

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
1DK City-Shelter Plus Care Program	1,562,522	0	1,819,974	0	1,819,974	0	1,874,574	0	1,874,574	0	1,874,574	0	1,930,811	0	1,930,811	0	1,930,811	0
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	4,000	0	4,000	0
409 Cty-Weatherization Program	18,872,766	0	29,741,884	0	18,775,000	0	13,898,049	0	13,898,049	0	13,898,049	0	8,000,000	0	8,000,000	0	8,000,000	0
410 Cty-Emergency Food Program	815,492	0	668,527	0	897,826	0	793,566	0	793,566	0	793,566	0	793,566	0	793,566	0	793,566	0
411 Cty-Low Income Energy Assistance Prgm	34,106,635	0	39,735,151	0	15,487,743	0	39,735,151	0	39,735,151	0	39,735,151	0	39,735,151	0	39,735,151	0	39,735,151	0
412 Cty-Refugee Resettlement Program	5,589	0	12,000	0	12,000	0	12,000	0	12,000	0	12,000	0	12,000	0	12,000	0	12,000	0
426 Cty-Homeless Assistance Grant	4,024,692	0	5,345,000	0	5,851,246	0	4,345,000	0	4,345,000	0	4,345,000	0	1,445,000	0	1,445,000	0	1,445,000	0
59H Hunger Coalition	956,400	0	995,113	0	1,000,000	0	995,113	0	995,113	0	995,113	0	995,113	0	995,113	0	995,113	0
642 Medicaid Expansion-County Ops	946,080	20	2,730,898	60	2,758,121	61	1,622,397	39	2,765,472	60	2,765,472	60	1,622,397	39	2,781,886	60	2,781,886	60
896 Division of County Operations	113,116,196	1,881	121,349,945	1,822	136,352,424	1,882	123,393,972	1,889	126,853,213	1,889	126,853,213	1,889	121,886,141	1,882	127,025,429	1,882	127,025,429	1,882
897 TANF Block Grant	18,950,881	0	20,925,000	0	33,640,650	0	24,565,650	0	24,565,650	0	24,565,650	0	24,565,650	0	24,565,650	0	24,565,650	0
898 Community Srvs. Block Grant	16,805,525	0	15,062,188	0	20,020,518	0	9,437,390	0	9,437,390	0	9,437,390	0	9,437,390	0	9,437,390	0	9,437,390	0
930 Cty-Commodity Distrib & Salvage Container	31,034	0	274,086	0	274,086	0	275,586	0	275,586	0	275,586	0	274,086	0	274,086	0	274,086	0
Total	210,193,812	1,901	238,663,766	1,882	236,893,588	1,943	220,952,448	1,928	225,554,764	1,949	225,554,764	1,949	210,701,305	1,921	217,000,082	1,942	217,000,082	1,942

Funding Sources		%		%		%		%		%		%		%		%		%	
General Revenue	4000010	45,071,538	21.4	47,359,964	19.8			47,791,251	22.3	48,675,170	22.2	48,675,170	22.2	47,988,551	23.5	49,318,964	23.5	49,318,964	23.5
Federal Revenue	4000020	124,970,128	59.5	141,231,145	59.2			144,972,000	67.5	147,351,784	67.3	147,351,784	67.3	143,323,106	70.1	146,580,689	69.8	146,580,689	69.8
Cash Fund	4000045	31,034	0.0	274,086	0.1			275,586	0.1	275,586	0.1	275,586	0.1	274,086	0.1	274,086	0.1	274,086	0.1
Federal Funds-ARRA	4000244	25,464,396	12.1	36,466,427	15.3			8,898,049	4.1	8,898,049	4.1	8,898,049	4.1	100,000	0.0	100,000	0.0	100,000	0.0
Reallocation of Resources	4000410	398,782	0.2	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Tobacco Settlement	4000495	473,040	0.2	1,365,449	0.6			794,970	0.4	1,382,736	0.6	1,382,736	0.6	794,970	0.4	1,390,943	0.7	1,390,943	0.7
Transfer From DWS	4000527	956,437	0.5	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Various Program Support	4000730	12,828,457	6.1	11,966,695	5.0			11,963,718	5.6	12,307,165	5.6	12,307,165	5.6	11,963,718	5.9	12,473,826	5.9	12,473,826	5.9
Total Funds		210,193,812	100.0	238,663,766	100.0			214,695,574	100.0	218,890,490	100.0	218,890,490	100.0	204,444,431	100.0	210,138,508	100.0	210,138,508	100.0
Excess Appropriation/(Funding)		0		0				6,256,874		6,664,274		6,664,274		6,256,874		6,861,574		6,861,574	
Grand Total		210,193,812		238,663,766				220,952,448		225,554,764		225,554,764		210,701,305		217,000,082		217,000,082	

Analysis of Budget Request

Appropriation: 1DK - Cty-Shelter Plus Care Program

Funding Sources: FWF - DHS Federal

The Shelter Plus Care Program initially began in FY1995 through a grant from the U. S. Department of Housing and Urban Development, Office of Community Planning and Development. The program provides rental assistance to hard-to-serve homeless persons (primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS) or related diseases) and their families who are homeless or in emergency shelters. The Department of Human Services is the grantee for one (1) sub-grantee that has a total of four (4) grants. There are two components to the program, Tenant-Based Rental Assistance and Sponsor-Based Rental Assistance. The Tenant-Based program allows for applicants to request funds to provide rental assistance on behalf of program participants who choose their own housing. Under the Sponsor-Based program, an applicant may request funds through a contract with a non-profit organization for rental of housing owned by the non-profit organization. The program provides out-reach, support and coordination of housing and services and monitoring.

Funding for this appropriation is 100% funded from federal sources such as the federal Department of Housing and Urban Development.

The agency Base Level request for this appropriation is \$1,819,974 each year of the biennium.

The agency Change Level request for this appropriation is \$54,600 in FY2012 and \$110,837 in FY2013 to allow for projected increases in federal funding.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 1DK - Cty-Shelter Plus Care Program

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	1,562,522	1,819,974	1,819,974	1,874,574	1,874,574	1,874,574	1,930,811	1,930,811	1,930,811
Total	1,562,522	1,819,974	1,819,974	1,874,574	1,874,574	1,874,574	1,930,811	1,930,811	1,930,811
Funding Sources									
Federal Revenue 4000020	1,562,522	1,819,974		1,874,574	1,874,574	1,874,574	1,930,811	1,930,811	1,930,811
Total Funding	1,562,522	1,819,974		1,874,574	1,874,574	1,874,574	1,930,811	1,930,811	1,930,811
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,562,522	1,819,974		1,874,574	1,874,574	1,874,574	1,930,811	1,930,811	1,930,811

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 agency Base Level and total request for this appropriation is \$4,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

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

Funding Sources: DGF - DHS Grants Fund

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	0	4,000	4,000	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	4,000	4,000
Funding Sources									
General Revenue 4000010	0	4,000		4,000	4,000	4,000	4,000	4,000	4,000
Total Funding	0	4,000		4,000	4,000	4,000	4,000	4,000	4,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000		4,000	4,000	4,000	4,000	4,000	4,000

Analysis of Budget Request

Appropriation: 409 - Cty-Weatherization Program

Funding Sources: FWF - DHS Federal

The Weatherization Program provides funding for energy conservation in the homes of low income persons, particularly the elderly, people with disabilities and families with children. This Program installs energy conservation materials in the homes low-income families for the purpose of lowering utility bills. An automated energy audit, National Energy Audit (NEAT), is used to determine the most cost effective measures on single frame houses. The Mobile Home Energy Audit (MHEA) is used to determine the most effective measures to be installed on mobile homes.

Measures installed on single framed houses and multi-family units include:

- Replace broken windows.
- Caulk and weatherstrip doors and windows.
- Insulating uninsulated ceilings, walls and floors.
- Installing storm windows, thermostats and furnace tune-ups.
- Health and safety measures that are required prior to weatherizing the house.

Measures installed on mobile homes include:

- Replace broken windows.
- Caulk and weatherstrip doors and windows
- Install thermostats and furnace tune-ups.
- Health and safety measures that are required prior to weatherizing the mobile home.

Funding for this appropriation is 100% federal from the Department of Energy and the U. S. Department of Health and Human Services.

The agency Base Level request for this appropriation is \$4,000,000 each year of the biennium.

The agency Change Level request for this appropriation is \$9,898,049 in FY2012 and \$4,000,000 in FY2013. The following delineates the agency's request:

- \$4,000,000 each year of the biennium is requested for the grants line item for continuation of FY2011 Miscellaneous Federal Grant Appropriation. Also, additional appropriation is requested to cover anticipated increases in federal funding for the Weatherization Program.
- \$5,898,049 in FY2012 is requested for the Weatherization Program - ARRA 2009 line item to allow for costs until ARRA funding ends.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 409 - Cty-Weatherization Program

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	6,639,037	6,741,884	4,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Weatherization Program - ARRA 20095900052	12,233,729	23,000,000	14,775,000	5,898,049	5,898,049	5,898,049	0	0	0
Total	18,872,766	29,741,884	18,775,000	13,898,049	13,898,049	13,898,049	8,000,000	8,000,000	8,000,000

Funding Sources									
Federal Revenue 4000020	6,639,037	6,741,884		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Federal Funds-ARRA 4000244	12,233,729	23,000,000		5,898,049	5,898,049	5,898,049	0	0	0
Total Funding	18,872,766	29,741,884		13,898,049	13,898,049	13,898,049	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	18,872,766	29,741,884		13,898,049	13,898,049	13,898,049	8,000,000	8,000,000	8,000,000

Budget exceeds Authorized Appropriation due to Appropriation established through the authority of the Miscellaneous Federal Program Act.

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.

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

The agency Base Level request for this appropriation is \$648,527 each year of the biennium.

The agency Change Level request for this appropriation is \$145,039 each year of the biennium to provide additional federal funds to Community Action Agencies and food banks so that they can distribute more USDA donated emergency commodities throughout the State. ARRA appropriation is being discontinued.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 410 - Cty-Emergency Food Program

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	597,163	648,527	672,377	793,566	793,566	793,566	793,566	793,566	793,566
Emergency Food Program - ARRA 2015900052	218,329	20,000	225,449	0	0	0	0	0	0
Total	815,492	668,527	897,826	793,566	793,566	793,566	793,566	793,566	793,566

Funding Sources									
Federal Revenue 4000020	597,163	648,527		793,566	793,566	793,566	793,566	793,566	793,566
Federal Funds-ARRA 4000244	218,329	20,000		0	0	0	0	0	0
Total Funding	815,492	668,527		793,566	793,566	793,566	793,566	793,566	793,566
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	815,492	668,527		793,566	793,566	793,566	793,566	793,566	793,566

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 agency Base Level request for this appropriation is \$15,487,743 each year of the biennium.

The agency Change Level request for this appropriation is \$24,247,408 each year of the biennium for continuation of FY2011 Miscellaneous Federal Grant Appropriation. This appropriation is requested to allow for increases in Low Income Home Energy Assistance program funding during the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 411 - Cty-Low Income Energy Assistance Prgm

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	34,106,635	39,735,151	15,487,743	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151
Total	34,106,635	39,735,151	15,487,743	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151

Funding Sources									
Federal Revenue 4000020	34,106,635	39,735,151		39,735,151	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151
Total Funding	34,106,635	39,735,151		39,735,151	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	34,106,635	39,735,151		39,735,151	39,735,151	39,735,151	39,735,151	39,735,151	39,735,151

Budget exceeds Authorized Appropriation due to Appropriation established through the authority of the Miscellaneous Federal Program Act.

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 agency Base Level and total request for this appropriation is \$12,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 412 - Cty-Refugee Resettlement Program

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	5,589	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Total	5,589	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Funding Sources									
Federal Revenue 4000020	5,589	12,000		12,000	12,000	12,000	12,000	12,000	12,000
Total Funding	5,589	12,000		12,000	12,000	12,000	12,000	12,000	12,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	5,589	12,000		12,000	12,000	12,000	12,000	12,000	12,000

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 2010 is 18,484. Funding for this appropriation is 100% federal.

The agency Base Level request for this appropriation is \$1,345,000 each year of the biennium.

The agency Change Level request for this appropriation is \$3,000,000 in FY2012 and \$100,000 in FY2013 for the Homeless Assistance Grant - ARRA 2009 line item to allow for costs until ARRA funding ends.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 426 - Cty-Homeless Assistance Grant

Funding Sources: FWF - DHS Federal

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	1,151,143	1,345,000	1,851,246	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000
Homeless Assistance Grant - ARRA 2(5900052	2,873,549	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	100,000	100,000	100,000
Total	4,024,692	5,345,000	5,851,246	4,345,000	4,345,000	4,345,000	1,445,000	1,445,000	1,445,000
Funding Sources									
Federal Revenue 4000020	1,151,143	1,345,000		1,345,000	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000
Federal Funds-ARRA 4000244	2,873,549	4,000,000		3,000,000	3,000,000	3,000,000	100,000	100,000	100,000
Total Funding	4,024,692	5,345,000		4,345,000	4,345,000	4,345,000	1,445,000	1,445,000	1,445,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,024,692	5,345,000		4,345,000	4,345,000	4,345,000	1,445,000	1,445,000	1,445,000

Analysis of Budget Request

Appropriation: 59H - Hunger Coalition

Funding Sources: DCO - County Operations Account

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 for the purpose of purchasing Arkansas products through the State Food Purchasing Program.

Funding for this appropriation is 100% General Revenue (DCO - County Operations Fund Account).

The agency Base Level and total request for this appropriation is \$995,113 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 59H - Hunger Coalition

Funding Sources: DCO - County Operations Account

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	956,400	995,113	1,000,000	995,113	995,113	995,113	995,113	995,113	995,113
Total	956,400	995,113	1,000,000	995,113	995,113	995,113	995,113	995,113	995,113
Funding Sources									
General Revenue 4000010	956,400	995,113		995,113	995,113	995,113	995,113	995,113	995,113
Total Funding	956,400	995,113		995,113	995,113	995,113	995,113	995,113	995,113
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	956,400	995,113		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 for the additional administrative costs to the Division of County Operations associated with the Medicaid Expansion Programs established by Initiated Act 1 of 2000. The expanded Medicaid programs are as follows:

1. Expansion of Medicaid coverage and benefits to pregnant women with incomes up to 200 percent of the Federal Poverty Level (approved for implementation November 1, 2001);
2. Expansion of inpatient and outpatient hospital reimbursements and benefits to adults age 19 to 64 to reduce coinsurance payment from 22 percent to 10 percent of the cost of the first Medicaid covered day of each admission and cover additional medically necessary days in the hospital from 20 days up to 24 allowed days per State Fiscal Year (approved for implementation November 1, 2001);
3. Expansion of non-institutional coverage and benefits to adults aged 65 and over. Referred to as ARSeniors, this program extends full Medicaid benefits to adults age 65 and over who have been identified as Qualified Medicare Beneficiaries (QMB) and meet specific income limits (approved for implementation October 1, 2002); and
4. Creation of a limited benefit package to assist adults age 19 to 64 who are uninsured low-wage employees of small Arkansas businesses. This program, ARHealthNetworks, was approved by the Centers for Medicare and Medicaid Services (CMS) as a Section 1115 demonstration waiver through the Health Insurance Flexibility and Accountability (HIFA) office of the Secretary of the federal Department of Health and Human Services. Enrollment in the program began December 20, 2006 with coverage effective January 2007.

Funding for this appropriation is derived from tobacco settlement funds and federal revenue provided through the U. S. Department of Health and Human Services, Centers for Medicare and Medicaid Services.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The agency Base Level request for this appropriation is \$2,733,472 each year of the biennium with 60 budgeted Base Level positions.

The agency Change Level request for this appropriation is (\$1,111,075) each year of the biennium. The following delineates the agency's request:

- Restoration of one (1) position that was authorized but not budgeted with unfunded salary and matching appropriation.
- Transfer twenty-two (22) positions to the Division of Aging and Adult Services (DAAS) with salary and matching appropriation and tobacco settlement funding to establish a new program in DAAS called Alternatives Plus. This new requested program will facilitate the transition of low care Medicaid enrollees from nursing facilities to home and community based services.
- Transfer \$145,000 each year of the biennium from the Operating Expenses line item to DAAS with tobacco settlement funding.
- Transfer \$100,000 each year of the biennium from the Professional Fees line item to DAAS with tobacco settlement funding.
- Transfer \$40,000 each year of the biennium from the Data Processing Services line item to DAAS with tobacco settlement funding.

The Executive Recommendation provides for Base Level.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 642 - DHS Medicaid Expansion Program

Funding Sources: PTA - Medicaid Expansion Program Account

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	552,973	1,744,686	1,760,847	1,137,948	1,765,975	1,765,975	1,137,948	1,779,730	1,779,730
#Positions		20	60	61	39	60	60	39	60	60
Personal Services Matching	5010003	382,835	640,417	651,479	423,654	653,702	653,702	423,654	656,361	656,361
Operating Expenses	5020002	5,924	195,795	195,795	50,795	195,795	195,795	50,795	195,795	195,795
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	100,000	100,000	0	100,000	100,000	0	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Data Processing Services	5900044	4,348	50,000	50,000	10,000	50,000	50,000	10,000	50,000	50,000
Total		946,080	2,730,898	2,758,121	1,622,397	2,765,472	2,765,472	1,622,397	2,781,886	2,781,886
Funding Sources										
Federal Revenue	4000020	473,040	1,365,449		794,971	1,382,736	1,382,736	794,971	1,390,943	1,390,943
Tobacco Settlement	4000495	473,040	1,365,449		794,970	1,382,736	1,382,736	794,970	1,390,943	1,390,943
Total Funding		946,080	2,730,898		1,589,941	2,765,472	2,765,472	1,589,941	2,781,886	2,781,886
Excess Appropriation/(Funding)		0	0		32,456	0	0	32,456	0	0
Grand Total		946,080	2,730,898		1,622,397	2,765,472	2,765,472	1,622,397	2,781,886	2,781,886

Tobacco Settlement Funds do not carry forward into the new biennium unless criteria is met as prescribed in Initiated Act 1 of 2000.

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, re-named 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-three (83) county offices in the 75 counties, a new Access Arkansas Center is being constructed in Batesville and will process approximately 28,000 applications and re-evaluations each month, many of which are being filed online. 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 though local organizations include the Community Services Block Grant; Energy and Weatherization 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.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The agency Base Level request for this appropriation is \$118,215,610 each year of the biennium with 1,813 budgeted Base Level positions.

The agency Change Level request for this appropriation is \$5,178,362 in FY2012 and \$3,670,531 in FY2013, which includes general revenue requests of \$442,784 in FY2012 and \$640,084 in FY2013. The general revenue request consists of the following components:

- \$345,065 in FY2012 and \$435,851 in FY2013 in new general revenue to address increases in storage and distribution costs for administration of the Commodity Distribution Program;
- \$97,719 in FY2012 and \$204,233 in FY2013 in new general revenue to address increasing caseloads and system enhancements for the Electronic Benefits Transfer System.

The following delineates the agency's request:

- Restoration of sixty-nine (69) positions that were authorized but not budgeted with unfunded salary and matching appropriation. These positions provide the county offices with an opportunity to more efficiently manage their vacancies.
- Transfer one (1) position to the Division of Aging and Adult Services with salary and matching appropriation to provide information to callers about financial eligibility for home and community based services and assist applicants/family members in completing applications for assistance.
- Continuation of eight (8) American Recovery and Reinvestment Act (ARRA) positions in FY2012 and one (1) ARRA position in FY2013 with salary and matching appropriation.
- Reclassification on six (6) positions due to the duties and responsibilities changing since the pay plan study.
- \$405,634 in FY2012 and \$496,420 in FY2013 for the Operating Expenses line item. This includes an increase for freight to address increases in storage and distribution costs for administration of the commodity distribution program.
- \$280,090 in FY2012 and \$577,770 in FY2013 for the Professional Fees line item to address increasing caseloads and system enhancements for the electronic benefits transfer system and for contracted services for the supplemental nutrition assistance program (SNAP).
- \$26,846 in FY2012 and \$1,800 in FY2013 for the Capital Outlay line item. This includes increases for replacing one (1) existing vehicle each year of the biennium. Only appropriation for the cost of the sales tax is being requested each year. Also, included in FY2012 is appropriation requested to purchase a Xerox color copy system.
- \$1,920,465 in FY2012 and \$49,214 in FY2013 for the ARRA of 2009 line item to allow for administrative costs until ARRA funding ends.

The Executive Recommendation provides for the Agency Request with the exception on one (1) of the reclassifications where a different reclassification has been recommended and no new general revenue. The capital outlay that has been recommended for vehicles is to replace aging, high mileage vehicles in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 896 - DHS--Admin Paying Account

Funding Sources: PWP - Administration Paying

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	59,917,413	60,314,590	64,265,702	61,774,546	64,766,225	64,766,225	61,774,546	66,162,827	66,162,827
#Positions		1,881	1,822	1,882	1,889	1,889	1,889	1,882	1,882	1,882
Extra Help	5010001	220,835	234,052	234,052	234,052	234,052	234,052	234,052	234,052	234,052
#Extra Help		18	37	37	37	37	37	37	37	37
Personal Services Matching	5010003	19,285,022	20,113,904	22,043,066	21,916,569	22,379,567	22,379,567	21,916,569	22,665,088	22,665,088
Overtime	5010006	689	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Operating Expenses	5020002	20,124,761	22,322,396	25,925,613	22,728,030	22,728,030	22,728,030	22,818,816	22,818,816	22,818,816
Conference & Travel Expenses	5050009	76,497	178,831	178,831	178,831	178,831	178,831	178,831	178,831	178,831
Professional Fees	5060010	6,321,573	9,328,479	11,409,349	9,608,569	9,608,569	9,608,569	9,906,249	9,906,249	9,906,249
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	28,644	30,000	30,000	26,846	26,846	26,846	1,800	1,800	1,800
Data Processing Services	5900044	4,450,239	4,981,064	5,217,152	4,981,064	4,981,064	4,981,064	4,981,064	4,981,064	4,981,064
ARRA of 2009	5900052	2,690,523	3,821,629	7,023,659	1,920,465	1,925,029	1,925,029	49,214	51,702	51,702
Total		113,116,196	121,349,945	136,352,424	123,393,972	126,853,213	126,853,213	121,886,141	127,025,429	127,025,429

Funding Sources										
General Revenue	4000010	43,972,363	46,207,412		46,638,699	47,522,618	47,522,618	46,835,999	48,166,412	48,166,412
Federal Revenue	4000020	53,773,127	59,354,209		62,207,787	63,999,806	63,999,806	60,502,656	63,164,267	63,164,267
Federal Funds-ARRA	4000244	2,690,523	3,821,629		0	0	0	0	0	0
Reallocation of Resources	4000410	398,782	0		0	0	0	0	0	0
Various Program Support	4000730	12,281,401	11,966,695		11,963,718	12,307,165	12,307,165	11,963,718	12,473,826	12,473,826
Total Funding		113,116,196	121,349,945		120,810,204	123,829,589	123,829,589	119,302,373	123,804,505	123,804,505
Excess Appropriation/(Funding)		0	0		2,583,768	3,023,624	3,023,624	2,583,768	3,220,924	3,220,924
Grand Total		113,116,196	121,349,945		123,393,972	126,853,213	126,853,213	121,886,141	127,025,429	127,025,429

Budgeted positions include nine (9) positions established through the authority of the Miscellaneous Federal Program Act.
The FY10 funding includes General Revenue fund transfers from various DHS Divisions by Authority of Reallocation of Resources.

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 and in so doing, declared 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 on-going 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.

The TEA caseload has decreased by over 65% since the program was implemented in July 1997. The reduction in the caseload has resulted in a comparable decrease in monthly cash assistance expenditures since July 1997. The Program expenditures have shifted to address employment related services, education/training and supportive services.

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 Act 1385 of 2009 section 9 for FY2010 and Act 32 of 2010 section 9 for FY2011. 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 agency Base Level request for this appropriation is \$20,925,000 each year of the biennium.

The agency Change Level request for this appropriation is \$3,640,650 each year of the biennium in appropriation to allow for general revenue transfers from the Department of Workforce Services.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 897 - DHS-Grants Paying Account

Funding Sources: PWD - Grants Paying

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
TANF Block Grant	5100004	18,950,881	20,925,000	33,640,650	24,565,650	24,565,650	24,565,650	24,565,650	24,565,650	24,565,650
Total		18,950,881	20,925,000	33,640,650	24,565,650	24,565,650	24,565,650	24,565,650	24,565,650	24,565,650
Funding Sources										
Federal Revenue	4000020	17,447,388	20,925,000		20,925,000	20,925,000	20,925,000	20,925,000	20,925,000	20,925,000
Transfer From DWS	4000527	956,437	0		0	0	0	0	0	0
Various Program Support	4000730	547,056	0		0	0	0	0	0	0
Total Funding		18,950,881	20,925,000		20,925,000	20,925,000	20,925,000	20,925,000	20,925,000	20,925,000
Excess Appropriation/(Funding)		0	0		3,640,650	3,640,650	3,640,650	3,640,650	3,640,650	3,640,650
Grand Total		18,950,881	20,925,000		24,565,650	24,565,650	24,565,650	24,565,650	24,565,650	24,565,650

The FY10 funding includes General Revenue fund transfers from the Department of Workforce Services by Authority of Act 1385 of 2009 section 9.

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.

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 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)(xi).

The agency Base Level and total request for this appropriation is \$9,437,390 each year of the biennium. ARRA appropriation is being discontinued.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 898 - DHS-Grants Paying Account

Funding Sources: PWE - Grants Paying

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Community Srvs. Block Grant 5100004	9,357,259	9,437,390	10,920,321	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390
Community Srvs. Block Grant-ARRA 25900052	7,448,266	5,624,798	9,100,197	0	0	0	0	0	0
Total	16,805,525	15,062,188	20,020,518	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390
Funding Sources									
General Revenue 4000010	142,775	153,439		153,439	153,439	153,439	153,439	153,439	153,439
Federal Revenue 4000020	9,214,484	9,283,951		9,283,951	9,283,951	9,283,951	9,283,951	9,283,951	9,283,951
Federal Funds-ARRA 4000244	7,448,266	5,624,798		0	0	0	0	0	0
Total Funding	16,805,525	15,062,188		9,437,390	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	16,805,525	15,062,188		9,437,390	9,437,390	9,437,390	9,437,390	9,437,390	9,437,390

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 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 agency Base Level request for this appropriation is \$274,086 each year of the biennium.

The agency Change Level request for this appropriation is \$1,500 in FY2012 for the Capital Outlay line item. This includes appropriation for the sales tax to replace one (1) existing vehicle.

The Executive Recommendation provides for the Agency Request. The capital outlay that has been recommended for the vehicle is to replace an aging, high mileage vehicle in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 930 - Cty-Commodity Distrib & Salvage Container

Funding Sources: NHS - Cash in Treasury

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	3,079	264,596	264,596	264,596	264,596	264,596	264,596	264,596	264,596
Conference & Travel Expenses	5050009	3,973	9,490	9,490	9,490	9,490	9,490	9,490	9,490	9,490
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	23,982	0	0	1,500	1,500	1,500	0	0	0
Total		31,034	274,086	274,086	275,586	275,586	275,586	274,086	274,086	274,086
Funding Sources										
Cash Fund	4000045	31,034	274,086		275,586	275,586	275,586	274,086	274,086	274,086
Total Funding		31,034	274,086		275,586	275,586	275,586	274,086	274,086	274,086
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		31,034	274,086		275,586	275,586	275,586	274,086	274,086	274,086