

DHS - Child Care/Early Childhood Education

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

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				
Annual evaluation of the Arkansas Better Chance (ABC) For School Success Program	Act 49 of the Second Extraordinary Session of 2003	N	Y	1	The report will be an evaluation of the ABC Programs and is needed to ensure that the program goals and intended child outcomes are being achieved.	0	0.00
Annual Status report on the Arkansas Child Care Facilities Loan Guarantee Trust Fund	A.C.A. 20-78-505	N	Y	1	The division believes the reporting adds accountability to the Division's management of these monies. The fund is unique in that it allows the Division to place the monies in interest bearing CD's across the state to support start-up or expansion loans to child care facilities.	0	0.00
Family Support Unit Policy Manual	n/a	N	N	1	Designed as the lead agency to administer federal funds available to Arkansas through the Child Care Development Fund (CCDF). The manual is utilized as a source guide for the Division staff that administers eligibility criteria for clients who are seeking services funded though the CCDF.	0	0.00

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				
Getting Children Ready for Kindergarten	Act 825	N	Y	1	Division provides copies of the list to licensed child care facilities. Licensed child care facilities shall distribute the list to parents of each three-year old attending the child care facilities.	0	0.00
Minimum Licensing Requirements for Child Care Centers	A.C.A. 20-78-210-220	N	Y	1	The Child Care Facility Licensing act is the legal authority under which the Division prescribes minimum standards for a variety of child care facilities under the Act. The publication lists the licensing requirements for the Child Care Centers.	0	0.00
Minimum Licensing Requirements for Child Care Family Homes	A.C.A. 20-78-210 - 220	N	Y	1	The Child Care Facility Learning Act is the legal authority under which the Division prescribes minimum standards for a variety of child care facilities under the Act. The publication lists the licensing requirements for the Child Care Family Home.	0	0.00
Minimum Licensing Requirements for Registered Child Care Family HOMes	A.C.A. 20-78-210	N	Y	1	The Child Care Facility Licensing Act is the legal authority under which the Division prescribes minimum standards for a variety of child care facilities under the Act. The publication lists the licensing requiriements for the Registered Child Care Family Home.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
320 Child Care Development-Discretionary	17,956,637	0	30,725,862	0	42,450,000	0	33,445,681	0	33,445,681	0	33,445,681	0	33,445,681	0
890 Food Program	60,548,648	0	80,291,250	0	80,291,250	0	69,658,273	0	69,658,273	0	71,005,273	0	71,005,273	0
896 Division of Child Care/Early Childhood	20,101,118	185	20,497,830	171	20,969,388	176	24,910,293	198	24,910,293	198	24,916,341	198	24,916,341	198
898 Child Care Grant/Aids	33,795,092	0	44,306,047	0	54,947,179	0	44,306,047	0	44,306,047	0	44,306,047	0	44,306,047	0
929 Child Care-Treasury Paying	0	0	24,511	0	36,786	0	36,786	0	36,786	0	36,786	0	36,786	0
930 Cty-Commodity Distrib & Salvage Containe	0	0	0	0	0	0	139,676	0	139,676	0	139,676	0	139,676	0
Total	132,401,495	185	175,845,500	171	198,694,603	176	172,496,756	198	172,496,756	198	173,849,804	198	173,849,804	198

Funding Sources		%		%		%		%		%		%	
General Revenue	4000010	6,133,320	4.6	8,082,795	4.6	9,193,653	5.3	9,193,653	5.3	9,193,949	5.3	9,193,949	5.3
Federal Revenue	4000020	124,092,295	93.7	165,214,424	94.0	159,704,737	92.6	159,704,737	92.6	161,057,489	92.6	161,057,489	92.6
Special Revenue	4000030	0	0.0	242,262	0.1	242,262	0.1	242,262	0.1	242,262	0.1	242,262	0.1
Cash Fund	4000045	0	0.0	24,511	0.0	176,462	0.1	176,462	0.1	176,462	0.1	176,462	0.1
Performance Fund	4000055	0	0.0	225,882	0.1	0	0.0	0	0.0	0	0.0	0	0.0
Various Program Support	4000730	2,175,880	1.6	2,055,626	1.2	3,179,642	1.8	3,179,642	1.8	3,179,642	1.8	3,179,642	1.8
Total Funds		132,401,495	100.0	175,845,500	100.0	172,496,756	100.0	172,496,756	100.0	173,849,804	100.0	173,849,804	100.0
Excess Appropriation/(Funding)		0		0		0		0		0		0	
Grand Total		132,401,495		175,845,500		172,496,756		172,496,756		173,849,804		173,849,804	

Analysis of Budget Request

Appropriation: 320 - Child Care Development-Discretionary

Funding Sources: FWF - DHS Federal

The Child Care and Development Block Grant (CCDF) consolidates childcare assistance programs and requires states to develop an integrated service delivery system to meet the needs of low income families. This appropriation is for the Discretionary category of funds. Specifically, these funds are targeted for low income working families and those transitioning from the Temporary Assistance for Needy Families (TANF) Program to obtain child care; thereby allowing parents to work or obtain the training necessary to obtain employment or attend educational programs that will lead to employment.

Funding for this appropriation includes 100% federal revenue consisting of Discretionary Child Care Development Block Grant.

The Division is requesting \$33,445,681 in each year of the 2019-2021 Biennium by decreasing (\$9,004,319) in appropriation to better align with previous expenditures.

However, the Division's request to maintain above 10% of their actual FY18 expenditures is due to the Division receiving an increase of federal funding of \$26M from the Administration of Children and Families to serve more eligible children and continue to improve the quality of service provided. Half of the awarded amount will be expensed in this appropriation, the other half will be expensed in the Grants Paying Account.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 320 - Child Care Development-Discretionary

Funding Sources: FWF - DHS Federal

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
Grants and Aid	5100004	17,956,637	30,725,862	42,450,000	33,445,681	33,445,681	33,445,681	33,445,681
Total		17,956,637	30,725,862	42,450,000	33,445,681	33,445,681	33,445,681	33,445,681
Funding Sources								
Federal Revenue	4000020	17,956,637	30,725,862		33,445,681	33,445,681	33,445,681	33,445,681
Total Funding		17,956,637	30,725,862		33,445,681	33,445,681	33,445,681	33,445,681
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		17,956,637	30,725,862		33,445,681	33,445,681	33,445,681	33,445,681

Analysis of Budget Request

Appropriation: 890 - Food Program

Funding Sources: FWF - DHS Federal

The Child and Adult Care Food Program (CACFP) provides nutritious meals in public and non-profit licensed child care centers, adult day care centers, day care homes and outside-school-hours centers. Private-for-profit organizations may qualify if they receive payments under Title XX of the Social Security Act for at least 25% of their clients. Residential programs are not eligible for participation in this food program.

The CACFP assists with initiating, maintaining, and expanding non-profit food service programs for children or adult participants in nonresidential institutions which provide care. The program is intended to enable such institutions to integrate a nutritious food service with organized care services for enrolled participants.

- The National School Lunch Program provides reimbursement to schools, licensed child care institutions, juvenile detention centers and hospitals serving lunches to eligible children. Participating schools and other institutions will serve lunches that are nutritionally adequate and ensure that participating children gain a full understanding of the relationship between proper eating and good health.
- The Summer Food Service Program reimburses organizations for providing nutritious meals and snacks to children during the summer months. The program generally operates during the months of May through September at site locations where regularly scheduled food services are provided for children. Sites may also participate in the program from September through May if the school is closed because of an emergency situation. Service institutions operating food programs for children on school vacation under a continuous year-round calendar may apply for participation in other months.

Funding for this appropriation includes 100% federal revenue consisting of federal reimbursements from the U.S. Department of Agriculture.

The Division is requesting \$69,658,273 in FY20 and \$71,005,273 in FY21.

The Division's request includes the following changes:

- Transferring of the Commodity/Emergency Food program from the Division of County Operations (DCO), with \$729,295 in appropriation and federal funding. This program shares the same funding sources as the Food Program, so combining both programs will improve the mission's focus and is in line with the Agency's ongoing reorganization plans.
- A total appropriation reduction of (\$10,632,977) in FY20 and (\$9,285,977) in FY21 to better align with past expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 890 - Food Program

Funding Sources: FWF - DHS Federal

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
Grants and Aid	5100004	60,548,648	80,291,250	80,291,250	69,658,273	69,658,273	71,005,273	71,005,273
Total		60,548,648	80,291,250	80,291,250	69,658,273	69,658,273	71,005,273	71,005,273
Funding Sources								
Federal Revenue	4000020	60,548,648	80,291,250		69,658,273	69,658,273	71,005,273	71,005,273
Total Funding		60,548,648	80,291,250		69,658,273	69,658,273	71,005,273	71,005,273
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		60,548,648	80,291,250		69,658,273	69,658,273	71,005,273	71,005,273

Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

This appropriation provides administrative support for the Division of Child Care and Early Childhood Education (DCCECE). The purpose of DCCECE is to enhance the coordination of child care and early childhood education programs within Arkansas.

Funding for this appropriation consists of general revenue (DCC - Childcare and Early Childhood Education Fund Account), federal revenue, special revenue and other revenues. Federal revenue primarily includes funding from the Department of Health and Human Services Child Care Development Block Grant, Title IV-E Foster Care, USDA Child Nutrition, Early Head Start, and DOE. Special revenue is comprised of Child Care Provider License Fees. Other revenue, which is indicated as various program support, is funding from the Arkansas Better Chance Program.

The Division is requesting \$24,910,293 in FY20 and \$24,916,341 in FY21, with \$2,114,627 in FY20 and \$2,114,923 in FY21 in general revenue.

The Division's request includes the following changes:

- Transfer of the Commodity Distribution/Emergency Food Program from the Division of County Operations. This includes a transfer of 13 positions; an increase of \$463,576 in Salaries, \$175,121 in Personal Service Match, \$1,797,917 in Operating Expense, and \$10,280 in Conference & Travel in appropriation; and a transfer of \$883,911 in general revenue, \$586,067 in federal revenue, and \$959,642 in other revenues;
- Transfer \$58,664 in general revenue to Shared Services to support the Agency's reorganization;
- (2) positions transferred to Shared Services; 5 positions transferred in from various divisions; restoration of 2 MFG positions for the Early Head Start Program and 9 MFG positions for the USDA Nutrition Program; and a permanent reduction of (5) positions. Regular Salaries increase by \$946,397 and Personal Services Matching increase by \$332,908 in both years; and
- Restoration of MFG appropriation of \$20,000 in Professional Fees & Services and \$130,188 in Operating Expenses for the Early Head Start Program.

The Division's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Extra Help - The division frequently receives special projects which will require extra help to complete;
- Overtime - Even though the division does its best to discourage overtime, the division would like to keep the previous authorized amount, \$4,850, in case some situations should arise when it is unavoidable; and
- Operating Expenses - due to Act 365 of 2017, the division reallocated appropriation from Operating Expenses in order to offset the increase in Regular Salaries and Match.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 896 - DHS--Admin Paying Account

Funding Sources: PWP - Administration Paying

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	6,940,276	7,009,742	6,521,535	8,072,830	8,072,830	8,077,730	8,077,730
#Positions		185	171	176	198	198	198	198
Extra Help	5010001	138,686	153,872	208,497	208,497	208,497	208,497	208,497
#Extra Help		13	8	13	13	13	13	13
Personal Services Matching	5010003	2,457,030	2,515,714	2,478,658	2,909,883	2,909,883	2,911,031	2,911,031
Overtime	5010006	0	4,850	4,850	4,850	4,850	4,850	4,850
Operating Expenses	5020002	2,984,007	3,479,230	4,441,426	6,369,531	6,369,531	6,369,531	6,369,531
Conference & Travel Expenses	5050009	86,294	90,508	70,508	100,788	100,788	100,788	100,788
Professional Fees	5060010	7,494,825	7,243,914	7,243,914	7,243,914	7,243,914	7,243,914	7,243,914
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Data Processing Services	5900044	0	0	0	0	0	0	0
Total		20,101,118	20,497,830	20,969,388	24,910,293	24,910,293	24,916,341	24,916,341

Funding Sources								
General Revenue	4000010	1,114,345	1,003,769		2,114,627	2,114,627	2,114,923	2,114,923
Federal Revenue	4000020	16,810,893	17,012,553		19,416,024	19,416,024	19,421,776	19,421,776
Special Revenue	4000030	0	200,000		200,000	200,000	200,000	200,000
Performance Fund	4000055	0	225,882		0	0	0	0
Various Program Support	4000730	2,175,880	2,055,626		3,179,642	3,179,642	3,179,642	3,179,642
Total Funding		20,101,118	20,497,830		24,910,293	24,910,293	24,916,341	24,916,341
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		20,101,118	20,497,830		24,910,293	24,910,293	24,916,341	24,916,341

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. Budget exceeds Authorized Appropriation in Conference & Travel Expenses due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

The passage of the Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193 established the Child Care Development Fund (CCDF). This fund allows maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within the State of Arkansas; promotes parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs; encourages States to provide consumer education information to help parents make informed choices about child care; assists States to provide child care to parents trying to achieve independence from public assistance; and assist States in implementing the health, safety, licensing and registration standards established in State regulations.

Funding for this appropriation consists of general revenue (DGF - Department of Human Services Grants Fund Account), federal revenue, and special revenue. Federal revenues include Child Care Development Block Grant funding. Special revenue is derived from Beer Tax collections.

The Division is requesting \$44,306,047 for each year of the 2019-2021 Biennium by reducing appropriation by (\$10,641,132) to better align with previous expenditures.

The Division's request to maintain appropriation above 10% of actual FY18 expenditures is in anticipation of new federal funds. The Division received an award of \$26M from the Administration of Children to serve more eligible children and continue to improve the quality of service provided. Half of the amount will be expensed in this appropriation, the other half will be expensed in the Child Care Development-Discretionary Appropriation. The Division will also be receiving funding for a new program, the Early Head Start Partnership Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

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
Grants and Aid	5100004	33,795,092	44,306,047	54,947,179	44,306,047	44,306,047	44,306,047	44,306,047
Total		33,795,092	44,306,047	54,947,179	44,306,047	44,306,047	44,306,047	44,306,047
Funding Sources								
General Revenue	4000010	5,018,975	7,079,026		7,079,026	7,079,026	7,079,026	7,079,026
Federal Revenue	4000020	28,776,117	37,184,759		37,184,759	37,184,759	37,184,759	37,184,759
Special Revenue	4000030	0	42,262		42,262	42,262	42,262	42,262
Total Funding		33,795,092	44,306,047		44,306,047	44,306,047	44,306,047	44,306,047
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		33,795,092	44,306,047		44,306,047	44,306,047	44,306,047	44,306,047

Analysis of Budget Request

Appropriation: 929 - Child Care-Treasury Paying

Funding Sources: NHS - Cash in Treasury

The Arkansas Child Care Facilities Loan Guarantee Fund was created to provide loan guarantees to assist with the development of new or to expand existing day care facilities with target areas specifically in low income, rural areas of the State that show demonstrated need for child care.

The Division of Child Care and Early Childhood Education is authorized to develop and implement necessary rules and regulations to receive, review, and approve applications for loan deficiency guarantee assistance. Revision of a loan guarantee may be approved when it becomes necessary to ensure adequate child care financing is available. Loan guarantees should be given the following considerations: geographic distribution, community need, community income, with priority given to those communities with the lowest median family income, proof of viable administrative and financial management, and intended licensure of the facility. The Division is required to report the status of the Loan Guarantee Fund to the Legislative Council each October.

A.C.A. §20-78-503 created and designated the Arkansas Child Care Facilities Loan Guarantee Fund as a Cash Fund Account with initial funds derived from interest income on the investment of state funds. Funds are authorized in \$100,000 annual increments up to a balance of \$350,000. The State Treasurer can replenish the fund when the balance reaches or falls below \$100,000. The Agency is authorized to accept moneys for the Fund from any source in addition to the allocations from the State Treasurer. The fund is a continuing fund and not subject to fiscal year limitations. Interest that has accrued during a fiscal year that is not required to cover loan defaults occurring that fiscal year is made available for non-refundable grants to child care facilities for start-up, development, training scholarships, or expansion.

Funds are transferred to the Grants Paying Appropriation if there are to be any expenses. Payments are only made if a provider defaults on a loan that the division has signed as a guarantor.

The Division is requesting \$36,786 on each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 929 - Child Care-Treasury Paying

Funding Sources: NHS - Cash in Treasury

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
Loan Guarantee/Grants	5900046	0	24,511	36,786	36,786	36,786	36,786	36,786
Total		0	24,511	36,786	36,786	36,786	36,786	36,786

Funding Sources								
Cash Fund	4000045	0	24,511		36,786	36,786	36,786	36,786
Total Funding		0	24,511		36,786	36,786	36,786	36,786
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	24,511		36,786	36,786	36,786	36,786

Analysis of Budget Request

Appropriation: 930 - Cty-Commodity Distrib & Salvage Container

Funding Sources: NHS - Cash in Treasury

This is a new appropriation transferred from the Division of County Operations (DCO) for the The Commodity Distribution and Salvage Container Program. The program receives USDA donated foods for distribution to school districts, food banks, soup kitchens, food pantries, etc. The donated foods are distributed through a contract with a local warehouse. In the event, that the donated food is damaged or destroyed from improper storage, care or handling, it is classified as a "food loss" claim.

Funding is derived from reimbursement for the "food loss" claims provided by the contractor and/or recipient agency as a cash revenue and can only be expensed with approval by USDA for training, equipment and vehicle purchases to enhance the program. Expenditure of appropriation is contingent upon available funding.

The Division is requesting \$139,676 in each year of the 2019-2021 Biennium.

The Division is requesting this program to be transferred from DCO, with \$130,186 to Operating Expenses and \$9,490 to Conference Fees & Travel, in order to improve the program mission's focus and to align with the Agency's reorganization.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 930 - Cty-Commodity Distrib & Salvage Container

Funding Sources: NHS - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
					Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	0	0	130,186	130,186	130,186	130,186
Conference & Travel Expenses	5050009	0	0	0	9,490	9,490	9,490	9,490
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	0	0	139,676	139,676	139,676	139,676
Funding Sources								
Cash Fund	4000045	0	0		139,676	139,676	139,676	139,676
Total Funding		0	0		139,676	139,676	139,676	139,676
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	0		139,676	139,676	139,676	139,676

This appropriation is being requested to be transferred from the Division of County Operations. Actual and Budget amounts will be reflected in the Division of County Operations 930-NHS Appropriation Summary. Expenditure of appropriation is contingent upon available funding.