



## Office of Director

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November 16, 2016

Senator Bill Sample, Co-Chairman Arkansas Legislative Council  
Representative David Branscum, Co-Chairman Arkansas Legislative Council  
315 State Capitol Building  
Little Rock, Arkansas 72201

Subject: DHS Request for Suspension of the Rules for Review of PCS Contracts

Dear Senator Sample and Representative Branscum:

The Department of Human Services (DHS) requests a suspension of the rules in conjunction with the required review process for the two attached professional services contracts. Late last week, DHS and the State suffered the loss of a dear colleague and true public servant, Mark Story. Mark served most recently as the DHS Chief Financial Officer (CFO); however, he was actually occupying two critical positions at the time of his passing. Said positions included both the Agency CFO and the Medicaid CFO. Due to the recent business operations reorganization at DHS, the agency was moving through the process of building out Mark's vision of an enhanced finance team, but several key positions remain unfilled. To manage the services and programs of DHS efficiently, the Office of Finance must forecast, manage, administer, and implement its divisions' budgets and agency budget with extreme care and diligent oversight.

Holding these contracts until the next scheduled review would impact the agency's ability to provide invaluable services especially as the agency heads into budget hearings and the biennium legislative session. DHS proposes these contracts be valid from November 21, 2016 through June 30, 2017. If the agency is able to permanently fill and train the state employee positions impacted by either of these contracts, then services may be ceased and the contracts may be terminated.

Thank you for considering this urgent and emergent request. I assure you that the agency does not make this request lightly.

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Gillespie".

Cindy Gillespie  
DHS Director

SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS  
FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW  
AS REQUIRED BY ARKANSAS CODE 19-11-1006

*Out-of-State Contracts*

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<b>1. Agency:</b> Human Services Department		<b>Contractor:</b> Mann Consulting dba JHM Consultants LLC	
<b>Div/Prog:</b> Developmental Disabilities		<b>Location:</b> Jackson	<b>State:</b> MS
<b>Total Authorized:</b>		<b>Org. Term:</b> 11/18/2016 06/30/2017	<b>Procurement:</b> EMG
<b>Total After Review:</b>	\$130,000.00	<b>Funding:</b> Other - 100% - [DDS Admin Cost Pool]	
<b>Total Projected:</b>	\$250,000.00	<b>Contract Number:</b> 4600039311	
<u>Org/Amt:</u>	<u>Amount</u>	<u>Paid To Date</u>	<u>Objective:</u>
Original: 130,000.00		To initiate an agreement for financial consulting staff support due to emergency circumstances Coverage area:Statewide	

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<b>2. Agency:</b> Human Services Department		<b>Contractor:</b> Navigant Consulting Inc.	
<b>Div/Prog:</b> Medical Services		<b>Location:</b> Chicago	<b>State:</b> IL
<b>Total Authorized:</b>		<b>Org. Term:</b> 11/18/2016 06/30/2017	<b>Procurement:</b> EMG
<b>Total After Review:</b>	\$549,937.50	<b>Funding:</b> Federal - 50% - [Medicaid CFDA#]; State - 50%	
<b>Total Projected:</b>	\$900,000.00	<b>Contract Number:</b> 4600039312	
<u>Org/Amt:</u>	<u>Amount</u>	<u>Paid To Date</u>	<u>Objective:</u>
Original: 549,937.50		To initiate an agreement for financial consulting staff support due to emergency circumstances. Statewide.	