



STATE OF ARKANSAS
**Department of Finance
and Administration**

E

OFFICE OF THE SECRETARY
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April 14, 2026

Senator Kim Hammer, Co-Chair
Representative Aaron Pilkington, Co-Chair
Performance Evaluation & Expenditure Review Committee
Joint Budget Committee
State Capitol Building
Little Rock, AR 72201

RE: Transfer for the Department of Human Services

Dear Co-Chairs:

Enclosed for your review is a request from the Department of Human Services for appropriation transfers for various divisions of the Department under the authority of Section 11(c) of Act 1004 of 2025. This is the second request for Reallocation of Resources for FY2026 from a limit of four requests annually.

This transfer will provide adjustments to the Department of Human Services' authorizations for Fiscal Year 2026 needed for the operational requirements of various divisions within the Department.

This request has my approval as Chief Fiscal Officer of the State and is submitted for your review.

Sincerely,

A handwritten signature in black ink, appearing to be 'JL Hudson', written over a horizontal line.

James L. Hudson
Secretary

Attachments



STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

April 13, 2026

Ms. Janet Mann, Secretary
Department of Human Services
Donaghey Plaza South, Slot #S201
Seventh and Main Streets
Little Rock, AR 72201

Dear Ms. Mann:

In accordance with Section 11(c) of Act 1004 of 2025, I am notifying Jim Hudson, Chief Fiscal Officer of the State, of my approval for you to request the Fiscal Year 2026 transfer items in your letter dated March 31, 2026 providing for the operational needs of various divisions within the Department of Human Services.

Upon the approval of the Chief Fiscal Officer of the State, your requests will be submitted to the PEER Subcommittee of the Joint Budget Committee for review.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Sanders".

Sarah Huckabee Sanders
Governor of Arkansas

Attachment



ARKANSAS
DEPARTMENT OF
**HUMAN
SERVICES**

**DHS Secretary Janet Mann
Office of the Secretary**

P.O. Box 1437, Slot S201, Little Rock, AR 72203-1437
P: 501.682.8650 F: 501.682.6836 TDD: 501.682.8820

March 31, 2026

The Honorable Sarah Huckabee Sanders
Governor
State Capitol, Room 250
Little Rock, AR 72201

Re: Resource Reallocation #2

Dear Governor Sanders,

The Department of Human Services is submitting its second Reallocation of Resources Request for Fiscal Year 2026 for your approval. This request includes appropriation transfers. Justifications for the request are included with the attachments.

Thank you for your assistance. Please contact me if you need additional information.

Sincerely,

A handwritten signature in cursive script that reads 'Janet Mann'.

Janet Mann, Secretary
Arkansas Department of Human Services

JM:ri

cc: Jessica Moore, State Budget Assistant Administrator
DFA – Office of Budget

Andy Babbitt, State Controller
DFA- Office of Accounting

**DHS REALLOCATION OF RESOURCES
REQUEST #2 OF 4
FY2026
April PEER**

This is the second request by the Department of Human Services for Reallocation of Resources, from a limit of four annually. Section 11(c) of Act 1004 of 2025 allows transfer authority to DHS and sets limits for the number of requests, dollar amounts of the total requests, and the purpose for which requests can be submitted.

This set of requests reflects the following impact to the allowances found in Section 11(c):

	MAXIMUM 5% ALLOWANCE	TOTAL REQUEST TO DATE	BALANCE AVAILABLE
Appropriation	\$597,851,505	\$82,211,511.49	\$515,639,993.51
Gen. Rev. Funds	\$92,938,766	\$4,267,149.39	\$88,671,616.61
Positions	409	4	405
Extra Help Pos.	37	0	37

The following paragraphs outline the need for the transfers as requested by each Division.

DIVISION OF CHILDREN AND FAMILY SERVICES

The Division of Children and Family Services (DCFS) is requesting to transfer \$215,000 in appropriation from Professional Fees and Services to Overtime to support Social Services staff to ensure safety, permanency, and well-being of children and youth.

DIVISION OF DEVELOPMENTAL DISABILITIES SERVICES

The Division of Developmental Disabilities Services (DDS) is requesting to transfer \$2,875,000 from Extra Help and Personal Services Matching to Operating Expenses to allow for the payment of expenditures associated with the operations of the five Human Development Centers for food, medical supplies, medicine, and emergency purchases.

DIVISION OF MEDICAL SERVICES

The Division of Medical Services (DMS) is requesting the following appropriation transfers:

- \$58,569,053 from Hospital and Medical Services to Private Nursing Home Care; and
- \$17,470,650 from Hospital and Medical Services to Public Nursing Home Care due to an increased number of clients and rates in nursing home settings.

DIVISION OF YOUTH SERVICES

The Division of Youth Services (DYS) is requesting the following appropriation transfers:

- \$1,000 from Overtime to Extra Help to provide for additional extra help spend being incurred while DYS backfills education positions.
- \$2,900,000 from Federal Child and Youth Service Grants to Residential Services to ensure the ability to pay obligations through the end of the Fiscal Year while more youth are being served.

**DEPARTMENT OF HUMAN SERVICES
TRANSFER REQUEST SUMMARY
FISCAL YEAR 2026**

	<u>CABINET</u>	<u>SECRETARY'S OFFICE</u>	<u>AGING, ADULT & BEHAVIORAL SERVICES</u>	<u>CHILDREN & FAMILY SERVICES</u>	<u>COUNTY OPERATIONS</u>	<u>DEV. DISABILITIES SERVICES</u>	<u>MEDICAL SERVICES</u>	<u>PROVIDER SRVS & QUALITY ASSURANCE</u>	<u>YOUTH SERVICES</u>	<u>TOTAL</u>
APPROPRIATION TRANSFERS										
A. WITHIN DIVISIONS										
REGULAR SALARIES										-
EXTRA HELP						(2,100,000.00)			1,000.00	(2,099,000.00)
PERSONAL SERVICES MATCHING						(775,000.00)				(775,000.00)
OVERTIME				215,000.00					(1,000.00)	214,000.00
OPERATING EXPENSE						2,875,000.00				2,875,000.00
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES				(215,000.00)						(215,000.00)
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES										-
DMS HOSPITAL/MEDICAL							(76,039,703.00)			(76,039,703.00)
DMS PUBLIC NURSING HOME							17,470,650.00			17,470,650.00
DMS PRIVATE NURSING HOME							58,569,053.00			58,569,053.00
DYS RESIDENTIAL SERVICES									2,900,000.00	2,900,000.00
DYS FEDERAL CHILD AND YOUTH SERVICE GRANTS									(2,900,000.00)	(2,900,000.00)
										-
A. TOTAL	-	-	-	-	-	-	-	-	-	-
B. BETWEEN DIVISIONS										
REGULAR SALARIES										-
EXTRA HELP										-
PERSONAL SERVICES MATCHING										-
OVERTIME										-
OPERATING EXPENSE										-
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES										-
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES										-
										-
B. TOTAL	-	-	-	-	-	-	-	-	-	-
FUND TRANSFERS										
GENERAL REVENUE-OPERATIONS										-
DAS FUND										-
DCF FUND										-
DBA FUND										-
DCO FUND										-
DEA FUND										-
DPQ FUND										-
DYS FUND										-
DEM FUND										-
DGF FUND										-
										-
TOTAL FUND TRANSFERS	-	-	-	-	-	-	-	-	-	-
POSITION TRANSFERS										
TRANSFERS OUT	0	0	0	0	0	0	0	0	0	0
TRANSFERS IN	0	0	0	0	0	0	0	0	0	0
TOTAL POSITION TRANSFERS	0	0	0	0	0	0	0	0	0	0
EXTRA HELP POSITION TRANSFERS										
TRANSFERS OUT	0	0	0	0	0	0	0	0	0	0
TRANSFERS IN	0	0	0	0	0	0	0	0	0	0
TOTAL POSITION TRANSFERS	0	0	0	0	0	0	0	0	0	0

TRANSFER 2 OF 4
Authority-Section 11(c), Act 1004 of 2025

**Department of Human Services
 Division of Children and Family Services
 Reallocation of Resources Request Detail - Fiscal Year 2026**

Appropriations									
FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr		
896	506:00:10	PWP2500	3	896	501:00:06	PWP2500	3	\$ 215,000	vii. Redirecting internal resources

Funds					
FROM		TO		Amount	Type
Fund	Division	FUND	Division		
					vii. Redirecting internal resources

\$ -

Positions						
FROM	Position			To:	New Position	Type
Division	Number	Code	Title	Division	Number <small>(assigned by OPM)</small>	
						VII: Redirecting internal resources

**Department of Human Services
Division of Children and Family Services
Reallocation of Resources Request Detail - Fiscal Year 2026**

Justification:

Appropriations:
vii: DCFS is requesting the transfer appropriation in Commitment Item 10 to Commitment Item 06 for \$215,000 for Social Service staff who are working overtime to ensure safety, permanency and well-being of children and youth

Funds:

Positions
Recipient Division (To Transfers):

Prepared by:
Melissa Everhart 3/24/26
Melissa Everhart
CFO (Date)

Submitted by:
Tiffany Wright 3/23/26
Tiffany Wright
Director (Date)

**Department of Human Services
 Division of Developmental Disabilities Services
 Reallocation of Resources Request #2 Detail - Fiscal Year 2026**

Appropriations				FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr	Amount	Type				
896	501:00:01	PWP5500	B	896	502:00:02	PWP5500	B	2,100,000	vii. Redirecting internal resources				
896	501:00:03	PWP5500	B	896	502:00:02	PWP5500	B	775,000	vii. Redirecting internal resources				

Funds					
FROM		TO		Amount	Type
Fund	Division	FUND	Division	Amount	Type

Positions						
FROM	Position			To:	New Position	Type
Division	Number	Code	Title	Division	Number <small>(assigned by OPM)</small>	Type

Department of Human Services
Division of Developmental Disabilities Services
Reallocation of Resources Request #2 Detail - Fiscal Year 2026

Justification:

Appropriations:

The Division of Developmental Disabilities Services (DDS) requests the transfer of \$2,100,000 in blocked appropriation from the Extra Help commitment item line and \$775,000 in blocked appropriation from the Personal Services Match commitment item line. The appropriation transfer is necessary to allow for the payment of expenditures associated with the operation of the five Human Development Centers. The appropriation will ensure the Division has the ability to pay for the increased costs of food, medical supplies, medicine, emergency purchases, etc.

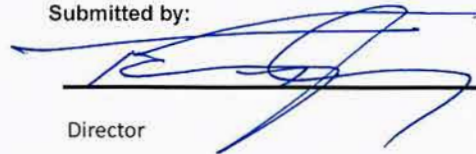
Prepared by:

 4/7/26

CFO

(Date)

Submitted by:



Director

4/7/26

(Date)

**Department of Human Services
Division of Medical Services
Reallocation of Resources Request #2 Detail - Fiscal Year 2026**

Appropriations									
FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr		
897	510:00:04	PWD8600	4	897	510:00:04	PWD7700	4	58,569,053	vii. Redirecting internal resources
897	510:00:04	PWD8600	4	898	510:00:04	PWE8000	4	17,470,650	vii. Redirecting internal resources

Funds					
FROM		TO		Amount	Type
Fund	Division	FUND	Division		

Positions						
FROM	Position			To:	New Position	Type
Division	Number	Code	Title	Division	Number <small>(assigned by OPM)</small>	

**Department of Human Services
Division of Medical Services
Reallocation of Resources Request #2 Detail - Fiscal Year 2026**

Justification:

Donor Division (From Transfers):

Recipient Division (To Transfers):

For the Medicaid program, DMS is requesting to realign appropriation with the current forecast. Current trends show more spend in Private Nursing Facilities (PWD7700) and Public Nursing Facilities (PWE8000) due to increasing costs. The appropriation transfer request is from Hospital/Medical (PWD8600) to Private Nursing facilities (PWD7700) and Public Nursing Facilities (PWE8000).

Prepared by:

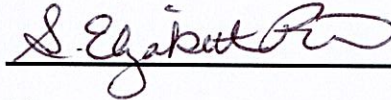


CFO

3/18/26

(Date)

Submitted by:



Director

3/19/26

(Date)

**Department of Human Services
Division of Youth Services
Reallocation of Resources #2 Request Detail - Fiscal Year 2026**

Appropriations											
FROM					TO					Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr				
1	896	501:00:06	PWP8000	4	896	501:00:01	PWP8000	4	1,000	vii. Redirecting internal resources	
2	2RC	510:00:04	FWF0200	B	2YH	510:00:04	DYS0200	B	2,900,000	vii. Redirecting internal resources	

Funds						
FROM		TO			Amount	Type
FUND	Division	FUND	Division			

Positions						
FROM	Position			To:	New Position Number	Type
Division	Number	Code	Title	Division	<small>(assigned by OPM)</small>	

**Department of Human Services
Division of Youth Services
Reallocation of Resources #2 Request Detail - Fiscal Year 2026**

Justification:

Appropriations:

vii. Redirecting internal resources

- 1 The Division of Youth Services (DYS) would like to request the transfer of \$1,000 in funded appropriation from the Overtime salary line to the Extra Help salary line. The Division is using more extra help in Education as they work through filling 3 full time vacant positions in the Education department.
- 2 DYS would like to request the transfer of \$2,900,000 in blocked appropriation from FWF0200, Federal grant funding appropriation, to DYS0200, Residential Treatment services appropriation. This appropriation transfer is necessary to the Residential Services fund to ensure the ability to pay obligations through the end of SFY26.

Funds:

vii. Redirecting internal resources

Positions:

Recipient Division (To Transfers):

vii. Redirecting internal resources

Prepared by:



Submitted by:



Director