

Arkansas Legislative Study of Workforce and Social Services Reform

ALC- Hospital, Medicaid, and Developmental Disabilities

Study Subcommittee

Interim Report to the Arkansas Legislative Council

September 18, 2026

I. Background

During the 2025 Regular Session, the Arkansas General Assembly passed Act 145 requiring the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee (Subcommittee) of the Arkansas Legislative Council to commence a comprehensive legislative study focused on Arkansas's workforce and social services guided by the parameters set forth in Attachment A of this report. The procedures of the Arkansas Legislative Study of Workforce and Social Services Reform required that on or before October 1, 2026, the Subcommittee shall file with the Legislative Council a final written report of its activities, findings, and recommendations, including any draft legislation. Upon filing the final report to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Legislative Council, the study shall be complete.

The purpose of the study was to examine and address issues related to the reform of the state's workforce and social services. The Subcommittee focused on several key aspects: first, the organization and administration of current services and programs at the state agency level; second, a vision for a more integrated service delivery system that benefits all Arkansans who depend on these services, encompassing state, regional, and local offerings. Additionally, the study explored opportunities for financial integration and effective methods for allocating costs across various services and programs. It provided recommendations on enhancing supportive services, such as childcare and transportation, to better facilitate employment outcomes. Furthermore, the study identified efficiencies that could lead to cost savings, enabling increased resource availability for Arkansans to pursue education and training.

II. Work of the Subcommittee

Beginning in May 2025, the Subcommittee convened monthly, with the exception of May 2026 and July 2026, to engage in comprehensive discussions regarding state-specific workforce reform initiatives. A key focus of the Subcommittee's inquiries was the One-Door Model, implemented by the Utah Workforce Services Programs, which has shown success in streamlining access to employment services.

Additionally, testimony was presented concerning the demographic categorized as Asset Limited, Income Constrained, Employed (ALICE), highlighting the challenges faced due to Benefit Cliffs – situations where small increases in income can lead to a significant loss of benefits, ultimately discouraging financial progress in those striving to improve their economic situations.

Throughout the course of these discussions, the Subcommittee pinpointed several other critical obstacles hindering workforce participation in Arkansas. Among these challenges, transportation emerged as a particularly pressing issue, severely limiting access to job opportunities for many residents. Addressing these barriers is vital to improving accessibility to the labor market and ultimately enhancing workforce participation across the state.

During each meeting, the following agencies and entities were permitted to provide additional information on the topics of study:

- Arkansas Community Action Agencies Association
- Arkansas Department of Commerce
- Arkansas Department of Corrections
- Arkansas Department of Education
- Arkansas Department of Human Services
- Arkansas Department of Transformation and Shared Services
- Arkansas Family Alliance
- Arkansas Governor's Office
- Arkansas River Valley Area Council
- Black River Development Corporation
- Central Arkansas Development Council
- Heart of Arkansas United Way
- Mid-Delta Community Services

To enhance the effectiveness of this study, the Subcommittee collaborated with the Georgia Center for Opportunity (GCO) who, in conjunction with Alliance for Opportunity (A4O), undertook an audit of the current workforce landscape in Arkansas. This research encompassed a detailed assessment of various factors, including participation rates, associated costs, and the outcomes of specific workforce development and public assistance initiatives. The methodology employed in this study involved a series of site visits to Arkansas, during which interviews were conducted with personnel from Department of Human Services and Workforce Connections, as well as virtual interviews with agency leadership. This multifaceted approach aimed to gather in-depth insights and foster a nuanced understanding of the challenges and opportunities within the state's workforce development framework.

In addition, the Subcommittee contracted with WorkED Consulting, LLC., who conducted a comprehensive data collection initiative that involved an in-depth analysis of testimonies related to essential workforce and social services programs. These programs include the Employment and Training Program, the Supplemental Nutrition Assistance Program (SNAP), and the Temporary Assistance for Needy Families (TANF) Program. Through this examination, key insights into current operational practices, the challenges faced by these programs, and potential strategies for improvement were identified. This process led to the formation of specialized work groups aimed at addressing these challenges effectively and fostering advancements in service delivery.

III. Recommendations to the Legislative Council

The Subcommittee recommends to the Legislative Council and the General Assembly the following:

A. Georgia Center for Opportunity and Alliance for Opportunity Final Report

The final report prepared by GCO and A4O is attached hereto as Attachment B.

1. **Integrated Administrative Structure.** Consolidate existing siloed agencies into a single cabinet-level state workforce agency that also encompasses public assistance programs with appropriate funding. This would include merging initiatives such as the Workforce Innovation and Opportunity Act, Unemployment Insurance, Vocational Rehabilitation, and various support programs including, but not limited to, TANF, SNAP, and Medicaid, into one comprehensive agency for the whole state.
2. **Integrated Service Delivery.** Implement an integrated service delivery model in which employment, education, and training opportunities can be easily accessed by workers, job seekers, and students throughout Arkansas. Actions that can help facilitate the integrated service delivery model include:
 - a. **Regional Alignment.** Programs are delivered with a consistent approach statewide while still allowing for regional innovation and the ability to tailor services as needed.
 - b. **Integrated Eligibility and Intake.** All relevant eligibility functions are centralized within a dedicated division, allowing staff to assist remotely rather than from physical locations.
 - c. **Integrated Work-First Case Management.** Integrating case management allows customers to access a comprehensive range of services that support their employment without the need to repeatedly share their story, undergo numerous assessments, or deal with limited options tied to a specific program case manager's offering.
3. **Integrated Financial Management.** Create a unified statewide cost allocation system or similar administrative structure that combines funds to support a cohesive system rather than independent programs. This approach aims to eliminate inefficiencies in current processes, such as engaging in multiple negotiations with ten separate local workforce development boards.

B. WorkED Consulting, LLC. Final Report

The final report prepared by WorkED is attached hereto as Attachment C.

1. **Integrated Administrative Structure.** Consolidate workforce programs into a single state workforce agency, and determine where eligibility and integration responsibilities lie.

2. **Integrated Service Delivery.** Implement a comprehensive service delivery system in which employment, education, and training programs can be accessed through a statewide architecture ensuring the first interaction a customer has is related to work and skills development.
3. **Integrated Financial Management.** Establish a statewide cost allocation system or other administrative arrangement that allows for the braiding of funds.

IV. Conclusion

As it continues its work of finalizing a legislative package for the upcoming 2027 Regular Session related to the implementation of these recommendations, the Subcommittee will meet regularly throughout the remainder of November and December of 2026. The Subcommittee will continue to utilize the services and advice of WorkED Consulting, LLC., in this work, while also working closely with the staff of Arkansas Workforce Connections, the Department of Human Services, and the Bureau of Legislative Research.

Respectfully Submitted: Sen. Jane English and Rep. Mary Bentley, Co-Chairs

Stricken language would be deleted from and underlined language would be added to present law.
Act 145 of the Regular Session

State of Arkansas

As Engrossed: S1/22/25

95th General Assembly

A Bill

Regular Session, 2025

SENATE BILL 50

By: Senators J. Boyd, *J. English*

By: Representative Wing

For An Act To Be Entitled

AN ACT TO REQUIRE A LEGISLATIVE STUDY OF WORKFORCE
AND SOCIAL SERVICES REFORM; TO REQUIRE THE
CONSIDERATION OF ANY LEGISLATIVE CHANGES NECESSARY TO
ADDRESS ISSUES IDENTIFIED DURING THE STUDY OF
WORKFORCE AND SOCIAL SERVICES REFORM; AND FOR OTHER
PURPOSES.

Subtitle

TO REQUIRE A LEGISLATIVE STUDY OF
WORKFORCE AND SOCIAL SERVICES REFORM;
AND TO REQUIRE CONSIDERATION OF
LEGISLATION NECESSARY TO ADDRESS ISSUES
IDENTIFIED DURING THE STUDY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. TEMPORARY LANGUAGE. DO NOT CODIFY. Legislative study of
workforce and social services reform – Findings – Scope – Requirements.

(a) The General Assembly finds that:

(1) Arkansas needs an educated and skilled workforce for
employment in diverse occupations and industries;

(2) The Arkansas workforce is increasingly in need of access to
higher quality education and training programs aligned to the growing
technological competencies required in occupations;

(3) Arkansas's public workforce system is a maze of confusing
programs and is not meeting the challenges faced by employers and workers;

(4) Arkansas does not have a centralized location that includes



1 a clearinghouse of the available public assistance programs, how to access
2 them, and eligibility requirements;

3 (5) The United States Congress is considering the
4 reauthorization of the Workforce Innovation and Opportunity Act, 29 U.S.C. §
5 3101 et seq., and new opportunities to grant states the ability to pilot
6 comprehensive innovation demonstration programs; and

7 (6) Research has shown that an integrated system of workforce
8 and social services more effectively supports the most vulnerable citizens in
9 escaping poverty through targeted support and work to achieve dignity and
10 self-sufficiency, which will not only lift individuals but also strengthen
11 Arkansas's economy.

12 (b)(1) The Hospital, Medicaid, and Developmental Disabilities Study
13 Subcommittee of the Legislative Council shall meet to conduct a study of
14 issues related to the reform of the state's workforce and social services.

15 (2) Meetings for the purpose of conducting the study required
16 under this section shall be held at least one (1) time every three (3) months
17 but may occur more often at the call of the cochairs of the Hospital,
18 Medicaid, and Developmental Disabilities Study Subcommittee of the
19 Legislative Council.

20 (c)(1) The purpose of the study required under this section is to
21 study issues and ideas related to the reform of the state's workforce and
22 social services and to consider related legislation that may be necessary to
23 remedy any issues identified during the course of the study.

24 (2) The study required under this section shall include without
25 limitation a study of:

26 (A) State models for coordinating and fully integrating
27 workforce, social services, education, child care, and healthcare programs;

28 (B) Alternative approaches that the state should consider
29 to achieve improved outcomes in workforce and social service programs,
30 including without limitation:

31 (i) Programs of the Workforce Innovation and
32 Opportunity Act, 29 U.S.C. § 3101 et seq., including without limitation
33 oversight for an integrated regional services delivery system;

34 (ii) The unemployment insurance program;

35 (iii) Vocational rehabilitation programs;

36 (iv) The Temporary Assistance for Needy Families

1 program;

2 (v) The Supplemental Nutrition Assistance Program;

3 (vi) The Employment and Training Program for
4 Supplemental Nutrition Assistance Program recipients; and

5 (vii) The Child Care Assistance Program;

6 (C) Performance outcomes of various workforce programs,
7 including without limitation an analysis of the number of common participants
8 enrolled in multiple programs across state agencies;

9 (D) The creation of an asset map that incorporates office
10 locations, case management systems, and customer intake and eligibility
11 procedures for the services and programs studied under this section; and

12 (E) Legislation that may be necessary to address any
13 issues identified in the course of the study conducted under this section.

14 (d) The Hospital, Medicaid, and Developmental Disabilities Study
15 Subcommittee of the Legislative Council may form work groups to focus on
16 specific issues or topics as needed.

17 (e) In conducting the study required under this section, the Hospital,
18 Medicaid, and Developmental Disabilities Study Subcommittee of the
19 Legislative Council may include and consider input from subject matter
20 experts, who may be used to facilitate meetings, conduct research, or provide
21 technical assistance.

22 (f)(1)(A) On or before October 1, 2026, the Hospital, Medicaid, and
23 Developmental Disabilities Study Subcommittee of the Legislative Council
24 shall file with the cochair of the Legislative Council a final written
25 report of the activities, findings, and recommendations of the Hospital,
26 Medicaid, and Developmental Disabilities Study Subcommittee of the
27 Legislative Council under this section, including any draft legislation.

28 (B) Upon adoption of the final written report filed under
29 subdivision (f)(1)(A) of this section, the Legislative Council shall submit a
30 copy of the adopted final written report to the Governor, the Speaker of the
31 House of Representatives, and the President Pro Tempore of the Senate.

32 (2) The final written report required under subdivision (f)(1)
33 of this section shall:

34 (A) Contain recommendations for the integration of the
35 services and programs considered during the study, including without
36 limitation any state department or agency reorganizations needed to achieve

1 desired outcomes for the people of Arkansas; and

2 (B) Address the following key components:

3 (i) How current services and programs are organized
4 and administered at the state agency level;

5 (ii) A vision for how service delivery can be
6 integrated for the benefit of all Arkansans who rely on the services and
7 programs studied, including without limitation services and programs
8 delivered at the state, regional, and local levels;

9 (iii) Opportunities for financial integration and
10 efficient methods for allocating costs across multiple services and programs;

11 (iv) Recommendations on how supportive services,
12 such as child care, trauma recovery, and health insurance, can better support
13 employment outcomes;

14 (v) Identification of efficiencies leading to cost
15 savings that can be used for enhanced services, such as increased resource
16 availability for Arkansans to access education and training; and

17 (vi) Identification of opportunities for Arkansas to
18 participate in any federally authorized workforce demonstration project,
19 including without limitation provisions requiring waiver requests.

20 (g) During the course of the study required under this section, the
21 Director of the Division of Workforce Services shall provide updates to the
22 Hospital, Medicaid, and Developmental Disabilities Study Subcommittee of the
23 Legislative Council related to efforts by the United States Congress to
24 reauthorize and reform the Workforce Innovation and Opportunity Act, 29
25 U.S.C. § 3101 et seq., including without limitation opportunities to
26 incorporate recommendations contained within the final report through new
27 demonstration and waiver authority or other changes to current federal laws.

28 (h) The study required under this section expires on December 31,
29 2026.

30
31 */s/J. Boyd*

32
33
34 **APPROVED: 2/25/25**

COORDINATION OF WORKFORCE DEVELOPMENT AND SOCIAL SERVICES PROGRAMS IN ARKANSAS

Informational Study
January 30, 2026



Prepared By:

Alliance for Opportunity, a collaborative project
founded by the Georgia Center for Opportunity



Authors:

Rachel Barkley

Executive Director, Alliance for Opportunity

Mason Bishop

Senior Fellow, Alliance for Opportunity

Principal of WorkED Consulting

Les Ford

Senior Fellow, Alliance for Opportunity

Ray Packer

Eligibility Specialist, Georgia Center for Opportunity

Erik Randolph

Director of Research, Georgia Center for Opportunity

Prepared By:

Alliance for Opportunity, a collaborative project
founded by the Georgia Center for Opportunity



Table of Contents

Executive Summary.....	2
Key Recommendations.....	3
Background on Recent Successful Arkansas Executive and Legislative Efforts.....	4
Why Arkansas Should Act Now: Arkansas Workforce Snapshot.....	6
The Crisis of Non-Participation.....	6
The Education-Participation Gap.....	7
The Youth Disconnection Crisis.....	7
The Federal Reform Window.....	8
Actionable Steps to Implement Key Recommendations.....	8
Integrated Administrative Structure.....	8
Integrated Service Delivery.....	9
Integrated Financial Management.....	11
Administrative Non-Coordination Findings.....	11
Participation and Funding Snapshot.....	17
Program Review and Findings.....	18
Temporary Assistance for Needy Families.....	18
Supplemental Nutrition Assistance Program.....	23
Supplemental Nutrition Assistance Program Employment and Training.....	25
The Workforce Innovation and Opportunity Act Programs.....	27
WIOA Title I and Title III.....	30
WIOA Title II: Adult Education and Literacy.....	33
Unemployment Insurance and Reemployment Services and Eligibility Assessment.....	36
Subsidized Child Care Programs.....	37
Medicaid and ARKids First.....	40
Community Colleges and Higher Education Programs.....	42
Site Visit and Interview Findings.....	45
Workforce Connections, Services, and Development.....	45
Division of County Operations and Safety Net Program Coordination.....	47
Arkansas Data Hub.....	51
Conclusion: One Door to Work.....	53
Future State: Proposed Integrated Administrative Structure.....	55
Appendices.....	61
Appendix A: Report Design and Methodology.....	61
Appendix B: List of Acronyms.....	63

Executive Summary

Arkansas has a generational opportunity to transform its workforce development and human services programs to deliver better results for Arkansans. Recent state and federal reforms have laid the groundwork for this transformational opportunity: Arkansas recently passed historic education reform in the Literacy, Empowerment, Accountability, Readiness, Networking, School Safety Act (LEARNs Act) of 2023 and created a first-class integrated data sharing system. Governor Sarah Huckabee Sanders also established the Workforce Cabinet to tackle systemic labor force participation deficits. At the same time, Congress passed the One Big Beautiful Bill Act in 2025, which contains many provisions that states must start enacting this year, with the goal of citizens working and achieving a better life.

Low labor force participation rates have had devastating impacts throughout the state, both on low-income citizens and employers. An astonishing 202,000 prime-working-age Arkansans are not engaged in the workforce at all. And last year, 377,312 Arkansans were dependent on Supplemental Nutrition Assistance Program (SNAP) benefits, and 1.1 million Arkansans relied on Medicaid and the Children's Health Insurance Program (CHIP).

Arkansas has a labor force participation rate of 58.5%, which consistently ranks in the bottom 10 states in the U.S. The state maintains approximately 68,000 unfilled positions, with a job openings rate of 4.7%—yet it cannot connect available workers to available jobs. In addition, at 15.2%, Arkansas has the 47th worst disconnected youth rate among all the states and the District of Columbia.

Current career services, education, and job training options for low- and middle-income individuals seeking upward mobility are scattered across agencies. Individuals who enter the human services system, either in physical offices or online, are not given a holistic work or training plan and must navigate referrals across locations and caseworkers. This study found that less than 1% of Arkansans who are enrolled in SNAP participate in SNAP Employment and Training (E&T) programs.

The most vulnerable Arkansans deserve accessible, effective pathways back into the workforce or toward full employment. Their talent is on the sidelines while jobs remain unfilled. Modernizing and transforming the workforce development and social services programs into a comprehensive, customer-centric system that provides equal access across the entire state is crucial to prosperity for Arkansas following the historic education reforms the state championed in 2023.

This study examines the current system of siloed workforce development and social services programs and lays out options to create a person-centered, work-focused system. Arkansas can modernize and transform its workforce development and social services programs through the implementation of an integrated administrative and service delivery model that: (1) streamlines and integrates state and local program administration, (2) improves both the quality of and access to services and supports, and (3) promotes fiscal integrity and resource efficiency for the benefit of Arkansas residents and employers.

Key Recommendations

Promoting upward mobility through gainful employment and meaningful careers for all Arkansans is the core goal for the integration of workforce development and social services programs. The current siloed program infrastructure does not provide Arkansans who have entered government social service programs a plan for work and/or training.

The three key areas this report recommends for action are:

- 1. Integrated Administrative Structure:** Replace existing siloed agencies with a single cabinet-level state workforce agency that also houses public assistance programs with commensurate appropriations. Consolidate programs—including the Workforce Innovation and Opportunity Act (WIOA), Wagner-Peyser Employment Services, Unemployment Insurance (UI), Vocational Rehabilitation (VR), Temporary Assistance for Needy Families (TANF), Transitional Employment Assistance (TEA), the Supplemental Nutrition Assistance Program (SNAP), SNAP E&T, Child Care, Medicaid, ARKids First, the Low-Income Home Energy Assistance Program (LIHEAP), and Women, Infants, and Children (WIC) Food Packages—and eligibility systems for these programs—into a single state agency serving the entire state. A key part of this process is designating Arkansas as a single Planning Region under WIOA, where the State Workforce Development Board provides policy oversight for the entire program portfolio throughout the state.
- 2. Integrated Service Delivery:** Arkansas lacks a comprehensive workforce system in which all employment, education, and training programs, along with social services supports, can be easily accessed and tailored for workers, job seekers, and students across the state. Commensurate with this problem, businesses lack a single access point where they can go to fill vacant jobs with skilled workers or upskill their existing workforce to meet the demands of the high-tech economy.

While Arkansas has implemented an integrated, statewide eligibility system for SNAP, TEA, and Medicaid, this is just one step in a more comprehensive set of actions that need to occur. Three actions will drive the state toward an integrated service delivery system that can meet economic challenges over the next decade and beyond:

- A. Regional Alignment:** All programs are delivered with a consistent approach in which the state operationalizes service delivery consistently across all regions of the state while allowing for regional innovation and tailoring of services. This approach supports equal access to services, quality control ensuring a positive customer experience, and flexibility to address economic issues rapidly with customization, if needed.
- B. Integrated Eligibility and Intake:** All appropriate eligibility functions are consolidated into a dedicated eligibility division where workers can also provide support remotely rather than from physical locations. The initial interaction with customers focuses on removing barriers to employment and self-sufficiency. The eligibility process then follows and supports a customer's employment plan. A part of this work will be fully

implementing a master person index number for every Arkansas citizen encountering the system.

C. Integrated Work-First Case Management: Because programs are administratively integrated, employment-first case management approaches are consistently used by all intake specialists. By integrating case management, customers can access the full array of services needed to support their employment and career goals without having to tell their story repeatedly, go through multiple assessments, and access limited offerings depending on what a particular program case manager can offer.

3. Integrated Financial Management: Establish a statewide cost allocation system or other administrative arrangements that braid funds to support a system instead of individual programs. With the implementation of a statewide cost allocation model, significant inefficiencies in current processes will be eliminated so multiple negotiations are consolidated from 10 different Local Workforce Development Areas (LWDAs). Additionally, the legislature will more easily align appropriations and provide oversight to target resources in a way that benefits customers and avoids administrative redundancies and duplication.

Background on Recent Successful Arkansas Executive and Legislative Efforts

Over the past decade, Arkansas's change leaders have come together across agencies with a long-term goal of reducing silos. This study highlights four ongoing, interwoven efforts:

1. Data Integration: The Open Data Transparency Taskforce¹ created in 2015 by Senate Bill (S.B.) 983 pursued integrated data sharing through the Arkansas Data Hub.² This allowed state agencies to share information in order to track longitudinal data, permitting real-time and continuous alignment to better meet the needs of the state. More recently, Act 480 of 2025 gave the newly renamed Office of State Technology (OST, formerly the Division of Information Systems) within the Arkansas Department of Shared Administrative Services (SAS) the statutory charge and authority to administer the state's information technology (IT), provide statewide project management, establish and enforce statewide standards, develop performance reporting guidelines for IT vendors, and establish a centralized IT governance model.³ This was followed by Executive Order 25-10, which more clearly and

¹ S.B. 983, 90th Gen. Assemb., Reg. Sess. (Ark. 2015), <https://arkleg.state.ar.us/Bills/Detail?ddBienniumSession=2015%2F2015R&measureno=SB983>.

² Transformation and Shared Services Division of Information Systems, "Arkansas Data Hub," September 19, 2024, <https://sas.arkansas.gov/wp-content/uploads/Data-Hub-DTP-Presentation-09182024.pdf>.

³ Arkansas Act 480, (2025), <https://www.arkleg.state.ar.us/Bills/Detail?id=hb1557&ddBienniumSession=2025%2F2025R>.

immediately enacted provisions of Act 480.⁴ Before this, all department Chief Information Officers (CIOs) and IT staff were independent and siloed. They now report to the state CIO.

2. **Workforce Focus:** Governor Sanders's Executive Order 23-16⁵ established the Workforce Cabinet in 2023. The Cabinet has led on comprehensive integration through a multiyear roadmap to reduce silos, specifically by streamlining state intake, case management, and outcome measurements. Intake is being integrated through cross-department implementation of CiviForm, an open-source software portal or form used to apply for public assistance and community benefits. Case management is taking the first step toward integration through Arkansas LAUNCH, Arkansas's workforce and job-matching platform that currently focuses on developing a roadmap for building skills to connect to careers. Outcome measurement has already taken the first step through the previously mentioned Arkansas Data Hub. The second step will be the implementation of the Jobs and Employment Data Exchange (JEDx), which will enable state agencies to access real-time payroll data.
3. **K-12 Education:** The LEARNS Act of 2023 created a good foundation of reforms to the K-12 education system and career and technical education pathways. It created flexibility for students to pursue internships and apprenticeships while in school and align career and technical programs with jobs that are in high demand. It also launched a statewide campaign to support the work of technical and trade schools.
4. **Case Management and Community Service Integration:** Finally, Governor Sanders led the state in launching the 10:33 Initiative Pilot Program at the end of 2025 to bring low-income Arkansans in crisis off the sidelines through community connection.⁶ This includes launching Hope Hub (currently in 19 counties), a collaborative case management system that connects community organizations, government agencies, and service providers on a shared platform. It also includes Care Portal, a technology empowering non-governmental partners to facilitate responses to needs through community responders. The expansion of Hope Hub through the 10:33 Initiative is a leap forward in case management tools for human services and workforce services.

⁴ Arkansas Governor Sarah Huckabee Sanders, *Executive Order 25-10: Executive Order Concerning Modernizing and Enhancing Efficiency, Security, and Oversight of Statewide Information Technology (IT) Services* (June 11, 2025), https://governor.arkansas.gov/executive_orders/sanders-announces-executive-order-concerning-modernizing-and-enhancing-efficiency-security-and-oversight-of-statewide-information-technology-it-services/.

⁵ Arkansas Governor Sarah Huckabee Sanders, *Executive Order 23-16: Executive Order to Create the Governor's Workforce Cabinet and the Chief Workforce Officer* (February 9, 2023), <https://governor.arkansas.gov/wp-content/uploads/EO-23-16-Chief-Workforce-Cabinet28.pdf>.

⁶ Arkansas Governor's Office, "Sanders Announces the Launch of the 10:33 Initiative Pilot Program," October 6, 2025, https://governor.arkansas.gov/news_post/sanders-announces-the-launch-of-the-1033-initiative-pilot-program/.

Why Arkansas Should Act Now: Arkansas Workforce Snapshot

The Crisis of Non-Participation

Despite Arkansas's seemingly low seasonally adjusted unemployment rate of 3.9% in September 2025, there is a structural workforce crisis that is not reflected in the official number. Arkansas's unemployment rate was better than the national rate of 4.4%, which is slightly above an ideal unemployment rate (below 4% according to Federal Reserve economists). However, the way the U.S. Bureau of Labor Statistics calculates unemployment rates leaves out a large segment of the working-age population. It hides a structural unemployment problem. The official unemployment metric only counts those individuals who are working or actively seeking employment during the reference week of the prior month. It dismisses those who abandoned work search activities due to discouragement, those who did not look for work specifically during the reference week but had been actively looking for work, and those who have an inadequate part-time job but are seeking and unable to find full-time employment.

The workforce problem in Arkansas is serious. Arkansas's labor force participation rate is only 58.5%, the 42nd worst in the nation. One metric economists look at to indicate the seriousness of the problem is the rate of labor force participation among prime-working-age males, defined as those between the ages of 25 and 54⁷. Participation among these individuals has been alarmingly declining since the 1950s, with 10.7% nationally not engaged in the labor force in 2024. At 13.3%, Arkansas's rate was much higher than the national average during that year.

The Georgia Center for Opportunity (GCO) has developed its own workforce participation metric using microdata from the same Current Population Survey the U.S. Bureau of Labor Statistics uses for the official unemployment rate. The official number of unemployed Arkansans averaged 53,533 in 2024, but GCO's metric showed that the real labor under-utilization number was nearly four times higher: **202,000 prime-working-age Arkansans were either unemployed or not engaged in the labor force due to being discouraged, simply not participating without any known reason, or being unable to find full-time work.**

⁷ Various economic studies have focused on the declining labor force participation of prime-working-age males ages 25 to 54 to avoid including men still in post-secondary education or retirement. Because the problem involves more than just the male population within that age range, other studies have focused on those ages 25 to 64, an upper threshold closer to the normal retirement age. Women are typically excluded because of cultural changes related to women entering the workforce. The GCO metric corrects these problems by providing estimates of the potential workforce that excludes specific categories of justifiable non-participation, such as full-time adult students, retirees, those with disabilities or serious illnesses making them work incapable, stay-at-home parents, and caregivers for family members with intense care needs, such as elderly parents and children with severe disabilities.

This participation deficit represents more than an economic challenge; it signals a generational threat to Arkansas’s prosperity. The state maintains approximately 68,000 unfilled positions with a job openings rate of 4.7%—yet it cannot connect available workers to available jobs.⁸

The Education-Participation Gap

The structural crisis deepens when examining civilian labor force participation by educational attainment for prime-working-age adults, ages 25 to 64. Arkansas suffers from systemic participation deficits across every educational tier, with the most severe gap among those without a high school diploma: only 55.7% participate compared to the national rate of 63.7%. Participation increases with educational attainment to 67.5% for high school graduates (but still less than the national average of 73.7%) and 77.3% for individuals with some college or an associate’s degree (but still less than the national average of 80.7%). For those with bachelor’s degrees or higher, 86.1% participate in the labor force, which is still less than the national average of 88.3%.⁹

Table 1: Labor Force Participation by Educational Attainment

Labor Force Participation Rate by Educational Attainment, Ages 25 to 64, American Community Survey, 2024		
Educational Attainment	Arkansas	U.S.
Less than High School Degree	55.7%	63.7%
High School Graduate	67.5%	73.7%
Some College or Associate’s Degree	77.3%	80.7%
Bachelor’s Degree or Higher	86.1%	88.3%

This across-the-board deficit indicates challenges beyond education alone—structural discouragement, inadequate supportive services, and geographical job mismatches all contribute to workforce withdrawal.

The Youth Disconnection Crisis

Arkansas faces one of the nation’s highest disconnected youth rates, representing thousands of residents ages 16-24 who were neither in school nor working in 2024. At 15.2%, Arkansas has the 47th worst disconnected youth rate among all the states and the District of Columbia.¹⁰ With 22.7% of its residents under age 18, the state cannot afford to lose young workers and students. They comprise the pipeline of new workers entering the labor market, making every under-

⁸ U.S. Bureau of Labor Statistics, “State Job Openings and Labor Turnover Summary—August 2025,” news release, December 2, 2025, <https://www.bls.gov/news.release/jltst.nr0.htm>.

⁹ U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2024, Table B23006.

¹⁰ Kristen Lewis, Alex Powers, Cara Wohnsigl, Kate Harvey, and Tara Shawa, *Broad Recovery, Persistent Inequity: Youth Disconnection in America* (New York: Measure of America, Social Science Research Council, 2024), <https://ssrc-static.s3.amazonaws.com/moa/BroadRecoveryPersistentInequity.pdf>.

prepared or under-educated young person a critical resource loss in the efforts to build a more prosperous state.

The Federal Reform Window

In 2024, congressional legislation passed in the U.S. House of Representatives with wide bipartisan support, that would have offered Arkansas and select other states unprecedented flexibility to restructure employment, training, and social services delivery through an innovation waiver.¹¹ Though a bipartisan House-Senate compromise did not receive a vote before the congressional session ended in December 2024, the federal policy momentum continues, with indications of bipartisan support in this Congress, and creates a unique window for state-level reform. Additionally, at the end of 2025, the U.S. Department of Labor issued a Training and Employment Guidance Letter to maximize innovation in WIOA programs.¹²

Actionable Steps to Implement Key Recommendations

Integrated Administrative Structure

Through state legislation, it is recommended that Arkansas merge a variety of programs currently administered in different state agencies into a cabinet-level state workforce agency that also houses public assistance programs. Integrating the administrative and program structures is the key first step because it necessarily aligns and organizes programs in a manner that affords state leaders the opportunity to implement a work-centered organizational culture for policy and program design. A consolidated agency also creates the oversight, policy, and administrative hub for integrated service delivery, including case management and eligibility, and statewide cost allocation.

Programs included in the new integrated state agency will include: the WIOA Title I Adult, Dislocated Worker, and Youth programs; the WIOA Title II Adult Education and Literacy program; WIOA Title III Wagner-Peyser Employment Services; the WIOA Title IV VR program; UI; TANF TEA; SNAP; SNAP E&T; Child Care; Medicaid; ARKids First; LIHEAP; and WIC Food Packages.

An imposed start date of July 1, 2027, for legislation is recommended to both align with Arkansas state fiscal years and provide a transition period to further collect data, name a new secretary, and create work groups for the components of the transition. These work groups should be composed of issue-area specialists and should develop and implement a plan to move toward a single administrative agency focused on work, including a plan for physical location integration.

¹¹ A Stronger Workforce for America Act, H.R. 6655, 118th Cong. (2024), <https://www.congress.gov/bill/118th-congress/house-bill/6655>.

¹² U.S. Department of Labor, “Training and Employment Guidance Letter No. 05-25,” November 25, 2025, <https://www.dol.gov/agencies/eta/advisories/tegl-05-25>.

A key part of this process is designating Arkansas as a single Planning Region as part of the current WIOA State Plan mid-cycle process (first quarter of 2026) in which the State Workforce Development Board provides policy oversight for the entire program portfolio throughout the state. The state Division of Workforce Connections can develop and submit a waiver package to realign LWDAs into a statewide planning region and move toward a statewide service delivery model.

It will be critical to implement shared metrics and accountability mechanisms to measure agency performance against statewide goals.

Integrated Service Delivery

Arkansas should develop an integrated, customer-centric, and high-performing service delivery system that prioritizes three components: (1) Regional Alignment, (2) Integrated Intake and Eligibility, and (3) Integrated Work-First Case Management. The consistent statewide service delivery architecture will provide single access points for businesses, workers, job seekers, and students and provide state leaders with the tools to address serious economic challenges such as labor force participation and educational attainment. An integrated service delivery system also supports economic development initiatives by aligning the human capital resources and potential with economic growth strategies that build and grow the economy in Arkansas and address chronic economic challenges that hamper regions across the state.

1. Regional Alignment: All programs are delivered with a regional approach in which the state operationalizes service delivery consistently across all regions of the state while allowing for regional innovation and tailoring of services.

The current siloed and duplicative physical delivery structure is both an administrative burden and a barrier to vulnerable people who need services. Arkansas should consolidate various service delivery structures into a single statewide architecture that allows for regional innovation and whereby all Arkansans can avail themselves of the services needed through integrated physical and virtual infrastructure. This promotes multiple access points for workers and job seekers. The state can also align and tailor service delivery to urban and rural areas based on appropriate resource allocation and types of services needed by people living in different parts of the state.

Workforce legislation that designates Arkansas as a single-state area should also provide assurances that all regions of the state will receive appropriate resource allocations and should fund the transition process to consolidate physical locations and transition staff, as needed. The executive branch can use the WIOA State Plan mid-cycle update process and the submission of federal waivers to support and proactively move toward statewide service delivery integration as part of the transition.

2. Integrated Eligibility and Intake: All appropriate eligibility functions are consolidated into a dedicated eligibility division.

All appropriate eligibility functions should be consolidated into a dedicated eligibility division. While Arkansas has done admirable work on integrating SNAP, Medicaid, and TANF eligibility into the Arkansas Integrated Eligibility System (ARIES), other key work support programs remain siloed. This requires an individual who is seeking upward mobility to apply with multiple agencies to get on the right path. First and foremost, all federal and state employment and training programs throughout Arkansas should be integrated into the same eligibility system as the key public assistance programs mentioned above. In addition, the eligibility check for key work support programs, including subsidized childcare, WIC, and LIHEAP, should be incorporated. This ensures the eligibility assessment is work-focused first and has a clear picture of all assistance required to support that pathway that is under control by the state.

All eligibility functions should be consolidated into a dedicated eligibility division, where eligibility is determined for all programs through frontline workers, eligibility specialists, and case managers either remotely or at physical locations. A part of this work will be fully implementing a master person index number for every Arkansas resident encountering the system that will allow a case manager to have visibility into the whole picture of government services for that individual.

Creating an integrated front-end intake will complement back-end eligibility. Arkansas has already begun building tools in CiviForm and Arkansas LAUNCH that can be expanded to do this work at a minimal cost in comparison to traditional IT systems development. Arkansas should create a single online landing page for all workforce services and safety net programs that shows the physical locations and focuses on employment connection activities while allowing for safety net program benefits.

3. Integrated Work-First Case Management: Employment-first case management approaches are consistently used by all workers.

The initial interaction with customers focuses on removing barriers to employment and self-sufficiency. The eligibility process then follows and supports a customer's employment plan. Currently, Arkansas has not implemented any case management system that reaches across programs to serve the whole person.

With programs administratively integrated, Arkansas can deploy and train staff on an employment-first case management system that all workers consistently use. Arkansas already has a tool available in the Hope Hub system that could be adopted as part of the broader system. The goal of case management should be to assist low-income Arkansans in times of crisis in moving toward stability. This will require empowering case managers to connect work-capable Arkansans to all workforce assistance programs and to use safety net assistance to stabilize and support their goals.

Creating a centralized case management system will also allow employers, particularly large statewide employers, to engage job seekers through one door rather than siloes of individual agencies and subgrantees/training providers.

The case management system should define, capture, track, and report outcomes to legislative and executive staff, including outcomes such as employment and wages after exiting the system.

Integrated Financial Management

Arkansas should aggressively seek a statewide cost allocation model that eliminates the multiple and ongoing negotiations that occur around current cost allocation and infrastructure arrangements. Statewide cost allocation supports integrated service delivery, as Arkansas will use federal and state funds to support a systems approach to service delivery versus the current program-by-program approach where workers only provide services based on their unique program funding requirements and availability. Additionally, integrating finances allows the state to identify areas of inefficiency and redundancy and redirect those resources toward enhanced participant services, particularly training services.

The goal of a cost allocation model is to braid various federal funding streams administratively so that the frontline workers can help the whole person with a variety of programs supporting them. Currently, frontline workers are typically funded by individual program dollars and thus have only their single program in mind when serving a person. It shifts case work from being program-centric to being person-centric. An example of a state that has done this successfully for three decades is Utah. Utah uses a fiscal methodology called a Random Moment Time Sample (RMTS), where they allocate costs based on who workers are serving and what activities they are engaged with (i.e., case management, eligibility, career services support, etc.).

During the transition period, work groups should assess agency expenditures and build on initial asset mapping to eliminate inefficiencies and make recommendations to the legislature to align appropriations. The state can submit a plan to the federal Office of Management and Budget to obtain approval of a cost allocation model and streamlined reporting structure at the federal level.

Administrative Non-Coordination Findings

The three key findings found through research, interviews, and site visits are:

- Customers of the “system” are stuck in silos.
- The human services approach does not focus on work.
- There are significant inherent inefficiencies in the current system.

Figure 1: Arkansas's Current Workforce Services and Safety Net Program Structure

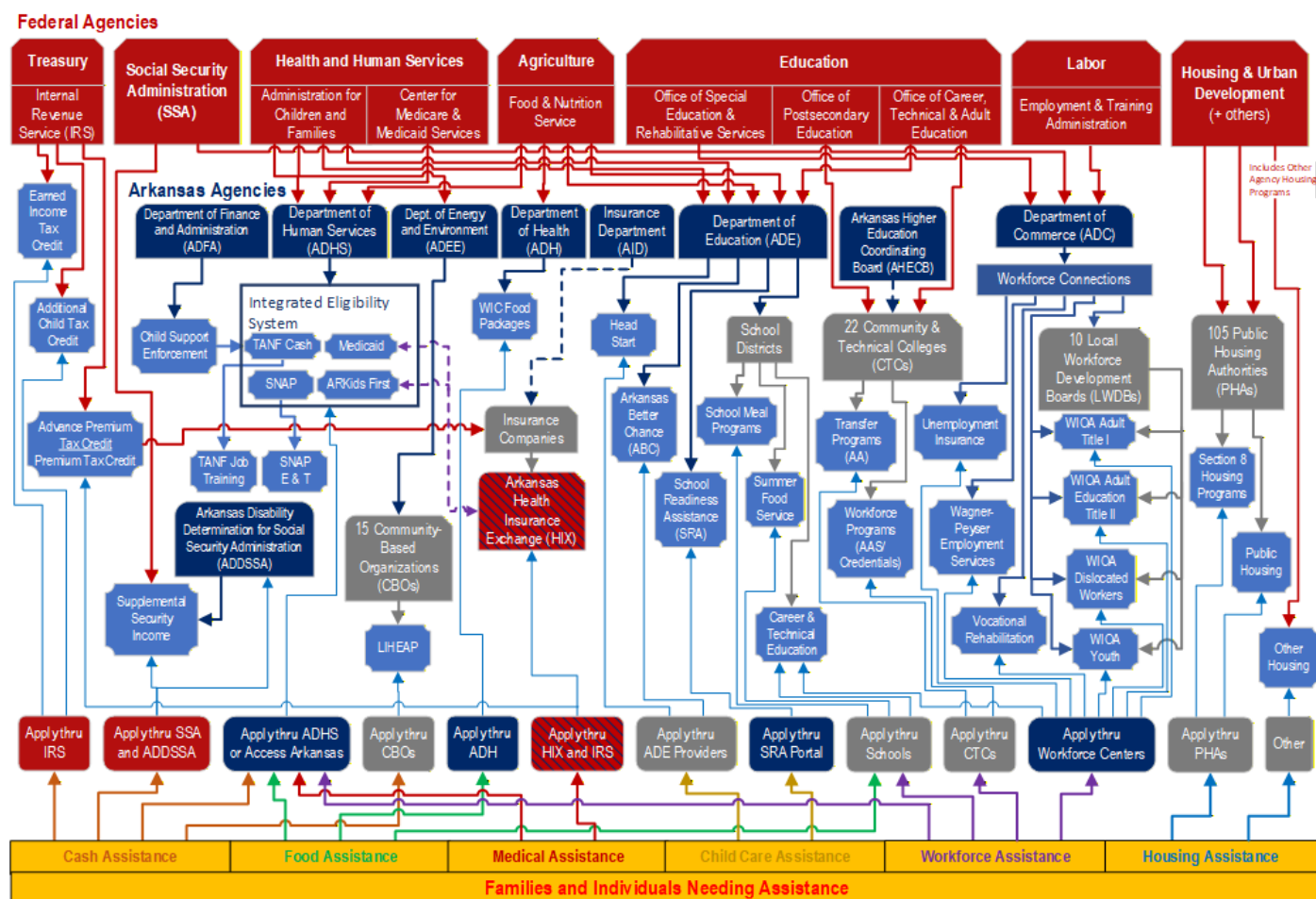


Figure 1 provides an overview of Arkansas's current system of workforce services and safety net programs. The red boxes on top represent major federal agencies that fund workforce and safety net programs and that have regulatory oversight. The arrows connecting directly to program boxes in the light blue are those programs administered by the federal government without any intermediaries. Otherwise, the red arrows connect to Arkansas's cabinet-level agencies that administer the programs or to gray boxes that are other entities that run programs, such as community and technical colleges (CTCs), school districts, community-based organizations (CBOs), etc. The dark blue arrows lead to the programs the state agencies administer or subgrant the administration to another entity. The other entities in the gray boxes can receive funding directly from federal or state agencies. There is only one red and blue striped box—for the Arkansas Health Insurance Exchange—that is jointly run by the state and federal governments. It is one of only two state-based exchanges operated on a federal platform.

The bottom of the figure represents families and individuals needing either workforce or safety net services. These are categorized by cash assistance, food assistance, medical assistance, child care assistance, housing assistance, and workforce assistance. The row of boxes immediately above shows where families and individuals need to go to receive those services. The figure illustrates 16 general paths they need to follow to apply for assistance, including through the federal agencies, state agencies, or other entities. These pathways are generalized because people often need to apply for programs directly using separate forms despite the programs being administered by the same entity.

1. Customers in the “system” are stuck in silos

Customers needing an array of workforce services and supports do not receive them and are limited in their exposure to possibilities for upward mobility.

RISK: Arkansas does not have a comprehensive workforce system to address significant challenges, such as improving labor force participation or addressing the impacts of artificial intelligence (AI) and new technologies.

As demonstrated by Figure 1, many cabinet-level agencies administer various programs through separate intake and eligibility processes, physical locations, and case management styles, with little coordination. Despite workforce programs being promoted as a “one-stop shop” system, customers do not receive wraparound support, such as childcare services or public assistance, in a Workforce Center in Arkansas. Workforce Connections programs also run parallel to workforce training programs offered by community colleges or SNAP E&T. Individuals with disabilities, people seeking public assistance, and people needing skills upgrading must look for assistance through other means. Human service clients have no formal referral system to workforce services outside of SNAP E&T and possibly TANF. Referrals between agencies/programs are informal at best, and in site visits, the workers in DCO and workforce offices said that tracking what happens to the customer after a referral does not occur. Case management also happens on a program-by-program basis.

It is also noteworthy that there is a large disconnect between workforce services and safety net programs. There is very little communication and coordination between them. Even for TANF job training and SNAP E&T, DCO systems get only the bare minimum program compliance information on client progress.

2. The human services approach does not focus on work

Customers are **trapped** in poverty while on government assistance as caseloads and expenditures remain elevated.

RISK: As Arkansas implements work requirements, customers in the human services programs have no direct line to workforce programs. State agencies address these requirements on a program-by-program basis versus comprehensively.

There is little emphasis to move clients to work in DCO offices. The application forms do collect financial information from employment or self-employment sources that inform the caseworkers and the system of the work situation of applicants or those seeking redeterminations for the renewal of benefits. The system is geared to determine eligibility for the program benefits. No employment plan is developed, and the system does not track the employment success of the individuals exiting the system. The exception is that when a program has a work requirement, such as able-bodied adults without dependents (ABAWDs) needing to work an average of 20 hours a week, the system will collect information for the sole purpose of determining eligibility and nothing further than that.

The system also has little visibility over clients who receive education or training services. The only tracking that occurs deals with eligibility for benefits. SNAP E&T clients are referred to providers, but the only feedback received is whether the client fulfilled the training or education requirements. The ADE provides statistics for attaining unsubsidized employment to DHS for the second and fourth quarters after participants have completed participation in E&T training, as well as the completion of E&T activities. However, DCO staff managing the casework do not receive case-level information regarding the specifics for each participant in the E&T program. Interviews with line staff revealed a desire to help individuals find employment to better their circumstances, but the system is not set up to facilitate a connection to employment or training.

3. There are significant inherent inefficiencies in the current system

Arkansas is “leaking” millions of dollars that could be redirected from administration to customer services for both business and worker populations.

RISK: As federal resource constraints grow, Arkansas will be saddled with overhead and forced to implement dramatic reductions in staffing and services to Arkansas business and worker populations.

Figure 2: Current Service Delivery Locations for Community Colleges, Workforce Centers, and Human Services County Offices

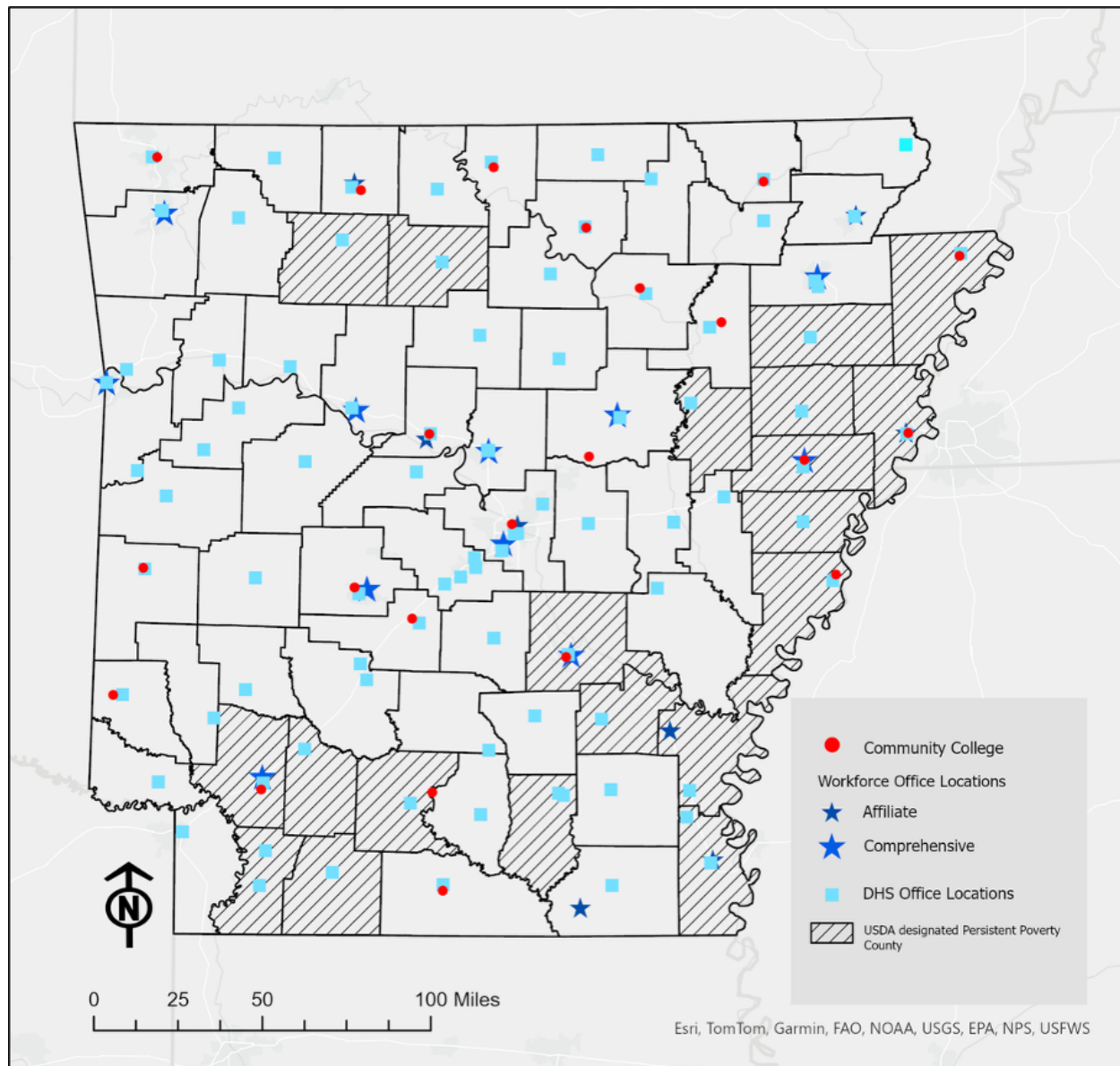


Figure 2 shows that the only office in many counties is a human services county office where there are no direct services or staff for work search, education, or training. Clients currently need to navigate different offices for different programs. It is noteworthy that this map does not include 105 Public Housing Authorities (PHAs), 95 health department offices for WIC, 26 child support enforcement offices, and 15 organizations administering LIHEAP.

While challenging to fully quantify without a forensic audit, duplication in physical infrastructure and systems support (case management and eligibility systems) likely means that Arkansas is losing millions of dollars in funds that could support customers. For example, in (PY) 2024, Arkansas had an allotment of \$14.8 million in WIOA Title I dollars and only served 1,273 people, and of that, \$1.7 million was spent on training. For PY 2024, the state also received \$5 million for Wagner-Peyser Employment Services. This indicates that a significant amount of the funds was spent on overhead and the upkeep of physical infrastructure rather than being used for training dollars and going directly to individuals in need.

SNAP E&T providers include Adult Education receiving \$2.7 million, Shorter College receiving \$97,000, and a Community College receiving \$470,000. For state fiscal year (SFY) 2024, 74% (\$47 million) of TANF funds were spent on funding subgrantees, including the Division of Career & Technical Education's Career Pathways Initiative (CPI), the Human Development Corporation, the Arkansas Division of Workforce Services (now called Arkansas Workforce Connections), and Employment & Training Services Inc. All these programs have goals of employment and upskilling.

Arkansas also funds the Office of Skills Development to invest in all levels of the Arkansas workforce, guided by the experience and insight of industry professionals, business owners, educators, and other stakeholders through the State Career Education and Workforce Development (CEWD) Board.¹³ The above demonstrates there are many programs with significant collective investment that focus on workforce development and operate across agencies and providers in the state.

For eligibility, DHS operates the integrated eligibility system under ARIES. Only a small number of safety net programs are part of the integrated eligibility system—although they include two of the largest programs in terms of cost and participation. Depending on how they are counted, there are at least six state agencies or divisions involved in operating eligibility systems: the Arkansas Department of Human Services (ADHS), the Arkansas Department of Energy and Environment (ADEE), the Arkansas Department of Health (ADH), the Arkansas Insurance Department (AID), Arkansas Workforce Connections (AWC), and the Arkansas Department of Education (ADE).

All of these siloed case management and eligibility IT systems are costly to upkeep and do not facilitate visibility across agencies into the whole picture of a person's situation. In addition to ARIES, there are the Arkansas Workforce Integrated Networks System (ARWINS) for TEA; SNAP Works for SNAP E&T; Arkansas Job Link (AJL) for WIOA Title I and Title III; the Literacy, Adult, and Community Education System (LACES) for Adult Education (WIOA Title II); and two systems for WIOA Title IV rehabilitation and services for the blind.

Federally, WIOA makes TANF a mandatory partner unless the governor opts out. DHS indicated that ARWINS, an integrated data system intended to share information among WIOA and TANF program staff, is used for case management for TEA participants in collaboration with AWC.

¹³ Arkansas Office of Skills Development, "About," <https://arkansasosd.com/about/>.

A 2019 report¹⁴ detailed the planned collaboration between TANF and WIOA through ARWINS. However, during this team’s site visits, Workforce Center staff noted that since TANF moved to DHS, there is very little collaboration between WIOA and TANF. More examination needs to be conducted to understand how AWC and DHS have been collaborating with TANF/WIOA case management since 2019.

Without a full forensic audit, it is challenging to quantify cross-program enrollment (e.g., whether a customer is on SNAP and in a WIOA program), and thus it is difficult to know how many staff encounter the same customer for different services. This may be an area that a work group examines in preparation for agency integration efforts. However, it is likely that there are many Arkansans who are enrolled across the system and are going through disparate “case management” processes with staff.

Similarly, as work requirements are expanded and implemented in the coming years, more programs will need employer engagement. Because these programs are housed across differing agencies with differing strategies, Arkansas employers will be engaged by numerous program staff who all have the same goal. To be competitive with other states attracting large employers, Arkansas needs an integrated workforce strategy across all available public programs that are focused on work readiness.

Participation and Funding Snapshot

From Arkansas’s SFY 2023 state fiscal audit:

Five state entities expended the majority (92%) of federal awards (SFY 2023), as noted below¹⁵:

- Arkansas Department of Human Services, 66%
- Arkansas Department of Education, 10%
- Arkansas Department of Transportation, 7%
- University of Arkansas System, 6%
- Arkansas Department of Commerce, 3%

¹⁴ State and Tribal Technical Assistance and Resources, “TANF/WIOA Collaboration: Arkansas,” August 1, 2019, <https://peerta.acf.hhs.gov/content/tanfwioa-collaboration-arkansas>.

¹⁵ “State of Arkansas Single Audit Report for the Year Ended June 30, 2023,” <https://www.dfa.arkansas.gov/wp-content/uploads/2023-Single-Audit-Report.pdf>.

Table 2: Current Program Structure, Size, and Costs

Program	Participants	Total Funds	Funding Source	Administrative Cost	Agency
SNAP (From 2024 Annual Report)	FY 2024 377,312 (from DHS-provided data)	FY 2024 \$525,649,705	Federal (State match to be added in 2028 depending on error rate. Using 2024 error rate, state match would be \$49,721,269.)	2023 \$90,545,184 (from Food and Nutrition Service State Activity Report)	DHS
SNAP E&T	FY 2024 2,561	FY 2024 Budgeted \$11,679,748 Expenditures \$5,141,624	Federal \$6,567,383 Expenditures \$3,795,036	Budget \$9,752,904 State and Federal Expenditures \$4,220,591	DHS; Subgrantees ADE, ADHE, Commerce/ Workforce
Medicaid	SFY 2024 1,170,254 total enrolled 797,513 children and adults were eligible through Traditional Medicaid 372,830 Arkansas adults were eligible for Medicaid through the ARHOME (Medicaid expansion)	SFY 2024 \$9,051,810,385 (from DHS 2024 Statistical Report)	Federal match 72%	FY 2023 \$528,000,000 (from MACStats: Medicaid and CHIP Data Book)	DHS
TANF	Total grantee customers served: Unreported SFY 2024 TEA Adults: 1,568 Children: 3,366 Total: 4,934 SFY 2024 TEA Work Pays Adults: 78 Children: 164 Total: 242	SFY 2025 total: \$63.2 million FY 2025 subgrantees: \$48.75 million FY 2024 subgrantees: \$47.01 million SFY 2024 TEA: \$2,122,073 SFY 2024 TEA Work Pays: \$125,504	Federal	Administration for Children & Families TANF financial data FY 2023 \$13,944,950	DHS; Subgrantees ADE, ADHE, Commerce/ Workforce

Program	Participants	Total Funds	Funding Source	Administrative Cost	Agency
WIOA: Title I	FY 2025* Adults: 665 Dislocated workers: 97 Youths: 511 Total: 1,273	FY 2025 total allotment:* \$14,872,928 Training cost: \$1,765,771	Federal	FY 2025 reported: \$1,065,266	Workforce Connections
WIOA: Wagner-Peyser	53,733*	FY 2025 allotment:* \$4,999,917	Federal	N/A	Workforce Connections
WIOA: Vocational Rehabilitation	SFY 2023 1,200 participants obtain employment 966 participants in the Career Development Center	SFY 2023 total: \$57,937,252 FY 2025 grant: \$38,795,775	Federal	N/A	Workforce Connections
Services for the Blind	SFY 2023 391 vocational rehabilitation applications, closing 114 cases 306 applications for older individuals who are blind, closing 101 cases	SFY 2023 total: \$13,109,827 FY 2025 grant: \$6,597,151	Federal		Workforce Connections
WIOA Title II: Adult Education	PY 2024 11,447	SFY 2023 total: \$36,738,765 FY 2024 federal award: \$6,241,870	State and federal	SFY 2023 \$1,710,546	Workforce Connections
Unemployment Insurance	Jan.-Dec. 2025 federal data: 71,782 initial claims SFY 2023 report: 28,547 individuals received benefits	SFY 2023 \$72.7 million in regular UI benefits claims payments	Employer tax	FY 2024 Admin: \$9,950,021 Admin other: \$14,489,806	Workforce Connections

Program	Participants	Total Funds	Funding Source	Administrative Cost	Agency
Reemployment Services and Eligibility Assessment	For FY 2025: Total participants selected: 10,053 Total completions: 4,505 Total failures to report: 2,927 Total waivers: 2,621	Award amount: \$2.4 million	Admin PS/PB: \$11,186 Admin other: \$3,579	FY 2025 reported: \$1,065,266	Workforce Connections
School Readiness	19,905	Funded by the federal Child Care Development Fund: \$95 million	State and federal match 72%	Combination of federal and state dollars through state match program	ADE
Arkansas Better Chance	\$23,059	Funded by State General Fund and TANF: \$114 million total (\$7.5 million from TANF grant)	State and federal	N/A	ADE

**When developing Table 2, reports were pulled from different state and federal fiscal years based on the availability of the most recent data. For WIOA programs, FY 2025 is PY 2024: July 1, 2024-June 30, 2025.*

Program Review and Findings

Temporary Assistance for Needy Families

Description and Enrollment

Since replacing Aid to Families with Dependent Children (AFDC) in 1996, the TANF program has served as one of the nation's primary economic security and stability programs for low-income families with children. The TANF Block Grant was budgeted and authorized by the state legislature in the amount of \$57,200,764 for SFY 2024-2025.¹⁶ The TANF spend for SFY 2024 as reported by DHS was \$89,165,415, which includes carryover funding from previous years. Note that unspent block grant funds can be carried over to future fiscal years, accounting for the TANF budget above that is larger than the fiscal year's federal grant. The budget for SFY 2025 subgrants to different programs and providers is a total of \$48,755,988.

DHS originally administered the TANF block grant. The administration then transitioned to the ADC, Division of Workforce Services (DWS), on January 1, 2006. The administration was returned to DHS in 2024, as required by law from the 2023 legislative session.

The broad TANF statutory goals are to:

- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- Encourage the formation and maintenance of two-parent families.

States have considerable flexibility with TANF funds to implement programs that best serve their distinct communities in fulfillment of TANF program goals. In Arkansas, basic assistance was only 2.1% of overall TANF spending in FFY 2023. Nationally, it was 24.6% for FFY 2023. The remaining expenditures cover a wide range of services provided largely by subgrantees, including work, education and training activities, childcare, child welfare services, and fatherhood and two-parent family programs.

Federal rules require state TANF programs to meet work participation rates of those TANF families receiving assistance, which is an overall rate of 50% for single parent families and 90% for two-parent families. In addition, states have cost-sharing requirements, known as Maintenance of Effort (MOE) spending. In FFY 2023, Arkansas spent \$26.5 million on MOE.

¹⁶ Arkansas General Assembly, "Summary Budget Information, Appropriation Summary," 487, <https://arkleg.state.ar.us/Home/FTPDocument?path=%2FAssembly%2F2025%2FSummary+Budget+Manuals%2FWeek+5+-+Dept+of+Education%2C+Dept+of+Public+Safety%2C+Dept+of+Human+Services.pdf#page=493>.

DHS DCO administers the TEA program, which provides time-limited cash assistance and supportive services to help low-income families with dependent children move toward self-sufficiency. According to DCO data provided to the team, 1,965 families with 5,176 members were provided this service during SFY 2024. The Work Pays Program is an incentive program designed to encourage working TEA clients to remain employed after the closure of the TEA case, while increasing their hours of work and/or hourly wage. Families participating in Arkansas Work Pays will receive a monthly cash assistance payment of \$204 for up to 12 months, provided they meet the Work Pays eligibility requirements. This work incentive program is limited to 3,000 families per month. In SFY 2024, 242 individuals¹⁷ participated in this program. Clients counted as receiving these services may have also received other services administered by DCO, the ADE, and the ADC.

Table 3: Looking Ahead: SFY 2026 TANF Grantee Allocations

Entity	Allocations SFY 2026
TEA Employment Services (Work Supports)	\$900,000.00
TANF Cash Assistance (Basic Cash Assistance)	2,500,000.00
DHS Administration (Management of Federal Grant)	6,000,000.00
Assessment Provision (Case Management and Eligibility)	1,100,000.00
TANF Systems	4,200,000.00
Division of Children and Family Services (DCFS) Emergency Assessment Program	17,100,000.00
DCFS Foster & Adoptive Youth Preparation (Immerse Arkansas)	335,000.00
Division of Youth Services (Community-Based Diversion Initiative \$3,000,000; Intensive In-Home Services to Youth and Family \$4,000,000; Division of Youth Services (DYS)-TANF-Vocational and Job Readiness Training Initiative \$1,100,000; and Civilian Student Training Program (CSTP) Expansion \$2,066,132)	10,166,132.00
Arkansas Better Chance Program	7,500,000.00
Career Pathways Initiative 2026	8,900,000.00
Arkansas Alliance Boys & Girls Club	791,055.49
Arkansas Baptist Children & Family Ministries	89,044.18
Arkansas Human Development Corporation	1,640,574.89
Children Advocacy Centers	1,960,677.84
Our House	2,226,392.03
Pulaski County Youth Services	272,720.44
Restore Hope Initiative	2,646,550.83
Total reflects the anticipated FFY 2026 award plus the carryover from previous award balances.	\$68,328,147.70

Blue shading indicates DHS administration, red shading indicates a mixture of grantee and DHS administration, and white shading indicates outside grantee funding.

¹⁷Arkansas Department of Human Services, “2024 Statistical Report,” October 1, 2025, https://humanservices.arkansas.gov/wp-content/uploads/Annual-Statistical-Report-2024-12_01_25_FINALDRAFT.pdf.

Table 4: Maintenance of Effort Funding

Administering Agency Name	Budget for SFY 2026
Arkansas Better Chance Program (ABC)	85%
DHS-DCFS	11%
DHS-DCO and SS	4%

Below is an overview of providers funded by TANF for SFY 2026:

Arkansas Better Chance Program (ABC):

- TANF funding is mandated by Arkansas state statute at \$7.5 million per year.
- Administered by ADE Division of Elementary and Secondary Education.
- Stated purpose: Offers high-quality early education services to children from birth to age 5 exhibiting developmental and socioeconomic risk factors. In addition, provides educational opportunities to children to help them become ready for school.

Career Pathways Initiative (CPI):

- TANF funding is mandated for CPI by Arkansas state statute. The dollar amount of funding is negotiated annually. In FFY 2025, it was \$8,724,989.
- Administered through the Arkansas Division of Higher Education (ADHE) in the community college system.
- Stated purpose: CPI promotes job preparation, work, and marriage for participants who have custody of or legal responsibility for a child under 21 years of age and who have an income of less than 250% of the federal poverty level. CPI supports participants by increasing access to education credentials and improving preparedness for high-skill/high-wage jobs by collaborating with employers to identify their workforce demands.

Arkansas Alliance Boys & Girls Club (AABGC):

- Discretionary subgrant: In FFY 2025, it was \$995,897.
- Stated purpose: AABGC offers a variety of programs that support youth in achieving positive outcomes in their three priority areas of academic success, good character and citizenship, and healthy lifestyles. Counties served include Ashley, Benton, Columbia, Crawford, Crittenden, Desha, Garland, Hot Spring, Jefferson, Logan, Miller, Phillips, Pope, Pulaski, Saline, Sebastian, and Union.

Arkansas Baptist Children and Family Ministries (ABCFM):

- Discretionary subgrant: In FFY 2025, it was \$297,777.
- Stated purpose: ABCFM provides residential assistance to protect children and empower mothers at risk of homelessness in Jonesboro, Little Rock, and Springdale.

Arkansas Human Development Corporation (AHDC):

- Discretionary subgrant: In FFY 2025, it was \$1,079,595.
- Stated purpose: AHDC is dedicated to offering crucial services in youth development to individuals ranging from 14 to 21 years of age. This initiative targets those encountering barriers in the impoverished Delta region of Arkansas.

Children's Advocacy Centers (CAC):

- Discretionary subgrant: In FFY 2025, it was \$5,663,314.
- Stated purpose: CAC supports the development and support of all local CACs across Arkansas through specialized training, technical assistance, and subgrants. Services are enhanced for direct service delivery, strengthening family stability and improving outcomes for children and families impacted by abuse and neglect. CAC supports multidisciplinary interventions, services for families in need, and training for professionals working with at-risk children.

Our House:

- Discretionary subgrant: In FFY 2025, it was \$2,233,925.
- Stated purpose: Our House empowers homeless and near-homeless families to take charge of their circumstances and build a better life for themselves. Families being served are experiencing multiple interconnected crises and traumas, including domestic violence, incarceration, extreme poverty, health conditions, mental illness and behavioral health challenges, and more that can start a family down the road to separation and foster care placement.

Pulaski County Youth Services:

- Discretionary subgrant: In FFY 2025, it was \$424,587.
- Stated purpose: Pulaski County Youth Services' afterschool program, Emerging Champions Youth Academy, provides professional and leadership development and soft-skill training to increase self-efficacy, post-secondary pathway resources, and career certification completion opportunities while improving school attendance and graduation rates for low-income youth and introducing them to valuable workforce experiences.

Restore Hope Initiative (RHI):

- Discretionary grant: In FFY 2025, it was \$6,269,279.
- Stated purpose: RHI's focus is to assist in the response to the crises of unprecedented growth in our prison and foster care populations. The 100 Families Initiative is a community-led effort designed to move families from crisis to stability and onto thriving lives.

Intake, Eligibility, and Case Management

TANF eligibility is processed through ARIES, which focuses on electronic integration, clerical screening, and financial eligibility processing. Caseworkers receive three months of training on ARIES, and clerical staff receive one week of training to enable processing. Clients can apply, submit renewals and change reports, and upload verification online through the [Access Arkansas](#) (ACCESS AR) website or in person at DCO offices.

The information submitted online is imported into the ARIES worker portal for program and financial eligibility processing. One DCO location reported that approximately 40% of applications are manually submitted in paper form. Application forms, renewal forms, change reports, and verification documents that are submitted manually are uploaded into the system to keep a historical record. The data from these records are manually entered into the system and assigned to the appropriate staff to complete the work through a statewide work queue. Automated referrals for child support associated with TANF are completed through ARIES and sent to the Office of Child Support Enforcement in the Arkansas Department of Finance and Administration (ADFA).

The DHS Division of County Operations administers eligibility determinations for TEA and Work Pays statewide, meaning that eligibility can be determined by staff from any location, regardless of the residence of the client. TANF benefits are delivered through the Electronic Benefits Transfer (EBT) system. EBT cards are issued by a third party and delivered to the client in 5-7 days. There is no local issuance of EBT cards.

There are specialized caseworkers for TEA and Work Pays. The caseworkers visit multiple offices and are not located in each county office. It was observed that a TANF/TEA caseworker may only be in a given county office once per week. When TANF participants need employment and training, their caseworker provides them with a referral, and the participant is expected to register online or in person (often not available) with the DWS for job search or employment services under the ADC. They may also be referred to another provider. The referral and participation are not integrated in ARIES or ACCESS AR. The caseworker is responsible for tracking whether the TANF participant completes the referred program for eligibility purposes.

Outcomes That Are Measured

DCO uses IT dashboards on a daily basis to track enrollment, workload, and productivity. The status of the current state of pending applications is identified by the person responsible for the current work. This provides the metrics for pending work associated with the worker, the client, the system, clerical staff, long-term care specialists, production support, the supervisor, and the medical review team. Managers run Power Business Intelligence (BI) reports daily to monitor the work queue for completed, pending, and overdue tasks. The data are compiled from the previous day and run through a nightly system batch process. Data are available for service areas that may include groups of counties. The data are not delineated by specific counties with the exception of large counties that are a single-service area.

According to information provided by DHS, all subgrantees submit quarterly outcome reports or provide access to quarterly outcome reports based on the outcomes for the services as described in their scope of work. The goals of the TANF program are primarily measured by a combination of program-specific case management systems, system interfaces, and surveys. Programs like TEA capture metrics that are considered leading indicators, as well outcomes such as work participation rates, job retentions, wages, etc. These outcomes were not provided for this study and do not appear to be in annual or publicly available reports.

The TANF spend for SFY 2024 as reported by DHS was \$89,165,415, which would include carryover funding from previous years. The 2024 Arkansas Annual Statistical Report provides total payments of \$2,122,073 for a total of 1,897 TEA cases. Work Pays cash grants were issued in the amount of \$125,504 for 68 cases, and TEA Employment Services costs were \$199,938 for SFY 2024. DHS reports SFY 2024 TANF Sub-Grantee Expenses of \$47,008,198 and SFY 2025 TANF Sub-Grantee Expenses of \$48,755,988 for other services.

This means that TEA program costs, including TEA, Work Pays, and TEA Employment Services, represent 2.75% of the total TANF spend of \$89 million for FY 2024. Total costs, including subgrantees, and outcome data need to be fully evaluated for effectiveness in bringing families to self-sufficiency by promoting upward mobility, gainful employment, and meaningful careers.

Supplemental Nutrition Assistance Program

Description and Enrollment

Originally enacted as the Food Stamp Act of 1964, SNAP is the largest of 15 federal food assistance programs.¹⁸ Administered by the states, in FFY 2025 it provided food assistance to a monthly average of 22.6 million households comprising 42.4 million participants nationwide. Total annual benefits were \$95.6 billion, averaging \$188.37 per month per person. Arkansas provided assistance to a monthly average of 126,916 households comprising a monthly average of 240,378 people. Total annual benefits were \$507.2 million, averaging \$175.84 per month per person.¹⁹ A total of 377,312 Arkansans (approximately 12% of the state's overall population) received SNAP benefits in SFY 2024.

A household is required to meet income, asset, and work requirements to be eligible for SNAP benefits, unless exempt from those requirements or categorically eligible.²⁰ SNAP has two work

¹⁸ The Food Stamp Act of 1964, Pub. L. No. 88–525, 78 Stat. 703 (1964). The Food, Conservation, and Energy Act of 2008, Pub. L. No. 110–246, 122 Stat. 1651 (June 18, 2008), <https://www.govinfo.gov/app/details/PLAW-110publ246>, renamed the Food Stamp Program as the Supplemental Nutrition Assistance Program. The 15 federal food assistance programs do not include programs that serve Puerto Rico or American Samoa.

¹⁹ U.S. Department of Agriculture, “SNAP Data Tables, National and/or State Level Monthly and/or Annual Data,” <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>.

²⁰ A household is defined as a group of individuals who live, purchase, and prepare meals together. However, it can also include single-person households if the person is 60 years of age or older and is unable to purchase and prepare meals because of a disability.

requirements. It has a general work requirement for those who are not exempt—reasons for exemptions can be for age, disability, or other circumstances—and also a more stringent work requirement for ABAWDs.

The amount of the benefit, or allotment, is determined by a SNAP formula that subtracts 30% of net income from a maximum allotment. Net income is determined by a series of deductions from statutorily countable sources of income. The program is not designed to cover all food expenses, just a portion of those expenses based on the formula. The maximum allotment is based on the U.S. Department of Agriculture’s (USDA) Thrifty Food Plan and is intended to provide adequate nutrition for each household size when the food is purchased in a thrifty manner. Households without net income after subtracting the appropriate deductions receive the maximum allotment.

DCO administers SNAP in Arkansas. Clients counted as receiving this service may have also received additional services administered by DCO, the ADE, and the ADC.

Intake, Eligibility, and Case Management

SNAP is processed through ARIES. It undergoes the same processing procedures as TEA. However, clerical staff screen applications for expedited SNAP, which allows for more speedy processing to provide benefits sooner. The clerical staff have limited case management training and use developed checklists for screening purposes. During the application registration process, the application is data entered, based on a date stamp, into the application registration system, an appointment is scheduled, and a client notice is sent. Once registered, the application is sent into the statewide work queue and assigned to a caseworker. Applicants eligible for expedited SNAP are assigned a local caseworker for interviewing and processing that can happen the same day. Not all verification documents are required for expedited services, but applicants must still provide those documents to continue receiving the benefits once the expedited benefit status expires.

Once approved through the normal or expedited process, SNAP benefits are delivered through the EBT system. If a client already has an EBT card, the benefits can be received immediately upon approval. Otherwise, EBT cards are issued by a third party and delivered to the client in 5-7 days. There is no local issuance of EBT cards, including for expedited SNAP benefits. Therefore, expedited cases in which the beneficiary did not already have an EBT card require the person to wait 5-7 days to receive it. This could provide a hardship for the household needing food assistance. In those circumstances, caseworkers may refer the household to a foodbank or other local charities providing food assistance.

Outcomes That Are Measured

As explained for TEA, metrics for SNAP are included with the DCO BI dashboards. The 2024 Arkansas Annual Statistical Report²¹ provides total payments of \$525,649,705 for a total of 377,312 unduplicated individuals.

²¹ Arkansas Department of Human Services, “2024 Statistical Report.”

The SNAP payment error rate for 2024 was 9.56%, with the current rate as measured by DHS at 7.01%.²² These error rates will be problematic once recent SNAP federal changes under the One Big Beautiful Bill Act become effective, starting as soon as FFY 2028.²³ The law sets penalties for payment error rates at or above 6%, which is equal to 8% of the total cost of benefits issued in the state. The penalties increase to 10% and 15% of the total cost of benefits when the payment error rates reach 8% and 10%, respectively. Additional improvements need to be instituted to eliminate the potential for forthcoming penalties.

Arkansas case and procedural error compliance was 61.4% in 2024.²⁴ An application is considered processed timely if the household has an opportunity to participate within 30 days of the application date for regular processing or within seven days of the application date for expedited service. Applications that are properly pended for the household's failure to provide verification are excluded from the measure. In 2023, SNAP applications in Arkansas were processed at a compliance rate of 67.38%.²⁵

Supplemental Nutrition Assistance Program Employment and Training

Description and Enrollment

SNAP E&T is a subprogram associated with SNAP that helps participants gain job-related skills that move them toward self-sufficiency. The purpose of SNAP E&T is to connect participants to basic education and training so they can achieve that goal. This program also has funds that provide reimbursement for transportation and child care services related to the training and education participants receive. Each state is required to operate a SNAP E&T program and receives federal funding annually to operate and administer it.²⁶ These services are typically provided by grantee training providers. In FY 2024, the state budgeted \$11,679,748 for SNAP E&T, and the expenditures were \$5,141,624.

FFY 2026 SNAP E&T Providers:

Gateway Allied Health:

- Projected FFY 2026 Budget: \$2,563,020
- Projected FFY 2026 participants: 496

²² U.S. Department of Agriculture, Food and Nutrition Service, "SNAP Payment Error Rates," June 30, 2025, <https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-fy24QC-PER.pdf>. DHS provided the current error rate directly to the authors.

²³ One Big Beautiful Bill Act, H.R. 1, 119th Cong. § 2 (2025), <https://www.govinfo.gov/app/details/BILLS-119hr1eh>.

²⁴ A case and procedural error occurs when a state takes one or more inaccurate or procedurally incorrect actions when denying, terminating, or suspending a household's SNAP benefits. See U.S. Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program: Case and Procedural Error Rates (Caper) Fiscal Year 2024," June 30, 2025, <https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-fy24QC-CAPER.pdf>.

²⁵ U.S. Department of Agriculture, Food and Nutrition Service, "Fiscal Year 2023 Application Processing Timeliness," <https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-fy23-application-processing-timeliness-rates.pdf>.

²⁶ U.S. Department of Agriculture, Food and Nutrition Service, "SNAP Employment and Training," <https://www.fns.usda.gov/snap-et>.

Arkansas Employment Career Center:

- Projected FFY 2026 Budget: \$1,512,084
- Projected FFY 2026 participants: 520

Adult Education:

- Projected FFY 2026 budget: \$2,757,858
- Projected FFY 2026 participants: 1,000

Shorter College:

- Projected FFY 2026 budget: \$96,979
- Projected FFY 2026 participants: 52

Arkansas Northeastern College:

- Projected FFY 2026 budget: \$470,847
- Projected FFY 2026 participants: 100

Intake, Eligibility, and Case Management

As SNAP is processed through ARIES, a determination is made whether a SNAP recipient will be a participant in the SNAP E&T program. Under current Arkansas rules, SNAP recipients are not mandated to participate in SNAP E&T programs. Participation is voluntary, and people can receive three months of benefits in a three-year period if they choose not to participate. During site visits, DCO staff informed this team that SNAP clients potentially eligible for E&T services often show little to no interest in participating. DCO is working toward a policy that will make SNAP E&T mandatory for those clients who are eligible and who do not meet current SNAP work activity requirements.

If clients subsequently choose to participate, they will continue to receive the benefits for the certification period. The SNAP E&T programs are primarily administered by grantees under the ADE, the AWC Adult Education division, and the Arkansas Department of Higher Education. If there is non-compliance with the E&T program for an ongoing SNAP case, a referral is sent back to DCO from the grantee, and a task is assigned in the work queue for DCO. The task informs DCO about the non-compliance, and DCO will take a negative case action to terminate eligibility. There is no visibility for DCO into an individual's E&T plan.

Outcomes That Are Measured

Because there is no visibility from DCO staff who actually process applicants and renewals into client's E&T plan or its outcomes, they do not see the per person casework collected for SNAP E&T other than what is necessary for compliance tracking.

Although DCO staff do not have visibility, DHS does still collect outcome data. DHS reports 2,561 voluntary SNAP E&T participants. Unsubsidized employment in the second quarter, after completion of participation in E&T in SFY 2024, was 50.90%, or 886 participants. Median quarterly wages in the second quarter, after completion of participation in E&T, was \$3,628 for

2024, which is a low return on investment, being less income than what one gains from full-time employment at a minimum wage.

Unsubsidized employment in the fourth quarter, after completion of participation in E&T in SFY 2024, was 41.20%, or 585 participants, representing a decrease of 9.7% from the second quarter results. Completion of an educational, training, or work experience, or an on-the-job training component for 2024 was 45.31%. Said another way, only 0.68% of the entire SNAP population even engages in E&T, and of that small percentage, less than half of E&T participants completed the work or training program.²⁷

The Workforce Innovation and Opportunity Act Programs

WIOA, signed into law in 2014, represents the latest iteration of federal job training legislation dating back to the 1930s. While WIOA specifically authorizes funding for services targeted at low-income adults, dislocated workers, and disadvantaged youth, its primary objective is to create a more integrated and effective workforce development system by coordinating various federally funded employment and training programs through a state-based “one-stop” service delivery model.

While WIOA contains a number of mandates that hinder states from innovating and implementing the optimal service delivery structure for each state, there are flexibilities and opportunities to develop an integrated service delivery structure using various tools in the law.

Summary of WIOA Titles

WIOA is organized into five primary titles, each targeting specific aspects of the workforce system:

- **Title I: Workforce Development Activities**
 - This title authorizes funding for three main programs: Adult, Dislocated Worker, and Youth.
 - It also oversees national programs like Job Corps and services for specific populations, such as Native Americans and migrant/seasonal farmworkers.
 - A hallmark of Title I is its local focus; the majority of its funds (85% for Adult and Youth, 60% for Dislocated Workers) are managed by Local Workforce Development Boards (LWDBs).
- **Title II: Adult Education and Literacy**
 - This title focuses on improving the literacy and basic education of adults to help them complete secondary education and successfully transition to postsecondary education or employment.
 - These services are typically delivered through CBOs and educational agencies.

²⁷ Arkansas Department of Human Services, Division of County Operations, Office of Program and Grant Management, TANF, “Temporary Assistance for Needy Families, Providers for FFY 2026,” <https://arkleg.state.ar.us/Home/FTPDocument?path=%2FAssembly%2FMeeting+Attachments%2F083%2F27736%2FExhibit+B-+TANF+and+SNAP+Update.pdf>.

- **Title III: Wagner-Peyser Act (Employment Services)**
 - This title amends the Wagner-Peyser Act to integrate the Employment Services into the one-stop system.
 - It focuses on basic job search assistance and job placement services, which are legally required to be provided by state merit staff employees.
- **Title IV: Vocational Rehabilitation**
 - This title focuses on providing employment-related services for individuals with disabilities to help them achieve competitive, integrated employment.
 - VR is a significant component of the system, often receiving higher levels of federal funding than other core partners.
- **Title V: General Provisions**
 - This title contains technical and administrative provisions, including the establishment of performance accountability measures that apply across the core programs.
 - It also outlines the transition from previous legislation and general governance rules for the act.

One-Stop System Delivery—The Partner Programs

In outlining the workforce service delivery structure, WIOA outlines roles and responsibilities for “core” partner programs and “required” partner programs. Each of the partner programs named as either core or required must engage in one-stop service delivery in a variety of ways.

Core WIOA Programs:

The six core partner programs (Table 5) are considered the central pillars of the one-stop service delivery system and are specifically mandated to do the following:

- **Common Performance Indicators:** All core partners report on standardized metrics, ensuring accountability across the different agencies involved.
- **Unified Planning:** States must submit a four-year strategy (the Unified State Plan) that describes how these six programs will coordinate their activities to meet the needs of job seekers and businesses.
- **Integration at One-Stop Centers:** Core partners are required to provide access to their services through the local one-stop centers, often through the “No Wrong Door” approach, which ensures that a customer entering the system through any partner can access the services of all others.

Table 5: The WIOA Core Partner Programs

WIOA Title	Program Name	Primary Focus
Title I	Adult Program	Career and training services for individuals 18 and older; priority is given to low-income individuals and those who are deficient in basic skills.
Title I	Dislocated Worker Program	Reemployment services for workers who have lost their jobs through no fault of their own (e.g., layoffs or plant closures).
Title I	Youth Program	Services for out-of-school (ages 16-24) and in-school youth (ages 14-21) who face significant barriers to employment.
Title II	Adult Education and Family Literacy Act (AEFLA)	Improving basic skills, achieving English language proficiency, and assisting adults in attaining a secondary school diploma.
Title III	Wagner-Peyser Act (Employment Services)	Universal access to labor exchange services, including job search assistance and recruitment services for employers.
Title IV	Vocational Rehabilitation (VR)	Specialized employment and training services for individuals with disabilities so they can achieve competitive, integrated employment.

Required Partner Programs:

The required partner programs (Table 6) have certain obligations to participate in the local one-stop delivery system, which encompasses the following:

- **Access to Services:** Partners must provide access to their programs and activities through the local one-stop delivery system.
- **Provision of Career Services:** Partners are required to use a portion of their program's funds to provide "career services," as defined by WIOA, that are applicable to their specific program.
- **Memorandums of Understanding (MOUs):** Each partner must enter into a local MOU with the LWDB. This agreement describes how services will be coordinated and delivered.
- **Infrastructure Funding:** Partners must participate in the funding of the one-stop system's infrastructure. This is typically negotiated through an Infrastructure Funding Agreement (IFA), where co-equal partners contribute their proportionate share of costs based on their use of the system and the relative benefit received.
- **Operational Participation:** Partners must participate in the operation of the one-stop system consistent with the terms of the MOU and the requirements of the authorizing law for their specific program.

Table 6: The WIOA Required Partner Programs

Partner Program Category	Specific Program(s)
Education and Training	Career and Technical Education (Perkins V)
Vulnerable Populations	Job Corps, YouthBuild, Indian and Native American Programs, Migrant and Seasonal Farmworker Programs
Supportive Services	TANF, Community Services Block Grant (CSBG), Housing and Urban Development (HUD) Employment and Training Programs
Employment Security	UI, Trade Adjustment Assistance (TAA)
Veteran Services	Jobs for Veterans State Grants (JVSG), including the Local Veterans' Employment Representative (LVER) and the Disabled Veterans' Outreach Program (DVOP)
Senior Services	Senior Community Service Employment Program (SCSEP)
Reentry Services	Second Chance Act programs/Reentry Employment Opportunities (REO)

WIOA Title I and Title III

Description and Enrollment

The WIOA Title I and Title III programs in Arkansas are primarily administered by the AWC and are delivered through 10 LWDAs. The Central and Little Rock LWDAs form the only region specifically designated by the governor to operate as a planning region.

Title I focuses on providing training and employment services to adults, dislocated workers, and youth who face significant barriers to employment. This includes veterans, individuals with disabilities, and justice-involved individuals. Title III, authorized by the Wagner-Peyser Act, provides universal labor exchange services designed to connect job seekers with employers.

These programs are operationalized through a statewide network of physical Arkansas Workforce Centers and mobile units that seek to ensure access, even in the most rural parts of the state.

A map of Arkansas divided into eight color-coded regions: Northwest (purple), North Central (green), Northeast (blue), Western (teal), Eastern (dark green), West Central (red), Little Rock (grey), and Central (dark blue). The map also includes a Southwest region at the bottom. Major cities are marked with stars and labeled: Fayetteville, Harrison, Jonesboro, Fort Smith, Russellville, Conway, Searcy, West Memphis, Forrest City, Hot Springs, North Little Rock, Little Rock, Pine Bluff, Hope, Camden, Magnolia, Crossett, and Lake Village. A legend in the bottom right corner explains the star symbols: a yellow star for 'Comprehensive Workforce Center (All workforce partners and services available.)' and a grey star for 'Affiliate Workforce Center (Employment and training services available.)'.

The Workforce Centers are the physical locations where Arkansans can work with staff to determine eligibility for WIOA programs. Intake for these programs is currently conducted through Arkansas Job Link (AJL), but it is being modernized through the implementation of CiviForm and Arkansas LAUNCH, a digital “no wrong door” tool that streamlines applications and refers customers to appropriate programs based on their individual interests and barriers. Eligibility for Title I services is determined at the local level, with statutory priority given to recipients of public assistance, other low-income individuals, and those who are deficient in basic skills. This process ensures that limited resources are directed toward the “hard to serve” populations who can benefit most from intensive intervention.

31

Referrals are managed through the AJL system, which allows staff across different funding streams to see all services provided to a client, thereby reducing duplication and maximizing outcomes within AWC workforce programs. However, referrals are limited to partners within the core partner program matrix; referrals to human services and other programs are limited or non-existent.

During all site visits and interviews, it was noted that the majority of Arkansans who come in the door of a Workforce Center are doing so to apply for UI. Staff noted that the majority of participants who came in looking for job services were seeking Commercial Driver's License training from an eligible training provider.

Outcomes That Are Measured

Arkansas measures the success of these programs through the WIOA primary indicators of performance:

- The percentage of participants employed in the second and fourth quarters after exiting the program
- Median earnings in the second quarter after the exit
- Credential attainment rates
- Measurable skill gains

Metrics are reviewed quarterly by the Program and Performance Evaluation Committee of the State Board to ensure that local areas are meeting their negotiated performance levels and effectively moving Arkansans into high-wage, high-demand careers.

Table 7: WIOA Title I Financial and Participant Data (FY 2025/PY 2024)

Local Workforce Area	Total Title I Allotment	Title I Participants Served	Training Expenditures	Administrative Costs
Central	\$1,428,432	78	\$190,459	\$68,300
City of Little Rock	\$797,227	122	\$110	\$53,893
Eastern	\$817,372	223	\$139,347	\$15,779
North Central	\$1,174,268	218	\$249,482	\$59,136
Northeast	\$949,431	144	\$91,454	\$15,496
Northwest	\$1,781,897	87	\$146,753	\$98,321
Southeast	\$1,646,056	202	\$558,293	\$31,399
Southwest	\$949,104	58	\$138,914	\$94,910
West Central	\$1,133,048	71	\$95,734	\$60,173
Western	\$834,606	70	\$155,224	\$77,940

TOTAL (Local)	\$11,511,441	1,273	\$1,765,771	\$575,346
----------------------	---------------------	--------------	--------------------	------------------

***Note on Participants:** The participant counts above represent the combined total of the WIOA Title I Adult, Dislocated Worker, and Youth programs. Wagner-Peyser (Title III) services reached an additional 53,733 individuals during this period.*

The FY 2025 data reflect a chronic problem with the workforce development system where WIOA Title I funds are allocated locally while other partner program funds are administered by the state. Each of the local areas is receiving an annual WIOA Title I allotment between approximately \$800,000 to \$1.78 million. Altogether, just over \$11.5 million served 1,273 participants. This is a per participant cost of \$9,042.

If these participants were receiving training services that impacted their earnings and upward mobility on a large scale, then that per participant cost possibly could be justified. However, out of the \$11.5 million allotted, only \$1.765 million was spent on training services. This indicates that the vast majority of funds were spent on infrastructure and staffing, highlighting the inefficiencies built in by not having a comprehensive and integrated workforce development and social services system.

Additionally, this does not include carryover funds that are unexpended from the prior fiscal/program year. Indications are that large carryover balances are transitioning from year to year, calling into question the efficacy of a “siloe” WIOA Title I and Wagner-Peyser (Employment Services) one-stop system.

WIOA Title II: Adult Education and Literacy

Description and Enrollment

The AEFLA Program is authorized under Title II of WIOA. Arkansas’s Title II Adult Education program is designed to assist adults in attaining a high school equivalency diploma, improving literacy, and gaining English language proficiency to achieve economic self-sufficiency. It funds Adult Basic Education (ABE), English Language Acquisition (ELA), high school equivalency prep, and family literacy programs. The AEFLA Program is administered by the ADWC Adult Education Section through over 30 local providers, which include community colleges, school districts, and literacy councils. Funding for these providers is distributed through a formula in which 70% is based on student enrollment and contact hours and 30% is based on meeting federal benchmarks for measurable skill gains.

The total budget for Adult Education in Arkansas was \$36,738,765 for SFY 2023,²⁸ of which 22% came from federal dollars. Adult Education currently has 34 providers serving all 75 counties, and many of the providers use community colleges as the fiduciary agency. The FFY 2024 AEFLA Title II award to Arkansas was about \$6,241,870 in total (basic grant + Integrated

²⁸ Arkansas Workforce Connections, “Workforce Connections ADWS Annual Reports,” <https://dws.arkansas.gov/workforce-services/news-info/annual-reports/>.

English Literacy and Civics Education (IELCE)). Administrative costs were \$1.7 million in SFY 2023.

Adult Education is housed under AWC, which sits at the center of the state’s workforce development efforts. AWC is a division of the ADC, and Adult Education is a WIOA partner.

Adult Education offers the Workforce Alliance for Growth in the Economy (WAGE™) program, a workforce readiness program established in 1990. WAGE is an alliance consisting of local employers, employment and training agencies, industrial development organizations, city governments, and public adult education services. It is available to under-employed or unemployed adults who test below ninth grade level and need basic skills, workforce soft skills, digital literacy, and financial literacy to enter the workforce. Employers serve on local WAGE Advisory Committees. At least 51% of committee members are employers, and the committees are chaired by an employer.

Table 8: Adult Education Providers

Arkansas Baptist College
Arkansas Northeastern College
Arkansas State University - Beebe
Arkansas State University - Mid-South
Arkansas State University - Mt. Home
Arkansas State University - Newport
Arkansas State University - Three Rivers
Arkansas Tech University - Ozark
Black River Technical College
Cossatot Community College of the University of Arkansas
East Arkansas Community College
Fayetteville School District
Fort Smith School District
Little Rock School District
Lonoke School District
National Park College
North Arkansas College
Northwest Arkansas Community College
Northwest Technical Institute
Ozark Literacy Council
Ozarka College
Phillips Community College of the University of Arkansas
Pulaski County Special School District
Russellville School District
Shorter College
South Arkansas College
Southern Arkansas University Tech

University of Arkansas at Monticello College of Technology - McGehee
University of Arkansas Community College at Batesville
University of Arkansas Community College at Morrilton
University of Arkansas - Hope and Texarkana
University of Arkansas Pulaski Technical College
University of Arkansas - Rich Mountain

Intake, Eligibility, and Case Management

If an Arkansan doesn't have a high school diploma and needs one for a job, they often find Adult Education services by searching the internet. Adult Education also shares information via statewide open houses, word of mouth, advertisements, community outreach, and social media. Adult Education providers are being trained on Arkansas LAUNCH and CiviForm intake.

The intake process for Adult Education begins with a holistic evaluation of an individual's talents and abilities, often using interest inventories and screenings for learning disabilities. Eligibility is open to individuals who are at least 16 years old, are not currently enrolled in school, and either lack a high school diploma or are English language learners. During intake, staff also screen for barriers such as childcare and transportation needs to connect students with necessary social services.

In a Workforce Center office, a front desk worker does intake to determine general eligibility and need for the program. Then the applicant takes the Test of Adult Basic Education (TABE) or the test for non-English speakers. From there, they are enrolled in class in person or via distance learning online. About 800 staff members are in the provider offices and/or one-stops to help facilitate this process, but there is no "case management" happening. The WAGE program is administered at Adult Education centers across the state.

Case management is integrated with the WAGE curriculum. Students work with career coaches to develop student learning plans that map out stackable goals. This may lead to industry-recognized credentials in fields like health care, manufacturing, or transportation. Completing the WAGE Level I Certificate gives participants the skills needed to attain and retain employment. Participants can also earn the following certifications and credentials in WAGE Level I: Cardiopulmonary Resuscitation (CPR) and First Aid, Forklift, National Career Readiness Certificate, OSHA-10, and ServSafe.²⁹ Referrals are a critical component, as Title II funds cannot pay for post-secondary tuition. Students are often referred to Title I or TANF programs to "braid" funding for advanced technical training.

Outcomes That Are Measured

The primary outcomes measured for Adult Education are educational functioning level (EFL) gains and measurable skill gains (MSG), which are detailed in the table below. Additional indicators include the number of secondary credentials earned, success in post-secondary

²⁹ Arkansas Workforce Connections, "Adult Education: Job Readiness/WAGETM," <https://dws.arkansas.gov/adult-education/job-readiness-wage/>.

education transitions, and the passage of occupational skills exams. Providers are evaluated annually through an “effective and efficient” calculation, and those failing to meet benchmarks for three consecutive years may have their funding reevaluated by the state board.

Adult Education measures the employment rate and median incomes for students in the second and fourth quarters after their exit, as well as credential attainment and MSG.

The SFY 2023 report indicated that 2,976 students earned credentials and certifications and 2,775 earned high school diplomas. Arkansas ranks fourth in the nation with a General Educational Development Test (GED) pass rate of 86% compared to a national average of 75%.³⁰

Table 9: Arkansas PY 2024-2025 Federal Negotiated Benchmarks and Performance

Indicators of Performance	Target Performance	Actual Performance	Difference
Employment Rate–2nd Quarter after Exit	47.5%	59%	(+) 11%
Employment Rate–4th Quarter after Exit	48.5%	58%	(+) 9%
Median Earnings–2nd Quarter after Exit	\$5,200	\$6,512.74	(+) \$1,312.74
Credential Attainment	41.5%	77%	(+) 35%
Measurable Skill Gains	59.9%	63%	(+) 3%

Unemployment Insurance and Reemployment Services and Eligibility Assessment

Description and Enrollment

The UI program provides temporary income support to workers who have lost their jobs through no fault of their own, while the Reemployment Services and Eligibility Assessment (RESEA) program targets those most likely to exhaust their benefits. These programs are administered by the reemployment division of AWC, which has centralized its operations into a service center model to improve efficiency and system integrity. The program is funded by state and federal UI trust funds, which have remained solvent through recent economic shifts.

Intake, Eligibility, and Case Management

Claimants file for benefits through an online system, which simultaneously creates a workforce registration in the AJL system to ensure they are immediately ready for a job search. To remain eligible, claimants must submit weekly certifications via the internet or telephone, proving they are able to, available to, and actively seeking work by documenting at least five job contacts per

³⁰ “Arkansas Division of Workforce Services Annual Report 2023,” <https://dws.arkansas.gov/wp-content/uploads/2023-Annual-Report-Pages-Comp-View-7.8.24.pdf>.

week. Failure to comply with these work search requirements or failing to attend scheduled job interviews without good cause can result in a loss of benefits.

For RESEA participants, case management is mandatory and begins with a demographic scoring process to identify those in need of more intensive support. Selected individuals must attend one-on-one assessments with reemployment specialists to create a career action plan (CAP), conduct labor market research, and participate in job search workshops. This proactive approach is designed to shorten the duration of unemployment by bridging the gap between income support and meaningful reemployment through direct referrals to Title I training or employer recruitment services.

Outcomes That Are Measured

The effectiveness of the UI and RESEA programs is measured by first-pay timeliness, the average duration of benefit receipt, and the success rate of reemployment efforts in reducing benefit exhaustion. Arkansas also uses UI wage record data to track the long-term post-program success of all workforce participants, monitoring whether they have maintained employment and their average earnings over time. These data-driven evaluations allow the state to adjust its reemployment strategies and ensure that claimants are returning to the workforce as quickly as possible.

According to the SFY 2023 Annual Report, \$72,748,435 in regular UI benefits were paid, and 28,547 individuals received benefits.³¹ For SFY 2023, RESEA reported 5,882 total participants, with a 55% completion rate. For FY 2025, Arkansas reported the following for RESEA:

- Total participants selected: 10,053
- Total completions: 4,505
- Total failures to report: 2,927
- Total waivers: 2,621
- Completion rate: 61%
- Failures to report rate: 39%

Subsidized Child Care Programs

Description and Enrollment

The Arkansas LEARNS Act of 2023³² consolidated all childcare and early education programs within one office, the newly created Office of Early Childhood (OEC) within the Division of Elementary & Secondary Education (DESE) of the ADE, to have a central place to house and administer these programs. In addition to administering Arkansas's Child Care Assistance Programs (CCAPs) and Head Start programs, the office also administers the ABC program,

³¹ Ibid.

³² Arkansas LEARNS Act of 2023, Act 237, 94th Gen. Assem., Reg. Sess. (Ark. 2023).

which provides preschool education for 3- and 4-year-olds from families earning up to 200% of the Federal Poverty Level (FPL). CCAP was previously administered by DHS.

Since the 1960s, CCAPs have become critical support programs to assist with welfare-to-work efforts within safety net programs. Lack of adequate childcare alternatives can be a barrier for moving individuals into work, especially for single-parent households. As a result, childcare services have been identified as an important support service for helping low-income families, and particularly single-parent households, achieve work-related goals that are central to work-first policies. Therefore, it is necessary to examine the structure of CCAPs and the associated programs when evaluating state workforce and safety net program systems.³³

Funded through the federal Child Care and Development Fund (CCDF), the Child Care and Development Block Grant (CCDBG) is a flexible funding source that helps states subsidize childcare services for low-income families, such as Arkansas's CCAP School Readiness Assistance (SRA) Program.

In general, childcare assistance is not treated as an entitlement, and CCAPs struggle with funding constraints. This often results in waitlists and priority lists restricting access for income-eligible families. Administered by the states, the federal Head Start and Early Head Start programs can ease childcare needs by providing funding to place the preschool-age children in low-income families in early education and childcare environments. The programs' goal is to prepare children from disadvantaged low-income families so that they can be educationally successful once they start school.

Summary of Program Data:³⁴

School Readiness Assistance (SRA):

- SFY 2024 program cost: \$94.6 million
- Funding source: CCDF
- Eligibility (when funding is available): less than or equal to 85% of the state median income, or if the household comes from one of the following priority groups: TEA families, foster care, or child care teachers. These groups are categorically eligible.
- Work-related activity requirement: 20 hours per week
- Number of children served: 19,905
- 94% of children are placed in child care centers, the most expensive setting
- Only 0.1% are placed in family homes
- Children on waitlist for more than 10 days (2025 data (2024 data unavailable)): 634

³³ Erik Randolph, "Solving Benefits Cliffs in Child Care Assistance Programs," Georgia Center for Opportunity, November 2025, <https://foropportunity.org/wp-content/uploads/2025/11/Solving-Benefits-Cliffs-in-Child-Care-Assistance-Programs.pdf>.

³⁴ Arkansas Department of Education, "LEARNS: A Vision for Arkansas Education," https://dese.ade.arkansas.gov/Files/2024_OEC_Annual_Report_Final_7.18.25_OEC.pdf; and analysis of information provided by the Arkansas Department of Education.

Head Start/Early Head Start:

- SFY 2024 program cost: \$114.1 million
- Funding sources: federal Head Start Programs (97.2%); state Early Head Start Child Care Partnership (EHS/CCP) (2.8%)
- Eligibility: 100% of FPL, but 10% of the families and 35% of children may come from homes up to 130% of FPL
- Number of children served: Head Start: 3,949; Early Head Start: 2,711; EHS/CCP: 352; State EHS-CCP: 168
- Work-related activity requirement: none

Arkansas Better Chance (ABC):

- SFY 2024 program cost: \$114 million
- Funding sources: State General Fund and TANF
- Eligibility: families at or below 200% of FPL, parents without a high school diploma or GED, teen parents, those with a history of substance abuse/addiction, those covered by the Individuals with Disabilities Education Act
- Number of children served: 23,059 (19,186 seats in on-site services and 3,879 home visits)
- 74% placed in schools; 26% placed in community-based settings

Intake, Eligibility, and Case Management

Applications for the CCAP are submitted through the SRA portal. An eligibility specialist reviews the applications for financial eligibility. If the child is eligible and childcare slots are available, childcare services are authorized. If the child is eligible and childcare slots are unavailable, the household is placed on a waitlist for available slots. There are priority households, such as those experiencing homelessness, those with special needs, and those involving foster care, that are not subject to the waitlist. There are eligibility and program specialists in counties in which there is no internet access. The specialists often work within DCO local offices, co-op offices, doctor's offices, and health offices.

Applications for Head Start/Early Head Start are submitted directly to the providers and not through the ADE. There is a hierarchy by need and income for Head Start (100% of FPL for most, but allows for some families up to 130% of FPL); ABC (200% of FPL); and SRA (85% of the state median income (SMI)). The specialists and DCO staff have a close working relationship for referrals.

Public/private partnerships provide an option to increase childcare availability. Some partnerships with employers in northwest and central Arkansas are occurring organically. The OEC would welcome a universal application that would be applicable across programs and agencies.

There is a disconnect between providers, families, and others on the best practices for delivering childcare services. Providers expressed concerns about rates, copays, and eligibility, but the

primary provider concern is the rates for providers with the biggest impact on school-age children. The funding during the COVID era was expanded through the American Rescue Plan Act (ARPA), creating a vacuum after the enhanced funding ceased and funding returned to the levels prior to the COVID era. The Early Childhood Commission provided a compromise on rates and copays that shortened the length of time one can receive childcare. As provided through the October 15, 2025, Arkansas Early Childhood Commission report,³⁵ \$67.5 million was budgeted for services for the period from January-September 2025, with spending over \$131.9 million with ARPA funding. Redeterminations with continuity of care were not removed from the program, resulting in gross overspending. A waitlist was established in February 2025, but it did not reduce spending. In 2025, the rates were reverted back to those from the market rate survey, and new family copays were instituted. Rate changes to adjust to the decreased funding have created manual work while waiting for system changes that are not currently available, and the integrity of the legacy data are questionable. ADE is unable to forecast budgets with expenditures and are also unable to produce reports associated with application processing times.

Outcomes That Are Measured

ADE's DESE, OEC is unable to forecast budgets with expenditures, and it is also unable to produce reports associated with application processing times. There are no outcome data beyond enrollment and related data described above.

Medicaid and ARKids First

Description and Enrollment

Medicaid and CHIP are joint state-federal medical assistance programs providing health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities. The Affordable Care Act allowed states to expand eligibility to adults up to 138% of the FPL. Arkansas's CHIP is called ARKids First.

Nationwide, there were 77,290,050 people enrolled in Medicaid and CHIP as of August 2025, of which 47.7% were children. The total national Medicaid expenditures for 2024, the latest available, were \$908,839,083,557, with the federal share at 64.7%. Arkansas's total expenditures were \$9,051,810,385, with the federal match at 72% for the same period based on the DHS 2024 Annual Report.³⁶ Renewals are being completed at a rate of 71% nationally, with 50% of those done ex parte, meaning states automatically verify eligibility using available data without requiring additional verifications.

DHS is the single state agency authorized and responsible for regulating and administering the programs. DHS administers the Medicaid Program through the Division of Medical Services (DMS), but DCO operates the eligibility function. Individuals are certified as eligible for

³⁵ "Early Childhood Commission Work Session Presentation," October 15, 2025, https://dese.ade.arkansas.gov/Files/Early_Childhood_Commission_Work_Session_Presentation_20251015_OEC.pdf.

³⁶ Arkansas Department of Human Services, "2024 Statistical Report."

Medicaid services by DHS field staff located in DHS county offices or, in some cases, by District Social Security offices.³⁷ DCO enrolls individuals in the Medicaid program based on financial eligibility and program requirements to assist with payment of medical services, prescription drugs, and other related services.

In SFY 2024, 1,170,254 Arkansas clients were eligible for Medicaid. Of those, 797,513 Arkansas children and adults were eligible for medical care through the Traditional Medicaid program, which covers low-income children, pregnant women, parents, the elderly (over 65), and people with disabilities, with specific income/resource limits set by federal law. Also, 372,830 Arkansas adults were eligible for Medicaid through the Arkansas Health and Opportunity for Me (ARHOME) program (Medicaid expansion) during that year.

Intake, Eligibility, and Case Management

DCO processes programmatic and financial eligibility for the Medicaid program using ARIES, as described for TEA. A determination is made whether a Medicaid applicant or recipient meets program-specific rules and financial eligibility. Specialized caseworkers not in the county offices handle special Medicaid programs, such as long-term care (home and community-based services and nursing facilities) and the federal Tax Equity and Fiscal Responsibility Act (TEFRA) Medicaid program, which extends Medicaid services to children with severe and costly disabilities who would not otherwise be eligible due to family income. Regular Medicaid applications and renewals are routed through the statewide work queue to the caseworkers for processing.

Upon approval of Medicaid benefits, the case information is systematically provided to the DMS within DHS to manage program benefit delivery through fee-for-service or managed-care organizations. If an individual is ineligible for Medicaid, they are systematically sent to the Arkansas Health Insurance Exchange, which is one of only two Affordable Care Act government-run individual insurance marketplaces administered by states on a federal platform. The AID administers the exchange.

With the federal One Big Beautiful Bill, Medicaid applicants or recipients will be evaluated for participation in employment and training opportunities to meet work requirements. As a part of Medicaid expansion, Arkansas instituted work requirements in June 2018 for adults ages 30-49, and ARIES was modified to track the work requirements. The requirements were terminated in 2019 by a federal court order as a result of a lawsuit. It is noteworthy that the ARIES modifications were not deleted from the system, so less work would be required to implement the new bill's work requirements. Outside of tracking for compliance, DCO staff handling eligibility currently have no visibility into the education and training plans for individuals or households.

Nationally in 2025, the rate for processing Medicaid applications in seven days or less was 69%, with 4% overdue beyond the regulatory requirement of 45 days. Medicaid applications processed within 45 days are considered timely. The Arkansas overdue rate was 2% for the same period.

³⁷ Ibid.

Renewals are being completed at a rate of 71% nationally in 2025, with 50% of those done ex parte, where states automatically verify eligibility using available data without requiring additional verifications.³⁸ For the period from January-June 2024, Arkansas processed 83.33% of all eligibility determinations within 30 days, 6% between 31-45 days, and 5.5% in over 45 days.³⁹

Outcomes That Are Measured

Other than output data, such as enrollment and expenditures by categories, or BI metrics, no outcome data were provided and are presumed non-existent.

As the expanded SNAP work requirements and new Medicaid community engagement required by the One Big Beautiful Bill are implemented, it will be important to measure outcomes after exit, particularly employment and income. While there are a variety of options because the state already tracks employment, income, and education metrics for both WIOA and TANF participants for two and four quarters after exit, this may be a place to start.

Community Colleges and Higher Education Programs

Description and Enrollment

Federal investment in education and workforce development plays a central role in expanding access to post-secondary education, strengthening career pathways, and ensuring that education and training systems respond to labor market demand. Several federal programs—the Carl D. Perkins Career and Technical Education Act (Perkins V), WIOA, the Fund for the Improvement of Postsecondary Education (FIPSE), and the newly authorized Workforce Pell Grant—support these objectives through complementary but distinct approaches. Together, these programs create a framework that promotes coordination, accountability, and improved outcomes for learners and employers. Perkins V is the primary federal law supporting career and technical education (CTE) in the United States.

Federal involvement in vocational and technical education dates back more than a century, beginning with the Smith-Hughes Act of 1917 and later strengthened by the Vocational Education Act of 1963. The most recent reauthorization, the Strengthening Career and Technical Education for the 21st Century Act (Perkins V), enacted in 2018, updated the law to better reflect current workforce needs. Perkins V places greater emphasis on program quality, alignment with labor market demand, accountability for student outcomes, and equitable access for learners from special populations.

³⁸ Medicaid.gov, “September 2025 Medicaid & CHIP Enrollment Data Highlights,” <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights>.

³⁹ Medicaid and CHIP 2025 SCORECARD, “Medicaid MAGI and CHIP Application Processing Times,” [medicaid.gov/state-overviews/scorecard/measure/Medicaid-MAGI-and-CHIP-Application-Processing-Times?measure=FS.8&measureView=state&dataView=pointInTime&chart=table&timePeriods=%5B"March%202024"%5D&chartGroups=%5B"min","q1","median","q3","max"%5D&chartGroupsCategory=State](https://www.medicaid.gov/state-overviews/scorecard/measure/Medicaid-MAGI-and-CHIP-Application-Processing-Times?measure=FS.8&measureView=state&dataView=pointInTime&chart=table&timePeriods=%5B).

Through Perkins V, federal funds are distributed to states and then to secondary and post-secondary institutions to support high-quality CTE programs and other programs of study. These funds are intended to support continuous improvement, modernization, and innovation rather than ongoing operational costs. States develop multi-year plans, informed by stakeholder input, that establish funding priorities and performance expectations. At the local level, recipients are required to complete a Comprehensive Local Needs Assessment at least every two years to ensure that programs align with workforce demand, meet quality standards, and serve students equitably. Programs of study are designed as coherent pathways that span secondary and post-secondary education and lead to recognized post-secondary credentials.

WIOA complements Perkins by supporting workforce development services for youth and adults, particularly individuals who are out of school or seeking employment, retraining, or advancement. While Perkins focuses on education systems and structured CTE pathways, WIOA supports the public workforce system, including occupational training, career services, supportive services, and employer engagement. Both statutes emphasize career pathways, industry alignment, and credential attainment as strategies for improving employment outcomes.

To encourage greater coordination across education and workforce systems, WIOA allows states to submit Combined State Plans that integrate WIOA and Perkins planning requirements. This option became more feasible after Perkins V aligned its planning timeline with WIOA. Experience from states that have pursued combined planning suggests that the process can strengthen interagency coordination, shared stakeholder engagement, and alignment of credentials and pathways. At the same time, combined planning has proven most effective when it builds on existing collaboration and when states have sufficient capacity to manage the additional coordination required. In Arkansas, Perkins V is administered through a coordinated structure involving ADE's Division of Career and Technical Education and the ADHE. Federal Perkins funds are distributed primarily to local secondary and post-secondary recipients through annual applications aligned with state and federal priorities. Performance data are used to guide decision-making, support continuous improvement, and ensure responsible use of federal funds.

In Arkansas, Perkins funds have historically had a 75-25 split favoring secondary schools, but the state recently adjusted this to a 70-30 split. State officials are working toward a 60-40 transition to achieve a more balanced approach between secondary and post-secondary resource allocation and to better connect public school districts with CTCs.

In addition to formula funding, Arkansas uses Perkins resources to support targeted initiatives focused on career advising, professional development, and technology skill development. These efforts include statewide training for career advisors, professional learning opportunities, access to industry-recognized technology certifications, and ongoing faculty development through virtual platforms. For example, Arkansas has enhanced its workforce training programs by increasing the Workforce Challenge Scholarship to \$3,000 per year and expanding eligibility to include private providers.

Alongside Perkins and WIOA, the FIPSE provides a separate but complementary source of federal support. Administered by the U.S. Department of Education's Office of Postsecondary Education, FIPSE is a competitive grant program that supports time-limited projects addressing

national priorities in higher education, such as innovation, institutional improvement, and student success. While Perkins funding supports sustained program improvement, FIPSE allows institutions to pilot new approaches and test emerging strategies. Although the two funding streams operate independently, institutions may use them in complementary ways to support both innovation and long-term impact.

More recently, Congress authorized the Workforce Pell Grant, a significant expansion of Pell Grant eligibility intended to support short-term, workforce-focused training. Beginning July 1, 2026, the Workforce Pell Grant will allow eligible students to use federal financial aid for training programs lasting between eight and 15 weeks that lead to industry-recognized credentials aligned with high-demand occupations. This shortened period makes it ideal for community colleges over universities. In addition to tuition, Pell funds may be used for related expenses such as books, supplies, transportation, and housing, helping reduce barriers to participation for low-income learners.

Eligibility for the Workforce Pell Grant remains based on financial need as determined by the Free Application for Federal Student Aid (FAFSA), with limited eligibility extended to individuals who already hold a bachelor's degree for short-term reskilling. Workforce Pell Grant awards count toward a student's lifetime Pell eligibility, making clear guidance and advising essential to help students make informed decisions. States will play a central role in approving eligible programs and ensuring alignment with labor market demand and quality expectations.

The Workforce Pell Grant has not yet been implemented in Arkansas or any other state, as federal rulemaking has only recently concluded. When the program becomes operational, state leaders and workforce boards will be responsible for certifying eligible programs and coordinating the Workforce Pell Grant with existing state-funded workforce aid programs to create a cohesive and student-centered financial aid landscape.

The 2023 LEARNS Act aims to connect K-12 and higher education through career pathways. This includes establishing 22 high-wage, high-demand pathways identified under the act that meet wage and demand thresholds. Ongoing improvement efforts include:

- Keeping talented students in school by weighting concurrent credit and AP courses equally
- Providing new scholarship opportunities tied to the diploma tiers
- Creating a non-degree funding formula for public institutions and potentially integrating these credentials into the Arkansas LAUNCH system for job seekers and employers

Outcomes That Are Measured

Arkansas has established a return on investment metric for funding formulas based on post-graduate outcomes and median wages for two-digit zip codes.

Accountability is a key component of Perkins V implementation. States and local recipients report annually on participation and outcomes for career and technical education concentrators using federally defined performance indicators. These indicators include measures related to

graduation, academic proficiency, credential attainment, post-program placement, work-based learning participation, and entry into non-traditional fields. Data are disaggregated by student groups to promote transparency and guide program improvement.

Site Visit and Interview Findings

Workforce Connections, Services, and Development

Background

In 2023, the ADC reorganized the DWS into three new divisions at the same time that TANF was transferred from DWS to DHS. Under the ADC, the three new divisions are the AWC, Reemployment (formerly UI), and Workforce Policy and Innovation.⁴⁰ This was a positive step toward better integration and coordination among federal WIOA-funded programs and relocation of underused offices in Arkadelphia, Batesville, Benton, Blytheville, Camden, Helena, Magnolia, Mountain Home, and Rogers. AWC also deployed nine Mobile Workforce Centers, which are RVs equipped with internet, computers, printers, copiers, and staff.⁴¹ These Mobile Centers largely serve dislocated workers with a rapid response team that is based in the Little Rock Comprehensive Workforce Center.

AWC oversees employment and training services coordinated and provided through the Arkansas Workforce Centers, the state's designated "one-stop" delivery system. AWC administers adult education, rehabilitation services for people with disabilities, services for the blind, the state-funded Office of Skills Development, and WIOA employment and training through 10 LWDAs. The Central and Little Rock LWDAs form the only region specifically designated by the governor to operate as a planning region.

Individuals who want to be employed or upskilled have many avenues to seek state assistance. Determining the best plan for an individual happens through a "Career Planning and Counseling" model. This approach involves a comprehensive assessment to create an IEP tailored to the participant's goals, which may include occupational skills training, internships, or registered apprenticeships. A job seeker can upload their resume and search for open jobs in Arkansas LAUNCH, or they can visit one of 26 Workforce Centers (note: these are not located in every county). At the Workforce Centers, they can train for and take a test to earn a Career Readiness Certificate, or they can seek out adult education service providers to train for and take the GED.

Employers can engage AWC to find employees through the LWDAs, the Workforce Center business services coordinator, or online through Arkansas LAUNCH.

⁴⁰ Arkansas Workforce Connections, "Arkansas Division of Workforce Services to Restructure Arkansas Workforce Centers," May 26, 2023, https://dws.arkansas.gov/news_post/arkansas-division-of-workforce-services-to-restructure-arkansas-workforce-centers/.

⁴¹ Arkansas Workforce Connections, "Workforce Connections: Mobile Workforce Centers," <https://dws.arkansas.gov/workforce-services/arkansas-workforce-centers/mobile-workforce-centers/>.

Site Visit Observations

The experience across the Workforce Centers visited varies greatly. However, WIOA Title I and Wagner-Peyser funding are consistently the main sources supporting the one-stop infrastructure. Other core and required program partners provide a minimal amount of support, and therefore, they maintain their own primary service delivery systems. The comprehensive one-stop center in Little Rock houses the state-administered UI and RESEA call center and a large Increasing Capabilities Access Network (iCAN) statewide center,⁴² which provides assistive technology to individuals with disabilities. This helps offset the infrastructure costs of that particular Workforce Center.

Intake at the Workforce Centers starts with the front desk worker, who asks what the customer's needs are and then directs them to the appropriate service. This position is primarily staffed by a Wagner-Peyser state worker. During onsite visits to two Workforce Centers, customers were primarily interested in applying for UI benefits, not in looking for a job, seeking job training, or applying for public assistance. Arkansans can apply for UI online without visiting an office, so the Workforce Centers seem to be perceived by the public as unemployment application centers.

UI applicants register in AJL—which is transitioning to Arkansas LAUNCH—either in the office or online and fulfill the state's work registration requirement.

Beyond UI enrollment, if a person expresses interest in career services or training, they meet with either a WIOA Title I or Wagner-Peyser employment specialist. In one of the Workforce Centers visited, a person only sees a WIOA Title I specialist if they are interested in training. Customers typically get an appointment to assess training eligibility and enrollment, and paperwork processes seem to be manual without consistent case management standards and documentation.

Once deemed eligible, the customer receives a comprehensive career scope assessment to determine career interests and aptitude and/or takes the TABE test. This can take about an hour on a computer in the Workforce Center, and some career advisors said the testing can prove to be a barrier that some participants give up on. If they score below the ninth-grade level, they may be referred to an adult education provider. Otherwise, if they pass the TABE, they are eligible to be approved for an Individual Training Account (ITA) and to work with an approved eligible training provider in that local area. Career advisors guide customers through this process. Customers can only receive the ITA after they have a certificate of acceptance into the program.

During site visits, staff across the Workforce Centers said that after UI claims, the top reason customers come to a center is to receive an ITA to cover their four-week training program from a provider on the Eligible Training Provider List (ETPL) to earn their Commercial Driver's License. The typical ITA amount for this is \$4,000-\$5,000.

During visits, the offices saw very few customers, and when asked what the typical number of clients served per month was, one center that employed 14 career advisors estimated they

⁴² iCAN, "Tools for Life," <https://ar-ican.org/>.

assisted around 6 customers per month (or 75 per year). This office estimated their operating budget was about \$2 million, mostly from WIOA Title I. The physical building had severe infrastructure issues, such that many of the staff needed to work across the street and walk back to the other office to see customers.

Workforce Center career advisors routinely said they did not have any visibility into what social services a customer might be receiving. In addition, if that customer needed help, they did not have a direct referral process to find them support unless they had a personal relationship with a DHS worker. They noted that most of these relationships were from the time when TANF was administered by the former DWS. It was noted that they sometimes call DHS for help, but they cannot get through. In some cases, centers are located across the street from DHS offices, and customers are just sent to that office.

When employees were asked if they would like to be on the same team rather than work as siloed program employees, all wished they had more services and greater case management tools at their disposal to help customers. Career advisors said they would love to have a case management system that showed participant information and seamless service delivery for all.

When asked about barriers to employment in Arkansas, some common obstacles noted by staff included access to childcare, the benefits cliffs for Medicaid or SNAP, and a long wait for housing. These are all problems that could be addressed by integrating case management with social services. The other obstacle was a lack of jobs in some areas that could be addressed by a statewide jobs strategy.

Division of County Operations and Safety Net Program Coordination

ARIES is housed in DCO. Establishing ARIES by beginning its testing and rollout in 2020 was a major step forward. However, the system does not handle eligibility for as many programs as originally envisioned. Citizens requiring assistance can only apply for SNAP, Medicaid, ARKids, or TEA in person at DCO offices or through ACCESS AR, which feeds into ARIES. Included in this list are specialized Medicaid programs, such as coverage for pregnant women and newborns and the ARHOME program, which is Arkansas's Medicaid expansion program pursuant to the Affordable Care Act. Additionally, individuals who are ineligible for Medicaid are systematically sent to the Arkansas Health Insurance Marketplace (my Arkansas Insurance), which is administered by the AID on a federal platform. ARIES does not handle eligibility for WIC food packages, LIHEAP, any of the early education programs such as subsidized child care services, subsidized school meals or summer meals, government-run individual health insurance exchanges, housing, Supplemental Security Income (SSI), or workforce service or development programs beyond SNAP E&T and TANF TEA. Therefore, to date, ARIES only partially integrates eligibility. For the programs that are integrated, it streamlines the administrative process, making it more efficient. The same team of caseworkers handles income verification for applications and redeterminations, reducing duplication of effort. Because the system is statewide, the Arkansas caseworkers can complete eligibility for applicants across the state. This also allows for better focusing of program integrity measures intended to prevent fraud and abuse.

DCO has 81 county offices (some counties have more than one office), and it served 1,487,628 people in SFY 2024 with a budget of \$236,856,043, which excludes \$9.1 billion in Medicaid expenditures.⁴³

Siloed Safety Net Eligibility

There is less coordination with WIC benefits or early childhood education programs. Originally intended to be part of ARIES, WIC eligibility is handled by the ADH. This inefficiency requires clients to undergo two separate processes if they qualify for WIC and any of the programs in ARIES. DCO staffers provide clients with referrals to the ADH, meaning they give clients the phone number, website, or location of the nearest office where they can apply for WIC. It is much the same situation with the ADE, which administers early childhood education programs, including Arkansas's CCAP. Clients are given a phone number or weblink. ADE does not have physical office locations where clients can apply for CCAP benefits. If the clients prefer to apply for Head Start, Early Head Start, or ABC, they need to find a local provider and apply directly there.

DCO has no formal process to refer clients to LIHEAP, which is administered by ADEE by subcontracting with 15 CBOs.⁴⁴ Any client who would qualify for LIHEAP needs to identify the CBO that serves their area and to apply directly with that CBO. The CBOs process the applications and determine eligibility, which is further duplication of effort. One DCO caseworker takes on the responsibility to notify clients of the availability of LIHEAP because of the importance of the program in helping clients, but her efforts are not supported by ARIES or the current procedures.

Housing assistance programs are completely outside state government control. Programs such as the Section 8 housing voucher program or public housing are run by PHAs, which operate under state law but are regulated by and report directly to the U.S. Department of Housing and Urban Affairs. Homeless shelters are typically run by nonprofit organizations, but some receive government grants in addition to private funding. For example, Our House in Pulaski County received \$2.3 million from the TANF program in SFY 2025. Interviews revealed that DCO staffers will typically refer individuals to the nearest housing authority or homeless shelter when they become aware of a situation requiring shelter.

⁴³ Arkansas Department of Human Services, "2024 Statistical Report."

⁴⁴ The 15 CBOs are: Arkansas River Valley Area Council; Black River Area Development Corporation; Crawford-Sebastian Community Development Council; Central Arkansas Development Council; Community Action Program for Central Arkansas; Central Delta Community Action Agency; Crowley's Ridge Development Council; Community Services Office; Economic Opportunity Agency of Washington County; Mid-Delta Community Services; Mississippi County, Arkansas Economic Opportunity Commission; Northcentral Arkansas Development Council; Our Healthy Communities; Ozark Opportunities, Inc.; and Southeast Arkansas Community Action Corporation.

DCO Eligibility Process

Applications, renewals, change reports, and verification uploads are supported online through the beneficiary-facing ACCESS AR website. The information submitted online is imported into the ARIES worker portal for eligibility processing. DCO has impressive and sophisticated BI metrics and dashboards to help with the processing of applications and redeterminations. However, DCO does not report any outcome-based data, such as dependency on government assistance and success upon exiting the system.

Clients entering a DCO office arrive in a waiting room. Of the three sites visited, only the larger office in Pulaski County had a security officer posted at the door who required clients and guests to sign in. The waiting rooms typically have physical application copies. The physical intake process begins at a reception window. If the client intends to apply for benefits, the clerk screens the application for the programs requested and determines if the application needs to be expedited for SNAP benefits or referred for emergency shelter.

Clerical staff report receiving one week of training on ARIES, and they use organizationally developed checklists for screening purposes. Applications received manually are scanned into the imaging system and are indexed according to document type and the master client ID in order to follow the person. Clerical staff report limited knowledge of the programs for which they are collecting information and scanning documents. Several clerical staff suggested that it would be helpful for their understanding to receive additional training on understanding the programs, especially Medicaid with its complexity of services, to help people with developmental disabilities and those relying on long-term care.

Services outside the purview of DCO that need to be addressed with other agencies or organizations are referred through a manual process with the exception of automated referral for child support associated with TANF. In addition, caseworkers can make SNAP E&T referrals through ARIES.

Once the application is registered, it is sent into the statewide work queue and assigned to a caseworker for interviewing and processing. Caseworkers receive three months of training on ARIES. ARIES relies on a queuing system that uses a random draw of the next case in the queue, which can be pulled by a caseworker anywhere in the state. This universal system helps spread the workload across the entire state so less busy DCO offices can help with the workload of busier offices. Casework assignments go through an electronic round-robin task assignment process that includes applications, renewals, and change reports. Caseworkers process based on queues, though managers can prioritize cases from in-person applicants on a case-by-case basis.

To verify applicant income and deductions, the ARIES data exchange matches applicant information with unemployment compensation, new hires (a data exchange with the Department of Labor), social security income, the social security number, wage data, criminal justice information, and records of lottery winners. Social Security's State Online Query (SOLQ), the unemployment compensation, the work number offered by Equifax—a consumer credit reporting agency—through a per request fee, and child support information provided through the data exchanges are considered verified upon receipt, meaning no additional action is required by the

caseworker. All other data exchanges require action on the part of the caseworker to verify the information.

Caseworkers process 4-6 applications daily, and telephone interviews are generally scheduled within 3-4 days of the receipt of the application. Clients can also upload verification documents through the ACCESS AR citizen portal during telephone interviews for retrieval by the caseworker. Caseworkers do not conduct interactive interviews and so do not enter data into the system during the in-person or telephone interview. Information gathered during the interview is subsequently entered into the system to determine eligibility. One day each week is typically dedicated to allowing caseworkers to address change reports and other tasks not completed on interview days.

Some specialized caseworkers are not permanently located in the DCO office. These caseworkers process applications for TEA, long-term care benefits from Medicaid, community-based services for people with developmental disabilities, and the federal TEFRA Medicaid program, which provides health care coverage for children with costly and severe disabilities in families whose incomes exceed Medicaid thresholds.

Specialized TEA caseworkers meet separately with TEA clients to walk them through the process, helping them access needed services such as job training and childcare. Regular DCO caseworkers do not have visibility into the transactions that happen between the TEA caseworker and their clients, and this study did not examine the casework process related to TEA. Application information includes a drug assessment tool when families are applying for TEA benefits, a requirement that does not extend to SNAP or medical assistance programs.

Participation in SNAP E&T is currently voluntary, and line workers indicated that encouraging SNAP recipients to participate in E&T is difficult. Most clients typically decline participation. If there is noncompliance with the E&T program, ADE and DWS will send a referral to DCO that automatically creates a task in the work queue in ARIES regarding the noncompliance, which could result in eligibility termination.

For services not provided by ARIES, DCO policy requires DCO staff to look into the best options for the clients. However, there are no standardized lists or tools that help caseworkers find the right services for the client to make such referrals. This is aggravated by the universal processing system through which caseworkers mostly pull cases from counties where they are unfamiliar with the local resources available to clients. For example, a caseworker is expected to be aware of the emergency housing shelters within their own county but would not necessarily be aware of those services in any of the other 74 counties. To solve this problem, caseworkers are currently searching the internet to find those resources in counties where they are not located or that they are unfamiliar with. This results in the risk of inaccuracies, a lack of knowledge of best resources, and even uncertainty about the availability of those resources. DCO management expressed a need to expand electronic referrals for services to external agencies. Most of the referrals are manual, providing contact information to the client and making them responsible for seeking the services directly.

Management reviews dashboards on a daily basis. These include metrics for enrollment, workload, and productivity tracking. The status of pending applications is identified by the

person responsible for the current work. This provides the metrics for pending work associated with the worker, the client, the system, clerical staff, long-term care specialists, production support, the supervisor, and the medical review team. Managers run Power BI reports daily to monitor the work queue for completed, pending, and overdue tasks.

Interviewee-Reported Challenges

Challenges reported in interviews included high payment error rates. A need for better client compliance was emphasized, and consolidating queues would also make efforts more manageable and improve overall processing. A lack of policy alignment with and conflicting directives from the Food and Nutrition Service (FNS) of the USDA partners and the state quality control team create confusion as well. In addition, greater visibility into all the services the client needed would improve the ability of caseworkers to serve clients. Furthermore, caseworkers reported that ARIES has a limited ability to “copy and paste” some data, which slows productivity and can lead to data entry errors. Case notes and narratives are not automatically updated or queued from the process flow, and the ARIES procedures can be made easier by streamlining categories. Moreover, caseworkers reported that the criminal justice exchange provides information on prior incarcerations but does not provide current incarceration information. Also highlighted was the need for improved training and resources for caseworkers to better understand and connect clients with available services beyond the core programs to improve service delivery, including job and shelter referrals.

Given that federal changes to Medicaid and SNAP include work requirements and penalties for excess error rates over 6%, a need was identified for more training on policies, resources from the policy unit, and real-life scenarios to address common errors. If DCO offered more face-to-face training and policy deep dives, especially with quality control staff, caseworkers could advance program integrity.

Arkansas Data Hub

Driven by a legislative mandate, Arkansas has been engaged in initiatives to address data silos since 2015. The efforts are intended to integrate workforce and human services data. Act 480 of 2025 gave the newly renamed OST (formerly the Division of Information Systems) within the SAS the statutory charge and authority to administer the state’s IT, provide statewide project management, establish and enforce statewide standards, develop performance reporting guidelines for IT vendors, and establish a centralized IT governance model.⁴⁵

This was followed up by Executive Order 25-10, which more clearly and immediately enacted provisions of Act 480.⁴⁶ The Arkansas Data Hub was developed to house and manage the integrated data acquired from each department through a cyclical batch process. Data governance was instituted with representation from each of 15 state departments and approved by each of the

⁴⁵ Arkansas Act 480, (2025).

⁴⁶ Arkansas Governor Sarah Huckabee Sanders, *Executive Order 25-10*.

Cabinet Secretaries. In total, 300 state agencies, boards, and commissions were consolidated into the 15 departments and have centralized their administrative services.

The Arkansas Data Hub provides secure data sharing across departments in real time. A master client ID number will be used to improve data quality and address variances in data elements. The plan to integrate eligibility systems is targeted for implementation in October 2026. Legislation from the most recent legislative session currently requires any technology or procurement project to go through an IT governance process for investment justification. This ensures technologies align statewide to mitigate the creation of additional silos.

An Arkansas Talent Ecosystem is also under development, of which some functions are already operational, such as Arkansas LAUNCH and CiviForm. The ecosystem consists of collaborative infrastructure intended to support students, guardians, job seekers, residents, employers, E&T providers, support organizations, and public sector decision-makers through shared contributions to build and strengthen the workforce. The national shared public infrastructure includes:

- **Credential Registry (Credential Engine):** Open, linked data on providers, programs, credentials, and learning opportunities
- **Learning and Employment Records:** Portable, verifiable individual records
- **National Labor Exchange:** Mature national job posting interchange
- **Jobs and Employment Data Exchange (JEDx):** Emerging national employment data trust
- **Administrative Data Research Facility:** Secure national environment for analytics, collaboration, and standardized data products
- **Skills Interoperability Commons (proposed):** Governed semantic translation layer enabling alignment across skill languages and representations

CiviForm is a common intake form intended to be used across all programs. It uses a Business Rules Engine for the application logic and geofencing for referrals to local community groups. CiviForm has an ongoing cost of \$500 monthly, with legacy systems costing \$2 million annually, and it is envisioned that CiviForm will replace ACCESS AR. The intent is to integrate service delivery, reduce redundant intake data collection and processing, and reduce system development and maintenance costs. CiviForm is currently targeted for a broad implementation in June 2026, with SNAP being available in January 2026. The goal is to enhance data sharing, improve service delivery, and support long-term workforce development.

AJL is being replaced with the open-source Hope Hub case management application and Arkansas LAUNCH, a consumer facing application that supports labor services.

Arkansas LAUNCH for Job Seekers is an open-source platform built with national interoperability standards and is intended to provide efficiencies in obtaining employment-related services. Arkansas LAUNCH is a labor exchange and may need legislation for a complete jobs and employment data exchange.

Arkansas is participating with the U.S. Chamber of Commerce Foundation in a pilot, involving two states, for a jobs and employment data exchange. The data exchange is a national data trust

that integrates with payroll processors for employment and wage data. This exchange is not functioning at this time.

Conclusion: One Door to Work

Arkansas faces a persistent challenge: too many working-age individuals remain disconnected from the labor force, even as employers across the state report difficulty finding qualified workers. At the same time, Arkansas administers numerous workforce training and public assistance programs intended to help individuals gain skills, secure employment, and stabilize their families. Yet these programs too often operate in silos, limiting their effectiveness and increasing administrative costs.

A modern safety net system should function as a cohesive whole—one that aligns workforce development, education, and temporary assistance around a shared objective: helping individuals find employment, progress along sustainable career pathways, and ultimately achieve self-sufficiency. Public assistance should serve as a short-term support that reinforces work and skill-building, not as a long-term substitute for labor force participation or a system that unintentionally perpetuates intergenerational dependency.

A true “One Door to Work” approach would allow Arkansas to better coordinate existing programs under a unified workforce strategy, ensuring that nearly every public assistance program functions as a work support where appropriate. By reducing administrative duplication and improving service alignment, the state could redirect millions of dollars from bureaucracy to direct support for individuals and families. Just as importantly, a One Door system would strengthen Arkansas’s appeal to employers by delivering a clearer, more responsive workforce pipeline while treating individuals seeking assistance with greater dignity, clarity, and accountability as they pursue work and economic independence.

The system needs to have the following characteristics:

- The system needs to be consumer-friendly, person-centric rather than program-centric, and easy to navigate.
- It needs to be results-based and publicly accountable throughout.
- Silos between agencies and programs should be removed. The governmental structure cannot be overly complex.
- It should be state-administered but allow for local input for design and delivery of services.
- It requires private-sector employer leadership and involvement in determining the types of training required and employment opportunities.
- Likewise, the training and education needs to be market-driven, which maximizes results, satisfies those being trained and educated, and meets the needs of businesses and industries.
- The system needs to adopt a philosophy of continuous improvement.
- Funding needs to be commensurate with need.

The system requires a work-first philosophy:

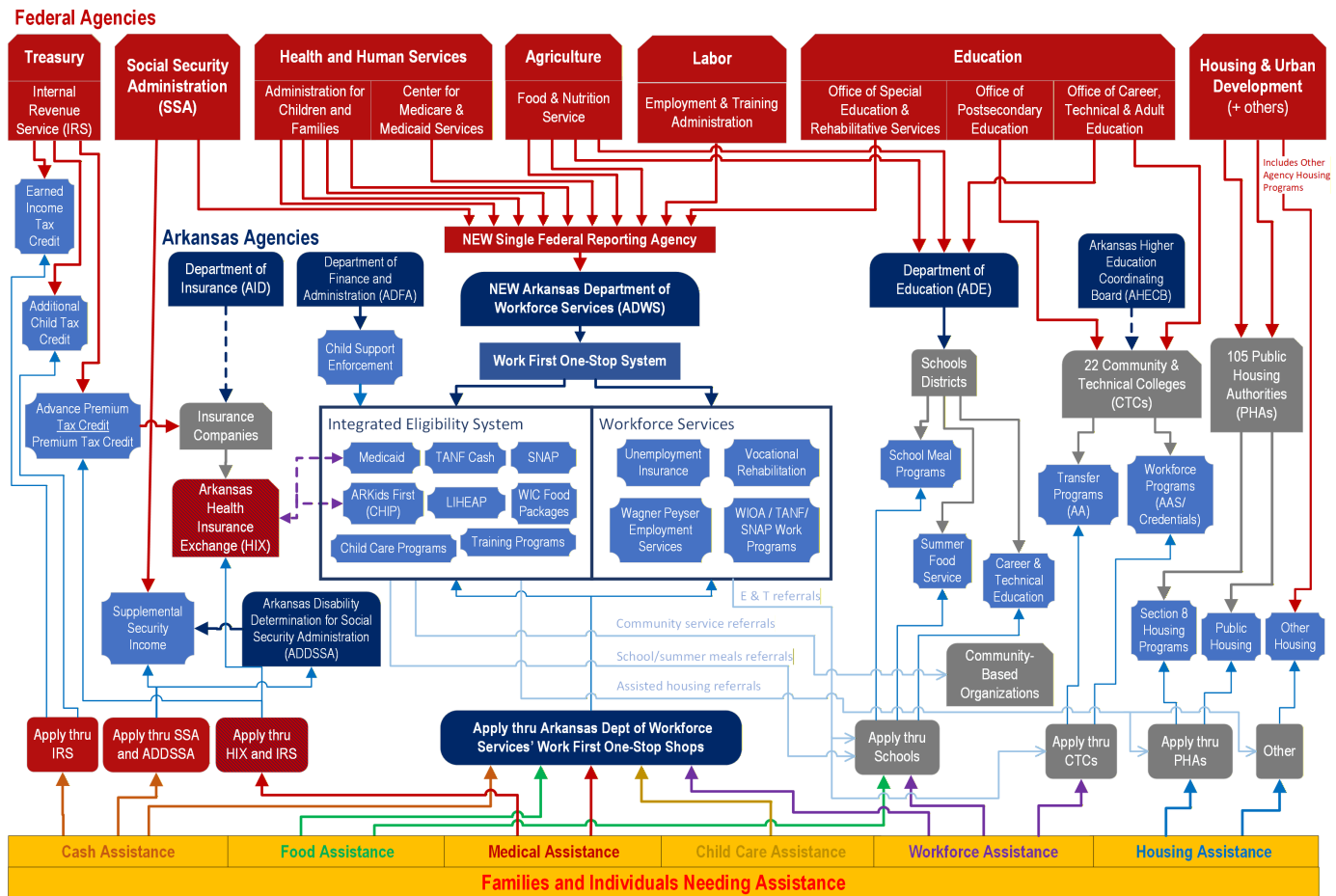
- Employability and employment plans with the goal of self-sufficiency are determined *before* public assistance eligibility determination.
- Individuals and community supports are treated as part of assistance units, and natural support systems are always considered when assessing public assistance eligibility.
- Employment plans are individualized for each person's unique circumstances and always consider issues such as age, age of children, illness, etc.
- Personal responsibility, such as child support, is always incorporated into the plans.

In summary, achieving a One Door to Work system requires three parts:

- 1. Integrated Administrative Structure:** Consolidate employment, training, and social service programs into an integrated state workforce agency. Co-locate services physically under this structure.
- 2. Integrated Service Delivery:** Consolidate various service delivery structures into a single regional approach.
 - a. Regional Alignment:** All programs are delivered with a consistent regional approach in which the state operationalizes service delivery that is coordinated locally.
 - b. Integrated Eligibility and Intake:** All appropriate eligibility functions are consolidated into a dedicated eligibility division.
 - c. Integrated Work-First Case Management:** Because programs are administratively integrated, employment-first case management approaches are consistently used by all workers.
- 3. Integrated Financial Management:** Develop a statewide cost allocation model or administrative arrangements that braid funds statewide to support a system instead of individual programs.

Future State: Proposed Integrated Administrative Structure

Figure 4: Proposed Integrated Administrative Structure



The first step in building a One Door to Work system is to align the administrative structure by pulling all workforce services and safety net programs controlled by state agencies into a single cabinet-level agency. Figure 4 shows a recommended structure. The Arkansas legislature may decide to name this agency the Arkansas Department of Workforce Services (ARDWS), to distinguish it from the former Division of Workforce Services (ADWS), or something similar. This new department is shown toward the center of this figure, and underneath are two boxes containing all the program eligibility processes as part of an integrated system in the first box and all workforce services in the second box. All eligibility functions will be transferred from other agencies and placed in this new agency. Workforce services for UI, VR, Wagner-Peyser Employment Services, WIOA programs, TANF job training, and SNAP E&T programs currently administered by the Departments of Commerce, Education, and Human Services will be integrated into the new agency and into a single workforce services and development division.

Safety net services currently administered by DHS through the DCO offices; subsidized child care programs, including ABC and Head Start/Early Head Start, currently administered by ADE; WIC food packages, currently administered by ADH; LIHEAP, currently administered by

ADEE; and all eligibility requirements for job training will be integrated into the new agency and into the division of integrated eligibility. No CBOs will conduct eligibility determinations on behalf of the state. All determinations will be conducted in the single integrated system. The exceptions are the Arkansas Disability Determination for Social Security Administration (ADDSSA), which examines individuals with disabilities for the SSI program administered by the Social Security Administration; the Arkansas Health Insurance Exchange, which is state-administered on a federal platform; and the school meal program, which is administered by ADE.

In addition, the vision involves a new federal administration for reporting purposes to help the new ARDWS integrate and braid funding streams to serve clients better under a statewide cost allocation model.

The merging of these functions into a new cabinet-level department places the focus on the workforce services and training programs. It eliminates system redundancies requiring the same information from clients. There will be only one, not potentially five siloed, income verification checks from state caseworkers. Data exchanges for verification purposes will be streamlined into a single integrated system. Program integrity measures to prevent fraud and abuse will be concentrated into one process. Applications, redeterminations, maintenance, and change reporting for receiving benefits will be coordinated within the same integrated system.

Another advantage of the integrated system is that it allows for more meaningful enforcement of requirements and tracking of outcomes. No matter what benefits a customer receives, even if from a single program, the integrated system will treat work and child support systems the same and track outcomes in the same way. For example, pursuing child support from non-custodial parents is only a requirement for the TANF program. The integrated system would make the requirement across the board. In addition, work requirements are only present in a subset of programs. They would now become part of the system across the board. Furthermore, only WIOA programs currently track outcomes after exiting the system. With this new integrated system, everyone exiting the system will be tracked.

Integrated Eligibility and Intake

The integrated service delivery system will streamline administrative processes while making the customer experience more pleasant. It will also make employment connections the primary focus, and it will actively encourage self-sufficiency and reliance on natural support systems while treating government assistance as secondary support. The system will treat individuals with respect while recognizing familial relationships as part of assistance units. Everyone will be required to have an employment plan, and only those truly unable to work, meaning those with health conditions, disabilities, or being under age and cannot be employed, will not be required to work.

Figure 5: Suggested Model Delivery System

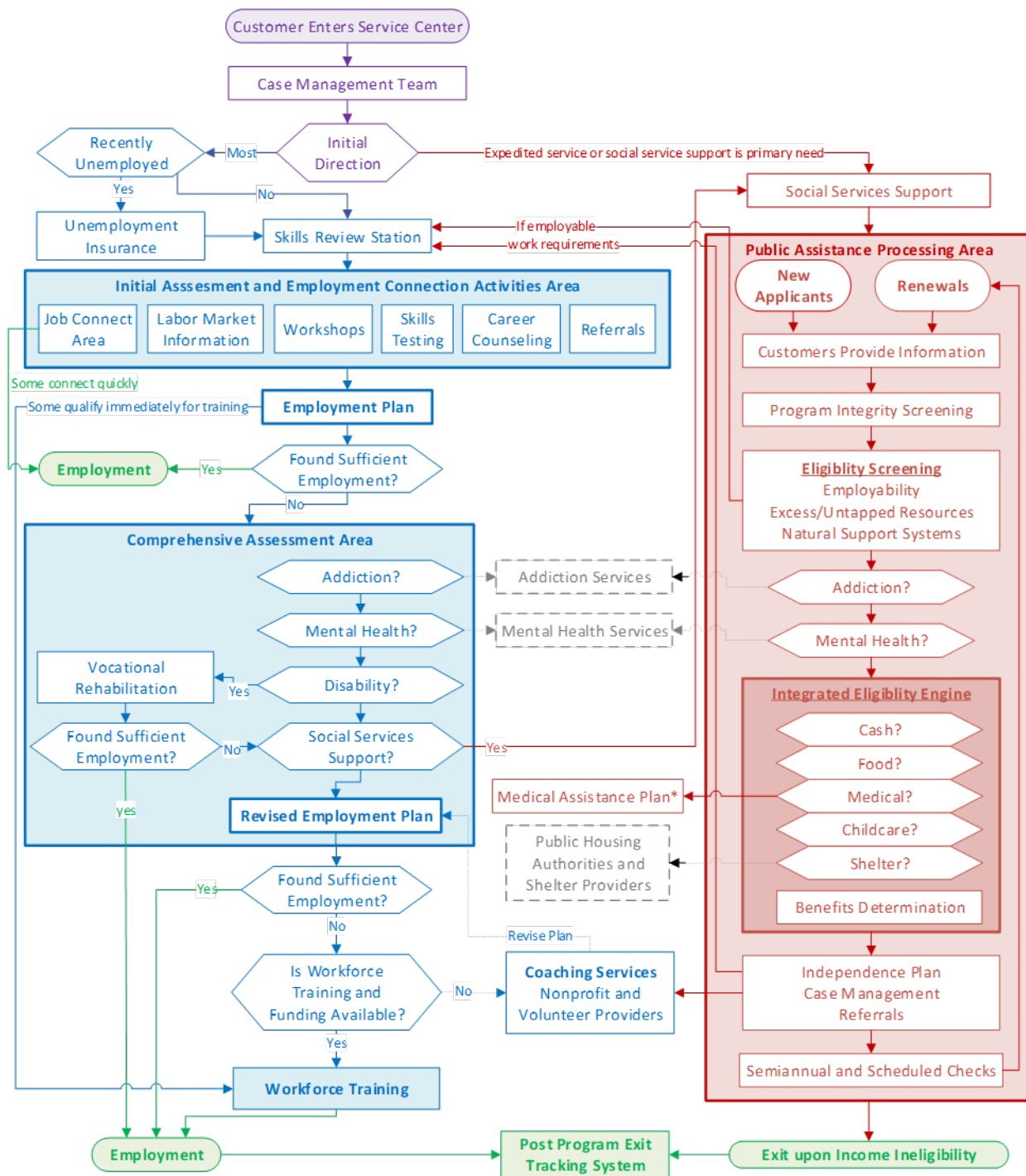


Figure 5 shows the major components of the system and how they should interact. The diagram represents the workflow of the physical location for obtaining workforce services and public assistance benefits. There should also be a compatible streamlining of online systems. *For background on the Medical Assistance Plan, see the explanation below on medical assistance reforms the Arkansas Legislature might want to consider.

Future State: Following a Customer Through the System

When a customer comes through the door, they will be met by a trained staff person who is part of a team that will direct and guide individuals to resources available to them. But the person is more than a receptionist or greeter. With training comparable to that of a caseworker, they will listen to customer concerns, direct them to the proper resources, and assist them if necessary. Their training will cover ways to ask basic questions to best determine which direction to send the customer and the level of guidance that is necessary.

Customers who are recently unemployed will be sent to UI to help them process unemployment compensation, the major activity now in Workforce Connection offices. Once they have handled their unemployment concern, customers go to a skills review station with a career advisor, who provides an initial assessment of what skills they possess to help them target their job search or determine the next step in eligibility for training programs.

If the customer was not recently unemployed or does not have an unemployment issue to solve, they will be sent directly to the skills review station. If the customer wants to apply for public assistance, the guide explains that they will need an employment plan as part of that process. The guide then asks the customer if they would like to complete that process at the skills review station. In the event that the customer already has an employment plan or has a public assistance benefits issue, the guide can send the customer directly to the public assistance processing area to handle their concerns. Or if the customer needs food assistance, the guide can send them for expedited processing of food assistance benefits.

When customers are guided first to public assistance benefits, it does not mean that they skirt around work requirements. The eligibility process will assess the situation and reconnect the person back to the work-related requirements unless the person meets conditions for exemptions. For example, food assistance requires work or work-related activities, which will reconnect the person to the skills review station.

After the skills review station, the next stop is the main area called the Initial Assessment and Employment Connection Activities Area. This stop includes a job connect area, a labor market information area, workshops on topics such as updating one's resume, skills testing, career counseling, and referrals. The immediate goals are developing an employment plan and securing employment. Some customers will quickly find employment and will not need to go through all the steps of developing an employment plan because they have fulfilled their employment goals. Some may immediately qualify for job training, and they will be connected to those training programs. Others may find on-the-job training.

Some customers may require a more comprehensive assessment for a variety of reasons. It could be that they elect to undertake a comprehensive assessment of job skills. It could be that they are employed but the pay is inadequate or that they do not have skills that can draw sufficient income for their needs. There also may be obstacles such as addiction to substances or mental health issues. In those cases, they will be referred to addiction or mental health services. The degree of the addiction or mental health issue will determine the next step, but employment may still be an option depending on the specifics of the case.

If a customer has a disability, they will be referred to VR. They will also be assessed for the need of social services such as food assistance, childcare assistance, or medical assistance, and they will be referred to the public assistance processing area once their employment plan is revised.

The system will also help with revising employment plans, taking into account other circumstances, and many will be able to find sufficient employment after this revision. However, others may need to find workforce training to fulfill their employment plans. In this case, guides will help them match their employment goals with available training. If the training and funding for the training are available, they can be slotted in for the training, which, if successful, can lead to better employment. If workforce training and funding for the training is unavailable, the customer can be referred to coaching services administered by nonprofit and voluntary providers who will help them with employment plans to match available options.

After a customer completes workforce training and secures employment, or if the person completes the training but does not secure employment, their outcomes will be tracked as part of the post-program exit tracking system.

On the public assistance processing side, new applicants, or people seeking renewals of public assistance, will provide required information for eligibility determination. This information will also provide data on what type of assistance unit the person belongs to, such as the person's family and household situation. They will first be processed through program integrity screening to prevent fraud or abuse. After a successful program integrity screening, they will undergo eligibility screening to determine employability, excess and untapped resources they may have available, and what natural support systems are available to them. At this point, depending on the assessment of employability, they may be asked to develop an employment plan, especially if they don't have one.

As with TANF requirements now in place, applicants will also be asked about addiction and mental health issues. If in the affirmative, they will be referred to resources to help them deal with those issues.

The next step in the public assistance process will be running the information through the integrated eligibility system that determines eligibility for benefits, whether clients need cash, food, medical assistance, child care, or shelter. In some cases, the person will be referred to federal sources not administered by the state, such as the earned income tax credit when filling out tax forms or SSI when the person has a disability. Or in the case of housing or shelter, they will be referred to the relevant Public Housing Authority (PHA) or shelter provider.

In the case of medical assistance, the client will be referred to employer-based insurance, Medicaid, or coverage through the government-run health insurance exchanges. The system will be in communication with the Arkansas Health Insurance Exchange to help smooth the transition. At some point in the future, the Arkansas legislature may consider implementing health savings accounts and Medicaid bridge programs like the state of Indiana.⁴⁷ Or if the

⁴⁷ The state of Indiana is considering a Healthy Indiana Plan (HIP) Workforce Bridge to maintain continuous coverage during the transition from its HIP to coverage with an employer or through the marketplace.

legislature desires a more comprehensive reform, it could implement a risk equalization system using section 1332 and section 1115 waivers in a way similar to the solutions offered in a policy briefing by the Georgia Center for Opportunity.⁴⁸

After benefits determination, the customer will be referred to a caseworker to develop an independence plan, which includes work requirements for many programs, such as the work requirements for SNAP. A component of the independence plan is to have an employment plan in place. If the customer does not already have that, they will be referred to the skills review station at the beginning of the process. The person will also be referred to coaching services operated by nonprofit and volunteer providers. They will help clients with such tasks as family budgeting skills and financial literacy, if needed.

Once the benefits commence, customers are put on a schedule of regular income and asset checks on at least a semi-annual basis. That is, every six months, they will undergo a redetermination process requiring submission of updated information to assess continued eligibility and to adjust benefit amounts based on income changes.

Finally, when the person successfully exits public assistance programs, they will be tracked using the Post-Program Exit Tracking System. The information collected will be used by the department to provide regular reports to the legislature on the program and system outcomes. The report will include metrics such as the number of people relying on various programs, the degree of dependency on government benefits, and the income of those who exited the system.

⁴⁸ Erik Randolph, “Solving Medical Assistance Benefits: Removing the Healthcare Barriers that Trap People in Poverty,” Georgia Center for Opportunity, revised April 17, 2025, <https://foropportunity.org/wp-content/uploads/2025/04/Solving-Medical-Assistance-Benefits-GCO-2025Ap17.pdf>.

Appendices

Appendix A: Report Design and Methodology

Act 145 of 2025 assigned to the Arkansas ALC-Hospital, Medicaid, and Developmental Disabilities Study Subcommittee a study to assess Arkansas's workforce and safety net system and to recommend reforms.

Legislative leaders sought a solution and contacted the Alliance for Opportunity (A4O), a multi-state nonprofit coalition that evaluates the effectiveness of state-administered public assistance and workforce programs. GCO, a co-founder of A4O, houses the organization and is uniquely qualified to perform an Arkansas Workforce and Social Services Study due to a unique combination of policy expertise and practical experience assisting states with restructuring and reform. GCO's work includes assessing state pilot projects, identifying successful models of workforce and social services delivery, and adapting evidence-based approaches for implementation in other states. This specialized expertise, combined with GCO's established cross-state network, provides capabilities that are not available from other vendors.

The objectives of this study are the following:

- To inform the Subcommittee about what self-reported program inputs and outcomes for certain public assistance and workforce development programs reveal about how Arkansas's system is fulfilling programmatic goals and to make recommendations for improvements.
- To identify areas of integration, coordination, and shared outcomes among those public assistance and workforce development programs and make recommendations for improvements.

This study considers the systemic administrative structure and how well the component parts of the system work and interact with each other in fulfilling the overall goals of promoting work and self-sufficiency and enabling individuals and families to escape poverty. It focuses on the efficiency and efficacy of the delivery system and how well Arkansans needing assistance are served. It does not investigate the specific eligibility rules of each program, benefits cliffs, marriage penalties, or how the programs can be better run. Nor does this study audit the accuracy of information provided for the study.

In general, this study will look at how the selected public assistance and workforce development sites are set up, how services are administered, how coordination is implemented, how programs and services are integrated, how referrals are made, and how employment activities are incorporated across programs. This study will then provide options and recommendations for ways to improve in those areas.

This study is not about specific eligibility rules to avoid work disincentives and benefits cliffs, program consolidation, or many other topics within workforce development or public assistance programs. Rather, it focuses on the overall administrative structure needed for the integration,

cooperation, and streamlining of services across programs to foster good outcomes for people using the system and taxpayers who fund the system.

The team also relied on publicly reported state and federal information relative to the purpose of the study and assembled self-reported output and outcome data relative to the programs being examined, the integration of the administration of the programs, and coordination of the programs within the system. In addition, the team requested updates to the data as well as additional data not available publicly, and these metrics were combined with the ones extracted from the internet. Out of that master list, key metrics thought to best represent the intended goals of the programs were selected for closer examination and were placed in context with other gathered information to develop a picture of how the system is set up, how it works in practice, what information is missing, and what the output and outcome metrics reveal. These metrics were compared to program goals and objectives as well as to parameters pursuant to Act 145's intent. They then formed the basis for evaluation and analysis to address the objectives of this study.

The team made site visits and interviewed key administrators, managers, supervisors, and line staff to gain a hands-on understanding of how Arkansas's system works in practice, to learn what challenges those individuals face and what ideas they may have to improve the system, and to fill in other missing information needed for the study.

Interviews with the Division of County Operations (DCO) of the Department of Human Services (DHS) and the Arkansas Workforce Connections (AWC) division of the Arkansas Department of Commerce (ADC) were conducted to evaluate the operation and coordination of the safety net and workforce services programs. The interviews were conducted in small, medium, and large counties/offices to obtain a comprehensive analysis of statewide delivery of these services. The team compiled statistical data available from the state agencies from the most recent state and federal fiscal years to facilitate and support the analysis.

The analysis objectives were to:

- Evaluate the operation and coordination of the safety net and workforce services programs
- Evaluate the outcomes of the safety net and workforce services programs
- Identify program operation and coordination process improvements for the delivery of safety net and workforce services programs

Limitations:

This study is not a full forensic audit. All program outcomes and data were either provided by the agencies or in public reporting documents. Thus, this report is not intended to audit program finances, administrative costs, program costs, participants, complete program outcome data, etc. It is noteworthy that the ADE has very limited outcome and statistical data, such as application processing times for childcare. This report is also not able to quantify or model estimated costs or cost savings from the suggested reforms.

Appendix B: List of Acronyms

AA - *Associate of Arts Degree*

Typically a two-year college degree from a community college focusing on liberal arts and general education that can be transferred to another higher education institution for a four-year degree. It can also be used for entering directly into the workforce.

AAS - *Associate of Applied Science Degree*

A degree typically from a community or technical college that focuses on technical and vocational training for quick integration into the workforce with specialized skills.

ABAWDs - *Able-Bodied Adults Without Dependents*

A subgroup of public assistance participants who are work-capable and who do not have dependents. SNAP has special work-related provisions for ABAWDs.

ABC - *Arkansas Better Chance*

An Arkansas early childhood pre-K education program for children from birth through age 5 with developmental or socioeconomic risk factors. A subprogram—the Arkansas Better Chance for School Success Program—focuses on 3- and 4-year-olds with family incomes not exceeding 200% of the federal poverty level.

ABE - *Adult Basic Education*

Under WIOA, fundamental education for adults that focuses on reading, writing, mathematics, and other basic skills and that is used as a basis for further education and job training.

ACCESS AR - *ACCESS Arkansas*

Public platform to access public assistance benefits that is operated by the Arkansas Department of Human Services.

ADC - *Arkansas Department of Commerce*

The Arkansas state department that houses the Division of Workforce Connections.

ADDSSA - *Arkansas Disability Determination for Social Security Administration*

Arkansas state agency that conducts medical and disability reviews on behalf of the U.S. Social Security Administration to determine whether applicants meet federal criteria for disability benefits.

ADE - *Arkansas Department of Education*

Arkansas state agency that oversees public education programs such as foundational workforce-related education and early childhood education, including subsidized child care programs.

ADEE - *Arkansas Department of Energy and Environment*

Arkansas state agency that, among other responsibilities, administers the Low-Income Home Energy Assistance Program.

ADFA - *Arkansas Department of Finance and Administration*

Arkansas state agency that houses the Office of Child Support Enforcement, which is critical to the TANF program.

ADH - *Arkansas Department of Health*

Arkansas state agency that, among other responsibilities, administers the WIC program, including the Special Supplemental Nutrition Program.

ADHE - *Arkansas Division of Higher Education*

A division within the Arkansas Department of Education that manages the state's scholarship and financial aid programs, recommends higher education and institutional budgets to the legislature, and assures academic program quality and viability.

ADWS - *Arkansas Division of Workforce Services*

The division within the Department of Commerce that administers workforce-related programs, including UI, job training, and labor-market services.

AEFLA - *Adult Education and Family Literacy Act*

A federal law under Title II of WIOA that provides funding and guidance for adult education, literacy, and ELA programs.

AFDC - *Aid to Families with Dependent Children Program*

Enacted in 1935 during the Great Depression, the federal general assistance program that preceded the TANF program, which was enacted in 1996.

AHECB - *Arkansas Higher Education Coordinating Board*

An Arkansas governor-appointed board charged with coordinating the state's higher education system.

AI - *Artificial Intelligence*

Computer systems or algorithms designed to imitate intelligent human behavior in learning, reasoning, problem-solving, and decision-making.

AID - *Arkansas Insurance Department*

Arkansas state agency that, among other responsibilities, jointly administers the Arkansas Health Insurance Exchange, also known as the Marketplace, which is one of only two state-based exchanges using the federal platform.

AJL - *Arkansas Job Link*

Intake and case management system Arkansas Workforce Connections uses for WIOA, UI, and RESEA.

ARDWS - *Proposed New Department of Workforce Services*

A proposed new cabinet-level department to house the eligibility functions for all workforce services and public assistance programs as outlined in this study.

ARHOME - *Arkansas Health and Opportunity for Me*

Arkansas's Medicaid program for the expansion population due to the Affordable Care Act.

ARIES - *Arkansas Integrated Eligibility System*

The eligibility system within the Arkansas Department of Human Services that integrates eligibility processing for ARKids First, Medicaid, SNAP, and TANF.

ARKids First

Arkansas's children's health insurance program.

Arkansas LAUNCH

Arkansas's workforce and job-matching platform.

ARPA - *American Rescue Plan Act*

A comprehensive \$1.9 trillion relief package (Pub. L. 117–2) in response to the COVID-19 pandemic that included temporary changes to UI, Medicaid, SNAP, and CCAPs.

ARWINS - *Arkansas Workforce Integrated Networks System*

A web-based information services platform to support case management, work readiness assessment, career planning, and service delivery across TANF and other welfare and workforce development programs in Arkansas.

AWC - *Arkansas Workforce Connections*

A division of the Arkansas Department of Commerce responsible for administering WIOA programs, UI, and VR services.

BI - *Business Intelligence*

IT system that collects, analyzes, and presents data for running businesses or government agencies.

CAC - *Children's Advocacy Centers*

Community-based facilities providing coordinated services, support, and trauma-informed care to children who are victims of abuse or neglect.

CAP - *Career Action Plan*

An individualized plan that identifies interests; sets career goals; and maps out education, training, and work experiences needed to achieve those goals.

CBO - *Community-Based Organization*

Nonprofit organization operating in a community to provide services, support, or programs to meet the needs of individuals in that community.

CCAP - *Child Care Assistance Program*

A state program that subsidizes working families for child care costs.

CCDBG - *Child Care and Development Block Grant*

A federal block grant program regulating and providing financial assistance through CCDF to support states' CCAPs.

CCDF - *Child Care and Development Fund*

Federal funding stream that supports states' CCAPs.

CEWD - *Career Education and Workforce Development Board*

A state advisory body that guides and shapes statewide career education and workforce development strategies.

CHIP - *Children's Health Insurance Program*

A joint state-federal medical assistance program providing health coverage for children in families with incomes too high for Medicaid but less than predetermined income thresholds.

CIO - *Chief Information Officer*

Top executive overseeing an organization's IT systems.

CiviForm - *Civic Forms*

Open-source software portal or form used to apply for public assistance benefits.

CPI - *Career Pathways Initiative*

An Arkansas statewide workforce development program that helps low-income custodial and noncustodial parents obtain education, training credentials, and support services.

CSBG - *Community Services Block Grant*

A federal block grant program to support a broad range of community-based services that help alleviate the causes and conditions of poverty.

CSTP - *Civilian Student Training Program*

A residential diversion program operated by the Division of Youth Services within the Arkansas Department of Human Services that provides court-ordered behavior management, academics, and reentry support services for youth with behavioral problems.

CTCs - *Community and Technical Colleges*

Two-year post-secondary institutions that deliver academic courses, workforce training, and career-oriented programs.

CTE - *Career and Technical Education*

Educational programs combining academic instruction and skilled, practical training to prepare students for careers and workforce readiness.

DCFS - *Division of Children and Family Services*

A division within the Arkansas Department of Human Services that operates the child welfare and protection services, including child abuse and neglect investigations.

DCO - *Division of County Operations*

A division with the Arkansas Department of Human Services that administers eligibility or delivery of public assistance program benefits, or both, including Medicaid, ARKids First, SNAP, and TANF.

DESE - *Division of Elementary & Secondary Education*

A division of Arkansas's Department of Education overseeing elementary and secondary education, including the Office of Early Childhood, which oversees subsidized child care and early education programs.

DHS - *Arkansas Department of Human Services*

Arkansas state agency that oversees programs for children and families, mental health services, long-term care, health services for people with disabilities, Medicaid, SNAP, and TANF.

DMS - *Division of Medical Services*

A division within the Arkansas Department of Human Services that manages provider enrollment, claims processing, and beneficiary services for both fee-for-service and managed care in Arkansas's Medicaid program.

DVOP - *Disabled Veterans' Outreach Program*

A workforce program under the Veteran's Employment and Training Service within the U.S. Department of Labor that provides specialized and individualized employment services to veterans and spouses.

DYS - *Division of Youth Services*

A division within the Arkansas Department of Human Services that operates juvenile justice and rehabilitation programs for at-risk and adjudicated youth.

EBT - *Electronic Benefits Transfer*

EBT cards are debit cards used by SNAP and other public assistance programs to dispense benefits to program participants.

EFL - *Educational Functioning Level*

Under WIOA, an assessment of an adult's basic skills in reading, writing, math, and English.

ELA - *English Language Acquisition*

Education programs to help non-English speakers improve proficiency in reading, writing, listening to, and speaking English.

ETPL - *Eligible Training Provider List*

A state-maintained list of approved training providers and programs under WIOA.

FAFSA - *Free Application for Federal Student Aid*

A federal application for financial aid for colleges or career education.

FFY - *Federal Fiscal Year*

The federal fiscal year operates from October 1 to September 30 each year.

FIPSE - *Fund for the Improvement of Postsecondary Education*

A U.S. Department of Education program that funds innovative projects and reforms to enhance the quality of, access to, and student outcomes of post-secondary education.

FNS - *Food and Nutrition Service*

A U.S. Department of Agriculture service that oversees the administration of food assistance programs, including SNAP, WIC food assistance packages, and subsidized school meals.

FPL - *Federal Poverty Level*

A poverty income threshold that is published annually by the U.S. Department of Health and Human Services. It is calculated according to household size and is used as a benchmark for eligibility determination for many public assistance programs.

GCO - *Georgia Center for Opportunity*

A nonprofit organization that houses the Alliance for Opportunity, with expertise in workforce development and safety net programs.

GED - *General Educational Development Test*

Standardized test to certify educational attainment equivalent to a high school degree.

HIX - *Health Insurance Exchange*

Government-run health insurance exchanges, also known as marketplaces, per the Affordable Care Act.

H.R. - *U.S. House of Representatives*

Often refers to a bill introduced by a member of the U.S. House of Representatives in Congress.

HUD - *U.S. Department of Housing and Urban Development*

HUD administers housing assistance programs mostly through local public housing authorities and a few state agencies involving public housing and Section 8 housing assistance programs.

iCAN - *Increasing Capabilities Access Network*

A statewide assistive technology program that helps individuals access tools and technology that support learning, working, communicating, and living more independently.

ID - *Identification*

Often used in context with a client ID number or master client ID number.

IELCE - *Integrated English Literacy and Civics Education*

A federally defined adult education component under WIOA providing English language learners with combined literacy, civics, and workforce-related instruction.

IEP - Individual Employment Plan

A personalized, jointly developed plan between a participant and a career planner that outlines the participant's employment goals and specific objectives, as well as the combination of services needed to achieve those goals within workforce development programs.

IFA - Infrastructure Funding Agreement

A negotiated cost-sharing agreement among required workforce partners that defines how the non-personnel infrastructure costs of operating a one-stop career center system will be funded.

IRS - Internal Revenue Service

The IRS of the U.S. Department of the Treasury administers or co-administers several safety net programs, including the Earned Income Tax Credit, the Additional Child Tax Credit, and the Premium Tax Credit for insurance purchased through government-run health insurance exchanges.

IT - Information Technology

The use and management of computer hardware, software, networks, and related systems to process, store, retrieve, transmit, and secure information.

ITA - Individual Training Account

A WIOA-funded training subsidy established on behalf of an eligible participant to pay for classroom or occupational skills training from an approved provider chosen in consultation with a career planner.

JEDx - Jobs and Employment Data Exchange

A U.S. Chamber of Commerce Foundation data exchange that shares job and employment information.

JVSG - Jobs for Veterans State Grant(s)

A federal workforce development program providing funding to state agencies to offer targeted employment and training services to veterans with barriers to employment.

LACES - Literacy, Adult, and Community Education System

A WIOA Title II data management and reporting system to track learner enrollment, performance, and outcomes for basic education and literacy.

LEARNS Act - Literacy, Empowerment, Accountability, Readiness, Networking, School Safety Act

Enacted as Act 237 of 2023, the LEARNS Act comprehensively reformed education, including elevating teacher compensation, broadening school choice, mandating science of reading literacy instruction and universal early screening, and revising accountability and governance structures across school districts.

LIHEAP - *Low-Income Home Energy Assistance Program*

A federal program administered by states to help low-income households afford energy costs related to heating in the winter or cooling in the summer.

LVER - *Local Veterans' Employment Representative*

A workforce development staff person under the JVSG program who conducts employer outreach and advocacy to help veterans secure training and employment opportunities.

LWDAs - *Local Workforce Development Areas*

Regional areas administered by local boards that are responsible for implementing WIOA-funded services and overseeing local workforce development strategies.

LWDB - *Local Workforce Development Boards*

Local boards in regional areas that are responsible for implementing WIOA-funded services and overseeing local workforce development strategies.

MOE - *Maintenance of Effort*

Required state spending to match federal grants for the TANF program.

MOUs - *Memorandums of Understanding*

Agreements between state and local agencies to coordinate service delivery and cost-sharing for workforce and social services programs.

MSG - *Measurable Skill Gains*

A metric developed as part of WIOA by the U.S. Department of Labor to measure interim progress in gaining skills related to workforce training.

OECE - *Office of Early Childhood*

An office within the Division of Elementary & Secondary Education of Arkansas's Department of Education that administers the state's early childhood education programs, including subsidized child care.

OST - *Office of State Technology*

An office within the Arkansas Department of Shared Administrative Services that serves state agencies with IT systems and resources.

PHA - *Public Housing Authority*

Local housing authorities created by state law but regulated by the U.S. Department of Housing and Urban Development that administer housing programs, such as Section 8 housing and public housing.

REO - *Reentry Employment Opportunities*

A WIOA program in the U.S. Department of Labor supporting workforce pathways and other employment services for currently or formerly incarcerated adults and youth involved in the justice system.

RESEA - *Reemployment Services and Eligibility Assessment*

A federal program aimed at assisting unemployed individuals who are returning to the workforce.

RHI - *Restore Hope Initiative*

An Arkansas nonprofit organization helping families by coordinating services (such as housing, employment, health care, reentry support after justice system involvement, and family stability) and helping them move from crisis to career through collaborative case management and community alliances.

SAS - *Shared Administrative Services*

An Arkansas government department responsible for providing centralized administrative support functions to other state departments.

S.B. - *Senate Bill*

A bill originating in the Arkansas Senate.

SCSEP - *Senior Community Service Employment Program*

A federal work training program helping low-income Americans ages 55 and older gain part-time job experience and skills to improve their chances of securing unsubsidized employment.

SFY - *State Fiscal Year*

Arkansas's fiscal year operates from July 1 to June 30 each year.

SMI - *State Median Income*

A metric calculating the median income of households by household size used in some public assistance programs, especially LIHEAP and CCAPs funded by CCDF.

SNAP - *Supplemental Nutrition Assistance Program*

A federal assistance program administered by the Arkansas Department of Human Services to provide food-purchasing aid to low-income individuals and families.

SNAP E&T - *SNAP Employment and Training*

A program under SNAP that is managed by the Arkansas Department of Human Services and helps recipients gain skills and find jobs.

SOLQ - *Social Security's State Online Query*

A SSA data query system allowing state agencies to verify social security numbers and other SSA information.

SRA - *School Readiness Assistance Program*

Arkansas's CCAP that relies on support from the CCDF and is administered by the Arkansas Department of Education.

SSA - Social Security Administration

U.S. agency that administers social security retirement benefits, disability benefits, and SSI.

SSI - *Supplemental Security Income*

A cash assistance program for aged, blind, or disabled people that is administered by the Social Security Administration. Some states match SSI benefits, but Arkansas does not.

TAA - *Trade Adjustment Assistance Program*

Federal workforce support program helping workers who lost their jobs due to increased imports or foreign competition.

TABE - *Test of Adult Basic Education*

A standardized test measuring basic skills in reading, mathematics, and language.

TANF - *Temporary Assistance for Needy Families*

A federal program that provides cash assistance and support services to low-income families and is overseen by the Arkansas Department of Human Services.

TEA - *Transitional Employment Assistance*

A component of TANF that provides temporary cash assistance to families with children in Arkansas.

TEFRA - *Tax Equity and Fiscal Responsibility Act*

A 1982 federal law, also known as the Katie Beckett Law, that allows children with severe and costly disabilities to qualify for Medicaid despite having parents whose income is above income eligibility thresholds.

UI - *Unemployment Insurance*

A program administered by Arkansas Workforce Connections that provides temporary financial assistance to individuals who have lost their jobs through no fault of their own.

USDA - *U.S. Department of Agriculture*

A federal government department that oversees the administration of several important safety net benefits programs, including SNAP, WIC food packages, and school meals.

VR - *Vocational Rehabilitation*

A service provided by Arkansas Workforce Connections that assists individuals with disabilities in finding and maintaining employment.

WAGE™ - *Workforce Alliance for Growth in the Economy*

A workforce readiness program established in 1990 by an alliance consisting of local employers, employment and training agencies, industrial development organizations, city governments, and public adult education services.

WIC - *Women, Infants, and Children Program*

A federal program that provides services to women, infants, and children under the age of 5 that is administered by the states and includes the Special Supplemental Nutrition Program. The Arkansas Department of Health operates the WIC program, including the WIC food assistance program.

WIOA - *Workforce Innovation and Opportunity Act*

A federal program designed to build a coordinated workforce system at the state level, as well as provide funding for employment, job training, adult education, and VR services. It is referenced with Titles I-IV to indicate different funding streams.



AllianceforOpportunity.com

LEARNS 4 ALL:

Workforce Reform and Integration Recommendations

TABLE OF CONTENTS

<i>Structure of the Workforce Reform Advisory Group Activities</i>	<i>1</i>
<i>Recommendations</i>	<i>2</i>
Organizational Shift	3
Recommendation 1: Integrated Administrative Structure	3
Recommendation 2: Integrated Service Delivery	4
Recommendation 3: Integrated Financial Management.....	5
<i>Appendix.....</i>	<i>6</i>
Organizational Shift	6
Integrated Administrative Services.....	6
Integrated Service Delivery	8
Integrated Financial Management	10

Structure of the Workforce Reform Advisory Group Activities

WorkED and the Workforce Reform Advisory Group began exploring recommendations for workforce system reform with the following vision and five goals as guides. The Advisory Group's deliberations also produced a set of design principles that shaped the recommendations.

Arkansas should modernize and transform its workforce development and human services system through an integrated administrative and service delivery model that streamlines state and local program administration, improves both the quality of and access to services and supports, and promotes fiscal integrity and resource efficiency for the benefit of Arkansas residents and employers.

Goals:

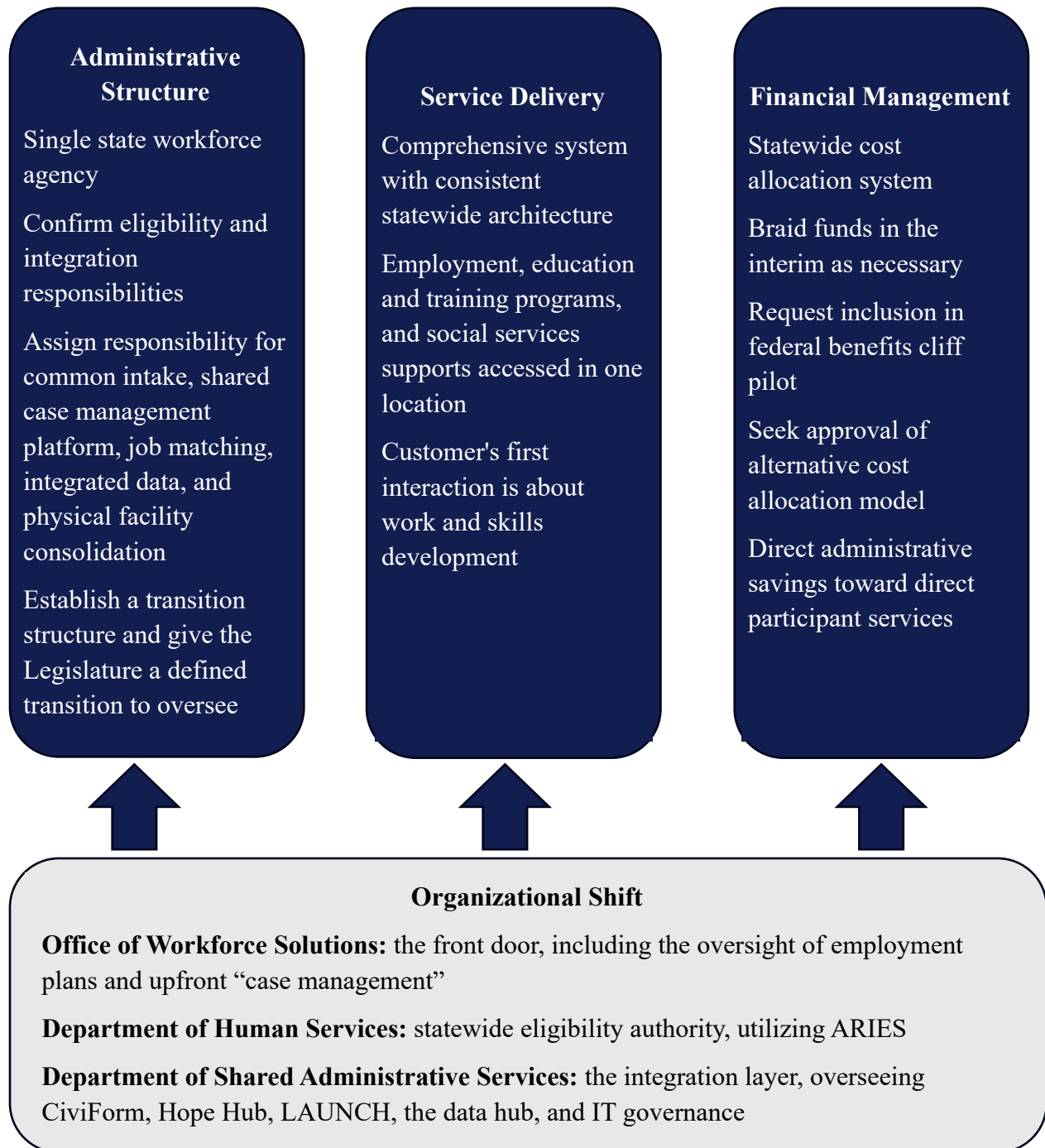
1. Promote upward mobility and increased wages for families.
2. Provide greater access to services that promote longer-term employment and labor force attachment.
3. Maintain a strategic approach to helping employers access sources of talent for well-paying jobs.
4. Create efficiencies that promote effective government services, outcomes, and impact.
5. Innovate to meet rapid changes in employment, labor markets, skills needed for jobs, and deployment of technology.

Design Principles:

- **Person-centric, not program-centric.** The system should be organized around what an individual needs, not around which funding stream a worker happens to be paid from.
- **Work first.** An employment or training plan should precede, and then inform, the eligibility determination.
- **Statewide consistency with regional flexibility.** Services should be delivered the same way in every part of Arkansas, with room to tailor to local economic conditions.
- **Results-based and publicly accountable.** Outcomes, such as employment, wages, credential attainment, and sustained labor force attachment, should be measured consistently and reported to the Legislature.
- **Bold action requires difficult decisions,** which must be made with the best information and data available.

Recommendations

The recommendations below fall within three structural categories: **Integrated Administrative Structure**, **Integrated Service Delivery**, and **Integrated Financial Management**, with a critical perspective and **organizational shift** serving as the foundation that enables the structural recommendations. This provides flexibility in structuring a system that is not completely housed in a single cabinet-level agency. Each is addressed in turn below.



ORGANIZATIONAL SHIFT

Establish the system with three foundational offices, each of which has clear authority over one aspect of the overall system:

- **The Office of Workforce Solutions (OWS)** is the workforce agency and the front door. It owns the employment plan and upfront “case management,” the workforce programs, newly redefined and integrated Arkansas Workforce Centers, and the employer relationship.
- **The Department of Human Services** is the statewide eligibility authority. ARIES remains the system of record, expanded in scope, with eligibility sequenced behind the employment plan for work-capable customers.
- **The Department of Shared Administrative Services** is the integration layer. It owns common intake (CiviForm), shared case management (Hope Hub), job matching (Arkansas LAUNCH), the Arkansas Data Hub and master person index, and statewide IT governance.

Placing a leading integration responsibility in SAS gives the shared intake and case management approach a neutral owner with existing statutory authority, and it prevents integration from becoming a question of conflicting agency policies and priorities.

RECOMMENDATION 1: INTEGRATED ADMINISTRATIVE STRUCTURE

Consolidate Arkansas's workforce programs into a single state workforce agency, confirm where eligibility and integration responsibilities sit, and give the Legislature a defined transition to oversee.

1.1	Establish OWS as Arkansas's single state workforce agency, consolidating all federal and state employment, training, and reemployment programs under one administrative authority.
1.2	Codify statewide workforce governance in statute, including the State Workforce Development Board carrying out local board functions and assuring equitable regional allocation, and begin the waiver renewal process well in advance of the June 30, 2028, expiration.
1.3	Confirm the DHS as Arkansas's statewide integrated eligibility authority, expand the scope of ARIES, and impose a statutory duty that an employment plan precede or accompany the eligibility determination for every work-capable customer.
1.4	Assign responsibility for common intake, shared case management platform, job matching, integrated data, and physical facility consolidation to SAS, with a statutory mandate to serve both OWS and DHS.

1.5	Establish a transition structure with an effective date of July 1, 2027, including a transition office, subject-matter work groups, and defined reporting milestones to the Subcommittee.
1.6	Align appropriations to the new structure, transferring program appropriations and federal fund authority to OWS while preserving DHS appropriations for eligibility operations.

RECOMMENDATION 2: INTEGRATED SERVICE DELIVERY

Build a comprehensive system in which all employment, education, and training programs, together with the social services supports that make employment possible, can be accessed and tailored through a consistent statewide architecture — and in which the customer's first interaction is about work and skills development.

2.1	Operationalize service delivery consistently across all regions of the state while allowing for regional innovation and tailoring, with resource allocation assurances for rural areas.
2.2	Consolidate physical and virtual infrastructure, using the statewide service-location consolidation effort already underway as the vehicle, and beginning with counties where agencies already operate in the same community.
2.3	Establish a single work-first intake process in which every work-capable customer, regardless of which door they enter, receives an employment plan that is recorded in the shared case record and managed by OWS, which precedes the eligibility determination for individual programs.
2.4	Consolidate eligibility functions into a dedicated division within DHS capable of supporting customers remotely as well as from physical locations and expand its scope to the work-support programs currently administered separately.
2.5	Implement integrated case management on a shared platform, separating case management from eligibility determination and giving every case manager visibility into the full array of services a customer is receiving.
2.6	Establish a single regional point of contact for employers, supported by a shared customer relationship management system across OWS, DHS, and the community and technical colleges.
2.7	Adopt a common performance and accountability framework built on outcomes rather than inputs, with a defined reporting relationship to the Legislature.

RECOMMENDATION 3: INTEGRATED FINANCIAL MANAGEMENT

Establish a statewide cost allocation system, or other administrative arrangements that braid funds, so that Arkansas finances a system rather than a collection of individual programs.

3.1	Develop and submit a statewide cost allocation model based on random moment time sampling, replacing the incompatible methodologies now in use across agencies.
3.2	In the absence of an approved statewide cost allocation model, braid federal funds to the extent permitted and seek federal waivers where available.
3.3	Move responsibility for partner Memoranda of Understanding (MOU) and infrastructure funding agreements to the state level.
3.4	Begin the process of requesting inclusion in the federal benefits cliff pilot and approval of an alternative cost allocation model.
3.5	Direct identified administrative savings toward direct participant services, particularly training and the supportive services that address childcare, transportation, and benefits cliff barriers.

Appendix

ORGANIZATIONAL SHIFT

Support for the organizational shift relies on three key considerations.

- **The workforce consolidation requires no new federal permission.** On August 26, 2026, the DOL approved a package of WIOA waivers, principally authority under WIOA Section 107(b) for the State Workforce Development Board to carry out the roles and responsibilities of the local boards. The Employment and Training Administration (ETA) further determined that a separate waiver allowing the combined state plan to serve as a regional planning framework was unnecessary in each local area where the State Board assumes the local board role. Arkansas, therefore, now holds the federal authority to govern its workforce programs as one statewide system and can execute the first phase of reform with the approvals it holds today. Two features of that approval shape everything that follows: the waivers expire June 30, 2028, and the local workforce development areas remain intact as formula allocation units.
- **Moving eligibility would put Arkansas's strongest asset at risk.** Medicaid and SNAP each require a designated single state agency under federal regulation. Transferring those designations out of DHS would trigger review by the Centers for Medicare & Medicaid Services and the Food and Nutrition Service and would place the Arkansas Integrated Eligibility System (ARIES), the most mature integration asset the State owns, in the middle of a federal approval process. The better course is to leave the eligibility functionality housed at DHS and realign customer flow and pathways.
- **"Work first" is a sequencing change, not an ownership change.** What makes an integrated system work-focused is creating consolidated physical and virtual accessibility where employment planning is conducted before the benefit determination and the characteristics of the participant and types of services needed are better targeted. (For instance, a recently laid off dislocated worker may have a different path than a single parent with children who has no work history.) That outcome can be achieved with eligibility in DHS, provided the statutory duty and the shared case record exist.

INTEGRATED ADMINISTRATIVE SERVICES

RECOMMENDATION 1.1

Programs consolidated into OWS should include: WIOA Title I Adult, Dislocated Worker, and Youth; WIOA Title II Adult Education and Literacy; WIOA Title III Wagner-Peyser Employment Services; WIOA Title IV Vocational Rehabilitation and Services for the Blind; Unemployment Insurance and Reemployment Services; the Office of Skills Development; the Career Pathways

Initiative (CPI); and the *employment and training components* of Transitional Employment Assistance (TEA) and SNAP E&T.

The distinction in that final item is important and should be stated plainly in legislation. OWS receives responsibility for *operating* TEA work activities and SNAP E&T, including the case management, training, employer connection, and outcome tracking components. DHS retains responsibility for *determining eligibility* for TEA and SNAP. This is the arrangement that lets Arkansas make its work programs work without disturbing its federal designations.

RECOMMENDATION 1.2

The August 2026 WIOA waiver approvals give Arkansas this authority administratively, but only through June 30, 2028. State statute makes the governance structure durable and gives the Legislature a place to attach the regional-equity assurances that will be essential to securing rural support. It does not, however, extend the federal relief. Arkansas should treat renewal (or the pursuit of permanent authority through WIOA reauthorization or a state innovation waiver) as a distinct workstream with its own timeline and owner.

One key consideration for the Legislature taking up this recommendation is that the waiver does not consolidate Arkansas's local workforce development areas or designate the State as a single local area. It permits the State Board to carry out local board functions within the existing local areas, and ETA expressly required the State to continue soliciting local input, to allocate funding by formula to the local areas for which the State Board is carrying out those functions, and to carry out all other local board responsibilities described in WIOA Section 107(d).

RECOMMENDATION 1.3

This recommendation deliberately leaves eligibility where it is, but it changes the order of operations and the visibility of the result. Under Arkansas's current practice, a customer's first substantive interaction with the system is a benefit determination. Under this recommendation, the first substantive interaction would be an assessment of what stands between that person and employment, producing an employment plan that is recorded in the shared case record and visible to both OWS and DHS staff. The eligibility determination then follows and supports that plan. For customers who are not work-capable, e.g. individuals with qualifying health conditions or disabilities and those under working age, the eligibility process proceeds as it does today.

RECOMMENDATION 1.4

Three platforms and one facilities effort constitute the connective tissue of the integrated system. All four should sit with SAS, which already holds the statutory authority and the neutrality to operate them on behalf of both operating agencies.

- **CiviForm** — the common intake portal, targeted for broad implementation and intended to replace ACCESS AR.
- **Hope Hub** — the shared case management platform, launched through the Governor's 10:33 Initiative.

- **Arkansas LAUNCH** — the job matching and labor exchange platform replacing Arkansas JobLink.
- **Arkansas Data Hub and master person index** — the shared data layer and the identifier that lets a single customer record follow a person across both agencies.
- **Physical footprint consolidation** — the statewide effort now underway across workforce, human services, revenue, and broader government service delivery.

RECOMMENDATION 1.5

A July 1, 2027, effective date aligns with the Arkansas state fiscal year and provides a transition period sufficient to complete data collection, stand up work groups, and sequence the federal filings described in Recommendation 3: Integrated Financial Management. Work groups should cover, at minimum: program and staff transition; physical location consolidation; technology and data integration; eligibility sequencing and ARIES scope expansion; cost allocation and federal filings; and performance measurement.

The Subcommittee should require reporting against defined milestones throughout the transition rather than at the end. Milestone reporting gives the Legislature and the Governor's office the ability to intervene while intervention is still useful.

RECOMMENDATION 1.6

Administrative consolidation without commensurate appropriations produces an agency with responsibility and no capacity. Appropriations should follow programs, with the transition work groups identifying which lines move, which remain, and which are shared under the cost allocation methodology recommended below, under Recommendation 3: Integrated Fiscal Management.

INTEGRATED SERVICE DELIVERY

RECOMMENDATION 2.1

Statewide consistency is what the single-state-area designation makes possible. It is also what makes the system legible to employers who operate across regions and to customers who move between them. Regional flexibility should govern which services are emphasized and how they are delivered locally, not whether a customer can obtain them.

RECOMMENDATION 2.2

Arkansas should not run a parallel workforce co-location initiative alongside the broader consolidation of state service delivery locations. The recommendation is to fold workforce and human services co-location into that effort and to give OWS and DHS a defined role in its governance.

RECOMMENDATION 2.3

This is the operational heart of the reform and the point at which the sequencing principle becomes real. The first interaction with an OWS case manager focuses on understanding the customer's circumstances, identifying barriers to employment and self-sufficiency, and developing an employment goal and plan. The eligibility process then follows and supports that plan. CiviForm serves as the common front end, the plan is recorded in Hope Hub, and the customer's identity is resolved through the master person index, so the plan is visible to both OWS and DHS staff.

RECOMMENDATION 2.4

The eligibility division should absorb determinations for WIC food packages, LIHEAP, and subsidized childcare, ending the practice of handing a customer a phone number and making them responsible for pursuing the support that their work requirement depends on.

RECOMMENDATION 2.5

Case managers should be assigned to customers but should not determine eligibility. Their role is planning for employment, addressing barriers, connecting customers to education and training, and monitoring progress toward self-sufficiency. Hope Hub should serve as the shared platform, with the prioritized Hope Hub–LAUNCH–CiviForm integrations completed as an early transition deliverable.

RECOMMENDATION 2.6

Employers currently navigate a maze of agencies, local areas, subgrantees, and training providers. A regional coordinator functioning as a triage point — assessing employer needs and directing them to the appropriate solution — reduces the burden of engagement and improves the quality of the workforce pipeline Arkansas can offer. A shared CRM prevents the same employer from being contacted separately by multiple programs.

Arkansas has already committed to this direction. ETA's waiver approval cites a centrally-directed business outreach strategy through Arkansas Industry Connect among the outcomes on which the State will be assessed. This recommendation extends that commitment beyond the workforce programs to include DHS and the community and technical colleges, so that an employer engaging the State encounters one relationship rather than several.

RECOMMENDATION 2.7

The framework should track a consistent outcome set for every customer exiting the system — employment, earnings, credential attainment, and sustained labor force attachment — regardless of which program served them. Arkansas already tracks employment, income, and education outcomes two and four quarters after exit for WIOA and TANF participants, which provides the starting point.

INTEGRATED FINANCIAL MANAGEMENT

RECOMMENDATION 3.1

A statewide model allocates cost according to whom a worker is serving and what activity the worker is performing, rather than according to which program's payroll the worker sits on. This is the financial mechanism that makes work-first case management possible: a case manager funded by a system rather than a single program can serve the whole person. Approval will require negotiation with multiple federal agencies and should begin during the transition period rather than after.

RECOMMENDATION 3.2

Braiding laces together funding from multiple programs to support a common goal while each source retains its identity and is reported separately. It is more administratively demanding than a unified cost allocation model but is available immediately and can be structured at the point of service. Arkansas should treat braiding as the bridge strategy for the transition period rather than as the destination.

RECOMMENDATION 3.3

Under WIOA, responsibility for negotiating MOUs and infrastructure funding agreements rests with local boards, which hold no federal or state statutory authority to sanction noncompliant partners. The single planning region designation collapses these negotiations from ten local workforce development areas to one, and moving the responsibility to the state level allows cabinet-level agreements that can actually be enforced.

RECOMMENDATION 3.4

Both actions carry time-sensitive milestones and require federal coordination and approval. They should be initiated during the transition period, in parallel with the state legislative process, rather than sequenced after it. Benefits cliffs were named by frontline staff as one of the three most common barriers their customers face, and case managers will need both the analytic tools and the program flexibility to address them.

RECOMMENDATION 3.5

The case for integration rests on redirecting resources from duplicated administration to services that move people into work. The Legislature should require that savings be identified, reported, and reinvested rather than absorbed and should receive that accounting as part of the milestone reporting established in Recommendation 1.5.