

**ARKANSAS DEPARTMENT OF CAREER EDUCATION
 ARKANSAS REHABILITATION SERVICES (0520)
 FISCAL YEAR 2014 & 2015 - Executive Recommendation**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

Arkansas Rehabilitation Services' (ARS) mission is to provide opportunities for individuals with disabilities to work and lead productive and independent lives. ARS provides statewide vocational rehabilitation services to disabled persons so they can return to or enter employment. ARS carries out its responsibilities through a field program that reaches all 75 counties through 19 field offices, Hot Springs Rehabilitation Center (HSRC), Arkansas Career Training Institute (ACTI), Special Programs and Support Services, the Office for Deaf and Hearing Impaired, and the Arkansas Kidney Disease Commission.

TOTAL BUDGET

The total budget for FY2014 is \$63,420,923 and \$62,332,264 for FY2015.

FUNDING SOURCES

The appropriations for ARS are funded by federal funds, general revenue, fund balances, special revenue, cash funds and program income (cafeteria fees, contributions, reimbursement fees, hospital medical fees, interest income and institutional services).

II) SIGNIFICANT CHANGES

OPERATIONS (APPROPRIATION 128)

This appropriation provides the operating costs for ARS, including Field Services, ACTI, and the HSRC. This appropriation is funded by general revenue, federal funds, fund balances and program income. The total appropriation is \$60,164,161 for FY2014 and \$59,075,502 for FY2015, the recommendation provides for a reallocation of \$196,000 for FY2014 and \$151,000 for FY2015 in general revenue to the Department of Career Education for moving expenses and rent, and includes the following appropriation changes:

Regular Salaries and Matching - Increase of \$5,718 each year to provide for the upgrade of two positions:

C117 Vocational Rehab Placement Spec to C119 Cert Voc Rehab Counselor and C115 Maintenance Supervisor to C117 Cert. Vocational Teacher

Operating Expenses - Increase of \$2,286,900 for FY2014 and \$1,178,100 for FY2015 for repair and maintenance of the Arkansas Career Technical Institute (ACTI) water system and for repairs for acquired federal surplus property across the street from ACTI to be used for client services. Note that \$683,100 for FY2014 and \$351,900 for FY2015 is recommended to be funded with General Improvement Funds in addition to the amounts of increase shown above for operating expenses.

The following appropriations, are recommended to continue at the base level each year of the 2013-15 biennium.

<u>Appropriation</u>	<u>Fund Source</u>	<u>Amount Each Yr.</u>
Increase Capabilities Access Network	Federal	\$298,690
Statewide Disability Telecommunications		
Equipment Program	Special Revenue	469,672
People with Disabilities	Special Revenue	45,000
Technology Equipment	Cash	1,580,000
Rehab Services - Cash in Treasury	Cash	863,400

III) ADDITIONAL POSITIONS

Total Positions FY2015: 530

Total Positions FY2014: 530

Total Budgeted Positions FY2013: 530

Increase / (Decrease): 0

Provides for the upgrade of two positions:

C117 Vocational Rehab Placement Spec to C119 Cert Voc Rehab Counselor

C115 Maintenance Supervisor to C117 Cert. Vocational Teacher

Also provides two title changes, and six reclassifications within the same Grade.

IV) SPECIAL LANGUAGE

COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT: Authorizes a general waiver of the Financial Management Guide "R1-19-4-522 Continuing Professional Education" to allow the agency to provide college level coursework in degree programs for eligible employees selected by the agency to insure that qualified, professional personnel are in place to provide rehabilitation services. This waiver is required so that ARS can comply with Section 101(a)(7) of the Rehabilitation Act Amendments of 1992 which requires Vocational Rehabilitation (VR) agencies to establish qualified personnel standards for rehabilitation personnel, including VR Counselors, that are consistent with any national or state approved or recognized certification, licensing or registration requirement. Further provides, that the waiver is applicable to any and all formula and discretionary grants funded by the U.S. Department of Education Rehabilitation Services, now or in the future, to the state general revenue share, and to program income.

FORGIVENESS OF STUDENT LOAN PROGRAM LANGUAGE: Requires the Forgiveness of Student Loan Program to provide up to \$2,000 per year or a maximum of \$10,000 per employee to counselors employed by ARS that are determined eligible by rules promulgated by ARS in compliance with ACA §25-30-206. The language further enumerates the eligibility requirements the rules must include: Satisfactory completion of a probationary period; proof of student loan that remains unpaid; an executed employment contract in which the counselor agrees to work for ARS 2 years for each year the program makes a payment on a student loan and agrees to repay ARS if the counselor resigns or is terminated prior to the end of the contract period.

In addition, the language requires ARS to pay for the program (up to a maximum of \$80,000 each year) out of the Grants and Aid line item within the Rehabilitation Services' Operations appropriation.

Last, the agency is required to provide written notification to all Rehabilitation Counselors employed by ARS of the availability of the program, along with a copy of the program rules, by July 1 of each year, and must submit a copy of the notification to the Legislative Council. In addition, ARS shall report bi-annually to the Arkansas Legislative Council or Joint Budget Committee the number of employees participating in the program.

November 2012