



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

OFFICE OF THE SECRETARY

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March 9, 2023

Senator Justin Boyd Co-Chair
Representative Roger D. Lynch, 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 and position transfers for various divisions of the Department under the authority of Section 11(c) of Act 193 of 2022. This is the third request for Reallocation of Resources for FY2023 from a limit of four requests annually.

This transfer will provide adjustments to the Department of Human Services' authorizations for Fiscal Year 2023 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,


Larry W. Walther
Secretary

LWW

Attachments



STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

March 6, 2023

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

Dear Ms. Putnam:

In accordance with Section 11(c) of Act 193 of 2022, I am notifying Larry W. Walther, Chief Fiscal Officer of the State, of my approval for you to request the Fiscal Year 2023 transfer items in your letter dated March 3, 2023 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, appearing to read "Sarah Sanders".

Sarah Huckabee Sanders



DHS Secretary Kristi Putnam
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 3, 2023

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

Dear Governor Sanders:

The Department of Human Services is submitting the third Reallocation of Resources Request for Fiscal Year 2023 for your approval. The request includes appropriation, funding, and position transfers. Justification for the request is included with the attachments.

Thank you for your assistance. Please feel free to call me if you need additional information.

Sincerely,

Kristi Putnam, Secretary
Department of Human Services

cc: DFA – Office of Budget

**DHS REALLOCATION OF RESOURCES
REQUEST #3 OF 4
FY2023
March PEER**

This is the third request by the Department of Human Services for Reallocation of Resources, from a limit of four annually. Section 11(c) of Act 193 of 2022 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 | \$549,190,455 | \$106,647,690 | \$442,542,765 |
| Gen. Rev. Funds | \$91,484,978 | \$7,824,132 | \$83,660,846 |
| Positions | 412 | 47 | 365 |
| Extra Help Pos. | 37 | 0 | 37 |

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

SECRETARY’S OFFICE

The Secretary’s Office (SO) is requesting to transfer 1 position from the Division of County Operations to better serve in the Public Guardian Office. The position transferred to the division is unbudgeted for Fiscal Year 2023.

DIVISION OF AGING, ADULT, AND BEHAVIORAL HEALTH SERVICES

The Division of Aging, Adult, and Behavioral Health Services (DAABH) is requesting the following appropriation transfers to their Operations appropriation. The requested transfers are needed to cover expenses for the Arkansas State Hospital:

- \$2,000,000 from the Alcohol and Drug Abuse Prevention appropriation to Operating Expenses; and
- \$2,000,000 from the Mental Health Grants appropriation to Professional Fees.

DIVISION OF CHILD CARE AND EARLY CHILDHOOD EDUCATION

The Division of Child Care and Early Childhood Education (DCCECE) is requesting to transfer \$36,000 in appropriation from Operating Expenses to Capital Outlay in their Commodity Distribution and Salvage appropriation for the purchase of new vehicles.

DIVISION OF COUNTY OPERATIONS

The Division of County Operations (DCO) is requesting a transfer of \$3,560,000 in appropriation to Operating Expenses and Data Processing line items. This will provide support for IT Contracts, software, and Operating Expenses from the following divisions:

- \$500,000 from the Secretary's Office;
- \$1,560,000 from the Professional Fees and Capital Outlay line items within the Division of County Operations; and
- \$1,500,000 from the Division of Youth Services.

The division is also requesting to transfer 1 position from the Division of Aging, Adult, and Behavioral Health Services to serve in the division's field operations section.

DIVISION OF DEVELOPMENTAL DISABILITIES SERVICES

The Division of Developmental Disabilities Services (DDS) is requesting to transfer \$86,577 of general revenue funding from the Division of County Operations to reimburse the division for Extra Help positions.

DIVISION OF MEDICAL SERVICES

The Division of Medical Services (DMS) is requesting to transfer \$77,225,000 in appropriation to support increased Legislative Audit invoicing and to realign Medicaid appropriation with the current forecast.

- \$225,000 from Data Processing Services to Professional Fees;
- \$30,000,000 from the ARKIDS B program to Hospital and Medical Services;
- \$17,000,000 from Infant Infirmary to Hospital and Medical Services; and
- \$30,000,000 from Public Nursing Home Care to Hospital and Medical Services.

**DEPARTMENT OF HUMAN SERVICES
TRANSFER REQUEST SUMMARY
FISCAL YEAR 2023**

| | SECRETARY'S OFFICE | AGING, ADULT & BEHAVIORAL SERVICES | CHILD CARE SERVICES | CHILDREN & FAMILY SERVICES | COUNTY OPERATIONS | DEV. DISABILITIES SERVICES | MEDICAL SERVICES | PROVIDER SRVS & QUALITY ASSURANCE | YOUTH SERVICES | TOTAL |
|---|-----------------------|--|---------------------------|----------------------------------|----------------------|----------------------------------|---------------------|---|-----------------------|-----------------|
| APPROPRIATION TRANSFERS | | | | | | | | | | |
| A. WITHIN DIVISIONS | | | | | | | | | | |
| REGULAR SALARIES | | | | | | | | | | - |
| EXTRA HELP | | | | | | | | | | - |
| PERSONAL SERVICES MATCHING | | | | | | | | | | - |
| OVERTIME | | | | | | | | | | - |
| OPERATING EXPENSE | | 2,000,000.00 | | | 60,000.00 | | | | | 2,060,000.00 |
| CONFERENCE FEES & TRAVEL | | | | | | | | | | - |
| PROFESSIONAL FEES & SERVICES | | 2,000,000.00 | | | (1,500,000.00) | | 225,000.00 | | | 725,000.00 |
| CAPITAL OUTLAY | | | | | (60,000.00) | | | | | (60,000.00) |
| DATA PROCESSING SERVICES | | | | | 1,500,000.00 | | (225,000.00) | | | 1,275,000.00 |
| | | | | | | | | | | - |
| DAABH MENTAL HEALTH BLOCK GRANT | | (2,000,000.00) | | | | | | | | (2,000,000.00) |
| DAABH ALCOHOL&DRUG ABUSE PREVENTION | | (2,000,000.00) | | | | | | | | (2,000,000.00) |
| DCC COMMODITY DISTRIBUTION AND SALVAGE - Operating | | | (36,000.00) | | | | | | | (36,000.00) |
| DCC COMMODITY DISTRIBUTION AND SALVAGE - Capital Outlay | | | 36,000.00 | | | | | | | 36,000.00 |
| DMS HOSPITAL/MEDICAL | | | | | | | 77,000,000.00 | | | 77,000,000.00 |
| DMS PUBLIC NURSING HOME | | | | | | | (30,000,000.00) | | | (30,000,000.00) |
| DMS INFANT INFIRMARY | | | | | | | (17,000,000.00) | | | (17,000,000.00) |
| DMS ARKIDS B PROGRAM | | | | | | | (30,000,000.00) | | | (30,000,000.00) |
| | | | | | | | | | | - |
| A. TOTAL | - | - | - | - | - | - | - | - | - | - |
| B. BETWEEN DIVISIONS | | | | | | | | | | |
| REGULAR SALARIES | | | | | | | | | | - |
| EXTRA HELP | | | | | | | | | | - |
| PERSONAL SERVICES MATCHING | | | | | | | | | | - |
| OVERTIME | | | | | | | | | | - |
| OPERATING EXPENSE | | | | | 1,000,000.00 | | | | | 1,000,000.00 |
| CONFERENCE FEES & TRAVEL | | | | | | | | | | - |
| PROFESSIONAL FEES & SERVICES | (500,000.00) | | | | | | | | | (500,000.00) |
| CAPITAL OUTLAY | | | | | | | | | | - |
| DATA PROCESSING SERVICES | | | | | 1,000,000.00 | | | | | 1,000,000.00 |
| | | | | | | | | | | - |
| DYS COMMUNITY SERVICES | | | | | | | | | (1,500,000.00) | (1,500,000.00) |
| B. TOTAL | (500,000.00) | - | - | - | 2,000,000.00 | - | - | - | (1,500,000.00) | - |
| FUND TRANSFERS | | | | | | | | | | |
| GENERAL REVENUE-OPERATIONS | | | | | | | | | | - |
| DAS FUND | | | | | | | | | | - |
| DCC FUND | | | | | | | | | | - |
| DCF FUND | | | | | | | | | | - |
| DBA FUND | | | | | | | | | | - |
| DCO FUND | | | | | (86,557.00) | 86,557.00 | | | | - |
| DDS FUND | | | | | | | | | | - |
| DPO FUND | | | | | | | | | | - |
| DSB FUND | | | | | | | | | | - |
| DYS FUND | | | | | | | | | | - |
| DEM FUND | | | | | | | | | | - |
| DGF FUND | | | | | | | | | | - |
| TOTAL FUND TRANSFERS | - | - | - | - | (86,557.00) | 86,557.00 | - | - | - | - |
| POSITION TRANSFERS | | | | | | | | | | |
| TRANSFERS OUT | 0 | (1) | 0 | 0 | (1) | 0 | 0 | 0 | 0 | (2) |
| TRANSFERS IN | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 2 |
| TOTAL POSITION TRANSFERS | 1 | (1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EXTRA HELP POSITION TRANSFERS | | | | | | | | | | |
| TRANSFERS OUT | | | | | | | | | | 0 |
| TRANSFERS IN | | | | | | | | | | 0 |
| TOTAL POSITION TRANSFERS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

TRANSFER 3 OF 4
Authority-Section 11(c), Act 193 of 2022

**Department of Human Services
Secretary's Office.
Reallocation of Resources #3 Request Detail - Fiscal Year 2023**

| Appropriations | | | | | | | | | |
|-----------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|-------------|
| FROM | | | | TO | | | | Amount | Type |
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| | | | | | | | | | |

| Funds | | | | | |
|--------------|-----------------|-------------|-----------------|---------------|-------------|
| FROM | | TO | | Amount | Type |
| FUND | Division | FUND | Division | | |
| | | | | | |

| Positions | | | | | | |
|------------------|-----------------|-------------|----------------------------|-----------------|--|-------------------------------------|
| FROM | Position | | | To: | New Position Number <small>(assigned by OPM)</small> | Type |
| Division | Number | Code | Title | Division | | |
| DCO | 22101174 | X136C | Quality Assurance Reviewer | SO-OCC | | vii. Redirecting internal resources |

**Department of Human Services
Secretary's Office.
Reallocation of Resources #3 Request Detail - Fiscal Year 2023**

Justification:

Appropriations:

vii. Redirecting internal resources

Funds:

vii. Redirecting internal resources

Positions:

Recipient Division (To Transfers):

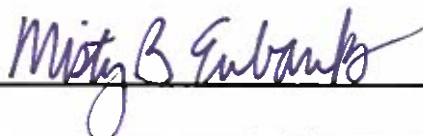
vii. Redirecting internal resources

The Secretary's Office is requesting the transfer of position# 22101174 from the DCO to SO-OCC. This position will better serve the Agency in the Public Guardian Office of SO-OCC.

Prepared by



Submitted by:



Director

**Department of Human Services
 Division of Aging, Adult and Behavioral Health Services
 Reallocation of Resources Request Detail - Fiscal Year 2023**

| Appropriation | | | | TO | | | | Amount | Type |
|----------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|-------------------------------------|
| FROM | | | | Funds Center | | | | | |
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| 1ET | 510:00:04 | MDA0100 | B | 896 | 502:00:02 | PWP3500 | B | 2,000,000 | vii. Redirecting Internal Resources |
| 2MN | 510:00:04 | PWE5300 | B | 896 | 506:00:10 | PWP3500 | B | 2,000,000 | vi. Redirecting Internal Resources |

| Funds | | TO | | Amount | Type |
|--------------|-----------------|-------------|-----------------|---------------|-------------|
| FROM | | FUND | | | |
| Fund | Division | FUND | Division | | |
| | | None | | | |

| Positions | | | | To: | New Position | Type |
|------------------|---------------|-------------|--------------|-----------------|--------------------------|-------------|
| Position | | | | Division | Number | |
| FROM | Number | Code | Title | | (assigned by OPM) | |
| Division | | | None | | | |
| | | | | | | |

**Department of Human Services
Division of Aging, Adult and Behavioral Health Services
Reallocation of Resources Request Detail - Fiscal Year 2023**

Justification:

Appropriations:

vii. Redirecting internal resources

DAABHS is requesting the transfer of \$2,000,000 from MDA0100 Drug Abuse Prevention and Treatment (Grants) and \$2,000,000 from PWE5300 Mental Health (Grants) to PWP3500 for professional services (\$2,000,000) and operational expenses (\$2,000,000) for the Arkansas State Hospital.

Funds:

No Funds transfers are requested at this time.

Positions:

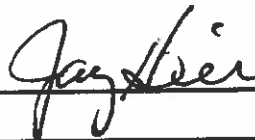
Recipient Division (To Transfers):

Prepared by:

Jason Kunau 02/13/2023

Submitted by:

Director



**Department of Human Services
 Division of Child Care and Early Childhood Education
 Reallocation of Resources #3 Request Detail - Fiscal Year 2023**

| Appropriations | | | | | | | | | |
|-----------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|-------------------------------------|
| FROM | | | | TO | | | | Amount | Type |
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| 930 | 502:00:02 | NHS0202 | 3 | 930 | 512:00:11 | NHS0202 | 3 | 36,000 | vii. Redirecting internal resources |

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

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

**Department of Human Services
Division of Child Care and Early Childhood Education
Reallocation of Resources #3 Request Detail - Fiscal Year 2023**

Justification:

Appropriations:

vii. Redirecting internal resources

The Division of Child Care and Early Childhood Education is requesting \$36,000 appropriation transfer from Operating Expenses to Capital Outlay to purchase new vehicles.

Funds:

vii. Redirecting internal resources

Positions:

Recipient Division (To Transfers):

vii. Redirecting internal resources

Prepared by:

Lana Webb

Submitted by:

Lanica Buxton on behalf of Josefa Webb
Director

**Department of Human Services
Division of County Operations
Reallocation of Resources Request Detail #3 - Fiscal Year 2023**

| FROM | | | | TO | | | | Amount | Type |
|---------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|--------------------------------------|
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| 2RB | 510:00:04 | DYS0200 | B | 896D | 590:00:44 | PWP4500 | 3 | \$ 1,000,000 | vii). Redirecting internal resources |
| 2RB | 510:00:04 | DYS0200 | B | 896 | 502:00:02 | PWP4500 | 3 | \$ 500,000 | vii). Redirecting internal resources |
| 896 | 506:00:10 | PWP1500 | B | 896 | 502:00:02 | PWP4500 | 3 | \$ 500,000 | vii). Redirecting internal resources |
| 896 | 506:00:10 | PWP4500 | 3 | 896D | 590:00:44 | PWP4500 | 3 | \$ 1,500,000 | vii). Redirecting internal resources |
| 896 | 512:00:11 | PWP4500 | 3 | 896 | 502:00:02 | PWP4500 | 3 | \$ 60,000 | vii). Redirecting internal resources |

| FROM | | TO | | Amount | Type |
|--------------|-----------------|-----------------|---------------|---------------|--------------------------------------|
| Title | Division | Division | Amount | | |
| | | | | | vii). Redirecting internal resources |
| | | | | | vii). Redirecting internal resources |

| FROM | | | To: | | New Position Number (assigned by OPM) | Type |
|-----------------|---------------|-------------|-----------------|---|---|--------------------------------------|
| Division | Number | Code | Division | Position | | |
| DAABH | 22109955 | N016N | DCO | DHS DEPUTY CHIEF COUNSEL (DEP DIR ADMIN SVCS) | | vii). Redirecting internal resources |
| | | | | | | vii). Redirecting internal resources |
| | | | | | | vii). Redirecting internal resources |
| | | | | | | vii). Redirecting internal resources |

DCO - RRR - SFY'23-Justification:

Recipient Fund (To Transfers):

- **APPROPRIATION**
- DCO is requesting the transfer of unfunded appropriation from DYS to DCO PWP4500 896D 590:00:44 - IT contracts and software expenses.
- DCO is requesting the transfer of unfunded appropriation from DYS to DCO PWP4500 502:00:02 to assist with increased operating expenses associated with PHE winddown.
- DCO is requesting the transfer unfunded appropriation from SO-OCC to PWP4500 502:00:02 to assist with increased operating expenses associated with PHE winddown.
- DCO is requesting to transfer appropriation from 506:00:10 Prof. Fees & Svcs to PWP4500 590:00:44 to align appropriation for fiscal expenditures related to IT contracts and software expenses.
- DCO is requesting to transfer appropriation from 512:00:11 PWP4500 to PWP4500 896 502:00:02 to assist with increased operating expenses associated with PHE winddown.
- **POSITIONS**
- DCO is requesting the transfer of position number 22109955 from DAABH. This positions will better serve DCO in Field Operations Admin - 420551.

Prepared by:

Lisa Woodall 02/28/2023

Mary Franklin

02/28/2023

Lisa Woodall, DCO/CFO (Date)

Mary Franklin, Director, DCO (Date)

Request in compliance with approved IT plan on file DFA IGS State Technology

Planning

Miyha Li

Signature

3/9/2023

Date

**Department of Human Services
 Division of Developmental Disabilities Services
 Reallocation of Resources Request #3 Detail - Fiscal Year 2023**

| Appropriations | | | | | | | | | |
|-----------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|-------------|
| FROM | | | | TO | | | | Amcunt | Type |
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| | | | | | | | | | |

| Funds | | | | | |
|--------------|-----------------|-------------|-----------------|---------------|-------------------------------------|
| FROM | | TO | | Amcunt | Type |
| Fund | Division | FUND | Division | | |
| DC00000 | DCO | PWP5500 | DDS | \$ 86,557 | vii. Redirect ng internal resources |

| Positions | | | | | | |
|--------------------------|-----------------|-------------|--------------|-------------------------|--|-------------|
| FROM Division | Position | | | To: Division | New Position Number (assigned by OPM) | Type |
| | Number | Code | Title | | | |
| | | | | | | |

**Department of Human Services
Division of Developmental Disabilities Services
Reallocation of Resources Request #3 Detail - Fiscal Year 2023**


Justification:

Donor Division (From Transfers):

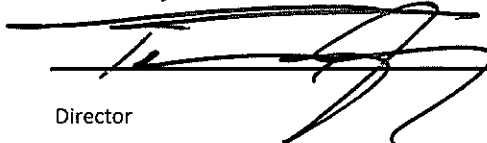
Recipient Division (To Transfers):

To reimburse DDS for extra help positions that DCO utilized but DDS paid for in SFY2023. Funding only, no appropriation.

Prepared by:

 2-21-23
CFO (Date)

Submitted by:

 2/21/23
Director (Date)

**Department of Human Services
Division of Medical Services
Reallocation of Resources Request #3 Detail - Fiscal Year 2023**

| Appropriations | | | | | | | | | |
|-----------------------|------------------------|-------------|------------|---------------------|------------------------|-------------|------------|---------------|-------------------------------------|
| FROM | | | | TO | | | | Amount | Type |
| Funds Center | Commitment Item | Fund | Qtr | Funds Center | Commitment Item | Fund | Qtr | | |
| 896 | 590:00:44 | PWP4000 | 3 | 896 | 506:00:10 | PWP4000 | 3 | 225,000 | vii. Redirecting internal resources |
| 897 | 510:00:04 | PWD9600 | B | 897 | 510:00:04 | PWD8600 | B | 30,000,000 | vii. Redirecting internal resources |
| 898 | 510:00:04 | PWE7900 | B | 897 | 510:00:04 | PWD8600 | B | 17,000,000 | vii. Redirecting internal resources |
| 898 | 510:00:04 | PWE8000 | B | 897 | 510:00:04 | PWD8600 | B | 30,000,000 | 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 #3 Detail - Fiscal Year 2023**

Justification:

Donor Division (From Transfers):

Recipient Division (To Transfers):

For operations, DMS is requesting to transfer from data processing to professional fees to support increased Legislative Audit invoicing. For the Medicaid program, DMS is requesting to realign appropriation with the current forecast. Current trends show more spend in Hopsital Medical due to increasing enrollment from the PHE. The transfers from PWD9600, PWE7900, and PWE8000 is blocked (unfunded approproation) for SFY2023.

Prepared by:

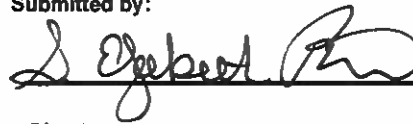


CFO

2-16-23

(Date)

Submitted by:



Director

2/16/23

(Date)