

**State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2023**

None

# Department Appropriation Summary

## Historical Data

## Agency Request and Recommendations

| Appropriation                           | 2022-2023          |              | 2023-2024          |              | 2023-2024          |              | 2024-2025                  |              |                    |              |                          |              |
|---|--------------------|--------------|--------------------|--------------|--------------------|--------------|----------------------------|--------------|--------------------|--------------|--------------------------|--------------|
|   | Actual             | Pos          | Budget             | Pos          | Authorized         | Pos          | Legislative Recommendation | Pos          | Agency Request     | Pos          | Executive Recommendation | Pos          |
| 396 City-Aid To Aged, Blind, Disabled   | 0                  | 0            | 4,000              | 0            | 4,000              | 0            | 4,000                      | 0            | 4,000              | 0            | 4,000                    | 0            |
| 412 Cty-Refugee Resettlement Program    | 16,353             | 0            | 272,846            | 0            | 272,846            | 0            | 272,846                    | 0            | 12,000             | 0            | 272,846                  | 0            |
| 426 Cty-Homeless Assistance Grant       | 7,686,288          | 0            | 12,998,834         | 0            | 6,588,566          | 0            | 6,588,566                  | 0            | 2,638,091          | 0            | 6,588,566                | 0            |
| 59H Hunger Coalition                    | 995,113            | 0            | 995,113            | 0            | 995,113            | 0            | 995,113                    | 0            | 995,113            | 0            | 995,113                  | 0            |
| 642 Medicaid Expansion-County Ops       | 2,212,479          | 40           | 2,599,822          | 40           | 2,599,822          | 40           | 2,629,692                  | 40           | 2,629,692          | 40           | 2,629,692                | 40           |
| 896 Division of County Operations       | 159,720,528        | 1,745        | 164,555,471        | 1,736        | 166,255,578        | 1,794        | 167,539,634                | 1,794        | 164,699,964        | 1,795        | 167,539,634              | 1,794        |
| 897 TANF Block Grant                    | 1,921,713          | 0            | 6,893,484          | 0            | 6,893,484          | 0            | 6,893,484                  | 0            | 6,893,484          | 0            | 6,893,484                | 0            |
| 898 Community Svcs. Block Grant         | 14,684,019         | 0            | 10,567,165         | 0            | 10,567,165         | 0            | 10,567,165                 | 0            | 8,283,146          | 0            | 10,567,165               | 0            |
| 898 Supplemental Nutrition Assist(SNAP) | 1,473,657          | 0            | 3,578,070          | 0            | 1,975,185          | 0            | 1,975,185                  | 0            | 841,298            | 0            | 1,975,185                | 0            |
| <b>NOT REQUESTED FOR THE BIENNIUM</b>   |                    |              |                    |              |                    |              |                            |              |                    |              |                          |              |
| AL2 ARPA – SNAP Admin                   | 6,053,488          | 0            | 0                  | 0            | 0                  | 0            | 0                          | 0            | 0                  | 0            | 0                        | 0            |
| E73 Emergency Rental Assistance         | 1,474,994          | 1            | 24,299,223         | 0            | 0                  | 0            | 0                          | 0            | 0                  | 0            | 0                        | 0            |
| <b>Total</b>                            | <b>196,238,632</b> | <b>1,786</b> | <b>226,764,028</b> | <b>1,776</b> | <b>196,151,759</b> | <b>1,834</b> | <b>197,465,685</b>         | <b>1,834</b> | <b>186,996,788</b> | <b>1,835</b> | <b>197,465,685</b>       | <b>1,834</b> |

| Funding Sources                |         | %                  |              | %                  |              | %                  |              | %                  |              | %                  |              |
|--------------------------------|---------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
| Fund Balance                   | 4000005 | 4,625,833          | 2.3          | 3,542,067          | 1.5          | 3,798,373          | 1.9          | 3,798,373          | 2.0          | 3,798,373          | 1.9          |
| General Revenue                | 4000010 | 52,641,104         | 26.3         | 53,957,018         | 23.4         | 54,057,377         | 26.7         | 54,057,377         | 28.1         | 54,057,377         | 26.7         |
| Federal Revenue                | 4000020 | 122,994,967        | 61.6         | 150,547,059        | 65.3         | 122,186,015        | 60.2         | 111,717,118        | 58.1         | 122,186,015        | 60.2         |
| Performance Fund               | 4000055 | 0                  | 0.0          | 692,745            | 0.3          | 0                  | 0.0          | 0                  | 0.0          | 0                  | 0.0          |
| Reallocation of Resources      | 4000410 | 1,333,299          | 0.7          | 0                  | 0.0          | 0                  | 0.0          | 0                  | 0.0          | 0                  | 0.0          |
| TANF Transfer                  | 4000478 | 1,925,602          | 1.0          | 6,893,484          | 3.0          | 6,893,484          | 3.4          | 6,893,484          | 3.6          | 6,893,484          | 3.4          |
| Tobacco Settlement             | 4000495 | 596,394            | 0.3          | 649,955            | 0.3          | 657,423            | 0.3          | 657,423            | 0.3          | 657,423            | 0.3          |
| Various Program Support        | 4000730 | 15,663,500         | 7.8          | 14,280,073         | 6.2          | 15,230,040         | 7.5          | 15,230,040         | 7.9          | 15,230,040         | 7.5          |
| <b>Total Funds</b>             |         | <b>199,780,699</b> | <b>100.0</b> | <b>230,562,401</b> | <b>100.0</b> | <b>202,822,712</b> | <b>100.0</b> | <b>192,353,815</b> | <b>100.0</b> | <b>202,822,712</b> | <b>100.0</b> |
| Excess Appropriation/(Funding) |         | (3,542,067)        |              | (3,798,373)        |              | (5,357,027)        |              | (5,357,027)        |              | (5,357,027)        |              |
| <b>Grand Total</b>             |         | <b>196,238,632</b> |              | <b>226,764,028</b> |              | <b>197,465,685</b> |              | <b>186,996,788</b> |              | <b>197,465,685</b> |              |

Budget exceeds Authorized Appropriation in FC 426 (City Homeless Assistance Grant) due to a transfer from the Miscellaneous Federal Grant Holding Account.

Budget exceeds Authorized Appropriation in FC 898 (Supplemental Nutrition Assist (SNAP)) due to a transfer from the Miscellaneous Federal Grant Holding Account.

Budget exceeds Authorized Appropriation in FC E73 (Emergency Rental Assistance) due to a transfer from the Miscellaneous Federal Grant Holding Account.

## **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 Ark. Code Ann. § 19-5-306(10)(A)(iii).

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

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

**Funding Sources:** DGF - DHS Grants Fund

| Appropriation                  | 2022-2023 | 2023-2024 | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|-----------|-----------|------------|----------------------------|----------------|--------------------------|
|                                | Actual    | Budget    | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| Grants and Aid 5100004         | 0         | 4,000     | 4,000      | 4,000                      | 4,000          | 4,000                    |
| <b>Total</b>                   | 0         | 4,000     | 4,000      | 4,000                      | 4,000          | 4,000                    |
| <b>Funding Sources</b>         |           |           |            |                            |                |                          |
| General Revenue 4000010        | 0         | 4,000     |            | 4,000                      | 4,000          | 4,000                    |
| <b>Total Funding</b>           | 0         | 4,000     |            | 4,000                      | 4,000          | 4,000                    |
| Excess Appropriation/(Funding) | 0         | 0         |            | 0                          | 0              | 0                        |
| <b>Grand Total</b>             | 0         | 4,000     |            | 4,000                      | 4,000          | 4,000                    |

## **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 Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 412 - Cty-Refugee Resettlement Program

**Funding Sources:** FWF - DHS Federal

| Appropriation                  |         | 2022-2023 | 2023-2024 | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|---------|-----------|-----------|------------|----------------------------|----------------|--------------------------|
|                                |         | Actual    | Budget    | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| Grants and Aid                 | 5100004 | 16,353    | 272,846   | 272,846    | 272,846                    | 12,000         | 272,846                  |
| <b>Total</b>                   |         | 16,353    | 272,846   | 272,846    | 272,846                    | 12,000         | 272,846                  |
| Funding Sources                |         |           |           |            |                            |                |                          |
| Fund Balance                   | 4000005 | 112,049   | 102,590   |            | 102,590                    | 102,590        | 102,590                  |
| Federal Revenue                | 4000020 | 6,894     | 272,846   |            | 272,846                    | 12,000         | 272,846                  |
| <b>Total Funding</b>           |         | 118,943   | 375,436   |            | 375,436                    | 114,590        | 375,436                  |
| Excess Appropriation/(Funding) |         | (102,590) | (102,590) |            | (102,590)                  | (102,590)      | (102,590)                |
| <b>Grand Total</b>             |         | 16,353    | 272,846   |            | 272,846                    | 12,000         | 272,846                  |

## **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.

Funding for this appropriation is 100% federal. 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 Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 426 - Cty-Homeless Assistance Grant

**Funding Sources:** FWF - DHS Federal

| Appropriation                  | 2022-2023        | 2023-2024         | 2023-2024        | 2024-2025                  |                  |                          |
|--------------------------------|------------------|-------------------|------------------|----------------------------|------------------|--------------------------|
|                                | Actual           | Budget            | Authorized       | Legislative Recommendation | Agency Request   | Executive Recommendation |
| Grants and Aid 5100004         | 7,686,288        | 12,998,834        | 6,588,566        | 6,588,566                  | 2,638,091        | 6,588,566                |
| <b>Total</b>                   | <b>7,686,288</b> | <b>12,998,834</b> | <b>6,588,566</b> | <b>6,588,566</b>           | <b>2,638,091</b> | <b>6,588,566</b>         |
| Funding Sources                |                  |                   |                  |                            |                  |                          |
| Fund Balance 4000005           | 170,210          | 150,977           |                  | 150,977                    | 150,977          | 150,977                  |
| Federal Revenue 4000020        | 7,667,055        | 12,998,834        |                  | 6,588,566                  | 2,638,091        | 6,588,566                |
| <b>Total Funding</b>           | <b>7,837,265</b> | <b>13,149,811</b> |                  | <b>6,739,543</b>           | <b>2,789,068</b> | <b>6,739,543</b>         |
| Excess Appropriation/(Funding) | (150,977)        | (150,977)         |                  | (150,977)                  | (150,977)        | (150,977)                |
| <b>Grand Total</b>             | <b>7,686,288</b> | <b>12,998,834</b> |                  | <b>6,588,566</b>           | <b>2,638,091</b> | <b>6,588,566</b>         |

Budget exceeds Authorized Appropriation in Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

## **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 to purchase Arkansas products through the State Food Purchasing Program.

Funding for this appropriation is 100% general revenue.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 59H - Hunger Coalition

**Funding Sources:** DCO - County Operations Account

| Appropriation                  | 2022-2023 | 2023-2024 | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|-----------|-----------|------------|----------------------------|----------------|--------------------------|
|                                | Actual    | Budget    | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| Grants and Aid 5100004         | 995,113   | 995,113   | 995,113    | 995,113                    | 995,113        | 995,113                  |
| <b>Total</b>                   | 995,113   | 995,113   | 995,113    | 995,113                    | 995,113        | 995,113                  |
| <b>Funding Sources</b>         |           |           |            |                            |                |                          |
| General Revenue 4000010        | 995,113   | 995,113   |            | 995,113                    | 995,113        | 995,113                  |
| <b>Total Funding</b>           | 995,113   | 995,113   |            | 995,113                    | 995,113        | 995,113                  |
| Excess Appropriation/(Funding) | 0         | 0         |            | 0                          | 0              | 0                        |
| <b>Grand Total</b>             | 995,113   | 995,113   |            | 995,113                    | 995,113        | 995,113                  |

## **Analysis of Budget Request**

**Appropriation:** 642 - Medicaid Tobacco Settlement Program

**Funding Sources:** PTA - Medicaid Expansion Program Account

The goal of the Medicaid Expansion program is to create a separate and distinct component of the Arkansas Medicaid Program that improves the health of Arkansans by expanding health care coverage and benefits to specific populations. The Tobacco Settlement Funds are utilized to expand Medicaid coverage to the following eligibility groups:

- Pregnant Women Expansion - Increased the income eligibility limit from 133% to 214% of the Federal poverty level.
- Hospital Benefit Coverage - Increased the number of benefit days from 20 to 24 and decreased the co-pay on the first day of hospitalization from 22% to 10%.
- 65 and Over Expansion (AR Senior) - Increased coverage to the 65 and over population for persons at 80% of the Qualified Medicare Beneficiary (QMB) Level effective January 1, 2003.
- Adults and Children with intellectual and developmental disabilities - Expanded medical assistance, home and community-based services, and employment supports for those who qualify for services in the Community and Employment Support Waiver.

This appropriation is funded by federal and tobacco settlement funds.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 642 - Medicaid Tobacco Settlement Program

**Funding Sources:** PTA - Medicaid Expansion Program Account

| Appropriation                  |                   | 2022-2023        | 2023-2024        | 2023-2024        | 2024-2025                  |                  |                          |
|--------------------------------|-------------------|------------------|------------------|------------------|----------------------------|------------------|--------------------------|
|                                |                   | Actual           | Budget           | Authorized       | Legislative Recommendation | Agency Request   | Executive Recommendation |
| Regular Salaries               | 5010000           | 1,586,039        | 1,702,411        | 1,675,081        | 1,677,881                  | 1,677,881        | 1,677,881                |
|                                | <b>#Positions</b> | <b>40</b>        | <b>40</b>        | <b>40</b>        | <b>40</b>                  | <b>40</b>        | <b>40</b>                |
| Personal Services Matching     | 5010003           | 622,695          | 672,840          | 677,544          | 704,614                    | 704,614          | 704,614                  |
| Operating Expenses             | 5020002           | 3,745            | 174,571          | 197,197          | 197,197                    | 197,197          | 197,197                  |
| Conference & Travel Expenses   | 5050009           | 0                | 0                | 0                | 0                          | 0                | 0                        |
| Professional Fees              | 5060010           | 0                | 0                | 0                | 0                          | 0                | 0                        |
| Data Processing                | 5090012           | 0                | 0                | 0                | 0                          | 0                | 0                        |
| Capital Outlay                 | 5120011           | 0                | 0                | 0                | 0                          | 0                | 0                        |
| Data Processing Services       | 5900044           | 0                | 50,000           | 50,000           | 50,000                     | 50,000           | 50,000                   |
| <b>Total</b>                   |                   | <b>2,212,479</b> | <b>2,599,822</b> | <b>2,599,822</b> | <b>2,629,692</b>           | <b>2,629,692</b> | <b>2,629,692</b>         |
| <b>Funding Sources</b>         |                   |                  |                  |                  |                            |                  |                          |
| Fund Balance                   | 4000005           | 401,919          | 577,124          |                  | 577,124                    | 577,124          | 577,124                  |
| Federal Revenue                | 4000020           | 1,788,754        | 1,949,867        |                  | 1,972,269                  | 1,972,269        | 1,972,269                |
| Tobacco Settlement             | 4000495           | 596,394          | 649,955          |                  | 657,423                    | 657,423          | 657,423                  |
| Various Program Support        | 4000730           | 2,536            | 0                |                  | 0                          | 0                | 0                        |
| <b>Total Funding</b>           |                   | <b>2,789,603</b> | <b>3,176,946</b> |                  | <b>3,206,816</b>           | <b>3,206,816</b> | <b>3,206,816</b>         |
| Excess Appropriation/(Funding) |                   | (577,124)        | (577,124)        |                  | (577,124)                  | (577,124)        | (577,124)                |
| <b>Grand Total</b>             |                   | <b>2,212,479</b> | <b>2,599,822</b> |                  | <b>2,629,692</b>           | <b>2,629,692</b> | <b>2,629,692</b>         |

The FY24 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during fiscal year 2024.

## **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 Ark. Code Ann. § 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 81<sup>st</sup> 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 85<sup>th</sup> 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-six (86) county offices in the 75 counties. 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 through local organizations include the Community Services Block Grant; Energy 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 revenue 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.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 896 - DHS--Admin Paying Account

**Funding Sources:** PWP - Administration Paying

| Appropriation                |                    | 2022-2023          | 2023-2024          | 2023-2024          | 2024-2025                  |                    |                          |
|------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------------|--------------------|--------------------------|
|                              |                    | Actual             | Budget             | Authorized         | Legislative Recommendation | Agency Request     | Executive Recommendation |
| Regular Salaries             | 5010000            | 75,878,535         | 77,179,386         | 77,807,062         | 77,887,262                 | 77,887,262         | 77,887,262               |
|                              | <b>#Positions</b>  | <b>1,745</b>       | <b>1,736</b>       | <b>1,794</b>       | <b>1,794</b>               | <b>1,795</b>       | <b>1,794</b>             |
| Extra Help                   | 5010001            | 640,280            | 503,937            | 503,937            | 503,937                    | 503,937            | 503,937                  |
|                              | <b>#Extra Help</b> | <b>33</b>          | <b>37</b>          | <b>37</b>          | <b>37</b>                  | <b>37</b>          | <b>37</b>                |
| Personal Services Matching   | 5010003            | 28,631,039         | 30,035,933         | 31,108,364         | 32,312,220                 | 32,312,220         | 32,312,220               |
| Overtime                     | 5010006            | 686                | 125,000            | 125,000            | 125,000                    | 125,000            | 125,000                  |
| Operating Expenses           | 5020002            | 22,911,598         | 25,778,976         | 25,778,976         | 25,778,976                 | 25,505,160         | 25,778,976               |
| Conference & Travel Expenses | 5050009            | 63,577             | 124,000            | 124,000            | 124,000                    | 110,000            | 124,000                  |
| Professional Fees            | 5060010            | 11,258,915         | 12,079,291         | 12,079,291         | 12,079,291                 | 9,707,437          | 12,079,291               |
| Data Processing              | 5090012            | 0                  | 0                  | 0                  | 0                          | 0                  | 0                        |
| Capital Outlay               | 5120011            | 60,826             | 0                  | 0                  | 0                          | 0                  | 0                        |
| Data Processing Services     | 5900044            | 20,275,072         | 18,728,948         | 18,728,948         | 18,728,948                 | 18,548,948         | 18,728,948               |
| <b>Total</b>                 |                    | <b>159,720,528</b> | <b>164,555,471</b> | <b>166,255,578</b> | <b>167,539,634</b>         | <b>164,699,964</b> | <b>167,539,634</b>       |

| Funding Sources                |         |                    |                    |  |                    |                    |
|--------------------------------|---------|--------------------|--------------------|--|--------------------|--------------------|
| Fund Balance                   | 4000005 | 2,550,004          | 1,017,070          |  | 1,273,376          | 1,273,376          |
| General Revenue                | 4000010 | 51,388,980         | 52,595,738         |  | 52,889,354         | 52,889,354         |
| Federal Revenue                | 4000020 | 90,024,112         | 97,243,221         |  | 100,978,894        | 100,978,894        |
| Performance Fund               | 4000055 | 0                  | 692,745            |  | 0                  | 0                  |
| Reallocation of Resources      | 4000410 | 1,333,299          | 0                  |  | 0                  | 0                  |
| Various Program Support        | 4000730 | 15,441,203         | 14,280,073         |  | 15,230,040         | 15,230,040         |
| <b>Total Funding</b>           |         | <b>160,737,598</b> | <b>165,828,847</b> |  | <b>170,371,664</b> | <b>167,531,994</b> |
| Excess Appropriation/(Funding) |         | (1,017,070)        | (1,273,376)        |  | (2,832,030)        | (2,832,030)        |
| <b>Grand Total</b>             |         | <b>159,720,528</b> | <b>164,555,471</b> |  | <b>167,539,634</b> | <b>164,699,964</b> |

## **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 81<sup>st</sup> 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 Ark. Code Ann. § 19-5-306(10)(A) (iv) and general revenue fund transfers from the Division of Workforce Services as authorized in Section 27 of Act 770 of 2021.

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## Appropriation Summary

**Appropriation:** 897 - DHS-Grants Paying Account

**Funding Sources:** PWD - Grants Paying

| Appropriation                  |         | 2022-2023 | 2023-2024 | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|---------|-----------|-----------|------------|----------------------------|----------------|--------------------------|
|                                |         | Actual    | Budget    | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| TANF Block Grant               | 5100004 | 1,921,713 | 6,893,484 | 6,893,484  | 6,893,484                  | 6,893,484      | 6,893,484                |
| Total                          |         | 1,921,713 | 6,893,484 | 6,893,484  | 6,893,484                  | 6,893,484      | 6,893,484                |
| Funding Sources                |         |           |           |            |                            |                |                          |
| Fund Balance                   | 4000005 | 850,916   | 855,975   |            | 855,975                    | 855,975        | 855,975                  |
| TANF Transfer                  | 4000478 | 1,925,602 | 6,893,484 |            | 6,893,484                  | 6,893,484      | 6,893,484                |
| Various Program Support        | 4000730 | 1,170     | 0         |            | 0                          | 0              | 0                        |
| Total Funding                  |         | 2,777,688 | 7,749,459 |            | 7,749,459                  | 7,749,459      | 7,749,459                |
| Excess Appropriation/(Funding) |         | (855,975) | (855,975) |            | (855,975)                  | (855,975)      | (855,975)                |
| Grand Total                    |         | 1,921,713 | 6,893,484 |            | 6,893,484                  | 6,893,484      | 6,893,484                |

## 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.

**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 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 revenues including Community Services Block Grant, U. S. Department of Health and Human Services, Administration for Children and Families, Social Services Block Grant (SSBG) funds, USDA funds and general revenue from the Department of Human Services Grants Fund Account (DGF-DHS Grants Fund) as authorized in Ark. Code Ann. § 19-5-306(10)(A)(ii) and § 19-5-306(10)(A)(xi).

The Agency Request reflects the FY25 requests from the 2022 Fall Budget Hearings Summary Manuals. The Legislative Recommendation and Executive Recommendation reflect the FY25 ALC/JBC recommendation from the 2022 Fall Budget Hearings Summary Manuals, any Governor's Letters adopted and member amendments.

## **Appropriation Summary**

**Appropriation:** 898 - DHS-Grants Paying Account

**Funding Sources:** PWE - Grants Paying

| Appropriation                  |         | 2022-2023         | 2023-2024         | 2023-2024         | 2024-2025                  |                  |                          |
|--------------------------------|---------|-------------------|-------------------|-------------------|----------------------------|------------------|--------------------------|
|                                |         | Actual            | Budget            | Authorized        | Legislative Recommendation | Agency Request   | Executive Recommendation |
| Suppl Nutrition Assist(SNAP)   | 5100004 | 1,473,657         | 3,578,070         | 1,975,185         | 1,975,185                  | 841,298          | 1,975,185                |
| Community Srvs. Block Grant    | 5100004 | 14,684,019        | 10,567,165        | 10,567,165        | 10,567,165                 | 8,283,146        | 10,567,165               |
| <b>Total</b>                   |         | <b>16,157,676</b> | <b>14,145,235</b> | <b>12,542,350</b> | <b>12,542,350</b>          | <b>9,124,444</b> | <b>12,542,350</b>        |
| Funding Sources                |         |                   |                   |                   |                            |                  |                          |
| Fund Balance                   | 4000005 | 540,735           | 838,331           |                   | 838,331                    | 838,331          | 838,331                  |
| General Revenue                | 4000010 | 257,011           | 362,167           |                   | 168,910                    | 168,910          | 168,910                  |
| Federal Revenue                | 4000020 | 15,979,670        | 13,783,068        |                   | 12,373,440                 | 8,955,534        | 12,373,440               |
| Various Program Support        | 4000730 | 218,591           | 0                 |                   | 0                          | 0                | 0                        |
| <b>Total Funding</b>           |         | <b>16,996,007</b> | <b>14,983,566</b> |                   | <b>13,380,681</b>          | <b>9,962,775</b> | <b>13,380,681</b>        |
| Excess Appropriation/(Funding) |         | (838,331)         | (838,331)         |                   | (838,331)                  | (838,331)        | (838,331)                |
| <b>Grand Total</b>             |         | <b>16,157,676</b> | <b>14,145,235</b> |                   | <b>12,542,350</b>          | <b>9,124,444</b> | <b>12,542,350</b>        |

Budget exceeds Authorized Appropriation in Supplemental Nutrition Assistance (SNAP) due to a transfer from the Miscellaneous Federal Grant Holding Account.

## Appropriation Summary

**Appropriation:** AL2 - ARPA – SNAP Admin

**Funding Sources:** FRP - American Rescue Plan

| Appropriation                  |         | 2022-2023 | 2023-2024 | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|---------|-----------|-----------|------------|----------------------------|----------------|--------------------------|
|                                |         | Actual    | Budget    | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| Operating Expenses             | 5020002 | 4,575,697 | 0         | 0          | 0                          | 0              | 0                        |
| Data Processing Services       | 5900044 | 1,477,791 | 0         | 0          | 0                          | 0              | 0                        |
| Total                          |         | 6,053,488 | 0         | 0          | 0                          | 0              | 0                        |
| <b>Funding Sources</b>         |         |           |           |            |                            |                |                          |
| Federal Revenue                | 4000020 | 6,053,488 | 0         |            | 0                          | 0              | 0                        |
| Total Funding                  |         | 6,053,488 | 0         |            | 0                          | 0              | 0                        |
| Excess Appropriation/(Funding) |         | 0         | 0         |            | 0                          | 0              | 0                        |
| Grand Total                    |         | 6,053,488 | 0         |            | 0                          | 0              | 0                        |

APPROPRIATION NOT REQUESTED FOR THE 2025 FISCAL YEAR.

This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 40 of Act 796 of 2023, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 796 of 2023.

## Appropriation Summary

**Appropriation:** E73 - Emergency Rental Assistance

**Funding Sources:** FWF - CARES

| Appropriation                  |                    | 2022-2023        | 2023-2024         | 2023-2024  | 2024-2025                  |                |                          |
|--------------------------------|--------------------|------------------|-------------------|------------|----------------------------|----------------|--------------------------|
|                                |                    | Actual           | Budget            | Authorized | Legislative Recommendation | Agency Request | Executive Recommendation |
| Regular Salaries               | 5010000            | 84,894           | 0                 | 0          | 0                          | 0              | 0                        |
|                                | <b>#Positions</b>  | <b>1</b>         | <b>0</b>          | <b>0</b>   | <b>0</b>                   | <b>0</b>       | <b>0</b>                 |
| Extra Help                     | 5010001            | 9,850            | 0                 | 0          | 0                          | 0              | 0                        |
|                                | <b>#Extra Help</b> | <b>1</b>         | <b>0</b>          | <b>0</b>   | <b>0</b>                   | <b>0</b>       | <b>0</b>                 |
| Personal Services Matching     | 5010003            | 23,089           | 0                 | 0          | 0                          | 0              | 0                        |
| Operating Expenses             | 5020002            | 43,301           | 0                 | 0          | 0                          | 0              | 0                        |
| Grants and Aid                 | 5100004            | 1,313,860        | 24,299,223        | 0          | 0                          | 0              | 0                        |
| <b>Total</b>                   |                    | <b>1,474,994</b> | <b>24,299,223</b> | <b>0</b>   | <b>0</b>                   | <b>0</b>       | <b>0</b>                 |
| <b>Funding Sources</b>         |                    |                  |                   |            |                            |                |                          |
| Federal Revenue                | 4000020            | 1,474,994        | 24,299,223        |            | 0                          | 0              | 0                        |
| Total Funding                  |                    | 1,474,994        | 24,299,223        |            | 0                          | 0              | 0                        |
| Excess Appropriation/(Funding) |                    | 0                | 0                 |            | 0                          | 0              | 0                        |
| Grand Total                    |                    | 1,474,994        | 24,299,223        |            | 0                          | 0              | 0                        |

Budget exceeds Authorized Appropriation in Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.  
 APPROPRIATION NOT REQUESTED FOR THE 2025 FISCAL YEAR.