

DHS - County Operations

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				
Semi-Annual report to the Arkansas Legislature on Voter Registration	Act 964 of 1995 (Voter Registration Act)	N	Y	1	A semi-annual report on the status of implementation of the National Voter Registration Act of 1993 is provided to the Arkansas Legislative Council at six month intervals.	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
396 Cty-Aid To Aged, Blind, Disabled	0	0	4,000	0	4,000	0	4,000	0	4,000	0	4,000	0	4,000	0
410 Cty-Emergency Food Program	820,664	0	888,295	0	729,295	0	0	0	0	0	0	0	0	0
411 Cty-Low Income Energy Assistance Prgm	25,290,049	0	31,884,498	0	28,000,000	0	28,000,000	0	28,000,000	0	28,000,000	0	28,000,000	0
412 Cty-Refugee Resettlement Program	7,938	0	15,000	0	12,000	0	12,000	0	12,000	0	12,000	0	12,000	0
426 Cty-Homeless Assistance Grant	1,522,677	0	2,638,091	0	2,638,091	0	2,638,091	0	2,638,091	0	2,638,091	0	2,638,091	0
59H Hunger Coalition	995,113	0	995,113	0	995,113	0	995,113	0	995,113	0	995,113	0	995,113	0
642 Medicaid Expansion-County Ops	2,841,878	57	2,255,188	40	1,902,312	40	2,256,110	40	2,256,110	40	2,258,703	40	2,258,703	40
896 Division of County Operations	120,071,489	1,757	131,973,535	1,790	125,180,946	1,867	132,550,188	1,820	132,550,188	1,820	132,613,038	1,820	132,613,038	1,820
897 TANF Block Grant	6,266,804	0	10,850,000	0	14,637,000	0	6,893,484	0	6,893,484	0	6,893,484	0	6,893,484	0
898 Community Svcs. Block Grant	9,211,078	0	9,782,893	0	9,783,146	0	9,783,146	0	9,783,146	0	9,783,146	0	9,783,146	0
898 Supplemental Nutrition Assist(SNAP)	764,816	0	814,457	0	343,235	0	841,298	0	841,298	0	841,298	0	841,298	0
930 Cty-Commodity Distrib & Salvage Containe	22,156	0	139,676	0	139,676	0	0	0	0	0	0	0	0	0
Total	167,814,662	1,814	192,240,746	1,830	184,364,814	1,907	183,973,430	1,860	183,973,430	1,860	184,038,873	1,860	184,038,873	1,860

Funding Sources		%		%		%		%		%		%	
General Revenue	4000010	46,004,638	27.4	47,314,297	24.6	48,359,052	26.3	48,359,052	26.3	48,381,416	26.3	48,381,416	26.3
Federal Revenue	4000020	112,715,823	67.2	131,568,425	68.4	123,987,936	67.4	123,987,936	67.4	124,028,422	67.4	124,028,422	67.4
Cash Fund	4000045	22,156	0.0	139,676	0.1	0	0.0	0	0.0	0	0.0	0	0.0
Performance Fund	4000055	440,000	0.3	1,901,682	1.0	0	0.0	0	0.0	0	0.0	0	0.0
Tobacco Settlement	4000495	1,420,939	0.8	1,127,594	0.6	536,797	0.3	536,797	0.3	536,797	0.3	536,797	0.3
Various Program Support	4000730	7,211,106	4.3	10,189,072	5.3	10,965,693	6.0	10,965,693	6.0	10,965,693	6.0	10,965,693	6.0
Total Funds		167,814,662	100.0	192,240,746	100.0	183,849,478	100.0	183,849,478	100.0	183,912,328	100.0	183,912,328	100.0
Excess Appropriation/(Funding)		0		0		123,952		123,952		126,545		126,545	
Grand Total		167,814,662		192,240,746		183,973,430		183,973,430		184,038,873		184,038,873	

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 Professional Fees, Data Processing Services, and Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 396 - Cty-Aid To Aged, Blind, Disabled

Funding Sources: DGF - DHS Grants Fund

In 1974, the Aid to Aged, Blind and Disabled (AABD) program was converted to the Supplemental Security Income (SSI) Program through an amendment to the Medicaid State Plan. This amendment allowed individuals in the AABD categories that were not eligible under SSI criteria, but meet the State Medicaid eligibility criteria to receive SSI benefits. The Aid to Aged, Blind and Disabled appropriation provides cash assistance to individuals residing in Arkansas to supplement their SSI payments. These payments are made in accordance with section 1616 of the Social Security Act and section 212 of P. L. 93-66.

Through an agreement entered into between the Social Security Administration (SSA) and the Department of Human Services, the Social Security Administration makes these payments to individuals determined eligible by SSA. The State pays Social Security Administration for making the payments to eligible individuals and for administrative fees for determining eligibility.

Funding for this appropriation is from general revenues through the Department of Human Services Grants Fund Account (DGF-DHS Grants Fund) as authorized in Arkansas Code Annotated §19-5-306(10)(A)(iii).

The Division is requesting \$4,000 in FY20 and FY21.

The Division is requesting to maintain previously authorized appropriation of \$4,000 to keep the division in compliance with the SSA agreement.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 396 - Cty-Aid To Aged, Blind, Disabled

Funding Sources: DGF - DHS Grants 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
Grants and Aid	5100004	0	4,000	4,000	4,000	4,000	4,000	4,000
Total		0	4,000	4,000	4,000	4,000	4,000	4,000

Funding Sources								
General Revenue	4000010	0	4,000		4,000	4,000	4,000	4,000
Total Funding		0	4,000		4,000	4,000	4,000	4,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	4,000		4,000	4,000	4,000	4,000

Analysis of Budget Request

Appropriation: 410 - Cty-Emergency Food Program

Funding Sources: FWF - DHS Federal

The Emergency Food Program provides food on an emergency basis for families in need and the homeless. Donated food is also made available for Disaster Assistance. Additionally, Division of County Operations (DCO) utilizes surplus USDA commodities to supplement low-income food programs in Arkansas. Agencies such as Food Banks and Community Program Action Agencies have agreements with DCO to provide food through soup kitchens, food pantries and mass distribution to households.

This appropriation also includes the Commodity Supplemental Food Program which provides food to seniors in need on a monthly basis. The caseload level can be adjusted each Federal Fiscal year based on availability of food products and administrative funding. Community Action Agencies throughout the State have agreements with DCO to distribute food to this client base.

Funding for this appropriation is 100% federal from the U. S. Department of Agriculture, Food and Consumer Services.

The Division request to transfer the Commodity Distribution/Emergency Food program, appropriation and funding, (\$729,295) to the Division of Child Care and Early Childhood Education (DCCECE). This program shares the same funding sources with the Special Nutrition Program managed by DCCECE. The combining of the programs will improve the mission focus of this effort and is in line with the Department's ongoing reorganization plans.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 410 - Cty-Emergency 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	820,664	888,295	729,295	0	0	0	0
Total	820,664	888,295	729,295	0	0	0	0
Funding Sources							
Federal Revenue 4000020	820,664	888,295		0	0	0	0
Total Funding	820,664	888,295		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	820,664	888,295		0	0	0	0

Budget exceeds Authorized Appropriation in Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.
Program Transferring to the Division of Child Care and Early Childhood Education

Analysis of Budget Request

Appropriation: 411 - Cty-Low Income Energy Assistance Prgm

Funding Sources: FWF - DHS Federal

The Low Income Home Energy Assistance (LIHEAP) program provides federal funds to assist low-income households with the cost of their home energy expenses such as gas, electricity, propane, etc. The agency administers the Winter/Summer Assistance Program and Crisis Intervention Program. Assistance is provided in the form of a one-time per year payment to the energy supplier of an eligible household, or in some cases, directly to the applicant. The Crisis Intervention Program provides assistance to eligible households in energy related emergencies. Eligibility is based on 150% of current Office of Management and Budget (OMB) income poverty guidelines for all households.

Funding for this appropriation is 100% federal from the U. S. Department of Health and Human Services, Administration for Children and Families.

The Division is requesting \$28,000,000 in FY20 and FY21.

The Division is requesting to maintain previously authorized appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 411 - Cty-Low Income Energy Assistance Prgm

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	25,290,049	31,884,498	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Total		25,290,049	31,884,498	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Funding Sources								
Federal Revenue	4000020	25,290,049	31,884,498		28,000,000	28,000,000	28,000,000	28,000,000
Total Funding		25,290,049	31,884,498		28,000,000	28,000,000	28,000,000	28,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		25,290,049	31,884,498		28,000,000	28,000,000	28,000,000	28,000,000

Budget exceeds Authorized Appropriation in Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 412 - Cty-Refugee Resettlement Program

Funding Sources: FWF - DHS Federal

The Refugee Resettlement Program provides temporary assistance to refugees and entrants to the state to help in becoming self-sufficient and self-reliant. This program was established by the 1980 Immigration and Nationality Act and authorizes cash assistance and medical assistance for up to eight months following entry. Social services may be provided to refugees for up to five years. Refugees may apply for cash, medical and the supplemental nutrition assistance program (SNAP) assistance at Department of Human Services offices in their county of residence.

Due to the steady decline in eligibles, Arkansas chose to discontinue the optional Social Services component of the program effective October 1, 2002. Refugee Cash Assistance (RCA) and Refugee Medical Assistance (RMA) will continue to be available through the county offices to any new arrivals entering the state in the future. The federal Office of Refugee Resettlement contracts directly with an agency outside of DHS for the social services aspects of the program.

Funding for this appropriation is 100% federal from the U. S. Department of Health and Human Services, Administration for Children and Families and is available to states as well as non-profit organizations to help offset costs related to resettlement efforts.

The Division is requesting \$12,000 in FY20 and FY21.

The Division is requesting to maintain previously authorized appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 412 - Cty-Refugee Resettlement 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	7,938	15,000	12,000	12,000	12,000	12,000	12,000
Total	7,938	15,000	12,000	12,000	12,000	12,000	12,000
Funding Sources							
Federal Revenue 4000020	7,938	15,000		12,000	12,000	12,000	12,000
Total Funding	7,938	15,000		12,000	12,000	12,000	12,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	7,938	15,000		12,000	12,000	12,000	12,000

Budget exceeds Authorized Appropriation in Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 426 - Cty-Homeless Assistance Grant

Funding Sources: FWF - DHS Federal

The Homeless Assistance Grant is a federal program through the U. S. Department of Housing and Urban Development. This program is designed to assist local communities in helping to improve the quality of life for the homeless by providing grants for renovation, rehabilitation or conversion of buildings to be used as emergency shelters. Funds can be used for paying for operations, maintenance, insurance, utilities, and furnishings, essential social services that are connected with the shelters and for prevention efforts. The estimated homeless count in the State of Arkansas for 2011 is 19,135. Funding for this appropriation is 100% federal.

The Division is requesting \$2,638,091 in FY20 and FY21.

The Division is requesting to maintain previously authorized appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 426 - Cty-Homeless Assistance Grant

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	1,522,677	2,638,091	2,638,091	2,638,091	2,638,091	2,638,091	2,638,091
Total		1,522,677	2,638,091	2,638,091	2,638,091	2,638,091	2,638,091	2,638,091
Funding Sources								
Federal Revenue	4000020	1,522,677	2,638,091		2,638,091	2,638,091	2,638,091	2,638,091
Total Funding		1,522,677	2,638,091		2,638,091	2,638,091	2,638,091	2,638,091
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		1,522,677	2,638,091		2,638,091	2,638,091	2,638,091	2,638,091

Analysis of Budget Request

Appropriation: 59H - Hunger Coalition

Funding Sources: DCO - County Operations Account

This appropriation was originally authorized by Act 1385 of 2009. Arkansas food banks have reported an increase in utilization which is attributed to poor economic conditions and local disasters coupled with the increased cost of food storage and transportation. To address this need, the State Food Purchasing Program was created and funded with state general revenues generated from an increase in the tax on cigarettes and other tobacco products provided in Act 180 of 2009. The Division of County Operations grants these funds to the Arkansas Hunger Relief Alliance for distribution to the local food distribution networks to purchase Arkansas products through the State Food Purchasing Program.

Funding for this appropriation is 100% general revenue.

The Division is requesting \$995,113 in FY20 and FY21.

The Division is requesting the previously authorized amount.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 59H - Hunger Coalition

Funding Sources: DCO - County Operations Account

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	995,113	995,113	995,113	995,113	995,113	995,113	995,113
Total		995,113	995,113	995,113	995,113	995,113	995,113	995,113
Funding Sources								
General Revenue	4000010	995,113	995,113		995,113	995,113	995,113	995,113
Total Funding		995,113	995,113		995,113	995,113	995,113	995,113
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		995,113	995,113		995,113	995,113	995,113	995,113

Analysis of Budget Request

Appropriation: 642 - DHS Medicaid Expansion Program

Funding Sources: PTA - Medicaid Expansion Program Account

This appropriation is funded by federal and tobacco settlement funds. The goal of the Medicaid Expansion program is to create a separate and distinct component of the Arkansas Medicaid Program that improves the health of Arkansans by expanding health care coverage and benefits to specific populations. The Tobacco Settlement Funds are utilized to expand Medicaid coverage to the following eligibility groups:

- Pregnant Women Expansion - Increased the income eligibility limit from 133% to 214% of the Federal poverty level.
- Hospital Benefit Coverage - Increased the number of benefit days from 20 to 24 and decreased the co-pay on the first day of hospitalization from 22% to 10%.
- 65 and Over Expansion (AR Senior) - Increased coverage to the 65 and over population for persons at 80% of the Qualified Medicare Beneficiary (QMB) Level effective January 1, 2003.
- Adults and Children with intellectual and developmental disabilities - Expanded medical assistance, home and community-based services, and employment supports for those who qualify for services in the Community and Employment Supports Waiver

The Division is requesting \$2,256,110 in FY20 and \$2,258,703 in FY21.

The Division is requesting to maintain previously authorized appropriation for FY20 and 21. The division underwent a transformation between FY18 to FY19 with the creation of the Division of Provider Services and Quality Assurance (DPSQA). Maintaining this appropriation will allow the agency to have flexibility to respond to the other divisions tied to Medicaid Expansion funding, such as DMS and DPSQA, regarding the recent transformation. This appropriation is limited on agency reallocation via special language and cannot be transferred outside of the program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 642 - DHS Medicaid Expansion Program
Funding Sources: PTA - Medicaid Expansion Program Account

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	2,018,042	1,463,846	1,177,217	1,463,880	1,463,880	1,465,980	1,465,980
#Positions		57	40	40	40	40	40	40
Personal Services Matching	5010003	739,869	544,145	477,898	545,033	545,033	545,526	545,526
Operating Expenses	5020002	83,967	197,197	197,197	197,197	197,197	197,197	197,197
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
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
Data Processing Services	5900044	0	50,000	50,000	50,000	50,000	50,000	50,000
Total		2,841,878	2,255,188	1,902,312	2,256,110	2,256,110	2,258,703	2,258,703
Funding Sources								
Federal Revenue	4000020	1,420,939	1,127,594		1,691,391	1,691,391	1,691,391	1,691,391
Tobacco Settlement	4000495	1,420,939	1,127,594		536,797	536,797	536,797	536,797
Total Funding		2,841,878	2,255,188		2,228,188	2,228,188	2,228,188	2,228,188
Excess Appropriation/(Funding)		0	0		27,922	27,922	30,515	30,515
Grand Total		2,841,878	2,255,188		2,256,110	2,256,110	2,258,703	2,258,703

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.

Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

The Division of County Operations was established originally in Act 348 of 1985 in the reorganization of the Department of Human Services under the title of Program Operations. Act 164 of 1995 amended Arkansas Code Annotated §25-10-102 and created the Division of Medical Services, renamed the Division of Program Operations to County Operations and transferred functions that were a part of the Division of Economic and Medical Services to County Operations. Functions transferred to the Division of County Operations were Aid to Families with Dependent Children, Food Stamp Program (now called Supplemental Nutrition Assistance Program - SNAP), Project Success and the Community Services Block Grant.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, eliminated the open-ended federal entitlement program of Aid to Families with Dependent Children (AFDC) and created a federal block grant program for states to provide cash assistance to families on a time-limited basis under the Temporary Assistance to Needy Families (TANF) program. The Arkansas Personal Responsibility and Public Assistance Reform Act, Act 1058 of 1997 was enacted during the 81st General Assembly and signed by the Governor on April 3, 1997, thereby establishing the Transitional Employment Assistance (TEA) program. With the enactment of these laws, the AFDC and Project Success programs were eliminated and replaced by the TEA program. Enacted during the 85th General Assembly and signed by the Governor, Act 1705 of 2005 transferred responsibility for the program to the Department of Workforce Services (DWS) and also created the Work Pays program, which is an extension of the TEA program for former TEA recipients who are working. Pursuant to this Act, responsibility for determining eligibility for the program and delivering cash assistance benefits remains with the Division of County Operations while DWS is responsible for the provision of case management services and overall administration of the program.

The Division of County Operations has the primary responsibility for providing the leadership and support in each of the eighty-six (86) county offices in the 75 counties. The Division of County Operations is responsible for administering the SNAP, TEA, Medicaid and ARKids Programs to citizens across Arkansas. Additional programs administered at the county level through local organizations include the Community Services Block Grant; Energy Assistance for low income elderly, people with disabilities and families with children; Homeless and Housing Assistance; and Commodity Distribution. The Division is responsible for the physical office space in each of the counties including rent, utilities, telephone charges, janitorial services and other items needed at the local level. The Division coordinates the services of the various DHS Divisions at the local level and provides clerical support. The Division currently has four (4) distinct areas of operation: Field Operations, Program Planning and Development, Community Services and Administrative Support.

Funding for this appropriation is derived from a mix of sources that includes general revenue (DCO - County Operations Fund Account), federal and other revenues. Federal funding sources include revenues derived from administrative costs for TEA, SNAP, Community Services Block Grant, Refugee Resettlement, Emergency Shelter, Commodities, Child Health Insurance (CHIP) and Medicaid (Regular and Enhanced) programs. Other funding which is indicated as various program support can also include sources such as Title XIX match, miscellaneous collections, federal awards, fees, third party reimbursements and maximization of federal claiming. These other funds are considered to be

non-federal and technically can be expended for any program or service within the Department.

The Division is requesting \$132,550,188 in FY20 and \$132,613,038 in FY21.

The Agency Request includes the following changes in both years:

- Salary and Matching - The Division is decreasing a total amount of (47) positions and reducing (\$1,849,048) in Salaries and (\$175,875) in Matching for FY20 & 21. The transferred positions are clean up movements from reallocations from the last biennium along with the program moves to DCCECE for the Commodities Distribution and Emergency Food program.
 - 12 transfers in; (43) transfers out; (16) surrenders
 - (\$1,630,016) of General Revenue Funding transferred out for reallocation to other divisions
- EXTRA HELP - To provide appropriation for positions that will have direct responsibility for quality customer service and to ensure that services remain timely and accurate. This provides the agency the ability to immediately apply additional manpower to a service problem until the issue is analyzed and resolved. The division requests appropriation in the amount of \$453,937. The remaining (\$175,875) is being transferred to Operating Expenses.
- OPERATING EXPENSES - Transfer of \$255,959 for each year of the biennium from Extra Help, \$175,875, and Travel and Conferences, \$80,084. This request will support the increases in cost of postage and mailing costs for client notices for the Supplemental Nutrition Assistance Program (SNAP) and Medicaid and Transitional Employment Assistance (TEA). Since 2015, postage and mailing costs have increased approximately 12.5%.
- Travel-Conferences - Requests appropriation of \$120,000 for each year of the biennium. The remaining appropriation, (\$80,084), is to be transferred to Operating Expenses. DCO continues to make strides in reducing necessary travel due to training as we expand the use of online trainings and voice conferencing.

The Division's request to maintain appropriation above 10% of their FY18 Actual Expenditures includes the following justification:

- OVERTIME - Requests to maintain previously authorized appropriation of \$25,000 to allow the flexibility to meet emergency needs.
- Professional Fees & Services - Requests to maintain previously authorized appropriation.
- INFORMATION TECHNOLOGY - Requests to maintain previously authorized appropriation of \$7,090,177. The appropriation is necessary to support various information technology initiatives including employment verification data matching, SNAP development in the Integrated Eligibility and Benefits Management System, ongoing document imaging activities, data warehouse operations, email services and electronic data storage. These ongoing IT costs are expected to increase in the biennium and are critical to the continuing operation of the Agency.
 - This request supports the efforts to begin the new Integrated Eligibility and Benefits Management System. The replacement of the current system will allow the Agency to handle eligibility and benefit management more efficiently and accurately. These IT initiatives and ongoing costs associated by this request is reflected in DCO IT Plan.

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	60,283,539	66,987,938	61,508,997	67,736,380	67,736,380	67,787,280	67,787,280
#Positions		1,757	1,790	1,867	1,820	1,820	1,820	1,820
Extra Help	5010001	412,669	629,812	629,812	453,937	453,937	453,937	453,937
#Extra Help		35	27	37	37	37	37	37
Personal Services Matching	5010003	22,491,926	24,753,786	23,964,858	25,106,717	25,106,717	25,118,667	25,118,667
Overtime	5010006	4	25,000	25,000	25,000	25,000	25,000	25,000
Operating Expenses	5020002	24,713,715	25,168,749	25,262,283	25,518,242	25,518,242	25,518,242	25,518,242
Conference & Travel Expenses	5050009	109,110	197,623	200,084	120,000	120,000	120,000	120,000
Professional Fees	5060010	5,999,518	6,599,068	6,499,735	6,499,735	6,499,735	6,499,735	6,499,735
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	6,061,008	7,611,559	7,090,177	7,090,177	7,090,177	7,090,177	7,090,177
Total		120,071,489	131,973,535	125,180,946	132,550,188	132,550,188	132,613,038	132,613,038

Funding Sources								
General Revenue	4000010	44,994,137	46,145,714		47,190,469	47,190,469	47,212,833	47,212,833
Federal Revenue	4000020	67,426,705	73,737,067		74,297,996	74,297,996	74,338,482	74,338,482
Performance Fund	4000055	440,000	1,901,682		0	0	0	0
Various Program Support	4000730	7,210,647	10,189,072		10,965,693	10,965,693	10,965,693	10,965,693
Total Funding		120,071,489	131,973,535		132,454,158	132,454,158	132,517,008	132,517,008
Excess Appropriation/(Funding)		0	0		96,030	96,030	96,030	96,030
Grand Total		120,071,489	131,973,535		132,550,188	132,550,188	132,613,038	132,613,038

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 Professional Fees & Data Processing Services due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 897 - DHS-Grants Paying Account

Funding Sources: PWD - Grants Paying

With the enactment of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and the Arkansas Personal Responsibility and Public Assistance Reform Act of 1997, open-ended entitlement for Aid to Families with Dependent Children (AFDC) was replaced with federal block grant funding to states. The Arkansas program is entitled Transitional Employment Assistance (TEA). The Arkansas 81st General Assembly passed Act 1058 of 1997 declaring that welfare reform is one of the major human service priorities of state government and establishes the goals of achieving a significant reduction in the number of citizens who are enrolled in such programs, transforming a "one-size fits all" welfare system that fosters dependence, low self-esteem, and irresponsible behavior to one that rewards work and fosters self-reliance, responsibility and family stability. Act 1567 of 1999 amended Act 1058 of 1997 by establishing the Arkansas Transitional Employment Board. Act 1264 of 2001 and Act 1306 of 2003 enacted other provisions to strengthen the Arkansas TEA Program. Arkansas Act 1705 of 2005 transferred responsibility for the program to the Department of Workforce Services (DWS). Under this Act, responsibility for determining eligibility for the program and delivering cash assistance benefits remains with the Division of County Operations (DCO) while DWS is responsible for the provision of case management services and overall administration of the program. Act 1705 of 2005 also created the Work Pays program, which is an extension of the TEA program for former TEA recipients who are working. DWS has overall responsibility for the Work Pays program with eligibility determination and benefit delivery remaining with DCO.

TEA Program eligibility is limited to economically needy families with children under the age of 18 who are U.S. citizens or aliens lawfully admitted to the United States under specific criteria and are residing in Arkansas. The parent(s) living with the children must cooperate in child support enforcement activities, if applicable to the family, and must sign and comply with a Personal Responsibility Agreement, which includes ensuring that their children are immunized and that they attend school. All able-bodied parent(s) must actively engage in work related activities as a condition of the family's ongoing eligibility. TEA cash assistance is limited to a maximum of twenty-four (24) months in an adult's lifetime. For those former TEA recipients who are employed at least 24 hours per week and meet the minimum federal work participation rates, an additional twenty-four (24) months of Work Pays benefits are available.

Assistance under the TEA and Work Pays Programs may include: monthly cash assistance payments to help meet the family's basic needs; employment services such as work experience, job search, and job readiness activities; assistance with basic and vocational education; assistance with supportive services such as childcare, transportation and other expenses related to work activity; case management services; and eligibility for extended support services to help the parent retain a job after the cash assistance case closes due to employment.

Congress reauthorized the TANF program through the Deficit Reduction Act of 2005. Although the Act requires States to meet higher rates of work participation, no significant changes were made in the program design beyond the State initiatives and organizational changes prescribed by Act 1705 of 2005.

Funding for this appropriation is derived from the federal Temporary Assistance for Needy Families (TANF) block grant and general revenue

from the Department of Human Services Grants Fund Account (DGF-DHS Grants Fund) as authorized in Arkansas Code Annotated §19-5-306 (10)(A)(iv) and general revenue fund transfers from the Department of Workforce Services as authorized in Section 9 of Act 271 of 2014 for FY2015. Other funding which is indicated as various program support can also include sources such as the payback of the federal share of overpayment collections on AFDC and interest on TEA cash assistance.

The Division is requesting \$6,893,484 in FY20 and FY21.

The Agency Request includes the following changes for both years:

The Division request to decrease appropriation for the Transitional Employment Assistance Program and TEA Employment Services in the amount of:

- (\$498,063) via reallocation to DCO - Supplemental Nutrition Assistance Program
- (\$7,245,453) reduction in appropriation to more align with current funding levels and still have cushion to meet unexpected fluctuations in the economic and client base.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 897 - DHS-Grants Paying Account

Funding Sources: PWD - 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
TANF Block Grant	5100004	6,266,804	10,850,000	14,637,000	6,893,484	6,893,484	6,893,484	6,893,484
Total		6,266,804	10,850,000	14,637,000	6,893,484	6,893,484	6,893,484	6,893,484
Funding Sources								
Federal Revenue	4000020	6,266,804	10,850,000		6,893,484	6,893,484	6,893,484	6,893,484
Total Funding		6,266,804	10,850,000		6,893,484	6,893,484	6,893,484	6,893,484
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		6,266,804	10,850,000		6,893,484	6,893,484	6,893,484	6,893,484

Analysis of Budget Request

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

The Community Services Block Grant program helps low-income persons become more independent by providing a range of services through local Community Action Agencies. The services are designed to impact the causes of poverty and assist low-income persons gain the skills necessary for employment, offer better educational and training activities to handle finances, improve housing, make use of social services available to them and become involved in community activities. Additionally, the program provides funds for involvement of low-income persons in community development activities, essential services to homeless persons and development of innovative approaches, at both the local and state level, to meet the nutritional needs of low-income persons. Eligibility is based on current OMB poverty income guidelines.

Social Services Block Grant (SSBG) funds are used to provide supportive services to help low-income children and families achieve and maintain self-sufficiency. These services include case management, employment services, nutrition, emergency assistance, and other social services to address the needs of families in crisis. SSBG funds also provide special services and supportive activities for the disabled through job placement, employment counseling, and referrals to community resources and opportunities.

Supplemental Nutrition Assistance Program (SNAP) - The Employment and Training (E & T) Program (formerly the Food Stamp Employment and Training Program) provides Employment and Training activities which promote long term self sufficiency to SNAP recipients classified as an able-bodied adult without dependent children and who live in one of the counties where an E & T Program is operational. Services include independent job search, job search training, education, work experience and vocational training. Client reimbursements for expenses associated with participation in the E & T Program, such as travel reimbursements, are funded with 50% State General Revenue and 50% Federal funds.

Supplemental Nutrition Assistance Program (SNAP) - The Farmers Market Program has been established by U.S. Department of Agriculture (USDA) to allow consumers to have access to locally grown farm fresh produce, enable farmers the opportunity to expand their customer base, and cultivate consumer loyalty with the farmers who grow the produce. In order to participate in the Electronic Benefits Transfer (EBT) Farmers Market Program, each market must be authorized by the USDA Food and Nutrition Service (FNS) to accept Supplemental Nutrition Assistance Program (SNAP) benefits. The USDA provides funds for the purchase of Point of Sale devices and monthly wireless fees so fruits and vegetables can be purchased by SNAP recipients with their Electronic Benefits Transfer card. The grants are paid with 100% Federal funds.

Funding for this appropriation is derived from the federal Community Services Block Grant, U. S. Department of Health and Human Services, Administration for Children and Families, federal Social Services Block Grant (SSBG) funds, federal USDA funds and general revenue from the Department of Human Services Grants Fund Account (DGF-DHS Grants Fund) as authorized in Arkansas Code Annotated §19-5-306(10)(A)(ii) and §19-5-306(10)(A)(xi).

Community Services Block Grant

The Division is requesting \$9,783,146 in FY20 and FY21.

The Division is requesting previous authorized appropriation.

The Executive Recommendation provides for Agency Request.

Supplemental Nutrition Assistance Program (SNAP)

The Division is requesting \$841,298 in FY20 and FY21.

The Agency Request includes the following changes for both years:

- The Division request appropriation increase of \$498,063 via reallocation from DCO - TANF appropriation for FY20 and FY21. This will align the appropriation with the FY19 budget that includes MFG appropriation. Beginning in FY18, the division experienced increases in the federal funding for the Employment and Training (E & T) program which promotes training and employment for SNAP clients. As of July 1, 2018, the program has expanded to serve 66 counties in Arkansas through a mix of professional services contracts and grants. The agency has expanded our partnership to 8 providers throughout the state to deliver these services. The program is funded through a mix of federal funds and other funds provided by the providers in this 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
Suppl Nutrition Assist(SNAP) 5100004	764,816	814,457	343,235	841,298	841,298	841,298	841,298
Community Srvs. Block Grant 5100004	9,211,078	9,782,893	9,783,146	9,783,146	9,783,146	9,783,146	9,783,146
Total	9,975,894	10,597,350	10,126,381	10,624,444	10,624,444	10,624,444	10,624,444
Funding Sources							
General Revenue 4000010	15,388	169,470		169,470	169,470	169,470	169,470
Federal Revenue 4000020	9,960,047	10,427,880		10,454,974	10,454,974	10,454,974	10,454,974
Various Program Support 4000730	459	0		0	0	0	0
Total Funding	9,975,894	10,597,350		10,624,444	10,624,444	10,624,444	10,624,444
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	9,975,894	10,597,350		10,624,444	10,624,444	10,624,444	10,624,444

Budget exceeds Authorized Appropriation in Suppl Nutrition Assist (SNAP) due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 930 - Cty-Commodity Distrib & Salvage Container

Funding Sources: NHS - Cash in Treasury

The Commodity Distribution and Salvage Container Program receives United States Department of Agriculture (USDA) donated foods for distribution to school districts, food banks, soup kitchens and 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. Compensation of the value of the donated food is provided by the contractor and/or recipient agency, to the distributing agency (Division of County Operations Commodity Distribution Program). Compensation is deposited in the Salvage and Container Cash Fund. Upon approval by USDA, these funds may be used for training, equipment and vehicle purchases utilized by the Commodity Distribution Program for enhancements to the program.

The Division requests appropriation and funding in the amount of \$139,676 for each year of the biennium to be transferred to the Division of Child Care and Early Childhood Education to improve the program mission's focus.

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		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	16,788	130,186	130,186	0	0	0	0
Conference & Travel Expenses	5050009	5,368	9,490	9,490	0	0	0	0
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		22,156	139,676	139,676	0	0	0	0
Funding Sources								
Cash Fund	4000045	22,156	139,676		0	0	0	0
Total Funding		22,156	139,676		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		22,156	139,676		0	0	0	0

Program Transferring to the Division of Child Care and Early Childhood Education