

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

May 18, 2012

Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on May 3, 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 - FY12

1. Commission on Law Enforcement Standards and Training - \$100,000
2. Department of Labor - \$52,000
3. Speech-Language Pathology and Audiology - \$3,000
4. Pulaski Technical College - \$7,000,000

B. Items Approved

1. GIF Set-Aside Funding Release Request – FY12
 - a. Department of Correction - \$5,874,756 from the Set-Aside Funds in the 88th Session Projects Account of the General Improvement Fund to the Arkansas Department of Correction Inmate Care and Custody Fund
2. Appropriation and/or Fund Transfer Request
 - a. Department of Human Services – Division of Youth Services - \$300,000 from DHS Federal Reimbursement/Other Holding Fund to DHS Renovation Fund for the Colt and Harrisburg Juvenile Treatment Centers Re-Roof Projects and corrective activities to meet Environmental Protective Agency (EPA) codes at the Mansfield Juvenile Treatment Center Project
3. Reallocation of Resources – FY12
 - a. Department of Human Services – Appropriation Transfers in the amount of \$3,319,953 and 2 Positions **(See Attachment 1)**

C. Budget Classification Transfer Request – FY12

1. Agriculture Department – Forestry Commission - \$10,495 from Operating Expenses to Capital Outlay

D. Miscellaneous Federal Grant Appropriation Requests – FY12

1. Fair Housing Commission – HUD Fair Housing Partnership Grant - \$215,610 – 1 Position
2. Disability Determination for Social Security Administration – Disability Determination - \$4,200,000
3. Agriculture Department – Plant Board - FY12 Consolidated Pesticide Program - \$50,000

E. Emergency Transfer Requests – FY12

1. Miscellaneous Federal Grant Appropriation Request
 - a. Department of Career Education – Rehabilitation Services - \$60,000
2. Pay Plan Holding Account Appropriation Transfer
 - a. Natural Resources Commission - \$285,000
 - b. Department of Arkansas Heritage - \$166,600

F. Contracts Between State Agencies

1. Department of Finance and Administration-Disbursing Officer and the Office of Public Defender- 6th Judicial District, Pulaski County – Amendment 4 in the amount of \$34,372
2. Department of Finance and Administration-Disbursing Officer and the University of Arkansas at Little Rock – Amendment 4 in the amount of \$150,000
3. Department of Health-Center for Health Advancement and the University of Arkansas for Medical Sciences-Department of OB/GYN – Amendment 2 in the amount of \$367,697
4. Department of Human Services-Division of Child Care and Early Childhood Education and the National Park Community College - \$215,000

5. Department of Human Services-Division of Child Care and Early Childhood Education and the University of Arkansas for Medical Sciences Partners in Health Sciences - \$50,000
6. Department of Human Services-Division of Children and Family Services and the Board of Trustees of the U of A on behalf of the UAMS Office of the Chancellor – Amendment 1 in the amount of \$35,000
7. Department of Human Services-Division of Children and Family Services and the Board of Trustees of the U of A Fayetteville Research Support and Sponsored Programs – Amendment 1 in the amount of \$2,955,876
8. Department of Human Services-Division of Developmental Disabilities and the Board of Trustees of the U of A on behalf of UAMS Department of Pediatrics – Amendment 4 in the amount of \$327,680
9. Department of Human Services-Division of Medical Services and the Department of Health - \$2,729,912
10. Department of Human Services-Division of Medical Services and the University of Arkansas for Medical Services-College of Pharmacy - \$2,429,076
11. Department of Human Services-Division of Medical Services and the University of Arkansas for Medical Services-College of Public Health - \$93,483

G. Pay Plan Holding Account Transfer Requests – FY12 Appropriation Transfer of \$4,666,452 (See Attachment 2)

H. The Subcommittee also reviewed:

1. Arkansas Institutions of Higher Education Certification of Adequate Funds and Appropriations - FY12
2. Quarterly Report of Inter-Agency and Inter Divisional Match Fund Transfers – Department of Human Services in the amount of \$2,880,785.60

Respectfully submitted,

Senator Johnny Key, Co-Chair

Rep. James McLean, Co-Chair

**DEPARTMENT OF HUMAN SERVICES
TRANSFER REQUEST SUMMARY
FISCAL YEAR 2012**

	<u>AGING & ADULT SERVICES</u>	<u>CHILDREN & FAMILY SERVICES</u>	<u>CHILD CARE SERVICES</u>	<u>MEDICAL SERVICES</u>	<u>ADMIN. SERVICES</u>	<u>YOUTH SERVICES</u>	<u>TOTAL</u>
APPROPRIATION TRANSFERS							
A. WITHIN DIVISIONS							
OPERATING EXPENSE			(15,000)				(15,000)
CONFERENCE FEES & TRAVEL			15,000				15,000
CAPITAL OUTLAY						80,000	80,000
DCFS STATE RESIDENTIAL TREATMENT		(600,000)					(600,000)
DCFS TANF/FOSTER CARE		(624,953)					(624,953)
DCFS STATE FOSTER CARE		1,224,953					1,224,953
DCC DEVELOPMENT DISCRETIONARY			(800,000)				(800,000)
DCC FOOD PROGRAM			2,000,000				2,000,000
DCC GRANTS/AIDS			(1,200,000)				(1,200,000)
DYS RESIDENTIAL SERVICES						(80,000)	(80,000)
A. TOTAL	0	0	0	0	0	0	0
POSITION TRANSFERS							
TRANSFERS OUT				(1)	(1)		(2)
TRANSFERS IN	2						2
TOTAL POSITION TRANSFERS	2	0	0	(1)	(1)	0	0

TRANSFER 2 OF 2

Authority-Section 17(d), Act 954 of 2011

PREPARED BY: DFA - OFFICE OF BUDGET

17-Apr-12

**MERIT ADJUSTMENT FUND/PAY PLAN HOLDING ACCOUNT TRANSFERS
FOR FY12 - MAY PEER**

<u>BUSINESS AREA</u>	<u>AGENCY</u>	<u>FISCAL YEAR</u>	<u>MERIT ADJUSTMENT FUND</u>	<u>PAY PLAN HOLDING ACCOUNT</u>	<u>DATE OF TRANSFER</u>	<u>AMOUNT OF APPROPRIATION TRANSFER</u>	<u>EMERGENCY APPROVED BY CFO</u>	<u>PENDING ALC REVIEW</u>	<u>REASON FOR TRANSFER</u>
0018	Court of Appeals	FY12		X		\$ 7,500		X	Agency requires additional Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0023	Administrative Office of the Courts	FY12		X		\$ 166,300		X	Agency requires additional Regular Salaries appropriation due to the 27th pay period and Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0028	Office of the Prosecutor Coordinator	FY12		X		\$ 7,500		X	Agency requires additional Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0032	Arkansas Supreme Court	FY12		X		\$ 15,000		X	Agency requires additional Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0053	Office of the Attorney General	FY12		X		\$ 40,600		X	Agency requires additional Regular Salaries appropriation to cover costs associated with the 27th pay period and Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0059	Auditor of State	FY12		X		\$ 543,000		X	Agency requires additional Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0203	State Board of Public Accountancy	FY12		X		\$ 6,500		X	Additional appropriation required due to an increase in the unemployment and retirement rates.
0206	Board of Architects, Landscape Architects, and Interior Designers	FY12		X		\$ 2,500		X	Additional appropriation needed as a result of the retirement rate increases.
0210	Auctioneers' Licensing Board	FY12		X		\$ 3,000		X	To provide additional appropriation to meet payroll and matching obligations for the remainder of FY2012, due to the 27th pay period, and an increase in the retirement matching rate from 12.46% to 13.47%.
0211	Professional Bail Bondsman Licensing Board	FY12		X		\$ 5,500		X	Additional appropriation required due to an increase in the unemployment and retirement rates.
0216	Board of Private Career Education	FY12		X		\$ 8,000		X	To cover matching expenses for the 27th pay period.
0220	State Child Abuse & Neglect Prevention Board	FY12		X		\$ 5,100		X	Additional appropriation needed in salary and matching due to the 27th pay period.
0224	Contractor's Licensing Board	FY12		X		\$ 62,000		X	Additional salaries and matching appropriation needed as a result of the 27th pay period and the increase in the retirement rate from 12.46% to 13.47%.
0228	Board of Examiners in Counseling	FY12		X		\$ 16,000		X	Additional appropriation is needed due to the 27th pay period and a position change.

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0229	Fair Housing Commission	FY12		X		\$ 48,106		X	Additional appropriation for salaries and matching is needed due to the 27th pay period and increased retirement rates in FY12.
0232	Elections Commissioners	FY12		X		\$ 51,100		X	Additional appropriation associated with 27th pay period, increase in retirement rate as well as cost of employee (22150650) being hired at salary greater than cost projected during biennium.
0236	State Board of Licensure for Professional Engineers & Professional Surveyors	FY12		X		\$ 12,000		X	Additional appropriation required due to costs associated with 27th pay period and an increase in the unemployment and retirement rates.
0238	Ethics Commission	FY12		X		\$ 33,500		X	Additional appropriation associated with 27th pay period as well as increase in retirement rate.
0240	Board of Registration for Professional Geologists	FY12		X		\$ 3,600		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0241	Judicial Discipline & Disability Commission	FY12		X		\$ 13,500		X	Additional appropriation associated with 27th pay period as well as increase in retirement rate.
0246	Board of Physical Therapy	FY12		X		\$ 7,000		X	Additional appropriation needed in salaries and matching due to the 27th pay period.
0250	Department of Rural Services	FY12		X		\$ 10,000		X	Additional appropriation is needed due to the 27th pay period and an increase in the retirement rate.
0258	Towing & Recovery Board	FY12		X		\$ 2,000		X	Additional appropriation required due to an increase in the retirement rate.
0261	Tobacco Control Board	FY12		X		\$ 70,951		X	Additional appropriation for salaries and matching is needed due to the 27th and the retirement rate increase from 12.46% to 13.47%.
0265	Board of Chiropractic Examiners	FY12		X		\$ 6,000		X	Additional appropriation needed in salary and matching due to the 27th pay period.
0268	Board of Dental Examiners	FY12		X		\$ 21,000		X	Additional appropriation needed in salaries for the 27th pay period and increased frequency in board meetings causing higher than expected costs in stipends. Additional appropriation needed in matching due to the 27th pay period and an increase in health insurance rate from 12.46% to 13.47%.
0270	Dietetics Licensing Board	FY12		X		\$ 1,800		X	Additional appropriation needed in salary and matching due to 27th pay period.
0274	Medical Board	FY12		X		\$ 15,000		X	Additional Personal Services Matching appropriation is requested due to the 27th pay period and the increased in retirement rate from 12.46% to 13.47%.
0279	Board of Dispensing Opticians	FY12		X		\$ 3,000		X	Additional appropriation is needed due to the 27th pay period and an increase in the retirement rate.

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0280	Board of Optometry	FY12		X		\$ 4,350		X	Additional Regular Salaries and Personal Services Matching appropriation is requested due to the 27th pay period and the increased in retirement rate from 12.46% to 13.47%.
0292	Board of Examiners in Speech Pathology & Audiology	FY12		X		\$ 6,500		X	Additional appropriation is needed due to the 27th pay period and an increase in the retirement rate.
0295	Spinal Cord Commission	FY12		X		\$ 52,603		X	Additional appropriation for matching is needed due to the increases in the retirement rate and worker's compensation rate.
0298	Veterinary Medical Examining Board	FY12		X		\$ 6,500		X	Additional appropriation needed in salary and matching due to the 27th pay period.
0305	Manufactured Home Commission	FY12		X		\$ 10,000		X	Additional appropriated needed due to the 27th pay period.
0319	Minority Health Commission	FY12		X		\$ 15,128		X	Additional appropriation for salaries and matching is needed due to the 27th pay period and increases in retirement rate.
0323	Parole Board	FY12		X		\$ 27,000		X	Agency requests additional Regular Salaries and Personal Services Matching appropriation due to the 27th pay period and the retirement rate increase from 12.46% to 13.47%.
0324	Public Defender Commission	FY12		X		\$ 707,950		X	Agency requires additional Regular Salaries appropriation due to the 27th pay period and Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0327	Science & Technology Authority	FY12		X		\$ 9,500		X	Additional appropriation required due to costs associated with 27th pay period and an increase in the retirement rate.
0328	Sentencing Commission	FY12		X		\$ 22,000		X	Agency requests additional Regular Salaries appropriation due to the 27th pay period and Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.
0338	War Memorial Stadium Commission	FY12		X		\$ 5,000		X	Additional appropriation needed in matching due to 27th pay period and an increase from 12.46% to 13.47% in retirement rate.
0350	Building Authority	FY12		X		\$ 8,200		X	Additional Salaries and Matching is needed due to the 27th pay period and increase in retirement rate.
0360	State Claims Commission	FY12		X		\$ 5,943		X	Additional appropriation for salaries and matching is needed due to the 27th pay period and increased retirement rate.
0385	Department of Veterans Affairs	FY12		X		\$ 94,586		X	Additional appropriation for salaries and matching is needed due to the 27th pay period and increased retirement rate.

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0390	Worker's Compensation Commission	FY12		X		\$ 310,348		X	Additional appropriation for salaries and matching is needed due to the 27th pay period and increased retirement rate.
0400	Agriculture Department	FY12		X		\$ 489,750		X	Additional salaries and matching required for 27th pay period as well as career service payments, an increase in retirement rate and the Worker's Compensation calculation. HAD requests also include increases due to the reinstatement of staff that were not initially budgeted 100% from GR.
0420	Geological Survey	FY12		X		\$ 40,000		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0430	Liquefied Petroleum Gas Board	FY12		X		\$ 17,000		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0440	Oil and Gas Commission	FY12		X		\$ 5,000		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0450	Public Service Commission	FY12		X		\$ 21,000		X	To provide additional appropriation to meet matching obligations for the remainder of FY2012, due to an increase in the retirement matching rate from 12.46% to 13.47%.
0480	Department of Correction	FY12		X		\$ 50,000		X	Additional Regular Salaries and Personal Services Matching appropriation requested due to the increase in the retirement rate and the 27th pay period.
0510	School for the Blind	FY12		X		\$ 7,000		X	To cover salary and matching expenses for the 27th pay period.
0513	School for the Deaf	FY12		X		\$ 45,000		X	To cover salary and matching expenses for the 27th pay period.
0516	Education Television Commission	FY12		X		\$ 10,000		X	Additional appropriation needed for Regular Salaries due to the 27th pay period.
0534	Crowley's Ridge Technical Institute	FY12		X		\$ 59,000		X	To cover salary and matching expenses for the 27th pay period.
0582	Riverside Vocational Technical Institute	FY12		X		\$ 4,000		X	To cover salary and matching expenses for the 27th pay period.
0590	Career Education	FY12		X		\$ 5,837		X	Additional appropriation needed in salaries and matching due to the 27th pay period.
0610	DFA - Management Services	FY12		X		\$ 25,000		X	Appropriation needed due to the 27th pay period and increase in the retirement rate from 12.46% to 13.47%.
0612	DFA - ABC Enforcement	FY12		X		\$ 15,000		X	Appropriation needed due to the 27th pay period and increase in the retirement rate from 12.46% to 13.47%.
0631	DFA - Racing Commission	FY12		X		\$ 25,000		X	Appropriation needed due to the 27th pay period and increase in the retirement rate from 12.46% to 13.47% and Extra Help matching at Oaklawn.

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0710	DHS Division of Medical Services	FY12		X		\$ 300		X	Additional appropriation is needed in personal services matching in 642/PTA4000 due to costs associated with the 27th pay period.
0790	Economic Development Commission	FY12		X		\$ 9,500		X	To provide additional appropriation to meet salary and matching obligations for the remainder of FY2012, due to the 27th pay period and an increase in the retirement matching rate from 12.46% to 13.47%.
0865	Department of Arkansas Heritage	FY12		X		\$ 7,800		X	Additional appropriation is required for the 27th pay period as well as unanticipated increase in retirement, Worker's Compensation, unemployment matching rates, and an additional position budgeted.
0867	DAH - Delta Cultural Center	FY12		X		\$ 12,000		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0870	DAH - Arkansas Arts Council	FY12		X		\$ 43,400		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate as well as an employee being hired in position 22092756 at a higher salary than projected during the biennium.
0873	DAH - Mosaic Templar's Cultural Center	FY12		X		\$ 1,400		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0875	DAH - Old State House Commission	FY12		X		\$ 19,600		X	Additional appropriation is required for the 27th pay period and increases in retirement and Worker's Compensation rates.
0880	DAH - Natural Heritage Commission	FY12		X		\$ 28,600		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0885	DAH - Historic Arkansas Museum Commission	FY12		X		\$ 26,100		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0900	Department of Parks and Tourism	FY12		X		\$ 914,000		X	Additional Regular Salaries and Personal Services Matching appropriation is requested due to Extra Help retirement matching, increased matching rate, and the 27th pay period.
0930	Department of Environmental Quality	FY12		X		\$ 273,500		X	Additional appropriation is required for the 27th pay period and increases in retirement matching rate.
0950	Law Enforcement Standards and Training	FY12		X		\$ 20,000		X	Agency requires additional Personal Services Matching appropriation due to the 27th pay period and increase in retirement rate from 12.46% to 13.47%.
0960	State Police	FY12		X		\$ 9,000		X	Agency requires additional Regular Salaries appropriation due to the 27th pay period and Career Service payment.
0975	State Military Department	FY12		X		\$ 4,000		X	Agency requires additional Regular Salaries appropriation due to the 27th pay period, Career Service payment, and Personal Services Matching appropriation due to increase in retirement rate from 12.46% to 13.47%.

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0990	Crime Information Center	FY12		X		\$ 6,000		X	Agency requires additional Personal Services Matching appropriation due to two retirement matching payouts, higher Unemployment Compensation expenses, and an increase in retirement rate from 12.46% to 13.47%.
	TOTAL					<u>\$4,666,452.00</u>			