

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
896 Director's Office	1,023,302	8	1,332,149	9	1,691,005	9	1,345,536	9	1,080,800	6	1,080,800	6	1,343,036	9	1,094,845	6	1,094,845	6
896 Office of Chief Counsel	10,589,115	172	11,449,889	169	11,590,824	179	11,625,748	175	11,628,070	168	11,628,070	168	11,535,748	175	11,845,901	168	11,845,901	168
Total	11,612,417	180	12,782,038	178	13,281,829	188	12,971,284	184	12,708,870	174	12,708,870	174	12,878,784	184	12,940,746	174	12,940,746	174

Funding Sources		%		%		%		%		%		%		%		%
General Revenue 4000010	3,857,665	33.2	4,097,271	32.1			4,168,923	32.6	4,232,680	33.3	4,232,680	33.3	4,168,923	32.8	4,307,905	33.3
Federal Revenue 4000020	4,880,718	42.0	6,241,784	48.8			5,706,483	44.6	6,365,052	50.1	6,365,052	50.1	5,706,483	44.9	6,483,950	50.1
Federal Funds-ARRA 4000244	0	0.0	185,000	1.4			92,500	0.7	0	0.0	0	0.0	0	0.0	0	0.0
Various Program Support 4000730	2,874,034	24.7	2,257,983	17.7			2,825,451	22.1	2,111,138	16.6	2,111,138	16.6	2,825,451	22.2	2,148,891	16.6
Total Funds	11,612,417	100.0	12,782,038	100.0			12,793,357	100.0	12,708,870	100.0	12,708,870	100.0	12,700,857	100.0	12,940,746	100.0
Excess Appropriation/(Funding)	0		0				177,927		0		0		177,927		0	
Grand Total	11,612,417		12,782,038				12,971,284		12,708,870		12,708,870		12,878,784		12,940,746	

Analysis of Budget Request

Appropriation: 896 - DHS–Admin Paying Account

Funding Sources: PWP - Administration Paying

Arkansas Code Annotated §25-10-106 delegated administrative authority for the entire Department of Human Services to the Office of the Director. According to Arkansas Code Annotated §25-10-102, the Department operates under an integrated service delivery system provided by eleven divisions, in addition to the Director's Office that includes the Office of Chief Counsel. Both the Director and Chief Counsel operate from the same appropriation but are given separate paying funds. The DHS Director is responsible for establishing Departmental policy to carry out executive directives, federal and state legislative mandates and coordination of services across Division lines when individuals and families are provided services by multiple programs. Arkansas Code Annotated §20-76-201 delineates the powers and duties of the Department of Human Services.

The Arkansas Department of Human Services (DHS) is the largest state agency with more than 7,500 employees working in all 75 counties. Every county has at least one local office where citizens can apply for any of the services the department offers. Some counties, depending on their size, have more than one office. DHS employees come into direct contact with thousands of people daily and offer the "safety net" Arkansas families turn to when they are facing difficult times. DHS takes care of Arkansans of all ages ranging from infants to senior citizens.

DHS is involved in virtually every facet of life in the state. DHS staff oversees the regulation of nursing home and childcare facilities. DHS is also responsible for finding adoptive families for foster children, protecting abused and neglected children, funding the home-delivery of meals for the elderly and operating the juvenile justice system. DHS oversees services to blind Arkansans and helps develop volunteer programs, which have a profound impact at the community level. The department also protects elderly Arkansans from abuse and neglect and operates human development centers across the state, which serves the developmentally disabled. DHS also provides mental health services through its system of community mental health care centers.

The Mission of the Department is "Together we improve the quality of life of all Arkansans by protecting the vulnerable, fostering independence, and promoting better health."

The Office of Chief Counsel consists of various sections which provide extensive legal, investigative, audit and hearing services to the Department of Human Services' (DHS) Divisions. The sections and their areas of responsibility are as follows:

- General Counsel Section provides legal assistance on administrative, litigation pertaining to delivery of services, program administration, personnel, civil rights and overpayment collections.
- Child and Adult Protection Section provides legal support in all counties and provides assistance primarily in areas of child welfare and adult protective services. Attorneys also provide assistance in Family In Need of Services (FINS) cases when the children are placed in foster care and assisting the Division of Youth Services in transitioning youth from their facilities when they cannot return home.

- Appeals and Hearings administers the appeal process on adverse actions which include those related to all categories of Medicaid, TANF, Child Maltreatment.
- Audit Section conducts performance, compliance and some financial related audits, and consults on operational and program issues. It coordinates the development of audit requirements and guidelines and monitors program resolution.
- Fraud Investigations is responsible for investigating and referring for prosecution allegations of recipient fraud or intentional program violation (IPV) in the public assistance programs administered by the Department of Human Services. These include Transitional Employment Assistance, Food Stamps, Medicaid, Child Care, and Special Nutrition. The unit also conducts investigations of suspected Food Stamp trafficking by both recipients and retailers, and/or program divisions with investigations involving service providers who contract with the agency to perform services for a defined recipient population. The Internal Affairs section of the unit conducts investigations involving allegations of internal misconduct.

The Director's Office/Office of Chief Counsel is funded from a mix of sources that include general revenue (DAS - Department of Human Services Administration Fund Account), federal, and other funds. Federal and other funding is determined by the Department cost allocation plan. Other funding which is indicated as various program support can also include sources such as federal awards, fees, Fraud/Courts overpayment receipts 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 Base Level salary of the unclassified position reflects the FY11 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The agency Base Level request for this appropriation is \$12,620,975 in each year of the biennium with 178 budgeted base level positions.

The agency Change Level request for this appropriation is \$350,309 in FY2012 and \$257,809 in FY2013 with a general revenue request of \$71,652 each year of the biennium. The general revenue request consists of the following component:

- \$71,652 each year of the biennium in new general revenue associated with restoration of three (3) Auditor positions.

The following delineates the agency's request:

- Transfer 1 Legal Services Specialist position to the Division of Medical Services with appropriation to assist with rendering Medicaid eligibility opinions.
- Restoration of 4 positions that are authorized but not budgeted with unfunded salary and matching appropriation to assist the audit unit and the legal support unit.
- Restoration of 3 positions that are authorized but not budgeted with funded salary and matching appropriation to assist the audit unit.
- Reclassification on two (2) positions due to the duties and responsibilities changing since the pay plan study.
- \$92,500 in FY2012 is requested for the ARRA of 2009 line item to allow for any in-direct costs. No appropriation is requested for this line item in FY2013.

The Executive Recommendation provides for Base Level. Additionally, reclassifications on two (2) positions are recommended along with the transfer of one (1) position to the Division of Medical Services. To maximize federal revenue, the transfer of three (3) positions to the Division of Administrative Services has been recommended.

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	8,187,982	8,529,411	9,055,708	8,668,586	8,578,684	8,578,684	8,668,586	8,771,879	8,771,879
#Positions		180	178	188	184	174	174	184	174	174
Extra Help	5010001	11,409	200,348	200,348	200,348	200,348	200,348	200,348	200,348	200,348
#Extra Help		1	10	10	10	10	10	10	10	10
Personal Services Matching	5010003	2,370,945	2,568,397	2,721,889	2,710,968	2,630,956	2,630,956	2,710,968	2,669,637	2,669,637
Operating Expenses	5020002	1,016,594	1,243,110	1,248,112	1,243,110	1,243,110	1,243,110	1,243,110	1,243,110	1,243,110
Conference & Travel Expenses	5050009	16,530	32,472	32,472	32,472	32,472	32,472	32,472	32,472	32,472
Professional Fees	5060010	141	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
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	8,816	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300
ARRA of 2009	5900052	0	185,000	0	92,500	0	0	0	0	0
Total		11,612,417	12,782,038	13,281,829	12,971,284	12,708,870	12,708,870	12,878,784	12,940,746	12,940,746

Funding Sources										
General Revenue	4000010	3,857,665	4,097,271		4,168,923	4,232,680	4,232,680	4,168,923	4,307,905	4,307,905
Federal Revenue	4000020	4,880,718	6,241,784		5,706,483	6,365,052	6,365,052	5,706,483	6,483,950	6,483,950
Federal Funds-ARRA	4000244	0	185,000		92,500	0	0	0	0	0
Various Program Support	4000730	2,874,034	2,257,983		2,825,451	2,111,138	2,111,138	2,825,451	2,148,891	2,148,891
Total Funding		11,612,417	12,782,038		12,793,357	12,708,870	12,708,870	12,700,857	12,940,746	12,940,746
Excess Appropriation/(Funding)		0	0		177,927	0	0	177,927	0	0
Grand Total		11,612,417	12,782,038		12,971,284	12,708,870	12,708,870	12,878,784	12,940,746	12,940,746

ARRA of 2009 appropriation was established through the authority of the Miscellaneous Federal Program Act.