separates children from their families as a last alternative. Specific services provided by the Division are: Support Services, Foster Care, Adoption Services and Protective Services.

The Division was operating under a Child Welfare Reform Federal Consent Decree until December, 2001. The original lawsuit (commonly known as "Angela R") was filed in 1991, alleging gross abuse and neglect of children of this State and the State's failure to protect those children. The consent decree was approved in 1994 and extended in 1999 and again in October 2001. In December 2001, the decree ended when the plaintiffs to the original lawsuit did not challenge DCFS compliance with the federal consent decree.

Funding for this appropriation includes general revenue (DCF-Children and Family Services Fund Account), federal revenues and other revenues, which is identified as various program support. The federal funds are derived from Title IV-E, Title IV-B, TANF, Child Abuse Prevention Treatment Act (CAPTA), Social Service Block Grant, Emergency Assessment funding, Safe and Stable Families Act funding. Other revenues which is indicated as various program support are derived from many sources including federal awards, fees, third party reimbursements and maximization of federal claiming. These other revenues are considered to be non-federal and technically can be expended for any program or service within the Department.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Base Level request for this appropriation is \$65,268,258 in FY2014 and \$65,309,039 in FY2015 with 932 budgeted Base Level positions.

The Agency Change Level request for this appropriation is \$19,040,128 in each year of the biennium with a general revenue request of \$3,400,000 each year.

- \$3,400,000 in general revenue funding each year to replace the decrease in TANF funding received from the Department of Workforce Services.

The following delineates the agency's request:

- Restoration of 211 positions that are authorized but not budgeted with salary and matching appropriation to provide direct service or provide direct support to field staff.
- Transfer of one (1) position, as well as unfunded appropriation in Regular Salaries and Personal Services Matching to OCC to be utilized to improve accountability in the audit functions of the department.
- Transfer of four (4) positions, as well as unfunded appropriation in Regular Salaries and Personal Services Matching to DCC to work in the Summer Food Service Program.
- Transfer of seven (7) positions, as well as unfunded appropriation in Regular Salaries and Personal Services Matching to DBHS to be utilized at the Arkansas State Hospital to implement a stronger incident management system and investigators for this purpose.
- \$3,000,000 in each year of the biennium in the Operations Expenses line item that will allow flexibility to meet possible needs if awarded Title IV-E Waiver demonstration project.
- \$7,000,000 in each year of the biennium in the Professional Fees line item that will allow flexibility to meet possible needs if awarded Title IV-E Waiver demonstration project.
- \$100,000 in each year of the biennium in the Capital Outlay line item to meet anticipated technology needs related to the CHRIS system.

The Executive Recommendation provides for Agency Request for appropriation with no new general revenue funding.

Appropriation Summary

Appropriation: 896 - DHS--Admin Paying Account
Funding Sources: PWP - Administration Paying

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	37,560,495	32,561,623	43,533,938	33,209,129	39,669,958	39,669,958	33,242,229	39,703,058	39,703,058
#Positions		1,035	932	1,166	932	1,131	1,131	932	1,131	1,131
Extra Help	5010001	187,452	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
#Extra Help		22	65	65	65	65	65	65	65	65
Personal Services Matching	5010003	12,449,839	11,939,592	14,741,143	12,313,630	14,792,929	14,792,929	12,321,311	14,800,610	14,800,610
Overtime	5010006	171	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	9,834,062	9,145,347	12,024,266	9,145,347	12,145,347	12,145,347	9,145,347	12,145,347	12,145,347
Conference & Travel Expenses	5050009	28,685	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Professional Fees	5060010	10,798,216	10,390,152	12,713,788	10,390,152	17,390,152	17,390,152	10,390,152	17,390,152	17,390,152
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	30,276	0	0	0	100,000	100,000	0	100,000	100,000
Total		70,889,196	64,246,714	83,223,135	65,268,258	84,308,386	84,308,386	65,309,039	84,349,167	84,349,167

Funding Sources										
General Revenue	4000010	15,738,964	14,406,137		14,191,445	17,591,445	14,191,445	14,197,702	17,597,702	14,197,702
Federal Revenue	4000020	40,216,687	38,271,487		39,190,022	35,790,022	35,790,022	39,217,421	35,817,421	35,817,421
Merit Adjustment Fund	4000055	817,984	337,149		0	0	0	0	0	0
Reallocation of Resources	4000410	(325,000)	(600,000)		0	0	0	0	0	0
Transfer to Medicaid Match	4000660	(92,208)	(300,000)		(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Transfer to State Police	4000675	(1,682,018)	(1,699,208)		(1,699,208)	(1,699,208)	(1,699,208)	(1,699,208)	(1,699,208)	(1,699,208)
Various Program Support	4000730	16,214,787	13,831,149		13,885,999	13,885,999	13,885,999	13,893,124	13,893,124	13,893,124
Total Funding		70,889,196	64,246,714		65,268,258	65,268,258	61,868,258	65,309,039	65,309,039	61,909,039
Excess Appropriation/(Funding)		0	0		0	19,040,128	22,440,128	0	19,040,128	22,440,128
Grand Total		70,889,196	64,246,714		65,268,258	84,308,386	84,308,386	65,309,039	84,349,167	84,349,167

Change Level by Appropriation

Appropriation: 896 - DHS--Admin Paying Account
Funding Sources: PWP - Administration Paying

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	65,268,258	932	65,268,258	100.0	65,309,039	932	65,309,039	100.0
C05	Unfunded Appropriation	19,534,389	211	84,802,647	129.9	19,534,389	211	84,843,428	129.9
C07	Agency Transfer	(494,261)	(12)	84,308,386	129.2	(494,261)	(12)	84,349,167	129.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	65,268,258	932	65,268,258	100.0	65,309,039	932	65,309,039	100.0
C05	Unfunded Appropriation	19,534,389	211	84,802,647	129.9	19,534,389	211	84,843,428	129.9
C07	Agency Transfer	(494,261)	(12)	84,308,386	129.2	(494,261)	(12)	84,349,167	129.2

Justification

C05	DCFS is requesting to restore 211 positions that are direct service or provide direct support to field staff. The Division is requesting unfunded appropriation for maintenance and operations and professional services in the amount of \$3,000,000 and \$7,000,000, respectively in both 2014 and 2015, to meet possible needs if awarded the Title IV-E demonstration project. The Division is also requesting unfunded appropriation for Capital Outlay in the amount of \$100,000 to meet anticipated needs related to the CHRIS system.
C07	DCFS is requesting to transfer a total of 12 positions to other divisions. The Division of Child Care and Early Childhood Education will receive four positions to work in the Summer Food Service Program. The Division of Behavioral Health will receive seven positions that are being utilized at the Arkansas State Hospital to implement a stronger incident management system and investigators for this purpose. The Office of Chief Counsel will receive one position to be utilized to improve accountability in the audit function for the department.

Analysis of Budget Request

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

The TANF/Foster Care Program is used to assist with the costs of foster care maintenance for eligible children; administrative costs to manage the program; and training for staff and foster parents. The primary purpose of this program is to fund proper care for children who need placement outside their homes. This appropriation is also used to assist States in paying maintenance costs for adopted children with special needs, such as children who are older or who have disabilities. The primary purpose of this program is to advance the permanency of hard to place children in adoptive homes and avoid inappropriate and excessive numbers of foster care placements.

This appropriation also provides for Independent Living services for foster children age 16 and older. This service is intended to provide a transition to independent living by providing encouragement and assistance in obtaining a high school diploma or vocational skill training, as well as training in daily living skills.

Funding for this appropriation includes general revenue (DCF - Children and Family Services Fund Account), federal revenues, and other revenues, which are identified as various program support. Federal revenues include Title IV-E Adoption Subsidies, Title IV-B Family Preservation Funding, SSBG, and TANF. Other revenues which are indicated as various program support and consists of match out of board reimbursements.

The Agency Base Level request for this appropriation is \$39,891,796 each year of the biennium of which \$11,909,804 is funded from general revenue.

The Agency Change Level request for this appropriation is \$1,750,000 in FY2014 and \$3,580,000 in FY2015, with general revenue request of \$700,000 in FY2014 and \$1,450,000 in FY2015. The funding and appropriation request is to meet the anticipated increase in Adoption Subsidies combined with the decline in the Title IV-E match rate.

The Executive Recommendation provides for Agency Request for appropriation with no new general revenue funding.

Appropriation Summary

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	38,528,189	39,891,796	40,291,976	39,891,796	41,641,796	41,641,796	39,891,796	43,471,796	43,471,796
Total		38,528,189	39,891,796	40,291,976	39,891,796	41,641,796	41,641,796	39,891,796	43,471,796	43,471,796
Funding Sources										
General Revenue	4000010	10,632,185	11,909,804		11,909,804	12,609,804	11,909,804	11,909,804	13,359,804	11,909,804
Federal Revenue	4000020	26,731,447	27,641,992		27,641,992	28,691,992	27,641,992	27,641,992	29,771,992	27,641,992
Various Program Support	4000730	1,164,557	340,000		340,000	340,000	340,000	340,000	340,000	340,000
Total Funding		38,528,189	39,891,796		39,891,796	41,641,796	39,891,796	39,891,796	43,471,796	39,891,796
Excess Appropriation/(Funding)		0	0		0	0	1,750,000	0	0	3,580,000
Grand Total		38,528,189	39,891,796		39,891,796	41,641,796	41,641,796	39,891,796	43,471,796	43,471,796

Change Level by Appropriation

Appropriation: 898 - DHS-Grants Paying Account
Funding Sources: PWE - Grants Paying

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	39,891,796	0	39,891,796	100.0	39,891,796	0	39,891,796	100.0
C01	Existing Program	1,750,000	0	41,641,796	104.4	3,580,000	0	43,471,796	109.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	39,891,796	0	39,891,796	100.0	39,891,796	0	39,891,796	100.0
C01	Existing Program	1,750,000	0	41,641,796	104.4	3,580,000	0	43,471,796	109.0

Justification

C01	Funding and appropriation requested to meet both the anticipated increase in Adoption Subsidies combined with the decline in the Title IV-E match rate.
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