



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

OFFICE OF BUDGET
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November 6, 2015

Senator Bruce Maloch, Co-Chair
Representative David Meeks, Co-Chair
Performance Evaluation & Expenditure Review Committee
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: FY16 Cash Fund Appropriation Increase Request(s)

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached Cash Fund Appropriation Increase Request(s) that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry W. Walther".

Larry W. Walther
Director

LWW:es

Attachment(s)



Office of the Medicaid Inspector General

323 Center Street, Suite 1200 · Little Rock, AR 72201
501-682-8349 · Fax: 501-682-8350



October 23, 2015

Duncan Baird, Administrator
DFA, Office of Budget
1509 West 7th Street
Little Rock, AR 72201

Dear Mr. Baird:

The Office of the Medicaid Inspector General requests the establishment of a cash fund appropriation in the amount of \$107,792 from the DFA Cash Fund Holding Account for Fiscal Year 2016. We request the \$79,895 in Regular Salaries and \$27,897 in Personal Services Matching to hire 2 additional positions within the agency to perform payment integrity functions. The funding for this request will come from the Department of Human Services savings realized through Medicaid from the function of these positions.

If additional information is needed, please feel free to contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth Smith".

Elizabeth Smith
Medicaid Inspector General
Office of the Medicaid Inspector General

Handwritten initials in blue ink, possibly "RS".



STATE OF ARKANSAS

Department of Veterans Affairs
501 Woodlane Drive, Suite 230C
Little Rock, Arkansas 72201
(501) 683-1643 / FAX (501) 682-4833

Asa Hutchinson
Governor

Matt Snead
Director

October 14, 2015

Duncan Baird, Administrator
Department of Finance and Administration
Office of Budget
1509 West 7th Street, Suite 401
Little Rock, AR 72203-3278

Re: FY16 Cash Letter – NVA0000 2QD Fayetteville Veterans Home

Business Area – 0385

Fund Center – (2QD) – Fayetteville Veterans Home

Fund – NVA0000 *437,828.12 11.3.16 BW*

Functional Area – HHS

Commitment Item – (501:00:06) Overtime – \$50,000

Commitment Item – (502:00:02) Operating Expenses – \$380,000

Commitment Item – (505:00:09) Conference & Travel Expenses – \$20,000

Dear Mr. Baird:

We respectfully request \$450,000 in supplemental FY16 cash appropriation for Fayetteville Veterans Home, resulting in total FY16 appropriation of \$8,389,185 compared to \$8,491,942 in FY15. FY16 average monthly resident census is 8% higher than FY15 (85 vs. 79).

The original FY16 appropriation for all commitment items was \$8,729,840. To-date, \$948,849 has been blocked, leaving adjusted appropriation of \$7,939,185 against FY16 budgeted expenditures totaling \$8,389,185.

Commitment Item – (501:00:06) Overtime – \$50,000

FY16 appropriation is \$40,000. \$20,918 has been expended to-date. We are requesting an additional \$50,000, resulting in total appropriation of \$90,000 against a forecast expenditure of \$84,000. FY15 appropriation for this item was \$120,000 and \$61,000 was expended.

Commitment Item – (502:00:02) Operating Expenses – \$380,000

FY16 forecast operating expenditures are \$3,004,000 against adjusted FY16 operating appropriation of \$2,627,477. The FY16 forecast includes the following increases and decreases:

BW

1. Reclassification (change in commitment item) of some FY16 expenditures vs. FY15 including:

- \$290,000 increase for 02 Bed Tax payments to DHS (\$240,000 posted to non-budget G/L 6061003000 in FY15. Total FY15 bed tax was \$399,000);
- \$330,000 increase for Therapy Services (\$298,000 posted to 506:00:10 for FY15);

2. \$ 91,000 – increase in rent of facility;

3. (\$110,000) - decrease in VA per diem repayment (paid in full during FY15);

4. \$100,000 – 4% general increase in operating expenditures due to 10% resident census increase.


Commitment Item – (505:00:09) Conference & Travel Expenses – \$20,000

Training is essential to the delivery of high quality care to Veteran residents of the Home and to ensure compliance with all applicable state and federal regulations. With approximately 88 nursing staff at the facility, a \$5,885 training budget is inadequate. In addition, significant changes to the Medicare program are currently impacting the skilled nursing care industry. Training is required in order to mitigate the potential negative impact of non-compliance. The currently appropriated FY16 training budget is \$5,885.

Income Certification

FY16 certified income is \$8,449,699 and is based upon 90% the facility's FYTD average monthly income (\$741,789 x 12 x 90%) and a beginning FY16 treasury balance of \$438,374.06. Note that FY15 average monthly income was \$726,000.

Thank you for your consideration,



Karen Watkins
Chief Fiscal Officer

Cc: Matt Snead



STATE OF ARKANSAS

Department of Veterans Affairs
501 Woodlane Drive, Suite 230C
Little Rock, Arkansas 72201
(501) 683-1643 / FAX (501) 682-4833

Asa Hutchinson
Governor

Matt Snead
Director

October 13, 2015

Duncan Baird, Administrator
Department of Finance and Administration
Office of Budget
1509 West 7th Street, Suite 401
Little Rock, AR 72203-3278

Re: FY16 Cash Letter/appropriation request – NLR State Veterans Cemetery

Business Area – 0385

Fund Center – (385) – Veterans Cemetery

Fund – NVA0200 578,283.47 11.3.16 BW

Functional Area – HHS

Commitment Item –Regular Salaries (501:00:00) \$95,000

Commitment Item –Personal Services Matching (501:00:03) \$29,000

Commitment Item – Operating Expense (502:00:02) \$50,000

Dear Mr. Baird:

We respectfully request \$174,000 in additional FY16 cash appropriation for the NLR Cemetery cash fund. The Cemetery is allocated only \$81,000 of the agency's \$2.36M FY16 general revenue funds for annual operating expenses.

Commitment Item –Regular Salaries (501:00:00) \$95,000

Authorized appropriation is \$161,596 against projected salaries expense of \$255,000. The NLR Cemetery has nine (9) authorized positions which are 100% funded by cemetery cash funds.

Commitment Item –Personal Services Matching (501:00:03) \$29,000

Authorized appropriation is \$71,579 against projected expense of \$100,000.

Commitment Item – Operating Expense (502:00:02) \$50,000

Authorized appropriation is \$135,000 against projected expense of \$184,000. The expense projection includes the following one-time FY16 costs:

\$95,000 - G/L 5030005200/502:00:02 Major Building Projects

\$45,000 - G/L 5030005000/502:00:02 Building and Grounds Maintenance

BW

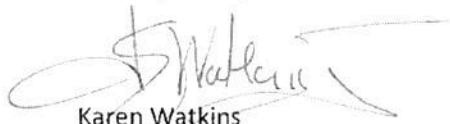
The above expenditures are required in order to complete the NLR Cemetery Expansion project (federal project# AR-10-05). While the project is 100% federally funded, unforeseen soil conditions have resulted in cost increases, some of which must be paid with cemetery cash funds due to federal project contingency funds being depleted.

FY16 NVA0200 cash income projection:

July 1, 2015 treasury balance	\$588,516.25
FY16 federal burial award revenue	\$330,000.00
FY16 dependent burial fees	<u>\$ 38,400.00</u>
	\$ 956,916.25

NVA0200/38S FY16 projected expenditures total \$564,565, including this request. The current treasury cash balance is \$565,105.90

Thank you for your consideration,



Karen Watkins
Chief Fiscal Officer

Cc: Matt Snead





THE DEPARTMENT OF ARKANSAS
HERITAGE

Asa Hutchinson
Governor

Stacy Hurst
Director

October 29, 2015

Fund - \$177,418.86
11/3/15

Arkansas Arts Council

Arkansas Historic
Preservation Program

Arkansas Natural
Heritage Commission

Delta Cultural Center

Historic Arkansas Museum

Mosaic Templars
Cultural Center

Old State House Museum

Mr. Duncan Baird, Administrator
Department of Finance & Administration, Office of Budget
1509 West 7th Street, 4th Floor
Little Rock, AR 72201

Re: Appropriation only increase

Dear Duncan,


This letter is to request an increase of \$40,000.00 in cash fund appropriation for the Arkansas Historic Preservation Program of the Department of Arkansas Heritage. Among the Commitment Items within the cash fund is Operating Expense, and the increase should apply to this item only, where the expenditure will be for an economic impact study.

The increase request is as follows:

Agency:	0877-DAH, Arkansas Historic Preservation Program
Fund Center:	960
Fund:	NNH0404—Cash in Treasury
Commitment Item:	502:00:02, Operating Expense increase of \$40,000.00

Should you have any questions, please feel free to contact me at 501.324.9586.

Sincerely,


Rick Pruitt
Administrative Services Manager

xc: Stacy Hurst
Rebecca Burkes
Frances McSwain
Teena Woodworth



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Little Rock, AR 72201

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