

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
1DK City-Shelter Plus Care Program	1,486,268	0	1,908,598	0	1,908,598	0	2,004,028	0	2,004,028	0	2,004,028	0	2,008,800	0	2,008,800	0	2,008,800	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
410 Cty-Emergency Food Program	738,339	0	692,917	0	819,219	0	727,563	0	727,563	0	727,563	0	729,295	0	729,295	0	729,295	0
411 Cty-Low Income Energy Assistance Prgm	20,701,241	0	28,000,000	0	29,480,110	0	29,400,000	0	29,400,000	0	29,400,000	0	29,470,000	0	29,470,000	0	29,470,000	0
412 Cty-Refugee Resettlement Program	11,259	0	12,000	0	12,000	0	24,000	0	24,000	0	24,000	0	24,000	0	24,000	0	24,000	0
426 Cty-Homeless Assistance Grant	2,400,301	0	2,506,500	0	2,846,487	0	2,631,825	0	2,631,825	0	2,631,825	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	995,113	0	995,113	0
642 Medicaid Expansion-County Ops	2,135,078	51	2,861,716	60	2,872,788	60	2,884,501	60	2,884,501	60	2,884,501	60	2,885,980	60	2,885,980	60	2,885,980	60
896 Division of County Operations	116,116,047	1,871	123,503,656	1,876	125,233,442	1,876	126,853,802	1,871	126,853,802	1,871	126,853,802	1,871	126,257,222	1,871	126,257,222	1,871	126,257,222	1,871
897 TANF Block Grant	13,535,934	0	14,637,000	0	21,818,070	0	18,277,650	0	18,277,650	0	18,277,650	0	18,277,650	0	18,277,650	0	18,277,650	0
898 Community Svcs. Block Grant	8,451,714	0	9,298,386	0	9,137,390	0	9,760,062	0	9,760,062	0	9,760,062	0	9,783,146	0	9,783,146	0	9,783,146	0
898 Supplemental Nutrition Assist(SNAP)	175,529	0	343,235	0	343,235	0	343,235	0	343,235	0	343,235	0	343,235	0	343,235	0	343,235	0
930 Cty-Commodity Distrib & Salvage Container	18,387	0	291,300	0	175,000	0	291,300	0	291,300	0	291,300	0	291,300	0	291,300	0	291,300	0
Total	166,765,210	1,922	185,054,421	1,936	195,645,452	1,936	194,197,079	1,931	194,197,079	1,931	194,197,079	1,931	193,707,832	1,931	193,707,832	1,931	193,707,832	1,931

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue	4000010	48,670,718	29.2	48,992,734	26.5	50,539,523	26.5	49,198,212	26.1	49,198,212	26.1	50,232,562	26.4	49,226,136	26.1	49,226,136	26.1	
Federal Revenue	4000020	109,205,069	65.5	122,058,054	66.0	125,921,726	66.1	125,303,516	66.4	125,303,516	66.4	125,731,531	66.2	125,052,406	66.4	125,052,406	66.4	
Cash Fund	4000045	18,387	0.0	291,300	0.2	291,300	0.2	291,300	0.2	291,300	0.2	291,300	0.2	291,300	0.2	291,300	0.2	
Tobacco Settlement	4000495	1,067,539	0.6	1,430,858	0.8	1,442,250	0.8	1,442,250	0.8	1,442,250	0.8	1,442,990	0.8	1,442,990	0.8	1,442,990	0.8	
Transfer From DWS	4000527	549,800	0.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Transfer to Medicaid Match	4000660	(66,238)	0.0	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	7,319,935	4.4	12,281,475	6.6	12,361,630	6.5	12,361,630	6.6	12,361,630	6.6	12,368,799	6.5	12,368,799	6.6	12,368,799	6.6	
Total Funds		166,765,210	100.0	185,054,421	100.0	190,556,429	100.0	188,596,908	100.0	188,596,908	100.0	190,067,182	100.0	188,381,631	100.0	188,381,631	100.0	
Excess Appropriation/(Funding)		0		0		3,640,650		5,600,171		5,600,171		3,640,650		5,326,201		5,326,201		
Grand Total		166,765,210		185,054,421				194,197,079		194,197,079		193,707,832		193,707,832		193,707,832		

Budget exceeds Authorized in (898) Community Svcs. Block Grant and (930) Cty-Commodity Distrib & Salvage Container by authority of Reallocation of Resources.

Analysis of Budget Request

Appropriation: 1DK - Cty-Shelter Plus Care Program

Funding Sources: FWF - DHS Federal

The Shelter Plus Care Program initially began in 1995 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 outreach, 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 \$1,908,598 each year of the biennium.

The Agency Change Level request is for \$95,430 in FY2016 and \$100,202 in FY2017 to allow for projected increases in federal funding granted as a result of increased housing costs.

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	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	1,486,268	1,908,598	1,908,598	2,004,028	2,004,028	2,004,028	2,008,800	2,008,800	2,008,800
Total	1,486,268	1,908,598	1,908,598	2,004,028	2,004,028	2,004,028	2,008,800	2,008,800	2,008,800

Funding Sources									
Federal Revenue 4000020	1,486,268	1,908,598		2,004,028	2,004,028	2,004,028	2,008,800	2,008,800	2,008,800
Total Funding	1,486,268	1,908,598		2,004,028	2,004,028	2,004,028	2,008,800	2,008,800	2,008,800
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,486,268	1,908,598		2,004,028	2,004,028	2,004,028	2,008,800	2,008,800	2,008,800

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	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	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: 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 Agency Base Level request for this appropriation is \$692,917 each year of the biennium.

The Agency Change Level request is for \$34,646 in FY2016 and \$36,378 in FY2017 to allow for additional federal funds for the Emergency Food Program and the Commodity Supplemental Food Program due to expected caseload increases during the biennium.

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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	738,339	692,917	819,219	727,563	727,563	727,563	729,295	729,295	729,295
Total		738,339	692,917	819,219	727,563	727,563	727,563	729,295	729,295	729,295

Funding Sources										
Federal Revenue	4000020	738,339	692,917		727,563	727,563	727,563	729,295	729,295	729,295
Total Funding		738,339	692,917		727,563	727,563	727,563	729,295	729,295	729,295
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		738,339	692,917		727,563	727,563	727,563	729,295	729,295	729,295

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 \$28,000,000 each year of the biennium.

The Agency Change Level request is for \$1,400,000 in FY2016 and \$1,470,000 in FY2017 to allow for additional federal funds for the program in the event of higher energy costs 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	20,701,241	28,000,000	29,480,110	29,400,000	29,400,000	29,400,000	29,470,000	29,470,000	29,470,000
Total		20,701,241	28,000,000	29,480,110	29,400,000	29,400,000	29,400,000	29,470,000	29,470,000	29,470,000

Funding Sources										
Federal Revenue	4000020	20,701,241	28,000,000		29,400,000	29,400,000	29,400,000	29,470,000	29,470,000	29,470,000
Total Funding		20,701,241	28,000,000		29,400,000	29,400,000	29,400,000	29,470,000	29,470,000	29,470,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		20,701,241	28,000,000		29,400,000	29,400,000	29,400,000	29,470,000	29,470,000	29,470,000

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 request for this appropriation is \$12,000 each year of the biennium.

The Agency Change Level request is for \$12,000 each year due to increasing caseloads within the State.

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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	11,259	12,000	12,000	24,000	24,000	24,000	24,000	24,000	24,000
Total		11,259	12,000	12,000	24,000	24,000	24,000	24,000	24,000	24,000

Funding Sources										
Federal Revenue	4000020	11,259	12,000		24,000	24,000	24,000	24,000	24,000	24,000
Total Funding		11,259	12,000		24,000	24,000	24,000	24,000	24,000	24,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		11,259	12,000		24,000	24,000	24,000	24,000	24,000	24,000

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 2011 is 19,135. Funding for this appropriation is 100% federal.

The Agency Base Level request for this appropriation is \$2,506,500 each year of the biennium.

The Agency Change Level request is for \$125,325 in FY2016 and \$131,591 in FY2017 for projected increases in federal funding during the biennium.

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	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	2,400,301	2,506,500	2,846,487	2,631,825	2,631,825	2,631,825	2,638,091	2,638,091	2,638,091
Total	2,400,301	2,506,500	2,846,487	2,631,825	2,631,825	2,631,825	2,638,091	2,638,091	2,638,091

Funding Sources									
Federal Revenue 4000020	2,400,301	2,506,500		2,631,825	2,631,825	2,631,825	2,638,091	2,638,091	2,638,091
Total Funding	2,400,301	2,506,500		2,631,825	2,631,825	2,631,825	2,638,091	2,638,091	2,638,091
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	2,400,301	2,506,500		2,631,825	2,631,825	2,631,825	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 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	995,113	995,113	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	995,113	995,113

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

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 Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

The Agency Base Level and total request for this appropriation is \$2,884,501 in FY2016 and \$2,885,980 in FY2017 with 60 budgeted Base Level positions.

The Executive Recommendation provides for the Agency Request.

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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	1,424,329	1,801,942	1,811,220	1,814,589	1,814,589	1,814,589	1,815,789	1,815,789	1,815,789
#Positions		51	60	60	60	60	60	60	60	60
Personal Services Matching	5010003	628,267	713,979	715,773	724,117	724,117	724,117	724,396	724,396	724,396
Operating Expenses	5020002	82,482	295,795	295,795	295,795	295,795	295,795	295,795	295,795	295,795
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
Data Processing Services	5900044	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total		2,135,078	2,861,716	2,872,788	2,884,501	2,884,501	2,884,501	2,885,980	2,885,980	2,885,980
Funding Sources										
Federal Revenue	4000020	1,067,539	1,430,858		1,442,251	1,442,251	1,442,251	1,442,990	1,442,990	1,442,990
Tobacco Settlement	4000495	1,067,539	1,430,858		1,442,250	1,442,250	1,442,250	1,442,990	1,442,990	1,442,990
Total Funding		2,135,078	2,861,716		2,884,501	2,884,501	2,884,501	2,885,980	2,885,980	2,885,980
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,135,078	2,861,716		2,884,501	2,884,501	2,884,501	2,885,980	2,885,980	2,885,980

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-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 reevaluations 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 Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

The Agency Base Level request for this appropriation is \$124,309,706 in FY2016 and \$124,381,796 in FY2017 with general revenue of \$48,152,413 in FY2016 and \$48,180,337 in FY2017 and 1,876 budgeted Base Level positions.

The Agency Change Level request for this appropriation is \$2,544,096 in FY2016 and \$1,875,426 in FY2017, which includes general revenue requests above Base Level of \$1,234,558 in FY2016 and \$899,673 in FY2017. The following delineates the agency request:

- Regular Salaries and Personal Services Matching of (\$213,505) each year for the transfer of five (5) positions to other DHS Divisions to improve DHS security and delivery of services. (\$106,753) of this transfer each year is general revenue.
- Operating Expenses of \$1,479,021 in FY2016 and \$689,061 in FY2017 for increases in postage, mailing, county office leases, increasing information technology costs, and the relocation of county offices in Polk, Jackson and Jefferson counties. Of this request, \$739,511 in FY2016 and \$344,531 in FY2017 is new general revenue. This request can be found in the Agency's Information Technology Plan.
- Professional Fees of \$254,980 in FY2016 and \$361,270 in FY2017 to cover increased costs of contracts for SNAP client services and the EBT system which issues benefits for SNAP and TEA in Arkansas. \$100,000 in FY2016 and \$152,595 in FY2017 of this request is for new general revenue. This request can be found in the Agency's Information Technology Plan.
- Capital Outlay of \$20,000 each year of the biennium for the replacement of one (1) vehicle each year.
- Data Processing Services of \$1,003,600 in FY2016 and \$1,018,600 in FY2017 for costs associated with the SNAP portion of the new Eligibility and Enrollment System and for increasing information technology costs. \$501,800 in FY2016 and \$509,300 in FY2017 of this request is for new general revenue. This request can be found in the Agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request, to include the position and general revenue transfers to other DHS Divisions, with no new general revenue funding. The Executive Recommendation provides for the Agency Request for Capital Outlay 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	60,086,188	61,558,689	63,108,743	62,016,991	62,016,991	62,016,991	62,075,491	62,075,491	62,075,491
#Positions		1,871	1,876	1,876	1,871	1,871	1,871	1,871	1,871	1,871
Extra Help	5010001	266,740	390,052	390,052	390,052	390,052	390,052	390,052	390,052	390,052
#Extra Help		31	37	37	37	37	37	37	37	37
Personal Services Matching	5010003	23,327,958	23,575,083	23,924,815	23,881,726	23,881,726	23,881,726	23,895,316	23,895,316	23,895,316
Overtime	5010006	1,176	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Operating Expenses	5020002	21,889,618	23,402,003	23,402,003	24,881,024	24,881,024	24,881,024	24,091,064	24,091,064	24,091,064
Conference & Travel Expenses	5050009	102,540	172,081	172,081	172,081	172,081	172,081	172,081	172,081	172,081
Professional Fees	5060010	5,176,097	6,138,465	6,138,465	6,393,445	6,393,445	6,393,445	6,499,735	6,499,735	6,499,735
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	34,411	172,400	2,400	20,000	20,000	20,000	20,000	20,000	20,000
Data Processing Services	5900044	5,231,319	8,069,883	8,069,883	9,073,483	9,073,483	9,073,483	9,088,483	9,088,483	9,088,483
Total		116,116,047	123,503,656	125,233,442	126,853,802	126,853,802	126,853,802	126,257,222	126,257,222	126,257,222

Funding Sources										
General Revenue	4000010	47,584,407	47,840,182		49,386,971	48,045,660	48,045,660	49,080,010	48,073,584	48,073,584
Federal Revenue	4000020	61,323,852	63,381,999		65,105,201	64,486,991	64,486,991	64,808,413	64,129,288	64,129,288
Transfer to Medicaid Match	4000660	(66,238)	0		0	0	0	0	0	0
Various Program Support	4000730	7,274,026	12,281,475		12,361,630	12,361,630	12,361,630	12,368,799	12,368,799	12,368,799
Total Funding		116,116,047	123,503,656		126,853,802	124,894,281	124,894,281	126,257,222	124,571,671	124,571,671
Excess Appropriation/(Funding)		0	0		0	1,959,521	1,959,521	0	1,685,551	1,685,551
Grand Total		116,116,047	123,503,656		126,853,802	126,853,802	126,853,802	126,257,222	126,257,222	126,257,222

FY15 Budget in Capital Outlay exceeds Authorized 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 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 Agency Base Level request for this appropriation is \$14,637,000 each year of the biennium.

The Agency Change Level request is for \$3,640,650 each year of the biennium 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
TANF Block Grant	5100004	13,535,934	14,637,000	21,818,070	18,277,650	18,277,650	18,277,650	18,277,650	18,277,650	18,277,650
Total		13,535,934	14,637,000	21,818,070	18,277,650	18,277,650	18,277,650	18,277,650	18,277,650	18,277,650

Funding Sources										
Federal Revenue	4000020	12,940,225	14,637,000		14,637,000	14,637,000	14,637,000	14,637,000	14,637,000	14,637,000
Transfer From DWS	4000527	549,800	0		0	0	0	0	0	0
Various Program Support	4000730	45,909	0		0	0	0	0	0	0
Total Funding		13,535,934	14,637,000		14,637,000	14,637,000	14,637,000	14,637,000	14,637,000	14,637,000
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		13,535,934	14,637,000		18,277,650	18,277,650	18,277,650	18,277,650	18,277,650	18,277,650

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 ABAWD (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).

The Agency Base Level and total request for the Supplemental Nutrition Assistance Program line item is \$343,235 each year of the biennium with general revenue of \$150,000 each year.

The Agency Base Level request for the Community Services Block Grant line item is \$9,298,386 each year of the biennium with general revenue of \$3,439 each year.

The Agency Change Level request for the Community Services Block Grant line item is \$461,676 in FY2016 and \$484,760 in FY2017 in appropriation only to provide for a 5% increase in grants for services to low-income persons to help them become more independent.

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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Community Srvs. Block Grant	5100004	8,451,714	9,298,386	9,137,390	9,760,062	9,760,062	9,760,062	9,783,146	9,783,146	9,783,146
Suppl Nutrition Assist(SNAP)	5100004	175,529	343,235	343,235	343,235	343,235	343,235	343,235	343,235	343,235
Total		8,627,243	9,641,621	9,480,625	10,103,297	10,103,297	10,103,297	10,126,381	10,126,381	10,126,381

Funding Sources										
General Revenue	4000010	91,198	153,439		153,439	153,439	153,439	153,439	153,439	153,439
Federal Revenue	4000020	8,536,045	9,488,182		9,949,858	9,949,858	9,949,858	9,972,942	9,972,942	9,972,942
Total Funding		8,627,243	9,641,621		10,103,297	10,103,297	10,103,297	10,126,381	10,126,381	10,126,381
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		8,627,243	9,641,621		10,103,297	10,103,297	10,103,297	10,126,381	10,126,381	10,126,381

FY15 Budget in Community Srvs. Block Grant exceeds Authorized by authority of Reallocation of Resources.

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 Agency Base Level and total request for this appropriation is \$291,300 each year of the biennium.

The Executive Recommendation provides for the Agency Request. 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	12,742	281,810	165,510	281,810	281,810	281,810	281,810	281,810	281,810
Conference & Travel Expenses	5050009	5,645	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	0	0	0	0	0	0	0	0	0
Total		18,387	291,300	175,000	291,300	291,300	291,300	291,300	291,300	291,300
Funding Sources										
Cash Fund	4000045	18,387	291,300		291,300	291,300	291,300	291,300	291,300	291,300
Total Funding		18,387	291,300		291,300	291,300	291,300	291,300	291,300	291,300
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		18,387	291,300		291,300	291,300	291,300	291,300	291,300	291,300

FY15 Budget in Operating Expenses exceeds Authorized by authority of Reallocation of Resources.

Expenditure of appropriation is contingent upon available funding.