

**REPORT
OF THE
SUBCOMMITTEE ON PERFORMANCE EVALUATION AND EXPENDITURE
REVIEW (PEER)
OF THE ARKANSAS LEGISLATIVE COUNCIL**

November 16, 2012

Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on November 1, 2012, and after having reviewed the following items, reports that the Subcommittee's review and/or approval is complete:

A. Cash Fund Appropriation Increase Requests - FY13

1. Real Estate Commission - \$49,500
2. Parks and Tourism Department – State Parks Division - \$5,773,317
3. Department of Veterans Affairs - \$65,911

B. Item for Approval

1. Appropriation and/or Fund Transfer Requests – FY13
 - a. Arkansas State Police - \$60,500 Fund Transfer from the Court Awards Fund to the State Police Fund and \$60,500 Appropriation Transfer from the Confiscated Funds Transfer Appropriation to the State Police Operations to purchase body armor for the Arkansas State Police SWAT team

C. Appropriation and/or Fund Transfer Requests – FY13

1. Secretary of State - \$305,000 Appropriation transfer to Publish Legal Notices from Voter Registration in the amount of \$205,000 and from Capital Outlay in the amount of \$100,000

D. Budget Classification Transfer Requests – FY13

1. Arkansas State Police - \$245,000 from Operating Expenses to Capital Outlay
2. State Military Department – Fort Chaffee - \$200,000 from Operating Expenses to Capital Outlay

E. Miscellaneous Federal Grant Appropriation Requests - FY13

1. Department of Veterans Affairs – NLR Columbarium Project - \$410,394
2. Department of Veterans Affairs – NLR Cemetery Maintenance Project - \$728,668
3. Agriculture Department – Forestry Commission – Firewood Education and Outreach - \$90,000
4. Department of Career Education – Arkansas Works – 1 Position
5. Arkansas State Police – Criminal Investigation Division - \$153,860
6. Agriculture Department – Forestry Commission – Forest Legacy Program-Maumelle - \$4,000,000

F. Contracts Between State Agencies

1. Department of Human Services-Division of Child Care and Early Childhood Education and the University of Arkansas at Little Rock - \$241,778
2. University of Arkansas at Little Rock and Arkansas State University – Jonesboro - \$95,000
3. University of Arkansas at Little Rock and Arkansas Tech University - \$55,000
4. University of Arkansas at Little Rock and Henderson State University - \$95,000
5. University of Arkansas at Little Rock and Southern Arkansas University - \$55,000

The Committee also reviewed the Quarterly Report of Inter-Agency and Inter-Divisional Match Fund Transfers – Department of Human Services – First Quarter FY13

Respectfully submitted,

Senator Johnny Key, Co-Chair

Rep. James McLean, Co-Chair



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

OFFICE OF THE DIRECTOR
1509 West Seventh Street, Suite 401
Post Office Box 3278
Little Rock, Arkansas 72203-3278
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November 9, 2012

Senator Mary Anne Salmon, Co-Chair
Representative Tommy Lee Baker, Co-Chair
Arkansas Legislative Council
Senator Johnny Key, Co-Chair
Representative James McLean, Co-Chair
ALC PEER Subcommittee
State Capitol
Little Rock, AR 72201

RE: Suspension of the Rules Request
Contract # 4600022789 Amendment 2 – Arkansas Minority Health Commission

Dear Senators Salmon and Key and Representatives Baker and McLean:

The purpose of this letter is to request a suspension of the rules in connection with the required review process for the attached professional services contract for an amendment for the Arkansas Minority Health Commission (AMHC) with the University of Arkansas for Medical Sciences.

The Office of State Procurement of the Department of Finance and Administration erred in not submitting this contract amendment for the November review by the PEER Subcommittee of the Arkansas Legislative Council. The agency bears no fault for the failure to timely submit this contract.

The Arkansas Minority Health Commission currently has a contract with UAMS College of Public Health, which works with medical consultants and others to obtain and analyze data to monitor health disparity indicators. This request is an amendment in the amount of \$24,500, bringing the total amount of the contract to \$87,500, all in state funds. Holding this contract until the next regularly scheduled meeting of the Review Subcommittee would interrupt the research and report compilation that began in November of 2011.

Should you have any questions or require additional information, please contact Jane Benton, Administrator of the Office of State Procurement at (501) 324-9212. Your favorable consideration and review of this request is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "R. A. Weiss".

Richard A. Weiss
Director

**SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS
FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW**

Contracts Between State Agencies or Institutions

1 . Agency: Minority Health Commission			Contractor: UAMS College of Public Health		
			Location: Little Rock	State: AR	
Total Authorized:	\$63,000.00	Org. Term	11/18/2011 10/01/2012	Procurement: Intergovernmental	
Total After Review:	\$87,500.00	Funding	State - 100%		
Total Projected:	\$441,000.00	Contract Number: 4600022789			
<u>Org/Am:</u>	<u>Amount</u>	<u>Paid To Date</u>	<u>Objective:</u>	<u>New Exp Date</u>	
Amd. 2	24,500.00	63,000.00	To add funds for Fiscal Year 2013 to cover data analysis/epidemiology services.		
History:					
Amd. 1	0.00		<Not Reviewed> Extend date of contract to 6/30/2013 06/30/2013		
Original:	63,000.00		Epidemiologist/Data Analyst: Monitor health disparity indicators; preparation of reports summarizing health of minority populations, disparities, health workforce, etc.; work with medical consultants and others to obtain, analyze and report data; quarterly reports to Commission; analyze data from Act 1489 and 1490 providing yearly report of aggregate data.		



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November 8, 2012

Artee Williams, Director
Department of Workforce Services
P.O. Box 2981
Little Rock, AR 72203

Mr. Williams:

Your request to transfer \$1,000,000 appropriation from Workforce Investment Act Payments/Expenses to Construction in order to remodel the Hope Migrant Farm Labor Center has been reviewed and has received my approval as Chief Fiscal Officer of the State. This item will be forwarded to the Arkansas Legislative Council for Approval at their next regularly scheduled meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Weiss".

Richard A. Weiss
Director

RAW:bc

cc: AR Legislative Council



State of Arkansas
Department of
WORKFORCE SERVICES

Berman

www.dws.arkansas.gov

Mike Beebe
Governor

Artee Williams
Director

Post Office Box 2981 • Little Rock, AR 72203-2981

November 6, 2012

Richard Weiss, Director
Department of Finance and Administration
1509 W. 7th St., Room 401
Little Rock, AR 72201

Approved 11-7-12
[Signature]
U.S. DISTRICT COURT
2012 NOV -6 PM 3:55
RECEIVED
OK BRS

RE: Hope Migrant Farm Labor Center (HMFLC) Building Project

Dear Richard:

The Department of Workforce Services (DWS) has managed the Hope Migrant Farm Labor Center (HMFLC) since 1954 using federal funds to serve migrant farm laborers. In 1998, DWS received a \$2.2M grant from the US Department of Labor (USDOL) to purchase the 16 acres for the HMFLC and to build the existing facility. Thus, DWS owns the complex. In 2007, we received a \$400,000 grant from US Department of Urban Development to build a new dormitory building for additional capacity. We have operated the HMFLC with an annual grant from the USDOL which in recent years has been \$333,300 a year. Then two years ago we received notice that the funds would be discontinued over a three year period with declining amounts provided each year. This will allow DWS to operate the HMFLC through October 2013.

Also, the Hope Workforce Services Center, Hope Arkansas, is in need of replacement as it is in a state of disrepair. DWS owns this property in downtown Hope. It is more economical to remodel the HMFLC to become the new Workforce Center than it is to repair the downtown facility. The estimated total cost of the remodel project is \$2.5 million.

To preserve its cash reserves, DWS requested from the Arkansas Department Finance Authority (ADFA) a loan to be repaid over time. DWS anticipated using its Special Fund, funded by Penalties and Interest paid by Arkansas employers, to repay the loan. ADFA agreed to provide the funds but has since learned that there is a legal obstacle that prevents the transaction from occurring. Act 115 of 2011 was passed to remove any restrictions to allow DWS to borrow funds to support this project.

Richard Weiss
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But an unforeseen issue has arisen suggesting that DWS would need specific legislative authority to borrow funds in addition to its open-ended authority to administer the Unemployment Insurance law.

DWS' current appropriation for construction is limited to \$377,500 a year from its Special Fund therefore the Department of Workforce request the Department of Finance and Administration to adjust/transfer \$1,000,000 of our appropriation to utilize our Special Fund to support this project in accordance with Act 282, Section 22 Special Language transfer of appropriation and as outlined below.

From: Act 282, Section 7. Appropriation – Workforce Investment Act FY 2012-2013

Line Item (01) Workforce Investment Act Payments

Fund Center Code: 2SE

Fund Code: FCG-0100

Dollar Amount: \$1,000,000.00

To: Act 282, Section 6. Appropriation – Excess Unemployment Benefits and Expenses, Construction and Rent of Building FY 2012-2013

Line Item (01) Construction

Fund Center Code: 2SC

Fund Code: TZS-0000

Dollar Amount: \$1,000,000.00

If approved, DWS will not need to borrow funds to pay for the remodeling of the HMFLC to become the new Workforce Center in Hope, Arkansas.

I would very much appreciate your approval of this request. Please contact Bryan Hicks at 682-3108 if you have any questions or if additional information is required.

Sincerely,



Artee Williams