



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

OFFICE OF THE SECRETARY

E
1509 West 7th Street
P. O. Box 3278
Little Rock, AR 72203-3278
Phone: 501.682.2242
Fax: 501.682.1029
www.arkansas.gov/dfa

March 1, 2024

Senator Jonathan Dismang, Co-Chair
Representative Frances Cavanaugh, Co-Chair
Performance Evaluation & Expenditure Review Committee
Arkansas Legislative Council
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 various divisions of the Department under the authority of Section 11(c) of Act 492 of 2023. This is the third request for Reallocation of Resources for FY2024 from a limit of four requests annually.

This transfer will provide adjustments to the Department of Human Services' authorizations for Fiscal Year 2024 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,

James L. Hudson
Secretary

Attachments



STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

February 23, 2024

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 492 of 2023, I am notifying Jim Hudson, Chief Fiscal Officer of the State, of my approval for you to request the Fiscal Year 2024 transfer items in your letter dated January 31, 2024 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 Arkansas Legislative Council for review.

Sincerely,

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

Governor Sarah Huckabee Sanders



**ARKANSAS
DEPARTMENT OF
HUMAN
SERVICES**

**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

January 31, 2024

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

Re: Resource Reallocation #3

Dear Governor Sanders,

The Department of Human Services is submitting its third Reallocation of Resources Request for Fiscal Year 2024 for your approval. This request includes appropriation and position 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 blue ink, appearing to read 'Kristi Putnam', written over a light blue grid background.

Kristi Putnam, Secretary
Arkansas Department of Human Services

KP:mbe

cc: Robert Brech, Administrator
DFA – Office of Budget

Andy Babbitt, Administrator
DFA- Office of Accounting

**DHS REALLOCATION OF RESOURCES
REQUEST #3 OF 4
FY2024
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 492 of 2023 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	\$570,210,734	\$154,626,158	\$415,584,576
Gen. Rev. Funds	\$91,634,743	\$5,476,608	\$86,158,135
Positions	411	355	56
Extra Help Pos.	37	7	30

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 2 positions from the following divisions to better serve within the Office of Finance:

- 1 position from the Division of Medical Services; and
- 1 position from the Division of Youth Services.

The Secretary’s Office is also requesting the following transfers within their Operations appropriation:

- \$100,000 from Regular Salaries to Extra Help to support increased Extra Help needs during the hiring freeze; and
- \$1,000,000 from Professional Fees and Services to Operating Expenses to support anticipated revenue transfers from the Arkansas Department of Education (ADE) for repayment of various expenses incurred on behalf of ADE following the passage of the LEARNS Act.

DIVISION OF CHILDREN AND FAMILY SERVICES

The Division of Children and Family Services (DCFS) is requesting the transfer of an Attorney position from the Division of Medical Services to assist in working caseloads.

DIVISION OF COUNTY OPERATIONS

The Division of County Operations (DCO) is requesting the following transfers within their Operations appropriation:

- \$1,000,000 from Personal Services Matching to Regular Salaries to cover increased salary expenses related to case management and SNAP appeal cases; and
- \$100,000 from Overtime to Extra Help for increased extra help needed to process case backlog and finger printing; and
- \$2,500,000 from Professional Fees and Services to Operating Expenses due to increased rent and utility costs and expenses related to the Summer EBT program; and
- \$1,700,000 from Professional Fees and Services to Data Processing Services to cover increased IT related expenses.

DIVISION OF DEVELOPMENTAL DISABILITIES SERVICES

The Division of Developmental Disabilities Services (DDS) is requesting to transfer \$2,817,041 in appropriation from Regular Salaries to Operating Expenses to align with the increased use of contract nurses and inflationary effects on food and drugs.

DIVISION OF YOUTH SERVICES

The Division of Youth Services (DYS) is requesting a transfer of one position from the Secretary's Office to enhance Alcohol and Prevention programs.

The Division of Youth Services is also requesting the following appropriation transfers:

- \$18,305 from Regular Salaries to Extra Help to help cover increased expenses related to education; and
- \$3,500,000 from the Community Services appropriation to Residential Services and Federal Child and Youth Service Grants due to an increased juvenile population in facilities.

**DEPARTMENT OF HUMAN SERVICES
TRANSFER REQUEST SUMMARY
FISCAL YEAR 2024**

	<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		(100,000.00)			1,000,000.00	(2,817,041.00)			(18,305.00)	(1,935,346.00)
EXTRA HELP		100,000.00			100,000.00				18,305.00	218,305.00
PERSONAL SERVICES MATCHING					(1,000,000.00)					(1,000,000.00)
OVERTIME					(100,000.00)					(100,000.00)
OPERATING EXPENSE		1,000,000.00			2,500,000.00	2,817,041.00				6,317,041.00
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES		(1,000,000.00)			(4,200,000.00)					(5,200,000.00)
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES					1,700,000.00					1,700,000.00
										-
DYS RESIDENTIAL SERVICES									2,300,000.00	2,300,000.00
DYS COMMUNITY SERVICES									(3,500,000.00)	(3,500,000.00)
DYS FEDERAL CHILD AND YOUTH SERVICE GRANTS									1,200,000.00	1,200,000.00
										-
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	(1)	0	0	0	0	(2)	0	(1)	(4)
TRANSFERS IN	0	2	0	1	0	0	0	0	1	4
TOTAL POSITION TRANSFERS	0	1	0	1	0	0	(2)	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 3 OF 4
Authority-Section 11(c), Act 492 of 2023

**Department of Human Services
Secretary's Office.
Reallocation of Resources #3 Request Detail - Fiscal Year 2024**

Appropriations					FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr		Funds Center	Commitment Item	Fund	Qtr						
896	501:00:00	PWP5000	3		896	501:00:01	PWP5000	3		100,000	vii. Redirecting internal resources			
896	506:00:10	PWP5200	B		896	502:00:02	PWP5000	B		1,000,000	vii. Redirecting internal resources			

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					
DYS	22103609	N080N	DHS/DMS ASSISTANT DIRECTOR - FISCAL	SO-OF			vii. Redirecting internal resources		
DMS	22104385	N027N	DHS DEPUTY DIRECTOR ADULT SERVICES	SO-OF			vii. Redirecting internal resources		

**Department of Human Services
Secretary's Office.
Reallocation of Resources #3 Request Detail - Fiscal Year 2024**

Justification:

Appropriations:

vii. Redirecting internal resources

The Secretary's Office-Office of Finance is requesting the transfer of \$100,000 in 501:00:00 Salary appropriation from PWP5000 896 OF to 501:00:01 Extra Help appropriation PWP5000 896 OF. This transfer will support Office of Finance extra help positions due to the current hiring freeze.

The SO-OF is requesting the transfer of \$1,000,000 in unfunded appropriation from PWP5200 (Secretary's Office-Office of Information Technology) in 506:00:10 Professional Fees and Services to PWP5000 in 502:00:02 Operating Expenses. SO-OF requires appropriation in Operating to support anticipated revenue transfers from the Arkansas Department of Education (ADE) for repayment of various expenses incurred by SO-OF on behalf of ADE while ADE staff remain in DHS offices following the passage of the LEARNS Act.

Funds:

Positions:

Recipient Division (To Transfers):

vii. Redirecting internal resources

The Secretary's Office-Office of Finance is requesting the transfer of position #22103609 from the Division of Youth Services. This position will serve as the DHS Assistant Deputy Director of the Managerial Accounting unit.

The Secretary's Office-Office of Finance is requesting the transfer of position #22104385 from the Division of Medical Services. This position will serve as the DHS Deputy Chief Financial Officer.

Prepared by:

Keith Haber

Submitted by:

Misty Benbanks

Director

**Department of Human Services
Division of Children and Family Services
Reallocation of Resources Request Detail - Fiscal Year 2024**

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		
					vii. Redirecting internal resources

Positions						
FROM	Position			To:	New Position	Type
Division	Number	Code	Title	Division	Number <small>(assigned by OPM)</small>	
DMS	22155447	G073C	Attorney	DCFS		VII: Redirecting internal resources

**Department of Human Services
Division of Children and Family Services
Reallocation of Resources Request Detail - Fiscal Year 2024**

Justification:

Appropriations:

Funds:

Positions

Recipient Division (To Transfers):

DCFS is requesting the transfer of position # 22155447 from DMS to assist with caseloads.

Prepared by:

Melissa Everhart 1/22/24

Melissa Everhart
CFO

(Date)

Submitted by:

Tiffany Wright 1/22/24

Tiffany Wright
Director

(Date)

**Department of Human Services
Division of County Operations
Reallocation of Resources Request Detail #3 - Fiscal Year 2024**

Appropriations									
FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr		
896	501:00:03	PWP4500	3	896	501:00:00	PWP4500	3	\$ 1,000,000	vii). Redirecting internal resources
896	501:00:06	PWP4500	3	896	501:00:01	PWP4500	3	\$ 100,000	vii). Redirecting internal resources
896	506:00:10	PWP4500	3	896	502:00:02	PWP4500	3	\$ 2,500,000	vii). Redirecting internal resources
896	506:00:10	PWP4500	3	896	590:00:44	PWP4500	3	\$ 1,700,000	vii). Redirecting internal resources

Funds					
FROM		TO		Amount	Type
Title	Division	Division	Amount		


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

DCO - RRR - SFY'24-Justification:

Recipient Fund (To Transfers):

- vii Redirecting internal resources
- **APPROPRIATION**
- DCO is requesting to move appropriation from Char 501:00:03 Personal Serv Match to 501:00:00 Regular Salaries to cover increased personnel expenses.
- DCO is requesting to move appropriation from Char 501:00:06 Overtime to 501:00:01 Extra Help for increased expenses due to case backlog processing and finger printing activities.
- DCO is requesting to move appropriation from Char 506:00:10 Prof Fees & Services to 502:00:02 Operating Expenses for increased general operating expenses.
- DCO is requesting to move appropriation from Char 506:00:10 Prof Fees & Services to 590:00:44 for increased IT related expense (M&O and LOE).
-
-
-

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


 Signature

2/7/2024
 Date

Prepared by:

 01-19-2024

Lisa Woodall, DCO/CFO (Date)

 1/19/2024

Mary Franklin, Director, DCO (Date)

**Department of Human Services
 Division of Developmental Disabilities
 Reallocation of Resources #3 Request Detail - Fiscal Year 2024**

FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr		
896	501:00:00	PWP5500	3	896	502:00:02	PWP5500	3	2,817,041.00	vii. Redirecting internal resources

FROM		TO		Amount	Type
FUND	Division	FUND	Division		

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

**Department of Human Services
Division of Developmental Disabilities
Reallocation of Resources #3 Request Detail - Fiscal Year 2024**

Justification:

Appropriations:

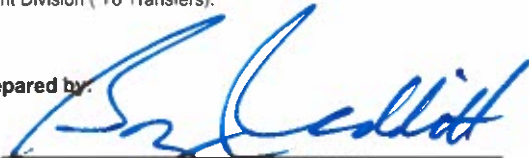
- vii. DDS is requesting to reclassify \$2,817,041 in appropriation, which is 10% of our current Operating Expenses appropriation, to our operating expense line to cover the the rising cost of agency nursing contracts and inflationary effects on food and drugs etc. This request is only to move appropriation and no additional funding is being requested.

Funds:

Positions:

Recipient Division (To Transfers):

Prepared by:



Bryan Redditt, DOS CFO

Submitted by:



Director

**Department of Human Services
Division of Youth Services
Reallocation of Resources Request #3 Detail - Fiscal Year 2024**

Appropriations									
FROM				TO				Amount	Type
Funds Center	Commitment Item	Fund	Qtr	Funds Center	Commitment Item	Fund	Qtr		
896	501:00:00	PWP8000	3	896	501:00:01	PWP8000	3	18,305	vii. Redirecting internal resources
2RB	510:00:04	DYS0200	8	2YH	510:00:04	DYS0200	8	2,300,000	vii. Redirecting internal resources
2RB	510:00:04	DYS0200	8	2RC	510:00:04	FWF0200	8	1,200,000	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>	
SO-OF	22109087	N111N	DHS ASST DEP DIR FOR MGR ACCOUNTING	Division of Youth Services		vii. Redirecting internal resources

**Department of Human Services
Division of Youth Services
Reallocation of Resources Request #3 Detail - Fiscal Year 2024**

Justification:

Appropriation Transfers:

vii. Redirecting internal resources

DYS is requesting \$18,305 in appropriation transfer from PWP8000 CI:00-Salaries to PWP8000 CI:01-Extra Help to cover increased Extra Help expenses with Salary savings.

DYS is requesting \$2,300,000 in appropriation transfer from DYS0200/2RB-Community Based Providers to DYS0200/2YH-Residential Services to support the increased juvenile population.

DYS is requesting \$1,700,000 in appropriation transfer from DYS0200/2RB-Community Based Providers to FWF0200/2RC-Federal Grants to support the increased juvenile population.

Position Transfers:

vii. Redirecting internal resources

DYS is requesting transfer of position #22109087 from the Secretary's Office-Office of Finance, this position will enhance DYS's Alcohol and Prevention programs.

Prepared by:



CFO

(Date)

Submitted by:

 1-30-24

Director

(Date)