

FINANCE AND ADMINISTRATION - MANAGEMENT SERVICES (610)

FISCAL YEAR 2016

As Enacted by Act 1069 of 2015

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The function of the Division of Management Services is to operate control management systems for State Government by providing assistance to all State Agencies in the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

TOTAL APPROPRIATION

The total appropriation of the Division of Management Services is \$2,197,718,790 for FY2016.

FUNDING SOURCES

The primary source of funding for this agency's appropriations is through Agency payroll paying accounts. Remaining revenue sources are State Central Services, federal funds, General Revenues, with the rest coming from cash funds, fund balances, and non-revenue receipts.

II) CHANGE LEVEL REQUESTS

OPERATIONS

The appropriation supports the operations of the agency. The change level request increase of \$1,175,835 in FY2016 provides for four new technology positions, two new positions for the Enterprise Fraud Pilot Project and the reclassification of various positions. The change level request also provides for a 3% rent increase in Operating Expenses and an increase in Professional Fees to cover an external quality assurance review.

MARKETING AND REDISTRIBUTION

The appropriation provides for the operations of the Marketing and Redistribution Program. The funding for this service is provided via fees charged for goods and services offered through the M&R Warehouse. The change level request of \$3,700 in Regular Salaries and Personal Matching is to reclassify four Administrative Specialists to DFA Service Representatives.

EMPLOYEE BENEFITS DIVISION

The change level request of \$58,161 in FY2016 provides for the reclassification of seven positions and the upgrade of sixteen positions, an increase in rent and actuaries cost in Operating Expenses, and an increase in Professional Fees to cover rising costs in professional services for assisting in writing technical RFP's for pharmacy and wellness programs.

MISCELLANEOUS CASH

This appropriation provides spending authority for various activities such as OSP seminars, vendor fees and rebates, and DFA-Employee Benefits Division. The change level request in Regular Salaries and Personal Services Matching is for \$471,695 to reclassify one Benefits Analyst, upgrade three DFA EBD Benefit Specialists, and to add twelve Benefits Analyst positions to the EBD call center.

III) ADDITIONAL POSITIONS (Total FY2015 Authorized Positions:445)

Total Authorized Positions FY2016: 462

Total Base Level Positions: 445

Increase / (Decrease) Over Base Level: 17

Extra Help Positions FY2016: 22 (Total FY2015 Authorized Extra Help: 22)

IV) SPECIAL LANGUAGE

MATCHING FUNDS: Funds appropriated for administering Federal grants shall be used for matching funds. Provides 100% match for state agencies, 60% match for local governments. Amounts transferred to state agencies or paid to local governments determined by Arkansas Alcohol and Drug Abuse Coordinating Council or oversight agency designated by the Governor. Includes carry-forward provision for any unexpended balances.

SELECTION OF AUDITOR: Auditor and the Chief Fiscal Officer of the State shall jointly select the independent auditor to audit the Comprehensive Annual Financial Report (CAFR).

***NEW LANGUAGE* ENTERPRISE FRAUD PILOT PROJECT STUDY:** Language requires the Office of Accounting to: (1) study the most economical and efficient means of implementing a state-wide enterprise fraud pilot program to detect and prevent fraud, waste, abuse, improper payments, and employer noncompliance within the Unemployment Insurance program of the Department of Workforce Services, the Temporary Assistance for Needy Families Program, and the Supplemental Nutritional Assistance Program of the Department of Human Services; and (2) provide annual reports to the Joint Performance Review Committee, House and Senate State Agencies, and Health Reform Legislative Task Force.

April 2015