

ARKANSAS DEPARTMENT OF CAREER EDUCATION
ARKANSAS REHABILITATION SERVICES (0520)
FISCAL YEARS 2018 & 2019
Per 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 APPROPRIATION

The total appropriation is \$64,186,283 in FY2018 and \$64,202,173 in FY2019.

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, reimbursements, interest income and institutional services).

II) CHANGE LEVEL REQUESTS

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 programs income. The total appropriation is \$60,748,638 in FY2018 and \$60,763,659 in FY2019 and includes the following appropriation changes:

Regular Salaries - Decrease of \$794,503 in FY2018 and \$794,603 in FY2019 for the reduction of 27 positions based on personnel evaluations.

Personal Services Matching - Decrease of \$326,125 in FY2018 and \$326,149 in FY2019 for the reduction of 27 positions based on personnel evaluations.

Operations - Increase \$300,000 to provide for the consolidation of the agency's marketing and communications efforts under the operations appropriation.

STATEWIDE DISABILITY TELECOMMUNICATIONS EQUIPMENT PROGRAM (APPROPRIATION 374)

This appropriation provides telecommunication devices for persons who are deaf, hard of hearing, blind, or speech impaired. This appropriation is funded with special revenue from the 1 cent surcharge increase on land and cell phone lines, effective July 2013. Total appropriation is \$496,510 in FY2018 and \$496,635 in FY2019 and includes the following appropriation changes:

Regular Salaries and Matching - Decrease of \$32,088 each year for the reduction of one position based on personnel evaluations.

REHAB SERVICES - TREASURY PAY (APPROPRIATION 903)

This appropriation provides for the spending of any cash related funding received from cafeteria fees, contributions, reimbursement fees, hospital fees, interest income and institutional services to be used for the Vocational Rehabilitation Program. The appropriation is \$563,400 each year and provides for the following appropriation change:

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Operating Expenses - Decrease of \$300,000 each year to provide for the reallocation of resources from this appropriation to the ARS-Operations appropriation in an effort to consolidate the agency's marketing and communication efforts into one appropriation.

PROMISE GRANT (APPROPRIATION M89)

Established through the Miscellaneous Federal Program Act, this appropriation is used to establish and operate model demonstration projects designed to improve the education and employment outcomes of child Supplemental Security Income (SSI) recipients and their families. The appropriation is \$454,045 in FY2018 and \$454,789 in FY2019. Funding is from federal sources and includes the following appropriation changes:

Regular Salaries and Matching - Increase of \$50,216 for the continuation of one Certified Vocational Rehabilitation Counselor that was approved during the interim.

Operating Expenses - Increase of \$13,000 for travel related expenses for administration of services to program participants.

III) ADDITIONAL POSITIONS (Total Authorized Positions for FY 2017: 537)

Total Positions FY2019: 510

Total Positions FY2018: 510

Total Base Level Positions FY2017: 537

Increase / (Decrease) over Base Level: (27)

Extra Help Positions FY2018 and FY2019: 19 (Total FY2017 Authorized Extra Help: 19)

Provides for the reduction of 27 positions based on personnel evaluations.

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: 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.