

~~1033.0.0 — IMPLEMENTATION OF FUNDING REDUCTIONS~~

~~1033.1.0 — Purpose~~

~~It is the policy of the Department of Human Services to reduce funding from all enumerated funding sources as mandated by Federal laws and directives and as outlined by the State of Arkansas Directives pertaining to State Revenue Reductions to achieve fiscal responsibility.~~

~~1033.2.0 — Scope~~

~~1033.2.1 — This policy is applicable to each Division/Office within the Department of Human Services for which funding level cuts have been (or will be) ordered by Federal/State mandate.~~

~~1033.2.2 — DHS Divisions/Offices will advise each State agency and/or Human Services Contractor for which they hold responsibility for authorization/allocation of funding that funding levels will be reduced and that administrative costs and/or service delivery levels will decrease.~~

~~1033.3.0 — Authority~~

~~This policy is established under the direction and authority of the Director of the Department of Human Services to maintain the fiscal integrity of the Department.~~

~~1033.4.0 — Direction~~

~~Each Division/Office within the Department of Human Services will take the following steps to carry out the policy as outlined in Section I above:~~

~~A. — Upon receiving Federal/State directives, the Office of Finance & Administration in conjunction with all DHS Divisions/Offices will determine the financial impact of the reduction(s) on the funding source or program. In some cases a Division/Office may be mandated to make cuts from many sources. In such cases, impacts must be determined that address individual programs, State agencies, Human Services Contractors as well as the determination of collective reductions upon each program, agency contractor.~~

~~B. — All Divisions/Offices will examine alternative funding sources that may be utilized to offset mandated/directed reductions. Funding sources to examine should include, but are not limited to the following:~~

- ~~1. — carry forward monies~~
- ~~2. — private capital~~
- ~~3. — foundations, etc.~~

- ~~4. other state revenues~~
- ~~5. other federal revenues~~

~~Upon completion of review, each Division/Office, in conjunction with the Office of Finance & Administration, shall compile fiscal information to determine effects on individual programs, agencies, and/or contractors and total effects by program, agency, contractor and/or Division/Office.~~

~~C. Once reallocations of funding levels are determined, and total reductions are calculated, each Division/Office will develop a revised funding plan for the programs, agencies, and/or contractors. Each Division/Office will make recommendations as to where and how funds are to be allocated, and how the programs are to be revised. Final approval on the recommendations will be made by the Director of the Department of Human Services.~~

~~D. Reductions will be implemented by each Division/Office as a result of the revised funding plan in the following priority order:~~

~~1. Administrative Costs~~

~~a. State agencies must implement administrative reductions as necessary, or as required, by Federal/State mandate.~~

~~b. Human Services Contractors should be encouraged to reduce, when mandate permits, administrative costs rather than services.~~

~~2. Service Delivery Area~~

~~a. Direct service delivery performed by State agencies must be reduced as specified by Federal/State mandate according to the plan developed by the responsible Division/Office.~~

~~b. Each Division/Office will promptly notify the Human Service Contractors of mandatory reductions that will impact the service delivery area to that contractor program alterations can be made as soon as possible.~~

~~In all instances, both administrative and service delivery reductions should be calculated and implemented as quickly as possible to minimize the impact of proposed reductions~~

1033.5.0 Procedures

~~Detail procedures for funding reductions will be developed and promulgated by the Office of Finance & Administration.~~

~~1033.5.0~~ — ~~Initiating Departmental Contact~~

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