

SUMMARY BUDGET INFORMATION

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2012 AGENCY FUND TRANSFERS

**For your information, the Office of Budget has
enumerated the following fund transfers which were
made from agency treasury fund accounts but do not appear on
the Appropriation Summary as expenditures**

<u>Agency</u>	<u>Blanket Surety Bond Premiums ACA §21-2-710</u>	<u>Claims ACA §19-10-204</u>	<u>Workers' Compensation Administrative Cost Reimbursement ACA §11-9-307</u>
Crime Information Center, Arkansas	\$218	\$0	\$2,005
Crime Laboratory, State	\$433	\$0	\$422
DFA - Alcoholic Beverage Control Administration Division	\$39	\$10,600	\$0
DFA - Alcoholic Beverage Control Enforcement Division	\$65	\$0	\$1,227
DFA - Child Support Enforcement, Office of	\$2,738	\$216	\$3,513
DFA - Disbursing Officer	\$0	\$0	\$0
DFA - Management Services Division	\$1,454	\$0	\$1,286
DFA - Racing Commission	\$42	\$0	\$0
DFA - Revenue Services Division	\$4,124	\$20,124	\$9,646
Health Services Permit Agency	\$23	\$0	\$0
Law Enforcement Standards & Training, Commission on	\$166	\$0	\$833
Martin Luther King, Jr. Commission	\$13	\$0	\$0
Parole Board	\$68	\$0	\$0
Public Defender Commission, Arkansas	\$976	\$451	\$534
Science and Technology Authority	\$62	\$0	\$0
Sentencing Commission, Arkansas	\$16	\$0	\$0
State Police, Arkansas	\$3,090	\$8,020	\$53,508
Veterans' Affairs, Department of	\$647	\$0	\$6,245
Veterans' Child Welfare Service Office	\$7	\$0	\$0
Workers' Compensation Commission	\$364	\$0	\$0

AGENCY POSITION USAGE REPORT

Agency	FY2012 - FY2013						3 YEAR AVERAGE(FY11,FY12,FY13)					
	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
		Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
Crime Information Center, Arkansas	75	71	4	75	0	5.33 %	74	69	6	75	-1	6.76 %
Crime Laboratory, State	141	134	10	144	-3	4.96 %	141	134	8	142	-1	4.96 %
DFA - Alcoholic Beverage Control Administration Division	12	10	2	12	0	16.67 %	11	10	1	11	0	9.09 %
DFA - Alcoholic Beverage Control Enforcement Division	20	20	0	20	0	0.00 %	20	19	0	19	1	5.00 %
DFA - Child Support Enforcement, Office of	876	753	89	842	34	14.04 %	876	751	90	841	35	14.27 %
DFA - Disbursing Officer	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
DFA - Management Services Division	453	375	72	447	6	17.22 %	453	386	63	449	4	14.79 %
DFA - Racing Commission	13	13	0	13	0	0.00 %	13	12	0	12	1	7.69 %
DFA - Revenue Services Division	1,506	1,396	89	1,485	21	7.30 %	1,506	1,403	81	1,484	22	6.84 %
Disabled Veterans' Service Office	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %
Health Education, Arkansas Board of	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
Health Services Permit Agency	11	9	2	11	0	18.18 %	11	8	2	10	1	27.27 %
Law Enforcement Standards & Training, Commission on	55	53	2	55	0	3.64 %	54	52	2	54	0	3.70 %
Martin Luther King, Jr. Commission	4	3	1	4	0	25.00 %	4	3	0	3	1	25.00 %
Parole Board	22	22	0	22	0	0.00 %	22	21	0	21	1	4.55 %
Public Defender Commission, Arkansas	239	240	1	241	-2	-0.42 %	238	238	1	239	-1	0.00 %
Science and Technology Authority	21	18	1	19	2	14.29 %	23	19	2	21	2	17.39 %
Sentencing Commission, Arkansas	5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %
State Police, Arkansas	1,015	931	69	1,000	15	8.28 %	1,014	942	47	989	25	7.10 %
Veterans' Affairs, Department of	225	192	33	225	0	14.67 %	223	198	25	223	0	11.21 %
Veterans' Child Welfare Service Office	2	2	0	2	0	0.00 %	2	2	0	2	0	0.00 %
Workers' Compensation Commission	148	110	38	148	0	25.68 %	149	110	39	149	0	26.17 %

Crime Information Center (0990) - Total Budgeted positions exceed Authorized due to positions authorized through the Miscellaneous Federal Grant process.

Crime Laboratory (0955) - FY12 and FY13 Total Positions exceed Authorized due to 4 positions received from the Miscellaneous Federal Grant Holding Account.

DFA-Management Services (0610) - FY11 Budgeted Positions exceeds Authorized due to 3 ARRA positions authorized through the Miscellaneous Federal Grant process.

Public Defender Commission (0324) - Total Budgeted Positions exceed Authorized due to positions received from the Central Growth Pool.

ARKANSAS CRIME INFORMATION CENTER

Enabling Laws

Act 283 of 2012
A.C.A. §12-12-201 et seq.
A.C.A. §12-12-1001 et seq.
A.C.A. §12-12-901 et seq.
A.C.A. §12-12-1601 et seq.
A.C.A. §17-44-102
A.C.A. §5-64-1106
A.C.A. §8-6-607

History and Organization

The Arkansas Crime Information Center (ACIC) was created by Act 286 of 1971 with the name of Criminal Justice and Highway Safety Information Center. It was originally placed in the Department of Finance and Administration. Act 742 of 1975 transferred the agency to the Department of Public Safety. Act 375 of 1979 changed the name of the agency to the current Arkansas Crime Information Center. Act 45 of 1981 abolished the Department of Public Safety, leaving ACIC as a separate agency with all the same functions, powers and duties.

Act 1109 of 1993 expanded the authority of ACIC to administer the Computerized Criminal History Record System. This includes arrest records for all felony and Class A misdemeanor offenses, plus the judicial disposition of each record. This is the source file for all criminal history background checks.

Act 989 of 1997 expanded the authority of ACIC to administer the Sex and Child Offender Registry. This registry of sex offenders is accessible in Arkansas and by the other 49 states for authorized purposes.

Act 1250 of 1997 expanded the authority of ACIC to administer the Crime Victim Notification System. This system, commonly referred to as the VINE system, provides offender status information from all county jails and prosecuting attorneys to the victims of crime.

Administration and Organization

Under the Director, the Agency operates with four divisions. The Administration Division is responsible for office management, accounting, budget, purchasing, human resources and inventory. The Information Services Division is responsible for the technical development and management of the ACIC mainframe applications, telecommunications, microcomputer systems and interfaces with the National Information Systems. The Operations Division is responsible for providing technical assistance to the law enforcement community; for training law enforcement agencies throughout the state; managing the Crime Victim Notification System and the JusticeXchange System; and the collection and publication of Crime Statistics. The Repository Division is responsible for Criminal History data entry, collection and management; Sex Offender Registry Management; misuse investigations; and Public Information.

Mission:

The Mission of ACIC is to provide information services to criminal justice agencies in Arkansas. If these agencies are to be effective, there must be a sharing of information. Computer technology now makes data sharing a timely and efficient process. Providing this information technology is the role of ACIC.

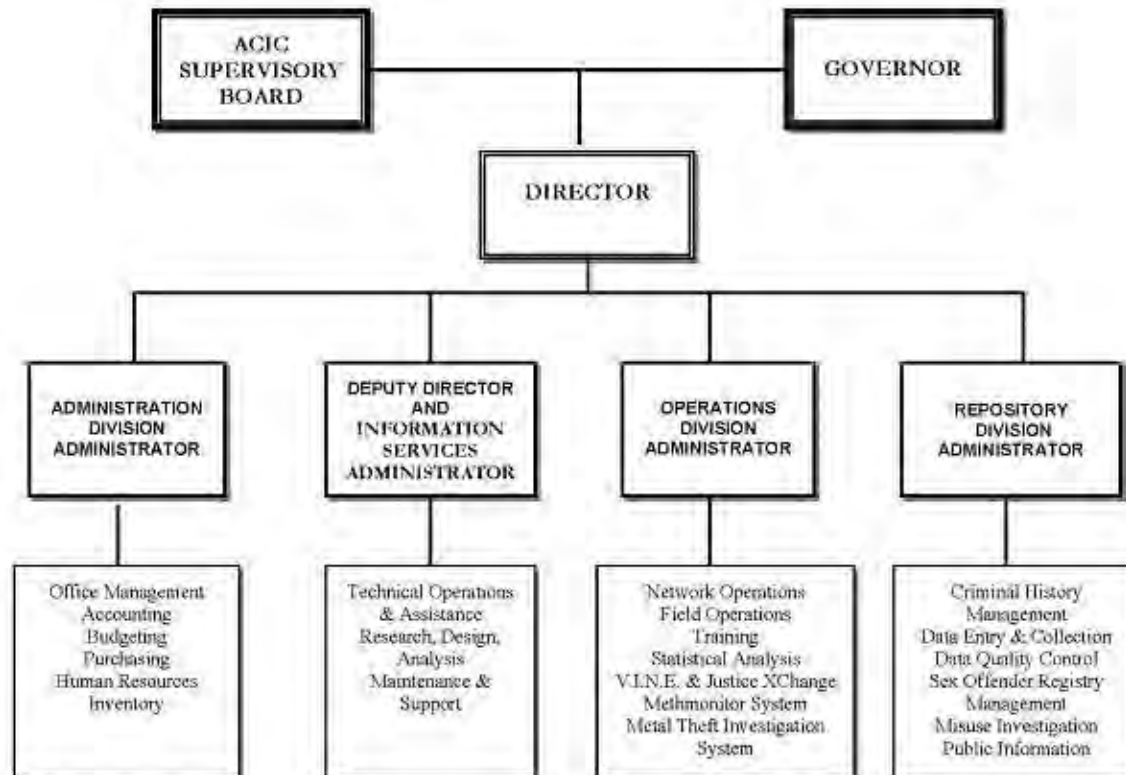
The ACIC system was developed to promote safety, the protection of property, and the equitable processing of individuals within the criminal justice system. ACIC furnishes information to governmental agencies that enforce or aid in enforcing local, state and federal laws.

Scope:

ACIC serves criminal justice agencies and officials at the local, county, state and federal levels in Arkansas. Access to information is provided through a network of over 2,000 terminals in over 260 locations statewide. ACIC also administers the state's central repository of criminal history records, the sex offender registry, collects and publishes statistics on crime and manages the crime victim notification project.

Public Benefit:

The public benefit of ACIC is to enable effective government operations and public safety through appropriate, cost-effective, coordinated, innovative and useful application of information technologies.



Agency Commentary

Appropriation 171- Operations

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

The Agency is requesting no increase in Operating Expenses, Conference and Travel Expenses or Professional Fees.

The Agency is requesting \$50,000 each year for Capital Outlay. These requests will be used for the purchase of hardware, firewalls, servers, and routine replacement of PCs within the agency.

The Agency is requesting \$500,000 each year in Contingency Appropriation. This request will be used to provide for the Criminal History Information Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.

Appropriation 927 - Criminal History Improvement Program - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

The Agency is requesting a continuation of Base Level.

Appropriation 944 - Systems Conference - Cash

The Agency supports an annual ACIC Systems Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space. Expenditure of appropriation is contingent upon available funds.

Base Level is requested for this appropriation in the amount of \$60,000 for FY14 and FY15.

Appropriation 739 - Sex/Child Offender Registration Program

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. 12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency is requesting a continuation of Base Level.

Appropriation 35E - Arkansas Real-Time Electronic Logbook

This appropriation is used for the operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medication used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigative tool.

The Agency is requesting a continuation of Base Level.

Appropriation 85A - SAVIN Program - Federal

This appropriation will be used to enhance the Victim Identification and Notification Everyday (VINE) registration process as well as updating the Court Interface program. This grant will also provide funding to advertise the VINE program to the general public.

The Agency is requesting a continuation of Base Level.

Appropriation 85R - SMART-Adam Walsh Act Grant

This appropriation provides for federal grant funds from the Department of Justice - Office of Justice Programs for development and/or enhancement of the sex offender registration and notification program.

The Agency is requesting a continuation of Base Level.

Appropriation 86Z - Scrap Metal Logbook

This appropriation is used to fund the Metal Theft Investigations System's maintenance and operating expenses. Law enforcement agencies use this database as an investigative tool.

The Agency is requesting a continuation of Base Level.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS CRIME INFORMATION CENTER
 FOR THE YEAR ENDED JUNE 30, 2011

Findings	Recommendations
None	None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	18	36	54	76 %
Black Employees	3	12	15	21 %
Other Racial Minorities	2	0	2	3 %
Total Minorities			17	24 %
Total Employees			71	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Crime in Arkansas	A.C.A. §12-12-207(d)	N	N	0	Posted on the Arkansas Crime Information Center website.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
171 ACIC - Operations	6,266,564	70	7,406,819	71	7,976,235	71	7,386,916	71	7,938,351	71	7,936,916	71	7,387,908	71	7,939,343	71	7,937,908	71
35E Electronic Logbook	338,341	1	394,627	1	395,899	1	394,867	1	394,867	1	394,867	1	394,867	1	394,867	1	394,867	1
739 Sex/Child Offender Registration	5,588	0	150,000	0	250,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
85A SAVIN Program-Federal	316,937	0	102,898	0	520,000	0	92,149	0	92,149	0	92,149	0	92,149	0	92,149	0	92,149	0
85R SMART-Adam Walsh Act Grant	112,673	0	62,834	0	300,000	0	62,834	0	62,834	0	62,834	0	62,834	0	62,834	0	62,834	0
86Z Scrap Metal Logbook	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0
927 Criminal History Imprv-Federal	71,202	3	175,980	3	762,389	3	176,700	3	176,700	3	176,700	3	176,700	3	176,700	3	176,700	3
944 Systems Conf-Cash in Treasury	33,720	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
Total	7,270,025	74	8,478,158	75	10,389,523	75	8,448,466	75	8,999,901	75	8,998,466	75	8,449,458	75	9,000,893	75	8,999,458	75

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	3,734,465	32.7	4,159,789	36.9			2,791,389	28.3	2,791,389	28.1	2,791,389	28.3	1,425,355	16.7	925,355	11.5	875,355	11.0
General Revenue	4000010	3,861,424	33.8	3,681,833	32.7			3,727,388	37.8	3,778,823	38.1	3,727,388	37.8	3,727,988	43.8	3,779,423	46.9	3,727,988	46.8
Federal Revenue	4000020	721,826	6.3	377,312	3.3			331,683	3.4	331,683	3.3	331,683	3.4	331,683	3.9	331,683	4.1	331,683	4.2
Special Revenue	4000030	2,958,405	25.9	2,809,100	24.9			2,817,949	28.5	2,817,949	28.4	2,817,949	28.5	2,820,000	33.1	2,820,000	35.0	2,820,000	35.4
Cash Fund	4000045	29,784	0.3	60,000	0.5			60,000	0.6	60,000	0.6	60,000	0.6	60,000	0.7	60,000	0.7	60,000	0.8
Merit Adjustment Fund	4000055	0	0.0	36,101	0.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	33,370	0.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	2,014	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	88,526	0.8	80,412	0.7			80,412	0.8	80,412	0.8	80,412	0.8	80,412	0.9	80,412	1.0	80,412	1.0
Various Program Support	4000730	0	0.0	65,000	0.6			65,000	0.7	65,000	0.7	65,000	0.7	65,000	0.8	65,000	0.8	65,000	0.8
Total Funds		11,429,814	100.0	11,269,547	100.0			9,873,821	100.0	9,925,256	100.0	9,873,821	100.0	8,510,438	100.0	8,061,873	100.0	7,960,438	100.0
Excess Appropriation/(Funding)		(4,159,789)		(2,791,389)				(1,425,355)		(925,355)		(875,355)		(60,980)		939,020		1,039,020	
Grand Total		7,270,025		8,478,158				8,448,466		8,999,901		8,998,466		8,449,458		9,000,893		8,999,458	

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
72	66	9	75	-3	8.33 %	75	70	5	75	0	6.67 %	75	71	4	75	0	5.33 %

Total Budgeted positions exceed Authorized due to positions authorized through the Miscellaneous Federal Grant process.

Analysis of Budget Request

Appropriation: 171 - ACIC - Operations

Funding Sources: MJA - Crime Information System Fund

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments. The Base Level salary of unclassified positions reflects the FY13 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total \$551,435 in appropriation each year of the biennium with an increase in general revenue funding of \$51,435 each year of the biennium and reflect the following:

- Regular Salaries and Personal Services Match requests in the amount of \$1,435 in appropriation and general revenue funding each year of the biennium for the reclassification of one (1) Administrative Services Manager (G076C) to an ACIC Division Manager (G052C).
- Technology related increase for Capital Outlay requests in the amount of \$50,000 in appropriation and general revenue funding each year of the biennium for the purchase of hardware, firewalls, servers, and routine replacement of PCs. Costs associated with these requests are documented in the Agency's IT Plan.
- \$500,000 in Contingency appropriation each year of the biennium to provide for the Criminal History Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.

The Executive Recommendation provides for the Agency Request for appropriation only with the exception of the reclassification of Administrative Services Manager position.

Appropriation Summary

Appropriation: 171 - ACIC - Operations
Funding Sources: MJA - Crime Information System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	2,696,634	2,618,538	2,765,097	2,629,079	2,630,083	2,629,079	2,629,879	2,630,883	2,629,879
#Positions	70	71	71	71	71	71	71	71	71
Personal Services Matching 5010003	885,644	956,513	879,370	976,069	976,500	976,069	976,261	976,692	976,261
Operating Expenses 5020002	730,574	1,970,041	770,041	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041
Conference & Travel Expenses 5050009	10,119	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Professional Fees 5060010	1,198,892	450,692	1,650,692	450,692	450,692	450,692	450,692	450,692	450,692
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	35,573	50,000	50,000	0	50,000	50,000	0	50,000	50,000
Contingency 5130018	0	0	500,000	0	500,000	500,000	0	500,000	500,000
Data Processing 5900044	709,128	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035
Update/Expand 5900046	0	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Total	6,266,564	7,406,819	7,976,235	7,386,916	7,938,351	7,936,916	7,387,908	7,939,343	7,937,908

Funding Sources									
Fund Balance 4000005	3,727,077	4,146,692		2,789,192	2,789,192	2,789,192	1,425,209	925,209	875,209
General Revenue 4000010	3,398,083	3,227,206		3,272,521	3,323,956	3,272,521	3,273,121	3,324,556	3,273,121
Federal Revenue 4000020	221,014	35,600		0	0	0	0	0	0
Special Revenue 4000030	2,943,172	2,670,000		2,670,000	2,670,000	2,670,000	2,670,000	2,670,000	2,670,000
Merit Adjustment Fund 4000055	0	36,101		0	0	0	0	0	0
DFA Motor Vehicle Acquisition 4000184	33,370	0		0	0	0	0	0	0
M & R Sales 4000340	2,014	0		0	0	0	0	0	0
Transfer State Admn of Justice 4000570	88,526	80,412		80,412	80,412	80,412	80,412	80,412	80,412
Total Funding	10,413,256	10,196,011		8,812,125	8,863,560	8,812,125	7,448,742	7,000,177	6,898,742
Excess Appropriation/(Funding)	(4,146,692)	(2,789,192)		(1,425,209)	(925,209)	(875,209)	(60,834)	939,166	1,039,166
Grand Total	6,266,564	7,406,819		7,386,916	7,938,351	7,936,916	7,387,908	7,939,343	7,937,908

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium. Budget exceeds Authorized Appropriation in Operating Expenses by authority of a Budget Classification Transfer. FY13 Budgeted Appropriations that receive Administration of Justice Funds have been reduced proportionately based on available funding in accordance with A.C.A. 16-10-312. Base Level appropriations reflect the maximum allocations authorized by Act 281 (60) of 2012.

Change Level by Appropriation

Appropriation: 171 - ACIC - Operations
Funding Sources: MJA - Crime Information System Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,386,916	71	7,386,916	100.0	7,387,908	71	7,387,908	100.0
C05	Unfunded Appropriation	500,000	0	7,886,916	106.8	500,000	0	7,887,908	106.8
C08	Technology	50,000	0	7,936,916	107.4	50,000	0	7,937,908	107.4
C10	Reclass	1,435	0	7,938,351	107.5	1,435	0	7,939,343	107.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,386,916	71	7,386,916	100.0	7,387,908	71	7,387,908	100.0
C05	Unfunded Appropriation	500,000	0	7,886,916	106.8	500,000	0	7,887,908	106.8
C08	Technology	50,000	0	7,936,916	107.4	50,000	0	7,937,908	107.4
C10	Reclass	0	0	7,936,916	107.4	0	0	7,937,908	107.4

Justification

C05	The Agency is requesting \$500,000 for FY2014 and FY2015 in Contingency Funds. This will be used to provide for the Repository Division, Network /Operations System, or the general operations of the Agency. This appropriation is unfunded.
C08	The Agency is requesting \$50,000 in Capital Outlay for FY2014 and FY2015. This will be used for Computer Hardware purchases for the Agency. This request is located in the Agency's IT Plan under the PC's section.
C10	Agency requests that Position Number 22088895 – Administrative Services Manager G076C be reclassified as ACIC Division Manager G052C in order to bring that position up to the classification of the other three Division Managers of the Agency.

Analysis of Budget Request

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

This appropriation is used for operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medicines used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigation tool. Funding for this appropriation comes from general revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	27,695	32,249	34,301	32,249	32,249	32,249	32,249	32,249	32,249
#Positions	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	10,646	12,378	11,598	12,618	12,618	12,618	12,618	12,618	12,618
Operating Expenses 5020002	0	350,000	50,000	350,000	350,000	350,000	350,000	350,000	350,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	300,000	0	300,000	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	338,341	394,627	395,899	394,867	394,867	394,867	394,867	394,867	394,867
Funding Sources									
General Revenue 4000010	338,341	394,627		394,867	394,867	394,867	394,867	394,867	394,867
Total Funding	338,341	394,627		394,867	394,867	394,867	394,867	394,867	394,867
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	338,341	394,627		394,867	394,867	394,867	394,867	394,867	394,867

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium. Budget exceeds Authorized Appropriation in Operating Expenses by authority of a Budget Classification Transfer.

Analysis of Budget Request

Appropriation: 739 - Sex/Child Offender Registration

Funding Sources: SSC- Sex and Child Offender Registration Fund

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. §12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 739 - Sex/Child Offender Registration
Funding Sources: SSC- Sex and Child Offender Registration Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	5,588	150,000	250,000	150,000	150,000	150,000	150,000	150,000	150,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		5,588	150,000	250,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources										
Fund Balance	4000005	3,306	12,951		2,051	2,051	2,051	0	0	0
Special Revenue	4000030	15,233	139,100		147,949	147,949	147,949	150,000	150,000	150,000
Total Funding		18,539	152,051		150,000	150,000	150,000	150,000	150,000	150,000
Excess Appropriation/(Funding)		(12,951)	(2,051)		0	0	0	0	0	0
Grand Total		5,588	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 85A - SAVIN Program-Federal

Funding Sources: FAC - SAVIN Program Federal

States Automated Victim Information and Notification (SAVIN) is the existing statewide VINE (Victim Information and Notification Everyday) Service. Federal funding from the Department of Justice for this program has previously been given to the Arkansas Department of Correction but will be awarded to the Agency in the upcoming biennium. Funding is to be used for enhancements to the SAVIN program and the Court Interface Project.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85A - SAVIN Program-Federal

Funding Sources: FAC - SAVIN Program Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	10,749	20,000	10,749	10,749	10,749	10,749	10,749	10,749
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	316,937	81,400	484,000	81,400	81,400	81,400	81,400	81,400	81,400
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	10,749	16,000	0	0	0	0	0	0
Total	316,937	102,898	520,000	92,149	92,149	92,149	92,149	92,149	92,149
Funding Sources									
Federal Revenue 4000020	316,937	102,898		92,149	92,149	92,149	92,149	92,149	92,149
Total Funding	316,937	102,898		92,149	92,149	92,149	92,149	92,149	92,149
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	316,937	102,898		92,149	92,149	92,149	92,149	92,149	92,149

Analysis of Budget Request

Appropriation: 85R - SMART-Adam Walsh Act Grant

Funding Sources: FAC - Crime Information Center - Federal

This appropriation provides for federal grant funds from the Department of Justice - Office of Justice Programs for development and/or enhancement of the sex offender registration and notification program. Funds are used for web cameras to allow law enforcement officers to collect and submit offender photos to the National Sex Offender Registry.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85R - SMART-Adam Walsh Act Grant

Funding Sources: FAC - Crime Information Center - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	0	143,000	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	112,673	62,834	157,000	62,834	62,834	62,834	62,834	62,834	62,834
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		112,673	62,834	300,000	62,834	62,834	62,834	62,834	62,834	62,834
Funding Sources										
Federal Revenue	4000020	112,673	62,834		62,834	62,834	62,834	62,834	62,834	62,834
Total Funding		112,673	62,834		62,834	62,834	62,834	62,834	62,834	62,834
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		112,673	62,834		62,834	62,834	62,834	62,834	62,834	62,834

Analysis of Budget Request

Appropriation: 86Z - Scrap Metal Logbook

Funding Sources: MJA - Crime Information System Fund

Agency uses this appropriation for maintenance and operation expenses of the Arkansas Real-Time Scrap Metal Logbook. Funds for this appropriation comes from general revenue and from fees collected from § 8-6-607.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 86Z - Scrap Metal Logbook
Funding Sources: MJA - Crime Information System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Scrap Metal Logbook 5900046	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Total	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Funding Sources									
General Revenue 4000010	125,000	60,000		60,000	60,000	60,000	60,000	60,000	60,000
Various Program Support 4000730	0	65,000		65,000	65,000	65,000	65,000	65,000	65,000
Total Funding	125,000	125,000		125,000	125,000	125,000	125,000	125,000	125,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	125,000	125,000		125,000	125,000	125,000	125,000	125,000	125,000

Analysis of Budget Request

Appropriation: 927 - Criminal History Imprv-Federal

Funding Sources: FAC - Crime Information Center - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 927 - Criminal History Imprv-Federal
Funding Sources: FAC - Crime Information Center - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	36,405	65,481	112,393	65,481	65,481	65,481	65,481	65,481	65,481
#Positions	3	3	3	3	3	3	3	3	3
Personal Services Matching 5010003	13,507	29,669	41,390	30,389	30,389	30,389	30,389	30,389	30,389
Operating Expenses 5020002	21,290	10,984	131,920	10,984	10,984	10,984	10,984	10,984	10,984
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	69,846	445,686	69,846	69,846	69,846	69,846	69,846	69,846
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	31,000	0	0	0	0	0	0
Total	71,202	175,980	762,389	176,700	176,700	176,700	176,700	176,700	176,700
Funding Sources									
Federal Revenue 4000020	71,202	175,980		176,700	176,700	176,700	176,700	176,700	176,700
Total Funding	71,202	175,980		176,700	176,700	176,700	176,700	176,700	176,700
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	71,202	175,980		176,700	176,700	176,700	176,700	176,700	176,700

Analysis of Budget Request

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

The Agency supports two state wide conferences from this fund: the Systems Conference and the NIBRS (National Incidence Based Reporting System) Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	33,720	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses 5050009	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	33,720	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Funding Sources									
Fund Balance 4000005	4,082	146		146	146	146	146	146	146
Cash Fund 4000045	29,784	60,000		60,000	60,000	60,000	60,000	60,000	60,000
Total Funding	33,866	60,146		60,146	60,146	60,146	60,146	60,146	60,146
Excess Appropriation/(Funding)	(146)	(146)		(146)	(146)	(146)	(146)	(146)	(146)
Grand Total	33,720	60,000		60,000	60,000	60,000	60,000	60,000	60,000

STATE CRIME LABORATORY

Enabling Laws

Act 147 of 2012
A.C.A. §12-12-301 et seq.

History and Organization

The Arkansas State Crime Laboratory (ASCL) was created by Act 517 of 1977 to provide forensic scientific support to the criminal justice system. Act 383 of 1991 created a Crime Laboratory Board that is comprised of eight members that meet quarterly. An Executive Director appointed by the Governor provides the day-to-day administration of the laboratory.

The mission of the Arkansas State Crime Laboratory is to provide the highest quality scientific services and resources to the criminal justice community in a timely manner in the disciplines of Digital Evidence, Firearms/Tool Marks, Forensic Chemistry, Forensic Chemistry- Illicit Labs, Forensic DNA, Forensic Toxicology, Latent Prints, Physical Evidence and the Medical Examiner's Office. The laboratory also has a dedicated DNA Database Section (CODIS) which analyzes convicted offender and arrestee samples for inclusion into the National DNA Index System (NDIS).

The objectives of the Arkansas State Crime Laboratory are the following:

- Employing a team of skilled and dedicated employees
- Providing a suitable work environment
- Utilizing innovative programs and state of the art instrumentation and technology
- Maintaining accreditation through the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) and National Association of Medical Examiners (NAME)

The laboratory facility, which occupies approximately 69,879 square feet, is located at #3 Natural Resources Drive in Little Rock. A storage facility, including a vehicle evidence processing garage, is located adjacent to the laboratory that occupies 5,500 sq. ft. These facilities are rented from the Arkansas Building Authority (ABA) for \$862,748.80/yr. This rental payment absorbs approximately 50% of the laboratory's annual Maintenance & Operations budget and decreases substantially the amount left for the day-to-day operations of the laboratory.

Funding for the laboratory is provided through general revenues allocated from the Miscellaneous Agencies Fund Account. Some funding for laboratory operations comes through the Administrative Office of the Courts as well as Special State Assets Forfeiture Funds. Federal grants

are utilized to support the laboratory in order to reduce the backlog and build the laboratory infrastructure. Grant funds are also utilized to provide annual training for all laboratory personnel, which is an ASCLD/LAB accreditation requirement. A special revenue fund derived from fees charged to convicted offenders is also used to partially support the Forensic Biology Section.

The ASCL is a complex agency that prides itself in the ability to keep up with the advancements of forensic science which allows us to meet law enforcement needs.

The laboratory became accredited by the American Society of Crime Laboratory Directors - Lab Accreditation Board (ASCLD-LAB) in December 2004. In order to maintain accreditation, the crime laboratory must conduct internal audits every year and participate in an external audit every five years. The crime laboratory renewed this accreditation in December 2009. Accreditation is just one component of the labs quality assurance program which also includes proficiency testing, continuing education, and other processes that help the laboratory provide better overall service to the criminal justice system. Accreditation is a means to demonstrate to law enforcement agencies, the court system and the public that the laboratory is meeting established standards.

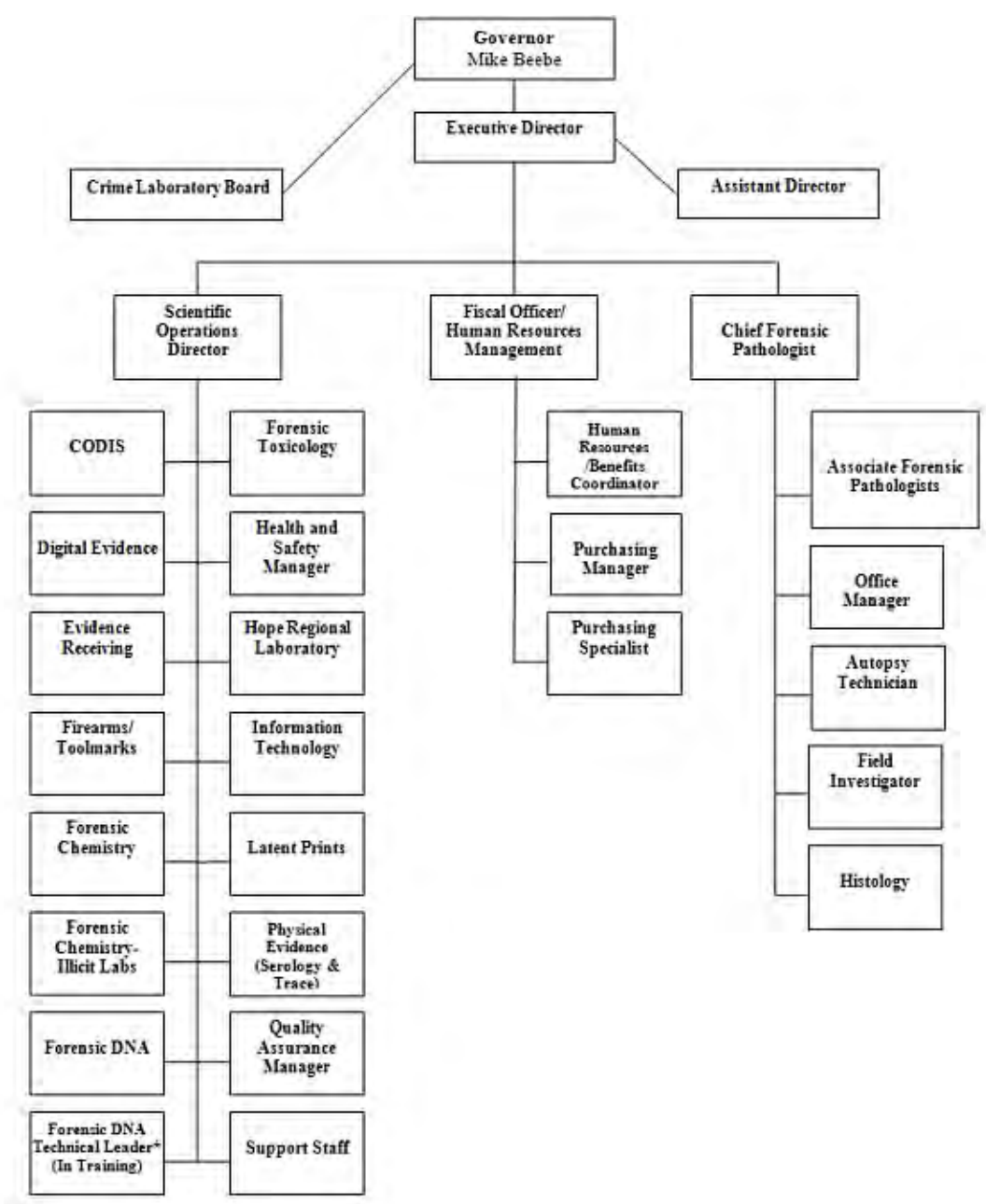
The Medical Examiner's Office received accreditation August 15, 2010 through the National Association of Medical Examiners (NAME). NAME accreditation demonstrates that the Medical Examiner's Office continues to develop and maintain a high caliber of medicolegal investigations for the State of Arkansas.

The laboratory provides forensic services at no charge to all law enforcement agencies in the state. In 2011, the laboratory received 29,576 cases/submissions. Of these cases/submissions there were 32,810 requests for analysis. One case can require multiple types of examinations that will require the services of the various disciplines in the laboratory, including autopsy services provided by the Medical Examiner's Section.

The Medical Examiner's Section performs approximately 1,300 autopsies per year and provides continual support to Coroners throughout the state.

In addition to the examination of evidence in 2011, crime laboratory personnel spent approximately 3,230 hours in the various courts throughout the State.

Laboratory analysts provide instructors for courses being taught at the Arkansas Law Enforcement Training Academy, the Criminal Justice Institute, the Black River Training Academy, Arkansas State Police, and hospitals throughout the state. Analysts have developed and provided training to Department of Corrections and Department of Community Correction's personnel for the collection of DNA samples from inmates. Evidence Receiving Technicians routinely train law enforcement officers in the proper procedures for packaging evidence.



Agency Commentary

The Arkansas State Crime Laboratory (ASCL) provides forensic science services at no charge on evidence submitted to the laboratory by all law enforcement agencies in the State as well as federal law enforcement agencies. Services provided by the laboratory include the scientific analysis of evidence, written reports regarding the scientific findings of the analysis, and expert testimony in court. All forensic conclusions, both written and verbal are scientifically valid, accurate, consistent, and reliable. This standard of quality serves as the guiding principle for all technical and strategic decisions involving work undertaken by the ASCL.

The goal of the ASCL is to provide forensic analyses of the highest quality to the Judicial System, which includes law enforcement agencies, prosecutors and defense council, regulatory and other public service government agencies. The ASCL is committed to meet the needs and expectations of all of our customers utilizing a philosophy of quality and service.

To satisfy this demand, the laboratory entered an accreditation process. On December 13, 2004, the ASCL became an accredited laboratory through the American Society of Crime Laboratory Directors - Lab Accreditation Board (ASCLD-LAB) Legacy Program. In order to maintain accreditation, the ASCL must conduct internal audits every year and participate in an external audit every five years, as well as supply training for all analysts/examiners annually. The ASCL renewed this accreditation in 2009. Accreditation is just one component of the ASCL's quality assurance program which also includes proficiency testing, continuing education, and other programs to help the laboratory provide better overall service to the criminal justice system. Accreditation is a means to demonstrate to law enforcement agencies, the court system and to the public that the laboratory is meeting established standards.

The Medical Examiner's Office received accreditation August 15, 2010 through the National Association of Medical Examiners (NAME). NAME accreditation demonstrates that the Medical Examiner's Office continues to develop and maintain a high caliber of medicolegal investigations for the State of Arkansas.

We are requesting the following:

Appropriation 498: State Operations

We are requesting appropriation in Capital Outlay to use in paying sales tax on new vehicles purchased by the state vehicle acquisition fund and purchase a nitrogen generator each year to support the liquid chromatograph mass spectrometers (LCMS) that are utilized to test for drugs and toxicological specimens this will allow tests to run over night. We are also requesting additional appropriation in Professional Fees to contract with a transport service to deliver victims of crimes to our Medical Examiner's Office for post mortem examination. We are requesting additional general revenue funding in FY15 above our change level request to assist with the reduction of Administrative of Justice funding.

Appropriation 788: DNA Section Special

We are requesting a reallocation to Operating Expenses from Conference & Travel Expenses and from Professional Fees each year of the biennium to more accurately reflect anticipated expenses.

Appropriation 1ED: Federal Operations

We are requesting additional appropriation for Operating Expenses to use in purchasing health and laboratory supplies. We are also requesting new Capital Outlay appropriation to use for purchasing equipment. Funding will be made available through the United States Department of Justice.

Appropriation 1VM: Equipment

We are requesting Base Level for each year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
STATE CRIME LABORATORY
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

None

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	54	68	122	92 %
Black Employees	0	10	10	8 %
Other Racial Minorities	1	0	1	0 %
Total Minorities			11	8 %
Total Employees			133	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015							
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	
1ED Crime Lab-Federal	1,101,219	8	2,534,389	9	2,339,853	5	1,344,846	5	2,636,776	9	2,636,776	9	1,344,846	5	2,636,776	9	2,636,776	9	
1VM Equipment	697,766	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	
498 Crime Lab State	9,852,158	123	9,630,091	118	10,291,841	118	9,658,852	118	9,761,852	118	10,011,852	118	9,667,362	118	9,770,362	118	10,020,362	118	
788 DNA Special	1,763,389	13	2,063,437	17	2,118,635	18	2,068,128	17	2,068,128	17	2,068,128	17	2,068,859	17	2,068,859	17	2,068,859	17	
NOT REQUESTED FOR THE BIENNIIUM																			
4HT Video Testify Treasury	22,840	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	13,437,372	144	14,977,917	144	15,500,329	141	13,821,826	140	15,216,756	144	15,466,756	144	13,831,067	140	15,225,997	144	15,475,997	144	

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	4,035,638	24.2	3,260,623	19.1			2,110,030	14.3	2,110,030	13.1	2,110,030	13.1	924,632	6.8	924,632	6.1	920,079	6.2
General Revenue	4000010	7,257,629	43.5	7,257,629	42.5			7,423,435	50.3	7,526,435	46.6	7,526,435	46.6	7,427,710	54.8	7,652,662	50.7	7,530,710	50.4
Federal Revenue	4000020	1,101,219	6.6	2,534,389	14.8			1,344,846	9.1	2,636,776	16.3	2,636,776	16.3	1,344,846	9.9	2,636,776	17.5	2,636,776	17.6
Special Revenue	4000030	3,399,849	20.4	3,424,822	20.0			3,395,017	23.0	3,395,017	21.0	3,395,017	21.0	3,395,017	25.0	3,395,017	22.5	3,395,017	22.7
Cash Fund	4000045	156	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Merit Adjustment Fund	4000055	366,191	2.2	137,354	0.8			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	14,670	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	1,771	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	520,872	3.1	473,130	2.8			473,130	3.2	473,130	2.9	473,130	2.9	473,130	3.5	473,130	3.1	473,130	3.2
Total Funds		16,697,995	100.0	17,087,947	100.0			14,746,458	100.0	16,141,388	100.0	16,141,388	100.0	13,565,335	100.0	15,082,217	100.0	14,955,712	100.0
Excess Appropriation/(Funding)		(3,260,623)		(2,110,030)				(924,632)		(924,632)		(674,632)		265,732		143,780		520,285	
Grand Total		13,437,372		14,977,917				13,821,826		15,216,756		15,466,756		13,831,067		15,225,997		15,475,997	

Variance in fund balance due to unfunded appropriation in (498) Crime Lab State.

Budget exceeds Authorized Appropriation in (1ED) Crime Lab-Federal due to a transfer from the Miscellaneous Federal Grant Holding Account.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
141	133	8	141	0	5.67 %	141	137	8	145	-4	2.84 %	141	134	10	144	-3	4.96 %

FY12 and FY13 Total Positions exceed Authorized due to 4 positions received from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

This appropriation is funded by grants from the United States Department of Justice. These funds enable the State Crime Lab to out-source backlog DNA casework thus allowing State Crime Lab analysts to process current DNA cases and keep the Lab's backlog at a minimum. These funds are also used to provide the training for analysts and medical examiners necessary for the Lab to maintain its accreditation status. Finally, these funds are used to pay for overtime for analysts that work in screening evidence for biological fluids prior to the actual DNA testing.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level requests total \$1,291,930 each year of the biennium and reflect the following:

- Regular Salaries and Personal Service Matching increases of \$191,930 each year of the biennium for the restoration of three (3) Forensic Scientists and one (1) Forensic Technician.
- Operating Expenses increase in the amount of \$100,000 each year of the biennium for the increased costs of health and laboratory supplies.
- Capital Outlay of \$1,000,000 each year of the biennium for replacement and purchase of additional laboratory equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	159,358	327,907	186,660	186,660	327,907	327,907	186,660	327,907	327,907
#Positions		8	9	5	5	9	9	5	9	9
Personal Services Matching	5010003	53,572	125,828	72,539	77,532	128,215	128,215	77,532	128,215	128,215
Overtime	5010006	0	54,493	54,493	54,493	54,493	54,493	54,493	54,493	54,493
Operating Expenses	5020002	338,683	355,000	355,000	355,000	455,000	455,000	355,000	455,000	455,000
Conference & Travel Expenses	5050009	76,954	171,161	171,161	171,161	171,161	171,161	171,161	171,161	171,161
Professional Fees	5060010	9,418	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	463,234	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000
Total		1,101,219	2,534,389	2,339,853	1,344,846	2,636,776	2,636,776	1,344,846	2,636,776	2,636,776
Funding Sources										
Federal Revenue	4000020	1,101,219	2,534,389		1,344,846	2,636,776	2,636,776	1,344,846	2,636,776	2,636,776
Total Funding		1,101,219	2,534,389		1,344,846	2,636,776	2,636,776	1,344,846	2,636,776	2,636,776
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,101,219	2,534,389		1,344,846	2,636,776	2,636,776	1,344,846	2,636,776	2,636,776

Budget exceeds Authorized Appropriation in Regular Salaries and Personal Service Matching due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1ED - Crime Lab-Federal
Funding Sources: FCL - State Crime Lab Federal

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,344,846	5	1,344,846	100.0	1,344,846	5	1,344,846	100.0
C01	Existing Program	1,100,000	0	2,444,846	181.8	1,100,000	0	2,444,846	181.8
C06	Restore Position/Approp	191,930	4	2,636,776	196.1	191,930	4	2,636,776	196.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,344,846	5	1,344,846	100.0	1,344,846	5	1,344,846	100.0
C01	Existing Program	1,100,000	0	2,444,846	181.8	1,100,000	0	2,444,846	181.8
C06	Restore Position/Approp	191,930	4	2,636,776	196.1	191,930	4	2,636,776	196.1

Justification

C01	The agency is requesting an additional \$100,000 in Operations appropriation to use for purchasing health and lab supplies. Also requesting new capital outlay appropriation to use for purchasing equipment. Funding will be made available through the United States Department of Justice.
C06	This appropriation is used for 4 Forensic Analyst positions salaries and matching. These positions work in our DNA and Physical Evidence sections processing cases and are funded by our DNA Backlog Reduction grant.

Analysis of Budget Request

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

This appropriation is funded by Special Revenue generated from forfeitures of funds and property derived through court proceedings taken in cases involving the illegal manufacture and/or distribution of narcotics. The Arkansas State Crime Laboratory receives twenty percent (20%) of all forfeitures over the first \$20,000 of forfeitures per county, per year. This appropriation is utilized to purchase equipment and replacement equipment for the regional drug labs.

Agency Request is for Base Level. Purchases of equipment are contingent upon funding available from the Special State Asset Forfeiture Fund.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Crime Lab Equip/Pur/Replace 5900046	697,766	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	697,766	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources									
Fund Balance 4000005	1,202,960	1,056,240		881,240	881,240	881,240	706,240	706,240	706,240
Special Revenue 4000030	551,046	575,000		575,000	575,000	575,000	575,000	575,000	575,000
Total Funding	1,754,006	1,631,240		1,456,240	1,456,240	1,456,240	1,281,240	1,281,240	1,281,240
Excess Appropriation/(Funding)	(1,056,240)	(881,240)		(706,240)	(706,240)	(706,240)	(531,240)	(531,240)	(531,240)
Grand Total	697,766	750,000		750,000	750,000	750,000	750,000	750,000	750,000

Analysis of Budget Request

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas State Crime Laboratory was created by Act 517 of 1977, to provide forensic and scientific support to the criminal justice system in Arkansas. The Executive Director of the State Crime Lab is appointed by the Governor. Act 383 of 1991 created the State Crime Laboratory Board, made up of eight (8) members, including the Dean of the UAMS College of Medicine and seven (7) members appointed by the Governor with confirmation of the Senate. The Board members' terms are for seven (7) years. The Board has the authority to employ and remove the State Medical Examiner. The Arkansas State Crime Laboratory provides complete forensic laboratory services and corroborative testimony for the state's law enforcement and criminal justice community to assist in the apprehension and conviction of individuals involved in criminal cases. This appropriation supports primary operations for the Arkansas State Crime Laboratory. It is funded by general revenue through the Miscellaneous Agencies Fund (HUA), a portion of uniform filing fees collected in circuit court (A.C.A. § 16-10-313) and through a fund transfer from the Administration of Justice Fund.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total \$103,000 in appropriation each year of the biennium with an increase in general revenue funding of \$103,000 for FY14 and \$224,952 for FY15 and reflect the following:

- Professional Fees requests in the amount of \$78,000 in appropriation and general revenue funding each year of the biennium to contract with a transport service to transport victims from the northwest region of the state.
- Capital Outlay requests in the amount of \$25,000 in appropriation and general revenue funding each year of the biennium to pay sales tax on new vehicles purchased and the purchase of a nitrogen generator each year to support the LCMS - liquid chromatograph mass spectrometers that are utilized to test for drugs and toxicological specimens this will allow tests to run over night.
- \$121,952 in general revenue funding only in FY15 to assist with the reduction of Administrative of Justice funding.

The Executive Recommendation provides for the Agency Request for appropriation with the addition of \$250,000 in Capital Outlay appropriation only. The Executive Recommendation also provides for \$103,000 in general revenue funding above Base Level each year of the biennium.

Appropriation Summary

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,344,756	6,056,454	6,641,256	6,052,931	6,052,931	6,052,931	6,058,631	6,058,631	6,058,631
#Positions		123	118	118	118	118	118	118	118	118
Personal Services Matching	5010003	1,878,298	1,852,496	1,904,444	1,884,780	1,884,780	1,884,780	1,887,590	1,887,590	1,887,590
Operating Expenses	5020002	1,553,264	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676
Conference & Travel Expenses	5050009	17,892	56,750	56,750	56,750	56,750	56,750	56,750	56,750	56,750
Professional Fees	5060010	43,278	63,715	63,715	63,715	141,715	141,715	63,715	141,715	141,715
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	14,670	0	25,000	0	25,000	275,000	0	25,000	275,000
Total		9,852,158	9,630,091	10,291,841	9,658,852	9,761,852	10,011,852	9,667,362	9,770,362	10,020,362
Funding Sources										
Fund Balance	4000005	240,995	218,979		126,823	126,823	126,823	4,553	4,553	0
General Revenue	4000010	7,257,629	7,257,629		7,423,435	7,526,435	7,526,435	7,427,710	7,652,662	7,530,710
Special Revenue	4000030	1,669,009	1,669,822		1,640,017	1,640,017	1,640,017	1,640,017	1,640,017	1,640,017
Merit Adjustment Fund	4000055	366,191	137,354		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	14,670	0		0	0	0	0	0	0
M & R Sales	4000340	1,771	0		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	520,872	473,130		473,130	473,130	473,130	473,130	473,130	473,130
Total Funding		10,071,137	9,756,914		9,663,405	9,766,405	9,766,405	9,545,410	9,770,362	9,643,857
Excess Appropriation/(Funding)		(218,979)	(126,823)		(4,553)	(4,553)	245,447	121,952	0	376,505
Grand Total		9,852,158	9,630,091		9,658,852	9,761,852	10,011,852	9,667,362	9,770,362	10,020,362

FY13 Budgeted Appropriations that receive Administration of Justice Funds have been reduced proportionately based on available funding in accordance with A.C.A. 16-10-312. Base Level appropriations reflect the maximum allocations authorized by Act 281 (60) of 2012.

Change Level by Appropriation

Appropriation: 498 - Crime Lab State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,658,852	118	9,658,852	100.0	9,667,362	118	9,667,362	100.0
C01	Existing Program	25,000	0	9,683,852	100.3	25,000	0	9,692,362	100.3
C02	New Program	78,000	0	9,761,852	101.1	78,000	0	9,770,362	101.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,658,852	118	9,658,852	100.0	9,667,362	118	9,667,362	100.0
C01	Existing Program	25,000	0	9,683,852	100.3	25,000	0	9,692,362	100.3
C02	New Program	78,000	0	9,761,852	101.1	78,000	0	9,770,362	101.1
C19	Executive Changes	250,000	0	10,011,852	103.7	250,000	0	10,020,362	103.7

Justification

C01	Agency is requesting \$25,000 in Capital Outlay each year to be used to pay Sales Tax on new vehicles purchased by the DFA Motor Vehicle Acquisition Fund and purchase a nitrogen generator each year to support the LCMS - liquid chromatograph mass spectrometers that are utilized to test for drugs and toxicological specimens this will allow test to run over night.
C02	In an effort to improve services to the victims of crime, we will contract with a transport service to transport victims from the northwest region of the state. This would include Benton, Washington, Crawford, Scott, Sebastian, Carroll, Madison, Franklin, Logan and Johnson counties, which comprise approximately 26% of the cases currently transported by the laboratory. Victims would be transported to the laboratory in a timelier manner which would facilitate the Medical Examiner's examination and release of the body.
C19	The Executive Recommendation provides for additional unfunded appropriation for the purchase of equipment.

Analysis of Budget Request

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

This appropriation provides for personal services and operating expenses to support the DNA database, as authorized by Act 737 of 1997, the "DNA Detection of Sexual and Violent Offenders Act", which is codified at A.C.A. § 12-12-1101 et seq. Funding for this appropriation is Special Revenue generated by a mandatory fine of not less than \$250 for persons required to submit to a DNA sample under the provisions of this legislation. The sentencing court has the discretion to waive the fine, if in its opinion the imposition of the fine would cause undue hardship.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level request is for \$64,000 to be reallocated to Operating Expenses from Conference & Travel Expenses (\$19,000) and from Professional Fees (\$45,000) each year of the biennium to more accurately reflect anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	652,630	814,963	671,517	815,063	815,063	815,063	815,663	815,663	815,663
#Positions		13	17	18	17	17	17	17	17	17
Personal Services Matching	5010003	194,637	257,954	206,598	262,545	262,545	262,545	262,676	262,676	262,676
Operating Expenses	5020002	883,068	896,520	896,520	896,520	960,520	960,520	896,520	960,520	960,520
Conference & Travel Expenses	5050009	5,483	24,000	24,000	24,000	5,000	5,000	24,000	5,000	5,000
Professional Fees	5060010	24,679	70,000	70,000	70,000	25,000	25,000	70,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	2,892	0	250,000	0	0	0	0	0	0
Total		1,763,389	2,063,437	2,118,635	2,068,128	2,068,128	2,068,128	2,068,859	2,068,859	2,068,859
Funding Sources										
Fund Balance	4000005	2,568,999	1,985,404		1,101,967	1,101,967	1,101,967	213,839	213,839	213,839
Special Revenue	4000030	1,179,794	1,180,000		1,180,000	1,180,000	1,180,000	1,180,000	1,180,000	1,180,000
Total Funding		3,748,793	3,165,404		2,281,967	2,281,967	2,281,967	1,393,839	1,393,839	1,393,839
Excess Appropriation/(Funding)		(1,985,404)	(1,101,967)		(213,839)	(213,839)	(213,839)	675,020	675,020	675,020
Grand Total		1,763,389	2,063,437		2,068,128	2,068,128	2,068,128	2,068,859	2,068,859	2,068,859

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,068,128	17	2,068,128	100.0	2,068,859	17	2,068,859	100.0
C04	Reallocation	0	0	2,068,128	100.0	0	0	2,068,859	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,068,128	17	2,068,128	100.0	2,068,859	17	2,068,859	100.0
C04	Reallocation	0	0	2,068,128	100.0	0	0	2,068,859	100.0

Justification

C04	Agency is requesting \$64,000 to be Reallocated to Operating Expenses from Conference & Travel Expenses (\$19,000) and from Professional Fees (\$45,000) each year of the biennium to more accurately reflect anticipated expenses.								
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Appropriation Summary

Appropriation: 4HT - Video Testify Treasury

Funding Sources: NCL - Video Testifying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	22,840	0	0	0	0	0	0	0	0
Total	22,840	0	0	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	22,684	0		0	0	0	0	0	0
Cash Fund 4000045	156	0		0	0	0	0	0	0
Total Funding	22,840	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	22,840	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

DFA - ABC ADMINISTRATION

Enabling Laws

Act 28 of 2012
ACA §3-2-101 - §3-2-412

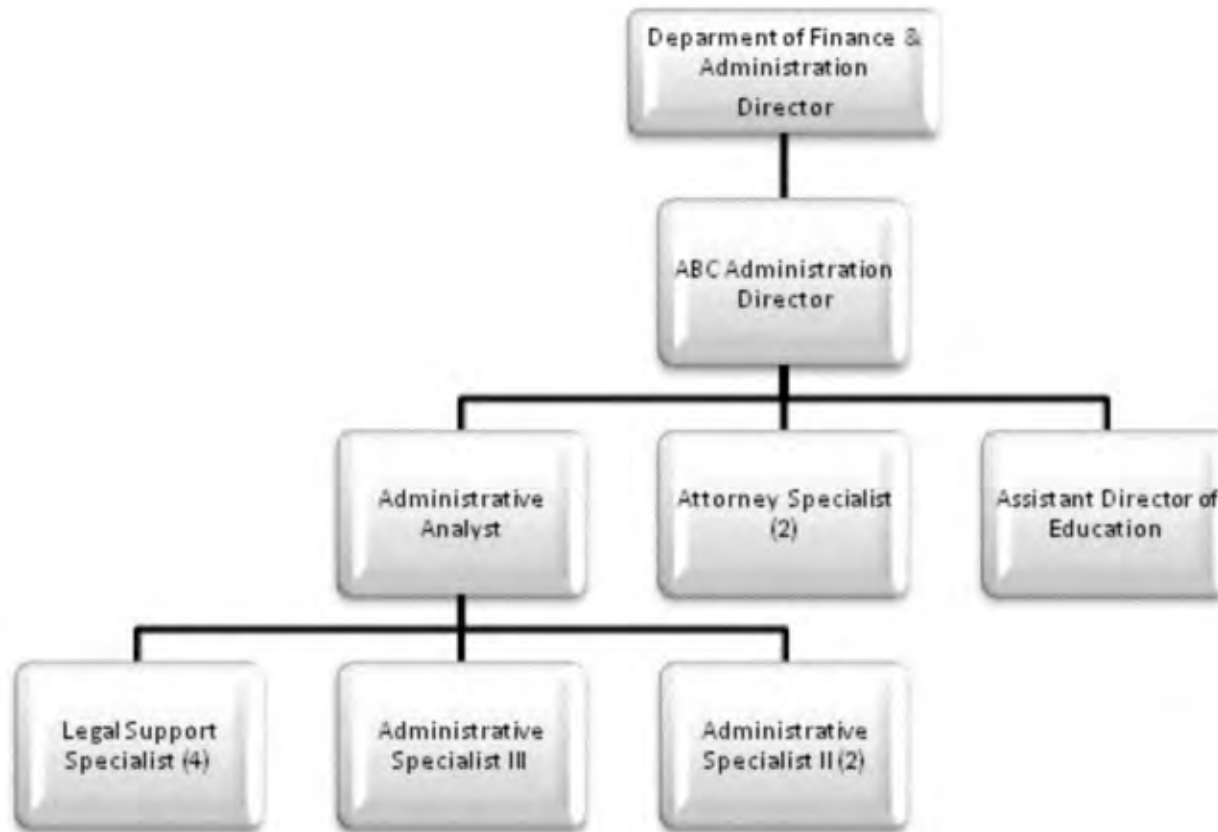
History and Organization

The Alcoholic Beverage Control Division has as its mission, such duties and assignments as have been given to it by the Arkansas General Assembly over the years. Those powers and duties can be briefly described as being the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof, in pursuit of those duties and powers.

Established with the creation of the Department of Alcoholic Beverage Control (Act 159 of 1951) the Alcoholic Beverage Control Board originally consisted of three members appointed by the Governor to serve a six year term. Membership on the Board was increased to five members with the passage of Act 343 of 1971. The Board did have statutory authority to hire the Director of the Alcoholic Beverage Control Administration Division. Since 1971, the Director has been appointed by the Director of Department of Finance and Administration with the approval of the Governor.

The Alcoholic Beverage Control Division has adopted, through statutory processes, rules and regulations which compliment, but do not contradict, laws provided by the Arkansas General Assembly. The Alcoholic Beverage Control Division receives applications, processes those applications and, depending upon whether the qualifications are met as established by law and by regulation, the permit may be issued to the applicant.

In summary, the mission of the Alcoholic Beverage Control Division is to exercise supervision and control over a system which allows for the legal distribution of alcoholic beverage products in the State of Arkansas.



Agency Commentary

The Alcoholic Beverage Control Administration Division of the Department of Finance and Administration supervises, regulates and controls the manufacture, transportation, dispensing, sale and consumption of alcoholic beverages in the State of Arkansas.

The Alcoholic Beverage Control Administration Division is funded from general revenue. The current State Operations appropriation level is sufficient for FY14 and FY15.

ABC Administration Cash Operations appropriation level is sufficient for FY14 and FY15.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DFA - ABC ADMINISTRATION
 FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	3	5	8	80 %
Black Employees	0	2	2	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			2	20 %
Total Employees			10	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
ABC Rules and Regulations	None	N	N	600	To provide ABC Rules and Regulations information to customers with ABC permits. Information also available @ www.dfa.arkansas.gov/offices/abc/rules .

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
261 ABC Administration - State Operations	784,458	11	833,089	12	857,790	12	862,721	12	862,721	12	862,721	12	862,721	12	862,721	12	862,721	12
911 ABC Administration - Cash Operations	2,030	0	7,000	0	10,964	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0
Total	786,488	11	840,089	12	868,754	12	869,721	12	869,721	12	869,721	12	869,721	12	869,721	12	869,721	12

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	5,372	0.7	4,245	0.5			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue 4000010	784,458	99.2	833,089	99.2			862,721	99.8	862,721	99.8	862,721	99.8	862,721	99.8	862,721	99.8	862,721	99.8
Cash Fund 4000045	830	0.1	2,755	0.3			2,000	0.2	2,000	0.2	2,000	0.2	2,000	0.2	2,000	0.2	2,000	0.2
Interest 4000300	73	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	790,733	100.0	840,089	100.0			864,721	100.0	864,721	100.0	864,721	100.0	864,721	100.0	864,721	100.0	864,721	100.0
Excess Appropriation/(Funding)	(4,245)		0				5,000		5,000		5,000		5,000		5,000		5,000	
Grand Total	786,488		840,089				869,721		869,721		869,721		869,721		869,721		869,721	

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
10	10	0	10	0	0.00 %	12	10	2	12	0	16.67 %	12	10	2	12	0	16.67 %

Analysis of Budget Request

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

ABC administers the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof.

General revenue funds 100% of the Alcoholic Beverage Control Administration's operating budget. Currently 89% of the Agency's budget is personnel related costs with the remaining 11% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting Base Level of \$862,721 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	556,574	580,100	587,687	580,100	580,100	580,100	580,100	580,100	580,100
#Positions		11	12	12	12	12	12	12	12	12
Extra Help	5010001	3,488	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
#Extra Help		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	154,514	156,303	173,417	185,935	185,935	185,935	185,935	185,935	185,935
Operating Expenses	5020002	69,085	88,100	88,100	88,100	88,100	88,100	88,100	88,100	88,100
Conference & Travel Expenses	5050009	797	4,986	4,986	4,986	4,986	4,986	4,986	4,986	4,986
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		784,458	833,089	857,790	862,721	862,721	862,721	862,721	862,721	862,721
Funding Sources										
General Revenue	4000010	784,458	833,089		862,721	862,721	862,721	862,721	862,721	862,721
Total Funding		784,458	833,089		862,721	862,721	862,721	862,721	862,721	862,721
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		784,458	833,089		862,721	862,721	862,721	862,721	862,721	862,721

Analysis of Budget Request

Appropriation: 911 - ABC Administration - Cash Operations

Funding Sources: NAB - ABC Administration - Cash in Treasury

This appropriation is used by the Alcoholic Beverage Control (ABC) Administration Division for Operating Expenses associated with publishing the ABC "Rules, Regulations and Decisions" handbook. Cash funds received from the sale of ABC handbooks provide funding for the appropriation.

The Agency is requesting Base Level of \$7,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 911 - ABC Administration - Cash Operations

Funding Sources: NAB - ABC Administration - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	2,030	7,000	10,964	7,000	7,000	7,000	7,000	7,000	7,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,030	7,000	10,964	7,000	7,000	7,000	7,000	7,000	7,000
Funding Sources										
Fund Balance	4000005	5,372	4,245		0	0	0	0	0	0
Cash Fund	4000045	830	2,755		2,000	2,000	2,000	2,000	2,000	2,000
Interest	4000300	73	0		0	0	0	0	0	0
Total Funding		6,275	7,000		2,000	2,000	2,000	2,000	2,000	2,000
Excess Appropriation/(Funding)		(4,245)	0		5,000	5,000	5,000	5,000	5,000	5,000
Grand Total		2,030	7,000		7,000	7,000	7,000	7,000	7,000	7,000

DFA - ABC ENFORCEMENT

Enabling Laws

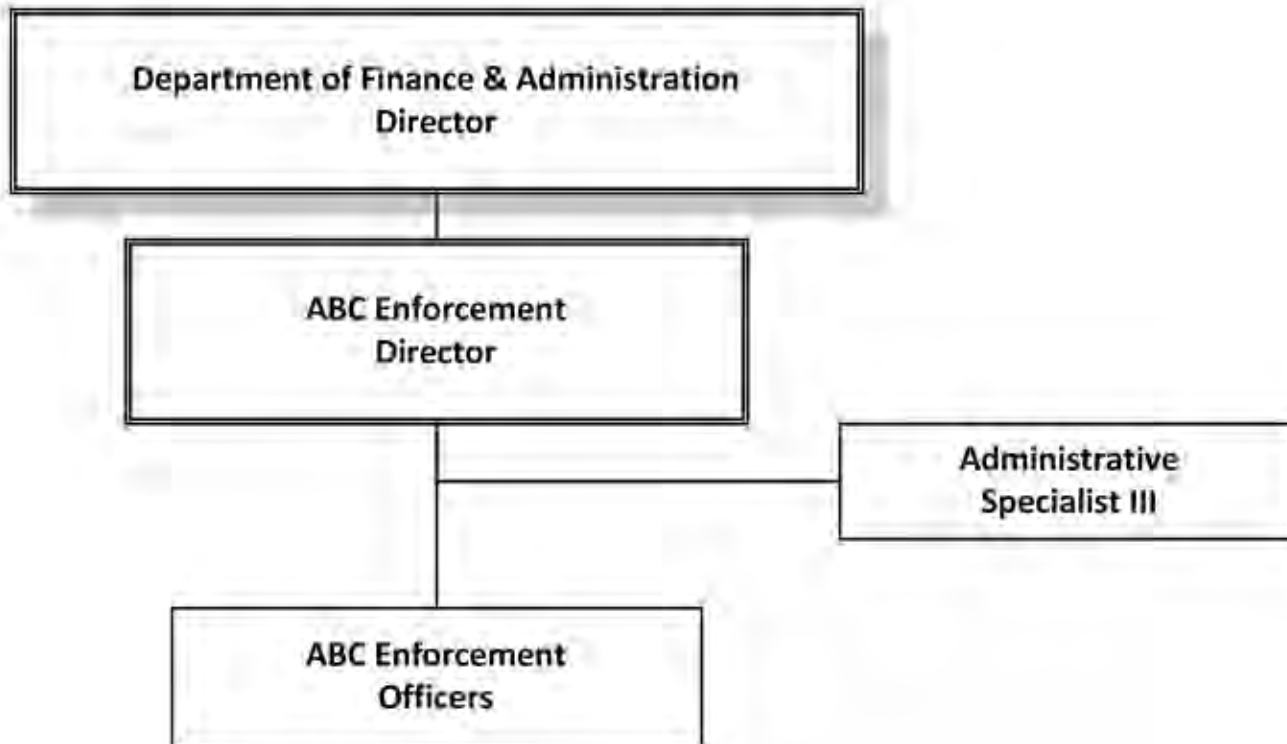
Act 60 of 2012
ACA §3-2-101 - §3-2-412

History and Organization

The mission of the Alcoholic Beverage Control Enforcement Division is to enforce all Arkansas Code Annotated Laws of the State Control Act, cigarette, sales, Rules and Regulations adopted by the Alcoholic Beverage Control Board, and the training and assistance for all law enforcement agencies as well as other organizations regarding alcoholic beverages.

Alcoholic Beverage Control Enforcement Division was established with the creation of the Alcoholic Beverage Control Department of 1935. The head of the Alcoholic Beverage Control Enforcement Division is appointed by the Director of the Department of Finance and Administration with the approval of the Governor.

In addition to enforcement, the Alcoholic Beverage Control Enforcement Division conducts background investigations of those persons, businesses and organizations who apply for licenses under the Alcoholic Beverage Control Act. The Alcoholic Beverage Control agents conduct inspections and report on permit applications in addition to the investigations of violations and apprehensions of violators. The agents also investigate and inspect the damaged shipments of any controlled beverages which have been involved in a fire, wreck, or other casualty to certify the extent and the amount of damage for the purpose of returning any taxes which have been paid to the State. The agents also answer complaints, confiscate moonshine and perform other special assignments; such as food stamp fraud when used to purchase alcoholic beverages. All Alcoholic Beverage Control Enforcement agents must be certified law enforcement officers.



Agency Commentary

The Alcoholic Beverage Control Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. ABC Enforcement agents are certified law enforcement officers.

The ABC Enforcement Division is funded from general revenue. The agency is requesting a change over base level (funding and appropriation) in the amount of \$2,600 for FY14 and FY15.

- Capital Outlay in the amount of \$2,600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year. Several of the current vehicles have over 100,000 miles.
- Reclassification of X041C DFA ABC Assistant Director grade C121 to X085C DFA ABC Enforcement Officer grade C118 to assign an additional agent to the NW Arkansas area of the State.

At this time, the NW area of the State has two agents covering approximately 600 permitted outlets in Carroll, Washington, Madison and Benton counties. Currently Benton county only has private clubs since it is still a dry county. Benton county which includes the city of Rogers is scheduled to hold an election to change from a dry to wet county. This could add approximately 300 permitted outlets to Benton county.

ABC Enforcement administers the federally funded program for Combating Underage Drinking. The current budget level allows for sufficient appropriation for expenses in enforcement investigation, mileage and other investigative materials.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	14	2	16	80 %
Black Employees	3	1	4	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	20 %
Total Employees			20	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1SQ ABC Enforcement - Federal Operations	434,474	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0
217 ABC Enforcement - State Operations	1,275,300	20	1,284,385	20	1,244,071	20	1,288,471	20	1,291,071	20	1,291,071	20	1,290,112	20	1,292,712	20	1,292,712	20
Total	1,709,774	20	1,769,139	20	1,728,825	20	1,773,225	20	1,775,825	20	1,775,825	20	1,774,866	20	1,777,466	20	1,777,466	20

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue 4000010	1,255,763	73.4	1,244,071	70.3			1,288,471	72.7	1,291,071	72.7	1,291,071	72.7	1,290,112	72.7	1,292,712	72.7	1,292,712	72.7
Federal Revenue 4000020	434,474	25.4	484,754	27.4			484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3
Merit Adjustment Fund 4000055	0	0.0	40,314	2.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition 4000184	19,537	1.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,709,774	100.0	1,769,139	100.0			1,773,225	100.0	1,775,825	100.0	1,775,825	100.0	1,774,866	100.0	1,777,466	100.0	1,777,466	100.0
Excess Appropriation/(Funding)	0		0				0		0		0		0		0		0	
Grand Total	1,709,774		1,769,139				1,773,225		1,775,825		1,775,825		1,774,866		1,777,466		1,777,466	

FY13 Budget amount in Appropriation 217 exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
20	19	1	20	0	5.00 %	20	20	0	20	0	0.00 %	20	20	0	20	0	0.00 %

Analysis of Budget Request

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

This federally funded appropriation provides operations for the Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division, Combating Underage Drinking Program. The Program helps to reduce the availability of alcoholic beverages to minors and the consumption of alcoholic beverages by minors. Activities of the program include targeting establishments suspected of a pattern of violations of State laws governing the sale and consumption of alcohol by minors, public advertising programs to educate establishments about prohibitions and sanctions, and innovative programs to prevent and combat underage drinking.

The Agency is requesting Base Level of \$484,754 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	60,321	100,754	100,754	100,754	100,754	100,754	100,754	100,754	100,754
Conference & Travel Expenses	5050009	192	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	373,961	374,000	374,000	374,000	374,000	374,000	374,000	374,000	374,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		434,474	484,754	484,754	484,754	484,754	484,754	484,754	484,754	484,754
Funding Sources										
Federal Revenue	4000020	434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Total Funding		434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754

Analysis of Budget Request

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. All ABC Enforcement agents are certified law enforcement officers and cover approximately 5,000 permitted outlets.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 88% of the Agency's budget is personnel related costs with the remaining 12% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. Base Level is \$1,288,471 for FY14 and \$1,290,112 for FY15.

The Agency is requesting a Change Level increase in Capital Outlay of \$2,600 in appropriation and funding each year to pay sales and use tax for two replacement vehicles each year that are purchased through DFA Motor Vehicle Acquisition Fund. Replacement of aging, high mileage vehicles will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement. The Agency is also requesting a reclassification of the ABC Assistant Director position to an ABC Enforcement Officer position in order to assign an additional agent to the northwest area of the state.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	849,220	822,091	830,390	823,391	823,391	823,391	824,691	824,691	824,691
#Positions		20	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	267,126	308,494	259,881	313,880	313,880	313,880	314,221	314,221	314,221
Operating Expenses	5020002	116,685	151,200	151,200	151,200	151,200	151,200	151,200	151,200	151,200
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	42,269	2,600	2,600	0	2,600	2,600	0	2,600	2,600
Total		1,275,300	1,284,385	1,244,071	1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Funding Sources										
General Revenue	4000010	1,255,763	1,244,071		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Merit Adjustment Fund	4000055	0	40,314		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	19,537	0		0	0	0	0	0	0
Total Funding		1,275,300	1,284,385		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,275,300	1,284,385		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,288,471	20	1,288,471	100.0	1,290,112	20	1,290,112	100.0
C01	Existing Program	2,600	0	1,291,071	100.2	2,600	0	1,292,712	100.2
C10	Reclass	0	0	1,291,071	100.2	0	0	1,292,712	100.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,288,471	20	1,288,471	100.0	1,290,112	20	1,290,112	100.0
C01	Existing Program	2,600	0	1,291,071	100.2	2,600	0	1,292,712	100.2
C10	Reclass	0	0	1,291,071	100.2	0	0	1,292,712	100.2

Justification

C01	Capital Outlay (appropriation and funding), in the amount of \$2600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year due to high mileage.
C10	Reclassification of X041C DFA ABC Assistant Director grade C121 to X085C DFA ABC Enforcement Officer grade C118 to assign additional agent to the NW Arkansas area of the State.

DFA - CHILD SUPPORT ENFORCEMENT

Enabling Laws

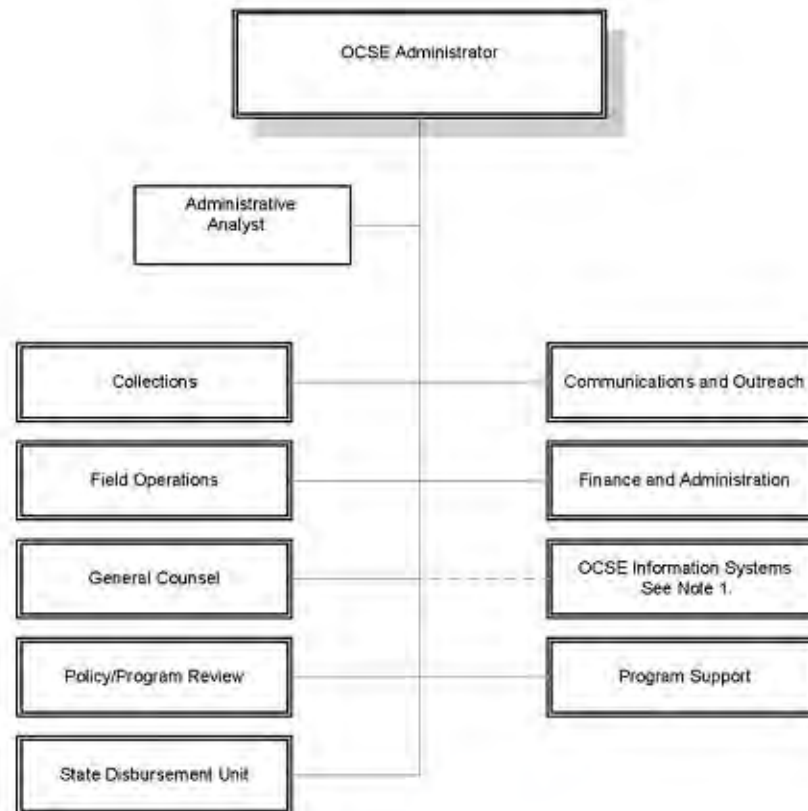
Act 42 of 2012
ACA §25-8-107
ACA §9-14-206 - 210

History and Organization

In 1975 the Social Security Act was amended by Congress to add part IV-D that established the Child Support Program. In order to receive federal funds for the Aid to Families with Dependent Children (AFDC) Program, each state had to establish and operate a child support program. The Arkansas program began in 1977. The mission of the program is to provide assistance to children and families in obtaining financial and medical support due them by requiring parents absent from the home to assume responsibility for the social and economic well-being of their children.

The program is responsible for locating parents, establishing paternity and orders for child and medical support, collecting and disbursing the support owed and bringing enforcement action when payments are not made. Workers assigned to the agency provide investigative and legal services on cases assigned to the agency, and provide the administrative and managerial support necessary for the organization to properly function. There are approximately 119,559 cases assigned. The cases originate in part from Transitional Employment Assistance (TEA), Medicaid and Foster Care cases referred by the Department of Human Services. Other cases are established as a result of citizens applying for service. The eligibility criteria for these cases require the custodian to have a minor child in his or her care. Approximately 39,016 additional cases are monitored for payment and disbursement services. The program is authorized for 876 positions.

The Office of Child Support Enforcement (OCSE) is located within the Department of Finance and Administration - Revenue Division.



Note 1:

Information Systems reports directly to DFA-Office of Information Services and indirectly to OCSE Administrator.

Agency Commentary

The Office of Child Support Enforcement (OCSE) is responsible for locating absent parents, establishing paternity and orders for child support, collecting and distributing the funds to the appropriate case, disbursing the child support funds, and enforcing payment of support orders. Funding for this appropriation consists of a combination of federal reimbursement, fees for collection services, and general revenue.

The agency is requesting a change over base level in the amount of \$500,652 for FY14 and FY15. Current funding levels will sufficiently cover the requested appropriation:

- Restoration of 16 currently authorized positions. The 16 positions were not budgeted in FY13 Annual Operations Plan and will be needed to maintain normal operations.
- Reduction of 36 currently authorized positions (18 Base Level and 18 Unbudgeted) from 876 currently authorized positions. The positions no longer need to be utilized due to efficiencies of the agency.
- Increase in the Data Processing and Equipment expenses line item of \$500,000 for each fiscal year to replace desktop PC's according to the agency's 5-year Desktop PC Replacement Plan detailed in the OCSE Information Technology Plan (Major Applications, ARCSIS, Hardware) filed with the DFA Office of State Technology Planning.
- Restore Capital Outlay of \$100,000 each fiscal year to replace equipment that is beyond repair, becomes obsolete or that becomes too expensive to maintain or repair.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DFA - CHILD SUPPORT ENFORCEMENT
 FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

Employment Summary

	Male	Female	Total	%
White Employees	62	411	473	63 %
Black Employees	28	244	272	36 %
Other Racial Minorities	2	6	8	1 %
Total Minorities			280	37 %
Total Employees			753	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Children Receiving ARKids 1st Application	N/A	N	N	10,000	Public information and convenience
Custodial Parent Application	N/A	N	N	15,000	Public information and convenience

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Custodial Parent Questionnaire	45 CFR 302.33a(2)	N	N	28,000	Federal law requiring information to be gathered from Custodial & Non-Custodial Parents
Financial Institution Data Match Notebook	N/A	N	N	800	Keep financial institutions informed as to law, policy and procedures on liens
Give Your Child a Gift that Lasts a Lifetime	20-18-408 (2) (3)	N	N	8,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information
Got Kids? General Information Brochure	N/A	N	N	5,000	Public information and convenience
Non Custodial Parent Handbook	N/A	N	N	5,000	Customer Education
Paternity Acknowledgement Brochure	20-18-408(2)	N	N	20,000	Public information and convenience
Paternity Acknowledgement Form	20-18-408 (2) (3)	N	N	15,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
876	743	99	842	34	15.18 %	876	759	83	842	34	13.36 %	876	753	89	842	34	14.04 %

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$25,000 AWARDED TO MINORITY OWNED BUSINESSES
 Fiscal Year 2012
 Required by A.C.A. 25-36-104

AGENCY: 0634 DFA - CHILD SUPPORT ENFORCEMENT

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Protech	\$10,660,440				X		

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	<u>1</u>
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	<u>\$10,365,142</u>
% OF MINORITY CONTRACTS AWARDED	<u>86.17 %</u>

Analysis of Budget Request

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

The Office of Child Support Enforcement (OCSE) is a federal/state effort to collect child support from non-custodial parents. OCSE establishes and enforces orders to collect child support. The Agency determines on a case-by-case basis which of the following services will be utilized:

- Locating the non-custodial parent
- Establishing paternity
- Establishing, modifying, and terminating support/medical obligations
- Collecting and disbursing support obligations
- Enforcing delinquent child support obligations

Funding for this appropriation consists of a combination of federal funds (66%), general revenue, fees, federal incentive payments, and state share of Temporary Assistance for Needy Families (TANF) collections (34%). Approximately 60% of the Agency's current budget is personnel related costs with the remaining 40% operating expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$64,660,973 for FY14 and \$64,692,793 for FY15.

The Agency is requesting a Change Level increase of \$500,562 for the following in each year of the biennium:

- Restoration of 16 currently authorized positions. The 16 positions were not budgeted in FY13 Annual Operations Plan and will be needed to maintain normal operations.
- Reduction of 36 currently authorized positions (18 Base Level and 18 Unbudgeted) from 876 currently authorized positions. The positions no longer need to be utilized due to efficiencies of the agency.
- Increase appropriation in the Data Processing and Equipment expenses line item of \$500,000 for each fiscal year to replace desktop PC's according to the agency's 5-year Desktop PC Replacement Plan detailed in the OCSE Information Technology Plan (Major Applications, ARCSIS, Hardware) filed with the DFA Office of State Technology Planning.
- Restore Capital Outlay appropriation of \$100,000 each fiscal year to replace equipment that is beyond repair, becomes obsolete or that becomes too expensive to maintain or repair.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	26,775,933	27,646,604	29,644,529	27,765,029	27,691,884	27,691,884	27,791,029	27,717,884	27,717,884
#Positions		827	842	876	842	840	840	842	840	840
Extra Help	5010001	11,589	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		1	15	15	15	15	15	15	15	15
Personal Services Matching	5010003	9,450,586	10,124,910	10,112,226	10,361,807	10,335,604	10,335,604	10,367,627	10,341,424	10,341,424
Operating Expenses	5020002	13,268,924	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654
Conference & Travel Expenses	5050009	6,175	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	241,155	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	18,108	100,000	100,000	0	100,000	100,000	0	100,000	100,000
Data Processing and Equipment	5900046	10,931,657	11,348,483	11,348,483	11,348,483	11,848,483	11,848,483	11,348,483	11,848,483	11,848,483
Total		60,704,127	64,405,651	66,390,892	64,660,973	65,161,625	65,161,625	64,692,793	65,193,445	65,193,445

Funding Sources										
Fund Balance	4000005	13,844,034	6,665,290		5,172,967	5,172,967	5,172,967	3,462,670	3,462,670	3,462,670
General Revenue	4000010	13,143,359	12,951,328		12,951,328	12,951,328	12,951,328	12,951,328	12,951,328	12,951,328
Federal Revenue	4000020	28,500,000	38,500,000		37,999,348	38,500,000	38,500,000	37,999,348	38,500,000	38,500,000
Non-Revenue Receipts	4000040	11,881,752	11,462,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
M & R Sales	4000340	272	0		0	0	0	0	0	0
Total Funding		67,369,417	69,578,618		68,123,643	68,624,295	68,624,295	66,413,346	66,913,998	66,913,998
Excess Appropriation/(Funding)		(6,665,290)	(5,172,967)		(3,462,670)	(3,462,670)	(3,462,670)	(1,720,553)	(1,720,553)	(1,720,553)
Grand Total		60,704,127	64,405,651		64,660,973	65,161,625	65,161,625	64,692,793	65,193,445	65,193,445

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 120 - Child Support Enforcement - Operations
Funding Sources: MCE - Child Support Enforcement Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	64,660,973	842	64,660,973	100.0	64,692,793	842	64,692,793	100.0
C01	Existing Program	640,406	16	65,301,379	101.0	640,406	16	65,333,199	101.0
C03	Discontinue Program	(639,754)	(18)	64,661,625	100.0	(639,754)	(18)	64,693,445	100.0
C08	Technology	500,000	0	65,161,625	100.8	500,000	0	65,193,445	100.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	64,660,973	842	64,660,973	100.0	64,692,793	842	64,692,793	100.0
C01	Existing Program	640,406	16	65,301,379	101.0	640,406	16	65,333,199	101.0
C03	Discontinue Program	(639,754)	(18)	64,661,625	100.0	(639,754)	(18)	64,693,445	100.0
C08	Technology	500,000	0	65,161,625	100.8	500,000	0	65,193,445	100.8

Justification

C01	OCSE requests restoration of 16 currently authorized positions. The 16 positions currently authorized were not budgeted in FY2013 Annual Operations Plan and will be needed to continue the current level of operations. Restore Capital Outlay appropriation of \$100,000 each fiscal year to replace equipment that is beyond repair, becomes obsolete or that becomes too expensive to maintain or repair. Generally, the Capital Outlay requested is for aging phone systems in many of the OCSE offices around the state. Current funding levels will sufficiently cover this request.
C03	Reduction of 36 currently authorized positions (18 Base Level and 18 Unbudgeted) from 876 currently authorized positions. The positions no longer need to be utilized due to efficiencies of the agency.
C08	Increase in the Data Processing and Equipment expenses line item of \$500,000 each fiscal year to replace desktop PC's according to the agency's 5-year Desktop PC Replacement Plan detailed in the OCSE Information Technology Plan (Major Applications, ARCSIS, Hardware) filed with the DFA Office of State Technology Planning.

DFA - DISBURSING OFFICER

Enabling Laws

Act 69 of 2012
Act 68 of 2012
Act 98 of 2012
Act 281 of 2012
AR Code §19-4-101 - §19-4-2004

History and Organization

The Department of Finance and Administration's Disbursing Officer was created when the General Assembly designated the department to be disbursing officer for any miscellaneous appropriations whose purpose was not clearly chargeable to any specific state agency. The mission is to manage the disbursing officer function in a manner that ensures that non-agency specific appropriations are disbursed in a manner that is timely, consistent with legislation, and legal under the fiscal laws of the State of Arkansas, while providing an accurate record of such disbursements.

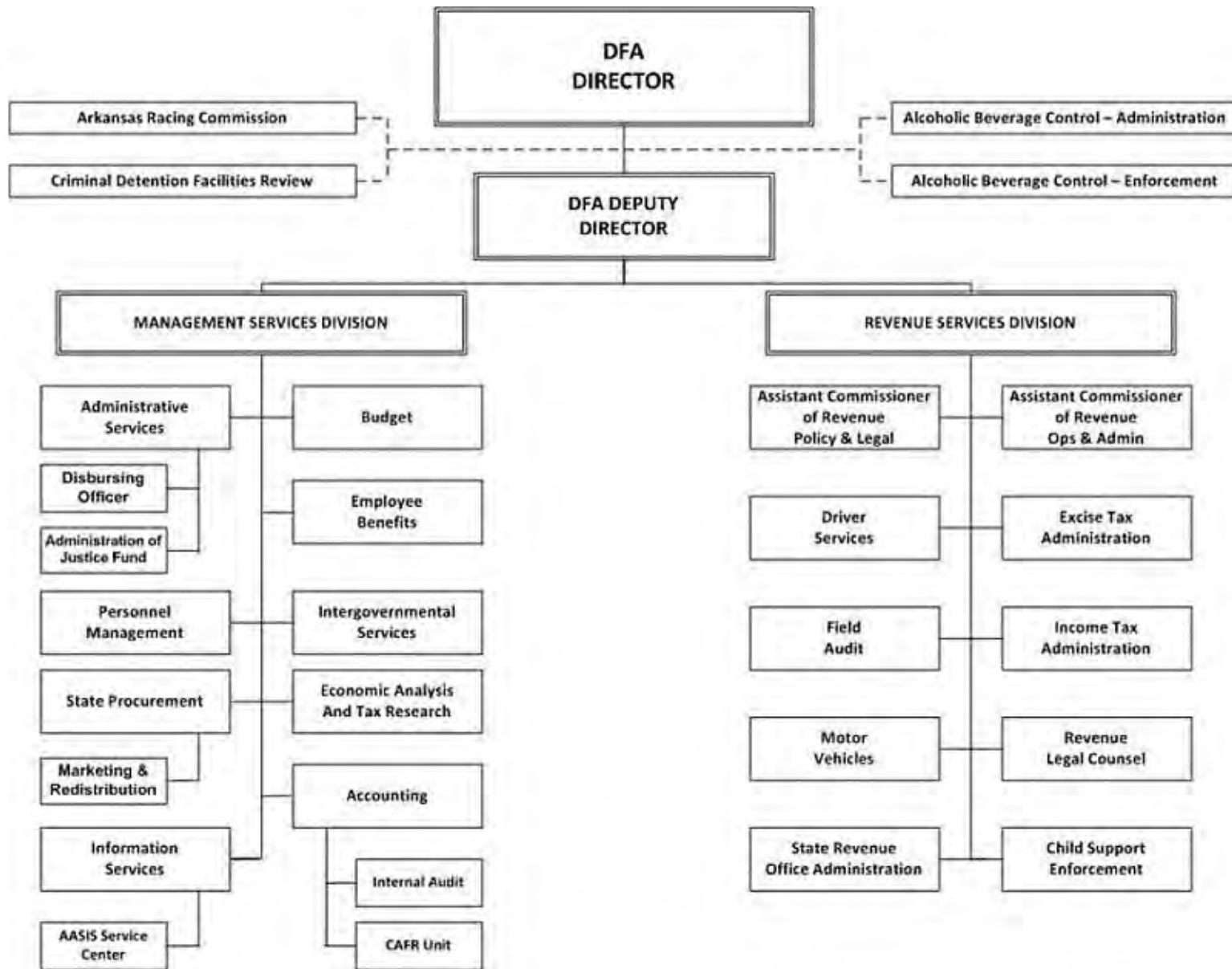
The appropriations can generally be separated into three categories - contributions, holding accounts and special purposes. The contribution appropriations allow for legislative and executive participation in conferences, councils, associations, and organizational memberships that provide intergovernmental discussion of public issues. The holding account appropriations provide appropriation for state agencies for the following purposes:

- Personal Services Matching in the event the amount appropriated by the General Assembly is not sufficient to meet obligations
- Cash fund appropriations to allow the expenditure of funds that are not exempt from Section 7 of Act 5 of 1975, but were not specifically appropriated by the General Assembly
- Regular Salaries appropriation in the event that there is not sufficient appropriation provided for by the General Assembly for any state agency due to legislative enactments on compensation levels for the biennial period in question
- A method of distributing Marketing and Redistribution proceeds from the sale of State property
- Provide overtime compensation appropriation to agencies that have had to use overtime to complete critical projects, but had no overtime appropriation to make payments

- Provide appropriation to state agencies receiving federal grants and aid or reimbursement monies that were unanticipated at the time of the last session of the Legislature
- A method of returning appropriation to state agencies for refunds to expenditures in accordance with Act 1027 of 1979

The special purpose appropriations provide funds that are disbursed to state agencies for the following purposes:

- Disaster assistance to individuals and families in the form of grants and temporary housing, public assistance, response assistance, catastrophic loss, and hazard mitigation as authorized by Act 511 of 1973 as amended
- Reimbursement of the Department of Workforce Services for state agency unemployment benefits paid in the previous calendar quarter
- Miscellaneous grants and expenses for Planning and Development Districts, Inter-state and Intra-state Planning Organizations, Arkansas Sheriff's Association, Agriculture Marketing Grants, University of Arkansas for Medical Sciences - Child Abuse/Rape/Domestic Violence Section, University of Arkansas for Medical Sciences - Child Welfare Restructuring, and Arkansas Children's Hospital
- Reimbursements to counties all expenses incurred in holding and bringing to trial persons charged with escape from the Department of Correction
- Emergency Medical Services programs and other programs funded by the Indigent Patients Fund
- Alleviate conditions arising in public emergencies by issuance of emergency proclamations by the Governor
- Provide both appropriation and funds for the acquisition of new and replacement vehicles for the Motor Vehicle Acquisition Program
- Provide additional funding to Arkansas Fire Departments in order to reduce homeowner insurance rates through the Fire Protection Program
- Collect uniform filing fees and court costs from City, Municipal, and County courts and distribute these funds to various State Agencies
- Distribute insurance premium taxes to police and fire departments pension programs



Agency Commentary

The Disbursing Officer Agency is a collection of special use appropriations. The appropriations can generally be separated into three categories - contributions, reserves, and special purposes.

The Disbursing Officer is requesting the following change levels:

- Increases in State's Contributions to various organizations funded by general revenue in the amount of \$19,906 for FY14 and \$35,149 for FY15. This pays yearly assessments from each organization and increases as dues increase.
- Increases in the various Miscellaneous Grants and Expenses funded by general revenue in the amount of \$299,179 for FY14 and \$302,862 for FY15. These increases restore the currently authorized amount for Innovation and Project Development and Arkansas Sports Hall of Fame; and an increase in the yearly assessment of dues for the National Conference on Uniform State Laws.
- Increase in the Municipal Fire & Police Pensions and Relief Fund Appropriation in the amount of \$2,000,000 each year. Act 979 of 2011 amended the member benefits paid to Fire & Police Pensions and this expanded the payments referred as an "Additional Supplement" from the Guarantee Fund. The new Additional Supplement does not require the same verification and payments can be made immediately.
- Reallocate \$500,000 in appropriation each year from the Overtime Holding Account to establish an Extra Help Holding Account to provide agencies Extra Help compensation in emergency situations when an agency has insufficient authority for such payments. Corresponding special language also requested.
- The Agency is requesting Base Level for the State Administration of Justice Fund but with the request that the Administrative Office of the Courts take action to reduce expenditures from the State Administration of Justice Fund to a level that can be supported by the fund. The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. The Fund can no longer support the allocations funded in the past. During FY12 and continuing into FY13 an 18% reduction in the monthly distribution has been in place.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - DISBURSING OFFICER
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	None	N	N	0	None

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
019 Council of State Government	115,550	0	115,550	0	115,550	0	115,550	0	119,154	0	119,154	0	115,550	0	123,324	0	123,324	0
020 Natl Conference of St Legislatures	151,847	0	151,850	0	151,850	0	151,850	0	152,616	0	152,616	0	151,850	0	152,616	0	152,616	0
022 Natl Assoc of St Budget Officers	16,545	0	17,100	0	17,100	0	17,100	0	17,620	0	17,620	0	17,100	0	18,150	0	18,150	0
023 Southern Growth Policies Board	26,834	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0
024 National Governors Association	83,800	0	94,700	0	94,700	0	94,700	0	99,435	0	99,435	0	94,700	0	104,407	0	104,407	0
025 Overtime	0	0	5,000,000	0	5,000,000	0	5,000,000	0	4,500,000	0	4,500,000	0	5,000,000	0	4,500,000	0	4,500,000	0
028 Interstate Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
030 State and Local Legal Center	6,500	0	7,315	0	7,315	0	7,315	0	7,681	0	7,681	0	7,315	0	8,065	0	8,065	0
033 Southern States Energy Board	31,027	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0
037 Personal Services Matching	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
040 AR Public Administration Consortium	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
045 Fireman & Police Officers Pension and Relief Fu	32,380,656	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0
060 AGA/Vocational Program Certification Expenses	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
061 Fire Prevention Commission Grants	29,463	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0
066 Miscellaneous Federal Grants	0	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0
067 Disaster Assistance Grants	13,279,288	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0
070 Unemployment Compensation Claims	8,977,579	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0
071 Marketing and Redistribution	253,099	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0
078 Interstate Mining Compact	17,912	0	18,000	0	18,000	0	18,000	0	18,000	0	18,000	0	18,000	0	18,513	0	18,513	0
079 Natl Conf of Insurance Legislators	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
080 National Conference on Uniform State Laws	45,283	0	50,420	0	50,420	0	50,420	0	53,842	0	53,842	0	50,420	0	57,525	0	57,525	0
081 Hospital Payments	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0
092 Low Lvl Radioactive Waste Cmpt	5,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
110 Museum of Discovery Grant	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
114 Reg Salaries-Elected Officers	0	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
131 Child Abuse/Rape/Domestic Violence Contract	63,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0
133 Child Welfare Restructuring	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0
139 Information Network of Arkansas	105,900	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
159 Administration of Justice Fund	3,522,904	0	35,243,545	0	44,715,425	0	44,715,425	0	44,715,425	0	44,715,425	0	44,715,425	0	44,715,425	0	44,715,425	0
1DC Arkansas Wine Producers Council	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0
1FB Arkansas Sheriff's Association	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0
1GD Drug Enforcement and Education	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
1KG Disaster Assistance - Federal	5,990	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1MK Baby Sharon Act Grants	9,950	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
1NM So Regional Education Board	201,550	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0
1QZ Organ Donation Education Grants	24,541	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
1RC National Center for State Courts	120,753	0	119,600	0	119,600	0	119,600	0	124,447	0	124,447	0	119,600	0	128,037	0	128,037	0
1XZ The Energy Council	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0
1YA Multi-State Tax Commission	256,453	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0
1YB Federation of Tax Administrators	15,408	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0
1YC Natl Assoc of Attorneys General	34,068	0	36,075	0	36,075	0	36,075	0	36,143	0	36,143	0	36,075	0	37,227	0	37,227	0
1YD Assoc of Racing Commissioners	17,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0
232 Intensive Care Nursery	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0
247 Misc Workforce Investment Programs	0	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
285 Personal Services-Payplan Adj	0	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0
2CU Department of Correction - Escapees Trial	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2DA Southern Governors Association	40,000	0	40,000	0	40,000	0	40,000	0	45,000	0	45,000	0	40,000	0	45,000	0	45,000	0
2DB Intrastate Metro Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
2DC Public Defender Contract	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0
2DE Reproductive Health Monitoring	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
2DM State Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DN Co Public Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DP Municipal Public Emp Blanket Bnd Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DQ Public Sch Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DT Criminal Detention Committee Expenses	5,077	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0
2DV Agricultural Marketing Grants	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0
2DX Fire Protection Services - Additional Funding	11,908,422	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
2HM Planning and Development Grants	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0
2MH US Olympic Committee	5,123	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
2WY Municipal Fire & Police Pension & Relief Funds	4,868,293	0	6,000,000	0	6,000,000	0	6,000,000	0	8,000,000	0	8,000,000	0	6,000,000	0	8,000,000	0	8,000,000	0
2YN Public Legal Aid	772,232	0	701,455	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0
2ZJ Stipends-Variou Agencies	0	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
301 Transportation of Juvenile Offenders	184,731	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0
328 Merit Adjustment Fund	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
33M Burn Center	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
33N Delta Regional Authority	119,089	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
340 Workforce 2000	0	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0
342 Refund to Expenditures	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
36F Multi-Jurisdictional Drug Crime Task Force	0	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0
471 Indigent Patient-Emergency Medical Services Pr	32,586	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
4HJ Prostate Cancer	132,203	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0
515 Regular Salaries-State Employees	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
54Z Innovation & Product Development	103,921	0	229,243	0	450,000	0	229,243	0	450,000	0	450,000	0	229,243	0	450,000	0	450,000	0
578 Arkansas Sports Hall of Fame	0	0	75,000	0	150,000	0	75,000	0	150,000	0	150,000	0	75,000	0	150,000	0	150,000	0
601 Juvenile Detention Facilities	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
746 Natural Resources Damages	0	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0
905 Purchase of Vehicles	1,430,301	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
914 DFA Disbursing-Miscellaneous-Cash-Transfers	60,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
A08 Cash Approp - Various Agencies	0	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0
A09 Payplan Adj - Various Agencies	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
F42 Personal Services-Extra Help	0	0	0	0	0	0	0	0	500,000	0	500,000	0	0	0	500,000	0	500,000	0
NOT REQUESTED FOR THE BIENNIUM																		
86W Viticulture Grants	0	0	0	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	85,250,017	0	3,175,423,420	0	3,185,445,034	0	3,185,049,277	0	3,187,368,362	0	3,187,368,362	0	3,185,049,277	0	3,187,387,288	0	3,187,387,288	0

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	37,757,346	32.3	31,609,735	1.0			2,717,692	0.1	2,717,692	0.1	2,717,692	0.1	1,369,390	0.0	1,369,390	0.0	1,369,390	0.0
General Revenue	4000010	6,705,950	5.7	7,030,860	0.2			7,030,860	0.2	7,349,945	0.2	7,349,945	0.2	7,030,860	0.2	7,368,871	0.2	7,368,871	0.2
Federal Revenue	4000020	5,990	0.0	8,000,000	0.3			8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3
Special Revenue	4000030	70,583,092	60.4	71,057,938	2.2			81,200,000	2.5	81,200,000	2.5	81,200,000	2.5	81,200,000	2.5	81,200,000	2.5	81,200,000	2.5
Cash Fund	4000045	60,000	0.1	5,000,000	0.2			5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2
Trust Fund	4000050	13,642,139	11.7	13,178,684	0.4			22,941,698	0.7	24,941,698	0.8	24,941,698	0.8	24,250,000	0.8	26,250,000	0.8	26,250,000	0.8
ASP Retirement Fund	4000113	(6,250,117)	(5.3)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Budget Stabilization Trust	4000130	10,214,493	8.7	10,548,410	0.3			13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4
Cigarette Tax	4000140	131,250	0.1	187,051	0.0			197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0
Fire/Police Pens & Relief Fund	4000252	(668,940)	(0.6)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Fire Protection Prem Tax Fund	4000253	(668,940)	(0.6)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Fire/Police Future Supp Fund	4000254	(3,063,143)	(2.6)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Fire/Police Guarantee Fund	4000256	(2,250,638)	(1.9)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%		%	
Interest	4000300	2,411	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Internet User Fees	4000310	120,066	0.1	110,000	0.0	110,000	0.0	110,000	0.0	110,000	0.0	110,000	0.0	110,000	0.0
Inter-agency Fund Transfer	4000316	(236,531)	(0.2)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Juv Detention Facilities Fund	4000325	23,211	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	775,472	0.7	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0
Police Supplement Fund	4000377	(721,800)	(0.6)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Special State Asset Forfeiture	4000465	464,848	0.4	4,456,212	0.1	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2
State Administration of Justice	4000470	32,789,778	28.1	33,527,251	1.1	45,945,857	1.4	45,945,857	1.4	45,945,857	1.4	45,945,857	1.4	45,945,857	1.4
Transfer from DHS	4000510	0	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0
Transfer from DHS-DYS	4000515	400,000	0.3	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0
Transfer to General Revenue	4000635	(4,118,700)	(3.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Insurance Dept	4000650	(500,110)	(0.4)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers Accounting Purposes	4000685	253,099	0.2	2,939,050,000	92.5	2,939,050,000	92.2	2,939,050,000	92.2	2,939,050,000	92.2	2,939,050,000	92.2	2,939,050,000	92.2
Transfers from Agencies	4000690	6,149,135	5.3	13,684,971	0.4	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5
Transfers to Agencies	4000695	(44,739,609)	(38.3)	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1
Workforce 2000	4000740	0	0.0	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1
Total Funds		116,859,752	100.0	3,178,141,112	100.0	3,186,243,857	100.0	3,188,562,942	100.0	3,188,562,942	100.0	3,186,203,857	100.0	3,188,541,868	100.0
Excess Appropriation/(Funding)		(31,609,735)		(2,717,692)		(1,194,580)		(1,194,580)		(1,194,580)		(1,154,580)		(1,154,580)	
Grand Total		85,250,017		3,175,423,420		3,185,049,277		3,187,368,362		3,187,368,362		3,185,049,277		3,187,387,288	

Variance in fund balance is due to unfunded appropriation in (746) Natural Resources Damages.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

Analysis of Budget Request

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

This appropriation is for payment of the Fireman and Police Officers' Pension and Relief Taxes, payable from the Fireman and Police Officers' Pension and Relief Fund. Funding comes from premium taxes on insurance policies (A.C.A. §24-11-301, §24-11-809).

The Agency is requesting Base Level of \$60,400,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	32,380,656	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Total		32,380,656	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Funding Sources										
Fund Balance	4000005	613,920	103,160		0	0	0	0	0	0
Special Revenue	4000030	48,943,234	60,296,840		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
ASP Retirement Fund	4000113	(6,250,117)	0		0	0	0	0	0	0
Fire Protection Prem Tax Fund	4000253	(668,940)	0		0	0	0	0	0	0
Fire/Police Future Supp Fund	4000254	(3,063,143)	0		0	0	0	0	0	0
Fire/Police Guarantee Fund	4000256	(2,250,638)	0		0	0	0	0	0	0
Police Supplement Fund	4000377	(721,800)	0		0	0	0	0	0	0
Transfer to General Revenue	4000635	(4,118,700)	0		0	0	0	0	0	0
Total Funding		32,483,816	60,400,000		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Excess Appropriation/(Funding)		(103,160)	0		0	0	0	0	0	0
Grand Total		32,380,656	60,400,000		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000

Analysis of Budget Request

Appropriation: 067 - Disaster Assistance Grants

Funding Sources: MMA - Disaster Assistance Fund

This appropriation provides for disaster assistance to individuals, families, and public entities as authorized by the Disaster Relief Act of 1974 and for complying with the Arkansas Emergency Services Act of 1973 (A.C.A. §12-75-101 et seq.). Expenditures from this fund are made upon Executive Order of the Governor declaring a disaster and are utilized for individual assistance, public assistance, hazard assistance, and immediate emergency response according to the State Disaster Plan prepared and maintained by the Arkansas Department of Emergency Management. Funding for this appropriation can come from Federal funds or the Budget Stabilization Trust Fund.

The Agency is requesting Base Level of \$13,250,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 067 - Disaster Assistance Grants

Funding Sources: MMA - Disaster Assistance Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	13,279,288	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total		13,279,288	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Funding Sources										
Fund Balance	4000005	5,866,385	2,801,590		0	0	0	0	0	0
Budget Stabilization Trust	4000130	10,214,493	10,448,410		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total Funding		16,080,878	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Excess Appropriation/(Funding)		(2,801,590)	0		0	0	0	0	0	0
Grand Total		13,279,288	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000

Analysis of Budget Request

Appropriation: 070 - Unemployment Compensation Claims

Funding Sources: TUC - Unemployment Compensation Revolving Fund

This appropriation is utilized to reimburse the Department of Workforce Services for unemployment benefits paid to former state employees. State agencies are assessed a percent of total payroll to provide funding for this appropriation. The assessment is based on a claims experience rating for each Agency.

The Agency is requesting Base Level of \$16,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 070 - Unemployment Compensation Claims

Funding Sources: TUC - Unemployment Compensation Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims	5110015	8,977,579	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Total		8,977,579	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Funding Sources										
Fund Balance	4000005	6,474,602	5,048,371		0	0	0	0	0	0
Trust Fund	4000050	7,551,348	10,951,629		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Total Funding		14,025,950	16,000,000		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Excess Appropriation/(Funding)		(5,048,371)	0		0	0	0	0	0	0
Grand Total		8,977,579	16,000,000		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000

Analysis of Budget Request

Appropriation: 071 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for transfers of appropriation for state agencies for expending and disbursing the net proceeds from property sold through the Marketing and Redistribution Program (A.C.A. §25-8-106; §19-5-1010).

The Agency is requesting Base Level of \$4,500,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 071 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Marketing & Redistribution Progr: 5900025	253,099	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total	253,099	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Funding Sources									
Transfers Accounting Purposes 4000685	253,099	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Funding	253,099	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	253,099	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000

Analysis of Budget Request

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides State reimbursement of personal service expenses for the University of Arkansas Medical Sciences, Arkansas Commission on Child Abuse, Rape, and Domestic Violence. The Commission helps coordinate efforts to review and process complaints of child abuse and neglect. This appropriation is funded by general revenue in the amount of \$63,767 each year and up to \$300,000 of the remaining appropriation may be funded by the Department of Human Services through a fund transfer authorized in Special Language.

The Agency is requesting Base Level of \$363,767 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Total		63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Funding Sources										
General Revenue	4000010	63,767	63,767		63,767	63,767	63,767	63,767	63,767	63,767
Transfer from DHS	4000510	0	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding		63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767

Analysis of Budget Request

Appropriation: 133 - Child Welfare Restructuring

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides for the payment of contractual services to assist multidisciplinary task coordinators throughout the State to review and process child abuse complaints.

The Agency is requesting Base Level of \$274,400 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 133 - Child Welfare Restructuring
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Total	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Funding Sources									
General Revenue 4000010	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Total Funding	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400

Analysis of Budget Request

Appropriation: 139 - Information Network of Arkansas

Funding Sources: MNA - Information Network of Arkansas Fund

This appropriation provides for operating expenses of the Information Network of Arkansas, which is funded by user fees. The purpose of the Information Network of Arkansas is to provide the public access to state government information and interaction with government agencies through a user-friendly electronic medium (A.C.A. §25-27-101 et seq.; §19-5-1074).

The Agency is requesting Base Level of \$150,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 139 - Information Network of Arkansas
Funding Sources: MNA - Information Network of Arkansas Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Maintenance & Operations 5900046	105,900	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total	105,900	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources									
Fund Balance 4000005	1,083,449	1,097,615		1,057,615	1,057,615	1,057,615	1,017,615	1,017,615	1,017,615
Internet User Fees 4000310	120,066	110,000		110,000	110,000	110,000	110,000	110,000	110,000
Total Funding	1,203,515	1,207,615		1,167,615	1,167,615	1,167,615	1,127,615	1,127,615	1,127,615
Excess Appropriation/(Funding)	(1,097,615)	(1,057,615)		(1,017,615)	(1,017,615)	(1,017,615)	(977,615)	(977,615)	(977,615)
Grand Total	105,900	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 159 - Administration of Justice Fund

Funding Sources: TAJ - State Administration of Justice Fund

The Administration of Justice Fund Section (AOJF) was established in 1995 to administer the Uniform Filing Fees and Court Cost Program. The AOJF is responsible for collecting and depositing, and distributing court fees collected at the county and municipal levels.

The Uniform Filing Fees and Court Cost Program was established by Act 1256 of 1995 (A.C.A. §16-10-306 et seq.) to remedy inequities in judicial services provided to citizens of Arkansas. This Act established the AOJF, charged it to provide forms for the remittance of court fees, and prescribed the duties of the AOJF to collect, and when appropriate, refer for civil prosecution any counties or municipalities having violated the remittance and reporting requirements of the Act.

This appropriation provides for distribution of uniform court costs and filing fees collected as well as appropriation to process any refunds necessary back to the local jurisdiction. The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. The Fund can no longer support the allocations funded in the past. During FY12 and continuing into FY13 an 18% reduction in the monthly distribution has been in place.

The Agency is requesting Base Level of \$44,715,425 each year of the 2013-2015 Biennium, but with the request that the Administrative Office of the Courts take action to reduce expenditures from the State Administration of Justice Fund to a level that can be supported by the fund.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 159 - Administration of Justice Fund

Funding Sources: TAJ - State Administration of Justice Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,376,389	34,243,545	39,715,425	39,715,425	39,715,425	39,715,425	39,715,425	39,715,425	39,715,425
Refunds/Reimbursements	5110014	146,515	1,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		3,522,904	35,243,545	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425
Funding Sources										
Fund Balance	4000005	5,568,409	2,725,249		0	0	0	0	0	0
Special Revenue	4000030	8,269,261	0		0	0	0	0	0	0
Interest	4000300	2,411	0		0	0	0	0	0	0
State Administration of Justice	4000470	31,679,018	32,518,296		44,715,425	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425
Transfers to Agencies	4000695	(39,270,946)	0		0	0	0	0	0	0
Total Funding		6,248,153	35,243,545		44,715,425	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425
Excess Appropriation/(Funding)		(2,725,249)	0		0	0	0	0	0	0
Grand Total		3,522,904	35,243,545		44,715,425	44,715,425	44,715,425	44,715,425	44,715,425	44,715,425

The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. During FY12 and continuing into FY13 an 18% reduction in the monthly distribution has been in place.

Analysis of Budget Request

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

The Arkansas Sheriff's Association uses revenues transferred from the State Administration of Justice Fund to the Arkansas Counties Alcohol and Drug Abuse and Crime Prevention Fund for the purpose of developing crime prevention and alcohol and drug abuse programs.

The Agency is requesting Base Level of \$375,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
Total		375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
Funding Sources										
Fund Balance	4000005	216,579	180,107		112,607	112,607	112,607	112,607	112,607	112,607
State Administration of Justice	4000470	338,528	307,500		375,000	375,000	375,000	375,000	375,000	375,000
Total Funding		555,107	487,607		487,607	487,607	487,607	487,607	487,607	487,607
Excess Appropriation/(Funding)		(180,107)	(112,607)		(112,607)	(112,607)	(112,607)	(112,607)	(112,607)	(112,607)
Grand Total		375,000	375,000		375,000	375,000	375,000	375,000	375,000	375,000

Analysis of Budget Request

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assets Forfeiture Fund

The Arkansas Drug Director establishes through rules and regulations a procedure for proper investment, use, and disposition of moneys deposited in the Special State Assets Forfeiture Fund in accordance with the intent and purposes of sub chapters 1-6 of §5-64-505. Funds shall be distributed by the Arkansas Alcohol and Drug Abuse Coordinating Council and shall be distributed for drug interdiction, eradication, education, rehabilitation, the State Crime Laboratory, and drug courts. Moneys from the fund may not supplant other local, state, or federal funds and shall not be subject to the provisions of the Revenue Stabilization Law, §19-5-101 et seq., or the Special Revenue Fund Account, § 19-5-203(2)(A).

The Agency is requesting Base Level of \$5,000,000 each year of the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assests Forfeiture Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Drug Enforcement, Education, Tr 5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources									
Fund Balance 4000005	315,471	543,788		0	0	0	0	0	0
Inter-agency Fund Transfer 4000316	(236,531)	0		0	0	0	0	0	0
Special State Asset Forfeiture 4000465	464,848	4,456,212		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	543,788	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	(543,788)	0		0	0	0	0	0	0
Grand Total	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

This federally funded appropriation provides for unanticipated Federal Disaster Assistance from the Federal Emergency Management Agency (FEMA). The Department of Finance and Administration Disbursing Officer will process claims for Individual and Family Grants Programs administered by the Department of Human Services (DHS) - County Operations.

The Agency is requesting Base Level of \$8,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	5,990	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total	5,990	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Funding Sources									
Federal Revenue 4000020	5,990	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding	5,990	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	5,990	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

Analysis of Budget Request

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund

Act 279 of 2003 created an Income Tax Return check-off for the Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund and created the Arkansas Children's Catastrophic Illness Grant Program (A.C.A. §26-35-1201 et seq.; §19-5-1123).

Arkansas Children's Hospital promulgates all rules and regulations necessary for implementing the grant program for the fund and is used exclusively by the Arkansas Children's Hospital to assist with the medical expenses incurred by the families of children with catastrophic illnesses or injuries by awarding grants to the families who are liable for the medical expenses.

The Agency is requesting Base Level of \$2,000,000 each year of the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Catastrophic Illness Grant Program Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	9,950	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total		9,950	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources										
Fund Balance	4000005	19,655	20,803		0	0	0	0	0	0
Trust Fund	4000050	11,098	1,979,197		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		30,753	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(20,803)	0		0	0	0	0	0	0
Grand Total		9,950	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Income Tax Return check-off program, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

Act 1362 of 2003 established the Organ Donation Donor Education Trust Fund to provide for organ donor education and the issuance of organ donation awareness special license plates and to provide for voluntary contributions (A.C.A. §20-17-502, 503; §26-51-451, 452; §19-5-1129).

The Director of the Department of Finance and Administration shall grant funds available and appropriated from the Organ Donor Awareness Education Trust Fund to the Arkansas Regional Organ Recovery Agency, or its successor agency, to be used for educational or informational materials and other related costs associated with informing or educating the public about organ donations and organ donation awareness.

The Agency is requesting Base Level of \$200,000 each year of the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	24,541	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total		24,541	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources										
Fund Balance	4000005	1,802	1,952		0	0	0	0	0	0
Trust Fund	4000050	24,691	198,048		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding		26,493	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)		(1,952)	0		0	0	0	0	0	0
Grand Total		24,541	200,000		200,000	200,000	200,000	200,000	200,000	200,000

Special license plates provide voluntary contributions, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2CU - Department of Correction - Escapees Trial

Funding Sources: MLD - Trial Expense Assistance Fund

A.C.A. §16-92-1099 (Act 24 of 1979) established a method for the State to reimburse county governments for all costs incurred by the county in bringing to trial or trials any person or persons charged with a felony offense, with a crime committed in furtherance of, or in connection with, an escape from the Arkansas Department of Correction. Transfers from the Budget Stabilization Trust Fund provide funding for this appropriation.

The Agency is requesting Base Level of \$100,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2CU - Department of Correction - Escapees Trial

Funding Sources: MLD - Trial Expense Assistance Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Budget Stabilization Trust 4000130	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

Act 10 of the First Extraordinary Session of 1992 (A.C.A. §14-284-401 et seq.; §26-57-614) established a premium tax of 1/2 of 1% to be collected by the Insurance Commissioner on policies written for coverage on real and personal property. The tax, dedicated as special revenues, is distributed by a formula set out in Act 10 to Arkansas counties. Funds distributed to counties are used by fire departments to upgrade fire protection services as a safeguard to the lives and property of Arkansas citizens.

The Agency is requesting Base Level of \$15,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	11,908,422	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		11,908,422	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	6,821,999	6,634,797		0	0	0	0	0	0
Special Revenue	4000030	12,390,160	8,365,203		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Fire/Police Pens & Relief Fund	4000252	(668,940)	0		0	0	0	0	0	0
Total Funding		18,543,219	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(6,634,797)	0		0	0	0	0	0	0
Grand Total		11,908,422	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 2MH - US Olympic Committee

Funding Sources: TOC - US Olympic Committee Program Trust Fund

Act 471 of 1993 (A.C.A. §26-51-441) created the United States Olympic Committee Income Tax Check-Off Program. The Program began with the tax returns for the 1993 income year and each year thereafter. This check-off appears on State and corporate income tax returns.

The Director of the Department of Finance and Administration is authorized to accept any gifts, grants, bequests, devises, and donations made to the State of Arkansas for the purpose of funding the program and deposit them into the United States Olympic Committee Program Trust Fund (A.C.A. §19-5-915)

The Agency is requesting Base Level of \$50,000 each year of the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2MH - US Olympic Committee
Funding Sources: TOC - US Olympic Committee Program Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	5,123	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total		5,123	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources										
Fund Balance	4000005	2,182	190		0	0	0	0	0	0
Trust Fund	4000050	3,131	49,810		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		5,313	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)		(190)	0		0	0	0	0	0	0
Grand Total		5,123	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Income Tax Return check-off program, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2WY - Municipal Fire & Police Pension & Relief Funds

Funding Sources: TFP - Arkansas Fire and Police Pension Guarantee Fund

This appropriation was established to protect members of under funded municipal fire and police pension funds. Funding is derived from a transfer from the General Revenue Holding Fund to the Arkansas Fire and Police Pension Guarantee Fund, as provided in Act 1126 of 1997 and the Police and the Future Supplement Fund as provided in Acts 1452 of 1999, Act 1543 of 2001 and Act 170 of 2001. Funding sources include taxes levied on insurers but are not allocated to cities, towns or fire protection districts qualified to participate in the distribution of taxes (A.C.A. §24-11-301, §24-11-809).

Act 979 of 2011 amended the member benefits paid to Fire & Police Pensions and this expanded the payments referred as an "Additional Supplement" from the Guarantee Fund. The Agency is requesting a Change Level increase of \$2,000,000 each year of the biennium to provide sufficient appropriation for Arkansas Fire and Police Pension Guarantee Fund payments.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2WY - Municipal Fire & Police Pension & Relief Funds

Funding Sources: TFP - Arkansas Fire and Police Pension Guarantee Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	4,868,293	6,000,000	6,000,000	6,000,000	8,000,000	8,000,000	6,000,000	8,000,000	8,000,000
Total		4,868,293	6,000,000	6,000,000	6,000,000	8,000,000	8,000,000	6,000,000	8,000,000	8,000,000
Funding Sources										
Fund Balance	4000005	6,124,724	7,308,302		1,308,302	1,308,302	1,308,302	0	0	0
Trust Fund	4000050	6,051,871	0		4,691,698	6,691,698	6,691,698	6,000,000	8,000,000	8,000,000
Total Funding		12,176,595	7,308,302		6,000,000	8,000,000	8,000,000	6,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)		(7,308,302)	(1,308,302)		0	0	0	0	0	0
Grand Total		4,868,293	6,000,000		6,000,000	8,000,000	8,000,000	6,000,000	8,000,000	8,000,000

Change Level by Appropriation

Appropriation: 2WY - Municipal Fire & Police Pension & Relief Funds
Funding Sources: TFP - Arkansas Fire and Police Pension Guarantee Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,000,000	0	6,000,000	100.0	6,000,000	0	6,000,000	100.0
C01	Existing Program	2,000,000	0	8,000,000	133.3	2,000,000	0	8,000,000	133.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,000,000	0	6,000,000	100.0	6,000,000	0	6,000,000	100.0
C01	Existing Program	2,000,000	0	8,000,000	133.3	2,000,000	0	8,000,000	133.3

Justification

C01	Increase in the Municipal Fire & Police Pensions and Relief Fund Appropriation. Act 979 of 2011 amended the member benefits paid to Fire & Police Pensions and this expanded the payments referred as an "Additional Supplement" from the Guarantee Fund. The new Additional Supplement does not require the same verification and payments can be made immediately.								
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Analysis of Budget Request

Appropriation: 2YN - Public Legal Aid

Funding Sources: SLA - Public Legal Aid Fund

This appropriation provides grants to Legal Aid of Arkansas and to the Center for Arkansas Legal Services (A.C.A. §19-6-803) for providing financial support for public legal aid organizations and is distributed as follows:

- Forty-five percent (45%) of the fund shall be paid to Legal Aid of Arkansas; and
- Fifty-five percent (55%) of the fund shall be paid to the Center for Arkansas Legal Services.

The Agency is requesting Base Level of \$855,432 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2YN - Public Legal Aid

Funding Sources: SLA - Public Legal Aid Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	772,232	701,455	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Total	772,232	701,455	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Funding Sources									
State Administration of Justice 4000470	772,232	701,455		855,432	855,432	855,432	855,432	855,432	855,432
Total Funding	772,232	701,455		855,432	855,432	855,432	855,432	855,432	855,432
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	772,232	701,455		855,432	855,432	855,432	855,432	855,432	855,432

Analysis of Budget Request

Appropriation: 328 - Merit Adjustment Fund

Funding Sources: MMF - Merit Adjustment Fund

This appropriation provides additional appropriation for various state agencies and Institutions of Higher Education with supplemental personal services. If agencies do not have sufficient appropriation to cover payplan, the Disbursing Officer may transfer appropriation and/or general revenue funding as needed to that Agency.

The Agency is requesting Base Level of \$4,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 328 - Merit Adjustment Fund

Funding Sources: MMF - Merit Adjustment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services-Merit Adjustm: 5900046	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources									
Transfers to Agencies 4000695	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

Analysis of Budget Request

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

This appropriation was established to provide transfers of spending authority for Technical Colleges, Technical Institutes and Comprehensive Lifelong Learning Centers from the Work Force 2000 Development Fund. The Work Force 2000 Development Fund consists of those special revenues as specified in A.C.A. §19-6-301(163) and all other revenues as may be authorized by law, there to be used exclusively for the authorized educational activities of those entities as set out in A.C.A. §26-51-205(d)(1)(A) and A.C.A. §26-51-205(d)(1)(B) and as distributed under A.C.A. §26-51-205(d)(2).

The Agency is requesting Base Level for this appropriation of \$30,000,000 for Technical Colleges Accreditation and \$5,000,000 for Vocational Technical Accreditation each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Technical Colleges Accreditation 5900047	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Vo-Tech Accreditation 5900048	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Funding Sources									
Workforce 2000 4000740	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Total Funding	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000

Analysis of Budget Request

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

Act 1086 of 2007 created the State Drug Crime Enforcement and Prosecution Grant Fund for the purpose of creating and funding multi-jurisdictional drug crime task forces. The fund consists of Revenues generated under A.C.A. §12-17-106 (Drug crime special assessment) and any moneys authorized by the General Assembly.

The Agency is requesting Base Level of \$5,500,000 each year of the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Administration Expenses	5900046	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total		0	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Funding Sources										
Fund Balance	4000005	2,456,254	3,404,105		0	0	0	0	0	0
Special Revenue	4000030	947,851	2,095,895		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Total Funding		3,404,105	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Excess Appropriation/(Funding)		(3,404,105)	0		0	0	0	0	0	0
Grand Total		0	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

This appropriation provides disbursement of funds for assistance in defraying the cost of hospitalization and other medical services of indigent Arkansas patients in health care facilities in Mississippi County, Poinsett County, Cross County, St. Francis County and Lee County for which the county has not received total reimbursement. Each county certifies to the Chief Fiscal Officer of the State the amount of the unreimbursed medical expenses. The amount available to each county shall be no more than 1/5 of the total funds available or the amount certified of unreimbursed medical expenses, whichever is less.

The Arkansas Racing Commission is authorized to allow each dog racing franchise holder to conduct fifteen (15) additional days of racing during each twelve-month period. All revenue derived from the pari-mutuel tax at the fifteen (15) additional days of racing authorized by subsection (a) of A.C.A. §23-111-505 after moneys have been remitted by the franchise holder to Mid-South Community College as provided by A.C.A. §23-111-517 shall be deposited with the Treasurer of State as special revenue for credit to the Indigent Patients Fund.

The Agency is requesting Base Level of \$300,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	32,586	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total		32,586	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources										
Special Revenue	4000030	32,586	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding		32,586	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		32,586	300,000		300,000	300,000	300,000	300,000	300,000	300,000

Analysis of Budget Request

Appropriation: 4HJ - Prostate Cancer

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation is funded by funds generated by Section 1(a)(4) of Act 2219 of 2005, for a grant to the Arkansas Prostate Cancer Foundation for cancer detection and research. Eight and one-third percent (8 1/3%) of the Additional Tax - Cigarettes levied in A.C.A. §26-57-1101 and Additional Tax - Tobacco products other than cigarettes levied in A.C.A. §26-57-1102 is credited to the Miscellaneous Agencies Fund for the Arkansas Prostate Cancer Foundation.

The Agency is requesting Base Level of \$197,750 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4HJ - Prostate Cancer

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	132,203	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Total		132,203	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Funding Sources										
Fund Balance	4000005	11,652	10,699		0	0	0	0	0	0
Cigarette Tax	4000140	131,250	187,051		197,750	197,750	197,750	197,750	197,750	197,750
Total Funding		142,902	197,750		197,750	197,750	197,750	197,750	197,750	197,750
Excess Appropriation/(Funding)		(10,699)	0		0	0	0	0	0	0
Grand Total		132,203	197,750		197,750	197,750	197,750	197,750	197,750	197,750

Analysis of Budget Request

Appropriation: 601 - Juvenile Detention Facilities

Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

Funds transferred from the Department of Human Services - Youth Services Fund Account to the Juvenile Detention Facilities Operating Fund (A.C.A. §19-5-1034) provides funding for this Department of Finance and Administration - Disbursing Officer appropriation for grants for operating expenses of fourteen local juvenile detention facilities.

The Agency is requesting Base Level of \$400,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 601 - Juvenile Detention Facilities
Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources									
Fund Balance 4000005	215,957	239,168		239,168	239,168	239,168	239,168	239,168	239,168
Juv Detention Facilities Fund 4000325	23,211	0		0	0	0	0	0	0
Transfer from DHS-DYS 4000515	400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000
Total Funding	639,168	639,168		639,168	639,168	639,168	639,168	639,168	639,168
Excess Appropriation/(Funding)	(239,168)	(239,168)		(239,168)	(239,168)	(239,168)	(239,168)	(239,168)	(239,168)
Grand Total	400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000

Analysis of Budget Request

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

A.C.A. §8-12-103 and §8-12-104 created and established a Natural Resources Damages Advisory Board and the Natural Resources Damages Trust Fund. The Advisory Board is composed of seven (7) members that serve without compensation. The Advisory Board has the powers and duties to develop projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; to request proposals for natural resource related projects; to review and evaluate proposals for natural resource related projects; to select projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; and to approve payments from the Natural Resource Damages Trust Fund.

The Department of Finance and Administration - Disbursing Officer administers the fund, as authorized by the Advisory Board (A.C.A. §8-12-105). The Natural Resources Damages Trust Fund consists of all payments collected by the State for restoration, rehabilitation, replacement, or acquisition of natural resources and any money received by the State as a gift or donation to the fund or any federal moneys designated to enter the fund, and all interest earned upon moneys deposited in the fund.

The Agency is requesting Base Level of \$174,810 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Total	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Funding Sources									
Fund Balance 4000005	174,810	174,810		0	0	0	0	0	0
Total Funding	174,810	174,810		0	0	0	0	0	0
Excess Appropriation/(Funding)	(174,810)	0		174,810	174,810	174,810	174,810	174,810	174,810
Grand Total	0	174,810		174,810	174,810	174,810	174,810	174,810	174,810

Analysis of Budget Request

Appropriation: 905 - Purchase of Vehicles

Funding Sources: MMV - Motor Vehicle Aquisition Revolving Fund

The Department of Finance and Administration maintains a system that provides a complete inventory of existing state vehicles. This system monitors age of vehicles, annual mileage utilization, and maintenance costs. This program provides a priority ranking of vehicles to be purchased. A.C.A. §22-8-206 establishes guidelines for the purchase of automobiles.

The Agency is requesting Base Level of \$15,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 905 - Purchase of Vehicles
Funding Sources: MMV - Motor Vehicle Acquisition Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase of Vehicles	5900046	1,430,301	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		1,430,301	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	1,789,496	1,315,029		0	0	0	0	0	0
M & R Sales	4000340	775,472	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfers from Agencies	4000690	5,649,025	12,684,971		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Transfers to Agencies	4000695	(5,468,663)	0		0	0	0	0	0	0
Total Funding		2,745,330	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(1,315,029)	0		0	0	0	0	0	0
Grand Total		1,430,301	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 914 - DFA Disbursing-Miscellaneous-Cash-Transfers

Funding Sources: NDP - Cash in Treasury - DFA Miscellansous

This appropriation is used to disburse funds collected on behalf of state agencies if needed.

The Agency is requesting Base Level of \$15,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 914 - DFA Disbursing-Miscellaneous-Cash-Transfers

Funding Sources: NDP - Cash in Treasury - DFA Miscellansous

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Various Expenses 5900046	60,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	60,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources									
Cash Fund 4000045	60,000	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	60,000	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	60,000	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Analysis of Budget Request

Appropriation: ACH - Arkansas Children's Hospital

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides State grant assistance to the Arkansas Children's Hospital. These funds assist the hospital in providing services to children who are unable to pay, as well as providing additional services in the areas of intensive care, reproductive health research and burn unit.

The Agency is requesting Base Level of \$3,533,600 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: ACH - Arkansas Children's Hospital
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Intensive Care Nursery	5100004	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600
Reproductive Health Monitoring	5100004	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Burn Center	5100004	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Hospital Payments	5100004	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Total		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Funding Sources										
General Revenue	4000010	3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Total Funding		3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600

Analysis of Budget Request

Appropriation: BBP - Blanket Bond Program

Funding Sources: MTA-MLC-MLM-JAA Various

The Blanket Surety Bond Program was established to consolidate policies and decrease costs of surety bonds for all levels of government (Act 72 of 1997 section 5). The State Risk Manager of the Department of Insurance submits to the Department of Finance and Administration a separate billing certification of the costs of blanket bond surety premiums for the State of Arkansas and the Counties, Municipalities, and Public School Districts participating in the blanket surety bond program for public employees.

The appropriations included in the program are:

- Appropriation 2DM - State Employees Blanket Bond Program
- Appropriation 2DN - County Employees Blanket Bond Program
- Appropriation 2DP - Municipal Employees Blanket Bond Program
- Appropriation 2DQ - Public School Employees Blanket Bond Program

The Agency is requesting Base Level of \$250,000 for each appropriation in each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BBP - Blanket Bond Program
Funding Sources: MTA-MLC-MLM-JAA Various

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Public Sch Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
State Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Co Public Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Municipal Public Emp Blanket Bnd 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources									
Transfer to Insurance Dept 4000650	(500,110)	0		0	0	0	0	0	0
Transfers from Agencies 4000690	500,110	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Analysis of Budget Request

Appropriation: MFP - Miscellaneous Federal Programs

Funding Sources: FXX - Miscellaneous Federal Grants

This Disbursing Officer appropriation enables state agencies to participate in federally funded programs if new or additional funds become available for an existing program already authorized by the General Assembly. Also provides for new programs, supported wholly or in part by federal funds, and such programs were not anticipated during the Regular Session of the General Assembly. Transfer of appropriation takes place upon approval of the Chief Fiscal Officer of the State and review by the Arkansas Legislative Council.

The Agency is requesting Base Level of \$2,600,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MFP - Miscellaneous Federal Programs

Funding Sources: FXX - Miscellaneous Federal Grants

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Miscellaneous Federal Grants 5100004	0	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Misc Workforce Investment Progi 5100004	0	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Total	0	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Total Funding	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000

Analysis of Budget Request

Appropriation: MHT - Miscellaneous Transfers

Funding Sources: MXX - Miscellaneous Transfer Appropriations

The Department of Finance and Administration maintains several appropriations from which transfers to various agencies are authorized, if necessary, to meet obligations for which appropriations made by the General Assembly may not be sufficient. An Agency requesting use of any of these appropriations must certify sufficient funding to cover its resulting appropriation increase. Transfer appropriations include:

1. Overtime Compensation appropriation is established for agencies to provide for overtime compensation in emergency situations when an Agency has insufficient authority for such payments.
2. Personal Services Matching and Regular Salaries are established for agencies when the amount appropriated by the General Assembly is not sufficient to meet obligations.
3. Personal Services - Payplan Adjustment - established for agencies to provide appropriation for pay plan increases when there is insufficient salary savings to offset costs.
4. Stipend Holding - Matching and Regular Salaries - established for agencies to provide appropriation to comply with payment of stipends under United States Internal Revenue Code which governs the reporting of income and payment of withholding and matching taxes for personal services.
5. The Refund to Expenditure line item is used to provide appropriation for the following:
 - Proceeds received from insurance carriers for casualty losses
 - Overpayment of obligations
 - Overpayment of salaries
 - Over allocation of Federal Grants
 - Maturity or redemption of investments
 - Other items as may be specified by law

The Agency is requesting to reallocate \$500,000 in appropriation each year from the Overtime Holding Account to establish an Extra Help Holding Account to provide agencies Extra Help compensation in emergency situations when an agency has insufficient authority for such payments. Corresponding Special Language is also requested.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MHT - Miscellaneous Transfers
Funding Sources: MXX - Miscellaneous Transfer Appropriations

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Stipends-Variou Agencies 5010000	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Regular Salaries-State Employee 5010000	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Reg Salaries-Elected Officers 5010000	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
#Positions	0	0	0	0	0	0	0	0	0
Stipends-Variou Agencies 5010003	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Personal Services Matching 5010003	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Overtime 5010006	0	5,000,000	5,000,000	5,000,000	4,500,000	4,500,000	5,000,000	4,500,000	4,500,000
Refund to Expenditures 5900045	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Personal Services-Payplan Adj 5900046	0	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
Personal Services-Extra Help 5900046	0	0	0	0	500,000	500,000	0	500,000	500,000
Total	0	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Total Funding	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000

Change Level by Appropriation

Appropriation: 025 - Overtime
Funding Sources: MXX - Miscellaneous Transfer Appropriations

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	5,000,000	0	5,000,000	100.0	5,000,000	0	5,000,000	100.0
C04	Reallocation	(500,000)	0	4,500,000	90.0	(500,000)	0	4,500,000	90.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	5,000,000	0	5,000,000	100.0	5,000,000	0	5,000,000	100.0
C04	Reallocation	(500,000)	0	4,500,000	90.0	(500,000)	0	4,500,000	90.0

Justification

C04	Reallocate \$500,000 in appropriation each year from the Overtime Holding Account to establish an Extra Help Holding Account to provide agencies Extra Help compensation in emergency situations when an agency has insufficient authority for such payments.
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Change Level by Appropriation

Appropriation: F42 - Personal Services-Extra Help
Funding Sources: MXX - Miscellaneous Transfer Appropriations

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C04	Reallocation	500,000	0	500,000	100.0	500,000	0	500,000	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C04	Reallocation	500,000	0	500,000	100.0	500,000	0	500,000	100.0

Justification

C04	Reallocate \$500,000 in appropriation each year from the Overtime Holding Account to establish an Extra Help Holding Account to provide agencies Extra Help compensation in emergency situations when an agency has insufficient authority for such payments.								
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Analysis of Budget Request

Appropriation: STC - State's Contributions

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides for dues to various organizations and is funded by general revenue. The Base Level appropriation of \$1,404,419 each year of the 2013-2015 Biennium pays yearly assessments from each organization and increases as dues increase.

Special Language authorizes transfers of appropriation and funding between State's Contributions line items and carry forward of unexpended balances in appropriation and funds.

The Agency is requesting Change Level increases and funding in the amount of \$19,906 for FY14 and \$35,149 for FY15 for the following nine organizations:

	<u>FY2014</u>	<u>FY2015</u>
019 Council of State Government	\$ 3,604	\$ 7,774
020 National Conference on State Legislatures	\$ 766	\$ 766
022 National Association of State Budget Officers	\$ 520	\$ 1,050
024 National Governor's Association	\$ 4,735	\$ 9,707
030 State and Local Legal Center	\$ 366	\$ 750
078 Interstate Mining Compact	\$ 0	\$ 513
2DA Southern Governors Association	\$ 5,000	\$ 5,000
1RC National Center for State Courts	\$ 4,847	\$ 8,437
1YC National Association of Attorneys General	\$ 68	\$ 1,152
	<u>\$19,906</u>	<u>\$ 35,149</u>

Appropriation Summary

Appropriation: STC - State's Contributions
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Natl Conference of St Legislature 5020002	151,847	151,850	151,850	151,850	152,616	152,616	151,850	152,616	152,616
So Regional Education Board 5020002	201,550	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Natl Assoc of St Budget Officers 5020002	16,545	17,100	17,100	17,100	17,620	17,620	17,100	18,150	18,150
Natl Conf of Insurance Legislato 5020002	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Southern Governors Association 5020002	40,000	40,000	40,000	40,000	45,000	45,000	40,000	45,000	45,000
State and Local Legal Center 5020002	6,500	7,315	7,315	7,315	7,681	7,681	7,315	8,065	8,065
The Energy Council 5020002	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Southern Growth Policies Board 5020002	26,834	28,200	28,200	28,200	28,200	28,200	28,200	28,200	28,200
Southern States Energy Board 5020002	31,027	32,579	32,579	32,579	32,579	32,579	32,579	32,579	32,579
Natl Assoc of Attorneys General 5020002	34,068	36,075	36,075	36,075	36,143	36,143	36,075	37,227	37,227
Delta Regional Authority 5020002	119,089	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Federation of Tax Administrators 5020002	15,408	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Assoc of Racing Commissioners 5020002	17,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Council of State Government 5020002	115,550	115,550	115,550	115,550	119,154	119,154	115,550	123,324	123,324
Interstate Mining Compact 5020002	17,912	18,000	18,000	18,000	18,000	18,000	18,000	18,513	18,513
National Center for State Courts 5020002	120,753	119,600	119,600	119,600	124,447	124,447	119,600	128,037	128,037
National Governors Association 5020002	83,800	94,700	94,700	94,700	99,435	99,435	94,700	104,407	104,407
Low Lvl Radioactive Waste Cmpt 5020002	5,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Multi-State Tax Commission 5020002	256,453	275,450	275,450	275,450	275,450	275,450	275,450	275,450	275,450
Total	1,301,336	1,404,419	1,404,419	1,404,419	1,424,325	1,424,325	1,404,419	1,439,568	1,439,568
Funding Sources									
General Revenue 4000010	1,301,336	1,404,419		1,404,419	1,424,325	1,424,325	1,404,419	1,439,568	1,439,568
Total Funding	1,301,336	1,404,419		1,404,419	1,424,325	1,424,325	1,404,419	1,439,568	1,439,568
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,301,336	1,404,419		1,404,419	1,424,325	1,424,325	1,404,419	1,439,568	1,439,568

Change Level by Appropriation

Appropriation: 019 - Council of State Government
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	115,550	0	115,550	100.0	115,550	0	115,550	100.0
C01	Existing Program	3,604	0	119,154	103.1	7,774	0	123,324	106.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	115,550	0	115,550	100.0	115,550	0	115,550	100.0
C01	Existing Program	3,604	0	119,154	103.1	7,774	0	123,324	106.7

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 020 - Natl Conference of St Legislatures
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	151,850	0	151,850	100.0	151,850	0	151,850	100.0
C01	Existing Program	766	0	152,616	100.5	766	0	152,616	100.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	151,850	0	151,850	100.0	151,850	0	151,850	100.0
C01	Existing Program	766	0	152,616	100.5	766	0	152,616	100.5

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 022 - Natl Assoc of St Budget Officers
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	17,100	0	17,100	100.0	17,100	0	17,100	100.0
C01	Existing Program	520	0	17,620	103.0	1,050	0	18,150	106.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	17,100	0	17,100	100.0	17,100	0	17,100	100.0
C01	Existing Program	520	0	17,620	103.0	1,050	0	18,150	106.1

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 024 - National Governors Association
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	94,700	0	94,700	100.0	94,700	0	94,700	100.0
C01	Existing Program	4,735	0	99,435	105.0	9,707	0	104,407	110.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	94,700	0	94,700	100.0	94,700	0	94,700	100.0
C01	Existing Program	4,735	0	99,435	105.0	9,707	0	104,407	110.3

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 030 - State and Local Legal Center
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,315	0	7,315	100.0	7,315	0	7,315	100.0
C01	Existing Program	366	0	7,681	105.0	750	0	8,065	110.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,315	0	7,315	100.0	7,315	0	7,315	100.0
C01	Existing Program	366	0	7,681	105.0	750	0	8,065	110.3

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 078 - Interstate Mining Compact
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	18,000	0	18,000	100.0	18,000	0	18,000	100.0
C01	Existing Program	0	0	18,000	100.0	513	0	18,513	102.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	18,000	0	18,000	100.0	18,000	0	18,000	100.0
C01	Existing Program	0	0	18,000	100.0	513	0	18,513	102.9

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 2DA - Southern Governors Association

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	40,000	0	40,000	100.0	40,000	0	40,000	100.0
C01	Existing Program	5,000	0	45,000	112.5	5,000	0	45,000	112.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	40,000	0	40,000	100.0	40,000	0	40,000	100.0
C01	Existing Program	5,000	0	45,000	112.5	5,000	0	45,000	112.5

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 1RC - National Center for State Courts
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	119,600	0	119,600	100.0	119,600	0	119,600	100.0
C01	Existing Program	4,847	0	124,447	104.1	8,437	0	128,037	107.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	119,600	0	119,600	100.0	119,600	0	119,600	100.0
C01	Existing Program	4,847	0	124,447	104.1	8,437	0	128,037	107.1

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 1YC - Natl Assoc of Attorneys General
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	36,075	0	36,075	100.0	36,075	0	36,075	100.0
C01	Existing Program	68	0	36,143	100.2	1,152	0	37,227	103.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	36,075	0	36,075	100.0	36,075	0	36,075	100.0
C01	Existing Program	68	0	36,143	100.2	1,152	0	37,227	103.2

Justification

C01	Increase in yearly assessment from the organization.
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Analysis of Budget Request

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

General revenue provides funding for the projects, programs and grants appropriated in this Miscellaneous Grants and Expenses appropriation. Base Level is \$1,754,674 each year of the 2013-2015 Biennium.

The Agency is requesting a Change Level increase and funding of \$299,179 for FY14 and \$302,862 for FY15 for the following three organizations:

	<u>FY2014</u>	<u>FY2015</u>
080 Nat'l Conf on Uniform State Laws	\$ 3,422	\$ 7,105
578 Arkansas Sports Hall of Fame	\$ 75,000	\$ 75,000
54Z Innovation & Product Development	\$ 220,757	\$ 220,757
	<u>\$ 299,179</u>	<u>\$ 302,862</u>

These increases restore the currently authorized amount for Innovation and Project Development and Arkansas Sports Hall of Fame; and an increase in the yearly assessment of dues for the National Conference on Uniform State Laws.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
National Conference on Uniform 5020002	45,283	50,420	50,420	50,420	53,842	53,842	50,420	57,525	57,525
Criminal Detention Committee Ex 5020002	5,077	18,639	18,639	18,639	18,639	18,639	18,639	18,639	18,639
Public Defender Contract 5060010	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372
AR Public Administration Consorti 5060010	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Museum of Discovery Grant 5100004	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Intrastate Metro Planning Grants 5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Transportation of Juvenile Offen 5100004	184,731	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000
Planning and Development Grant 5100004	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Interstate Planning Grants 5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Agricultural Marketing Grants 5100004	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
AGA/Vocational Program Certific: 5100004	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Arkansas Wine Producers Counci 5100004	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Arkansas Sports Hall of Fame 5100004	0	75,000	150,000	75,000	150,000	150,000	75,000	150,000	150,000
Innovation & Product Developme 5900046	103,921	229,243	450,000	229,243	450,000	450,000	229,243	450,000	450,000
Fire Prevention Commission Gran 5900046	29,463	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total	1,532,847	1,754,674	2,050,431	1,754,674	2,053,853	2,053,853	1,754,674	2,057,536	2,057,536
Funding Sources									
General Revenue 4000010	1,532,847	1,754,674		1,754,674	2,053,853	2,053,853	1,754,674	2,057,536	2,057,536
Total Funding	1,532,847	1,754,674		1,754,674	2,053,853	2,053,853	1,754,674	2,057,536	2,057,536
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,532,847	1,754,674		1,754,674	2,053,853	2,053,853	1,754,674	2,057,536	2,057,536

Change Level by Appropriation

Appropriation: 080 - National Conference on Uniform State Laws
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	50,420	0	50,420	100.0	50,420	0	50,420	100.0
C01	Existing Program	3,422	0	53,842	106.8	7,105	0	57,525	114.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	50,420	0	50,420	100.0	50,420	0	50,420	100.0
C01	Existing Program	3,422	0	53,842	106.8	7,105	0	57,525	114.1

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 578 - Arkansas Sports Hall of Fame
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	75,000	0	75,000	100.0	75,000	0	75,000	100.0
C01	Existing Program	75,000	0	150,000	200.0	75,000	0	150,000	200.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	75,000	0	75,000	100.0	75,000	0	75,000	100.0
C01	Existing Program	75,000	0	150,000	200.0	75,000	0	150,000	200.0

Justification

C01	Restore the currently authorized amount for Arkansas Sports Hall of Fame
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Change Level by Appropriation

Appropriation: 54Z - Innovation & Product Development
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	229,243	0	229,243	100.0	229,243	0	229,243	100.0
C01	Existing Program	220,757	0	450,000	196.3	220,757	0	450,000	196.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	229,243	0	229,243	100.0	229,243	0	229,243	100.0
C01	Existing Program	220,757	0	450,000	196.3	220,757	0	450,000	196.3

Justification

C01	Restore the currently authorized amount for Innovation and Project Development
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Analysis of Budget Request

Appropriation: VSA - Various State Agencies - Cash

Funding Sources: 999 - Various State Agencies - Cash

The Cash Appropriations line item allows the Department of Finance and Administration to establish cash funded appropriation for any state agency that receives funds that were not anticipated during the deliberations of the General Assembly. A report of all such transactions is made monthly to the Arkansas Legislative Council for review. The Personal Services line item allows the transfer of appropriation to agencies who have an unanticipated need for Regular Salaries or Personal Services Matching appropriation during the biennium. The agencies must have the necessary funding to cover any cost for which the appropriation is transferred.

The Agency is requesting Base Level of \$300,000,000 for Cash Appropriation - Various Agencies and \$5,000,000 for Personal Services - Various Agencies each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: VSA - Various State Agencies - Cash

Funding Sources: 999 - Various State Agencies - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Cash Approp - Various Agencies 5900033	0	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Payplan Adj - Various Agencies 5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Total Funding	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000

Appropriation Summary

Appropriation: 86W - Viticulture Grants

Funding Sources: MZZ - Viticulture & Enology Program

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	0	100,000	0	0	0	0	0	0
Total	0	0	100,000	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

DFA - MANAGEMENT SERVICES

Enabling Laws

Act 242 of 2012
A.C.A. §19-4-101 - §19-4-2004

History and Organization

Mission Statement - The Management Services Division provides leadership and assistance to all state agencies to ensure the uniformity, accountability, and efficiency in the management of human, financial and material resources necessary for those agencies to perform their missions.

The Department of Finance and Administration (DFA) in its present organization form was created by Act 38 of 1971 during the 68th Arkansas General Assembly. Effective February 4, 1971, the Administration Department and its functions, powers and duties were transferred to the newly created Department of Finance and Administration.

The Department consists of two major Divisions: The Management Services Division and the Revenue Services Division. The Management Services Division is composed of the Offices of Accounting, Budget, Personnel Management, Procurement and Intergovernmental Services. Other offices that play a major role in State Government are the Office of Administrative Services, the Office of Internal Audit, the Office of Information Services, and the Employee Benefits Division. In addition, the Racing Commission and the Alcoholic Beverage Control Administration Division were also transferred to the newly created Department of Finance and Administration. Act 729 of 1981 transferred the Alcoholic Beverage Control Enforcement Division from the Department of Public Safety to the Department of Finance and Administration.

Central Administration activity of the Department of Finance and Administration oversees the departmental goal which is to instill good management practices in Arkansas State Government and to provide the money to run it. As the Chief Fiscal Officer of the State, the DFA Director is charged with the responsibility of making certain that expenditures, use of property, purchases, and use of personnel are carried out in accordance with the laws of the State. Most of the responsibilities in this area are directed and authorized by Act 876 of the 69th General Assembly (General Accounting and Budgetary Procedures Law, §19-4-101 et seq.).

Central Administration includes the Department of Finance and Administration top-level administration personnel and economic analysis. It is devoted to furthering the department goals with special emphasis placed upon services to agencies and citizens of the State.

The Department has two distinct functions within State Government. One function is to serve as the central collector of state revenues. The other function is to operate control management systems for State Government by providing assistance to all state agencies. This includes the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

The Management Services Division has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, and providing maximum service to the taxpayers. The Management Services Division has as its central objective the following program areas:

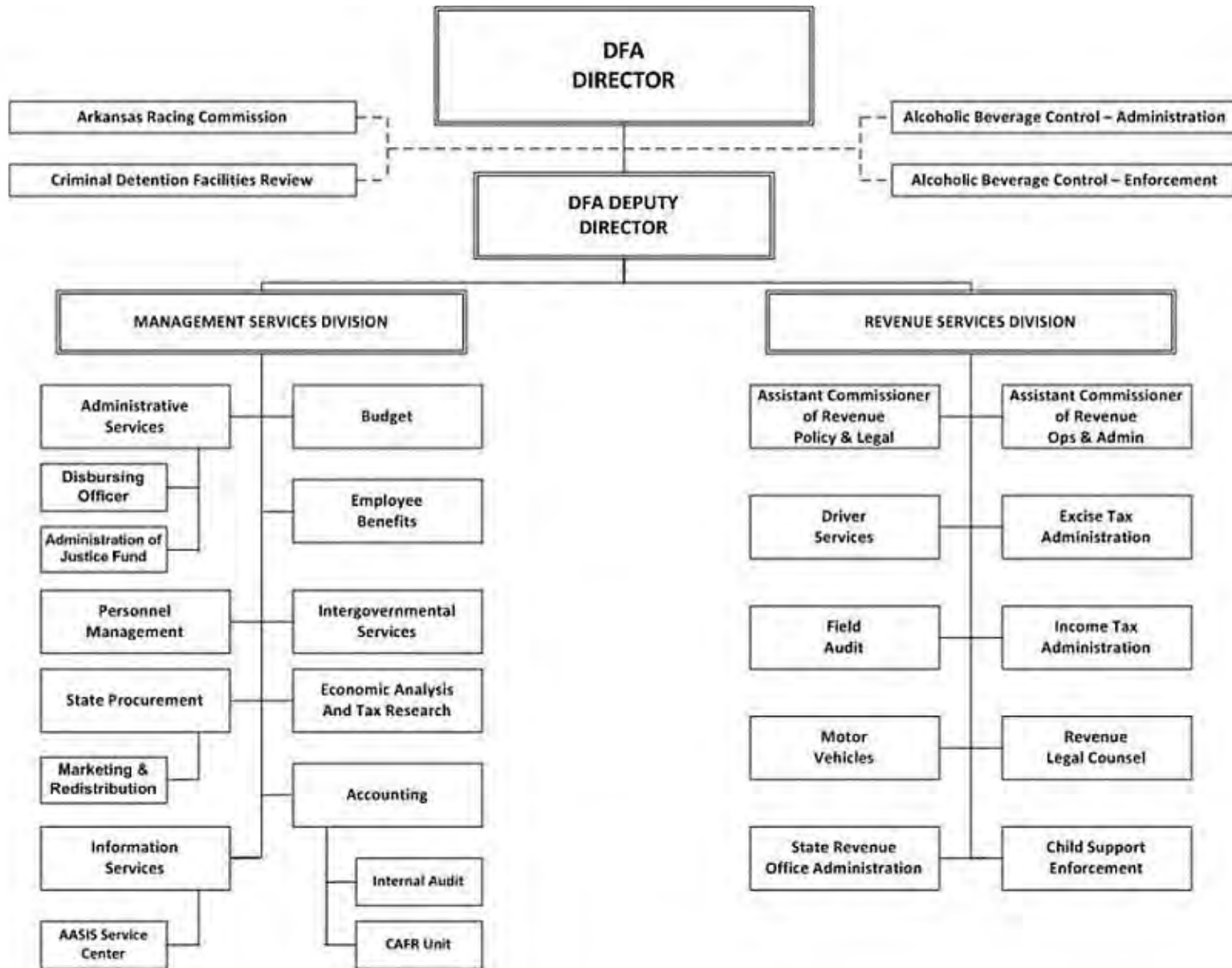
- 1) Accounting - Provide efficient and responsible fiscal management of all state programs or activities. Maintain a financial system providing information on all transactions of all state agencies for accounting and management services, apply sound pre-auditing procedures and maintain the State's accounting system in a timely and accurate manner. Additionally, the Office of Internal Audit (OIA) has merged with the Office of Accounting. The main goal for the OIA is to provide agency management with objective, proactive advice and value-added recommendations that assists them in the achievement of their goals and objectives and provide for strong accountability of state resources. To achieve this goal set forth for the OIA, a three-fold audit approach is utilized. This approach includes the performance of agency audits, Executive Order 98-04 "Compliance Audits and Special Reviews" that may be requested by agency management.
- 2) Budget - Develop, analyze, recommend, present and execute State budget matters, assist state agencies in budgetary matters and enforce the deficit prohibition law.
- 3) Personnel Management - Develop procedures and methods for the continued efficient operation of the Arkansas Personnel Management Program. Maintain personnel records for all classified agencies and payroll records for all state agencies. Provide broad spectrum training opportunities for state and local government employees and provide technical assistance and guidance to all state agencies.
- 4) Procurement - Implement the State procurement program and establish policies, procedures and controls for that program and administer a quality assurance program. Maintain a State surplus property program through the Marketing and Redistribution section.
- 5) Intergovernmental Services - Administer federal grants directed to local governments, state agencies and non-profit organizations for the improvement of narcotics and general law enforcement, drug treatment within state prisons, services for victims of crime, and prison construction. Provide an opportunity for organizations and individuals to review and comment on federally supported programs prior to their implementation.

The Office of Administrative Services has with it human resources, fiscal accounting, purchasing and asset management, Administration of Justice Fund, State Vehicle Management Information and Acquisition System, state vehicle complaints, and state messenger service. This

Office performs numerous management-related functions for the Department of Finance and Administration, the Governor's Office, and smaller boards and commissions.

The Employee Benefits Division makes available to State and Public School Employees group health and life insurance. State employees also have the option of selecting other optional benefits, including deferred compensation. The Division oversees that customer service is available from the vendors for the participating members.

The Office of Information Services (OIS) is responsible for management of departmental information technology (IT) resources. This encompasses the Management Services and Revenue Services Divisions, and the Office of Child Support Enforcement. Functional areas include administration (including DFA web site maintenance and the AASIS Service Center), applications development and maintenance, and operations and support (computer operations, and local area network and desktop support).



Agency Commentary

The Management Services Division of the Department of Finance and Administration has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, while providing maximum service to the taxpayer.

The Agency is requesting an increase over Base Level of \$3,182,144 for FY14 and \$3,181,941 for FY15:

- \$2,500,000 each year for additional Purchase and Corporate Travel Card Program appropriation funded by a miscellaneous revolving and cash fund used for rebates from vendor banks and distributed back to participating agencies. This represents 79% of the total request.
- \$181,927 in FY14 and \$181,872 in FY15 for reclassification of various positions. DFA positions are now lower than comparable positions in state agencies and have been experiencing turnover rates in excess of 50% in the majority of these positions.
- \$460,233 in FY14 and FY15 to restore the required General Revenue appropriation and funding matching obligation for two programs from the Department of Justice: Non-Victim Assistance Grants and Victims of Crime Justice Assistance.
- (\$288,133) in FY14 and (\$287,951) in FY15 represents the discontinuation of 6 Base Level Positions, 3 Extra Help positions, an additional 7 authorized but un-budgeted positions. Also included discontinuing the Quick Copy Service Center operations appropriation.
- Net increase of \$328,117 and 4 positions in FY14 and \$327,787 and 4 positions in FY15 due to agency transfers as follows:
 - Transferring 1 position to DFA Racing Commission to assist in the constant growth of the electronic games of skill, the transfer is extremely important to stay on top of the constant change of new games submitted to place in both facilities. (\$36,485) each year.
 - Consolidating Appropriation 584 (ASSIS Service Center) with DFA Management Services Operations Appropriation 272. AASIS is part of the Management Services daily operations and would streamline the procurement and operational processes. Both are funded from State Central Services. Net effect is no increase.

- The Revenue Division is transferring 5 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These positions are functional and technical IT positions that are ongoing support for the Arkansas Integrated Revenue System (AIRS). \$338,357 each year.
- Reallocation of special line items within the Marketing and Redistribution Appropriation 274. Net effect is no increase.

In conclusion, the Agency requests discontinuing the following ARRA federal funded appropriations and corresponding State match funded appropriations:

- 81P - State Fiscal Stabilization - ARRA
- 86A - Education Jobs - ARRA
- 83T - State Health Information Exchange - ARRA
- 83K - State Health Information Exchange - State Match

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION
 FOR THE YEAR ENDED JUNE 30, 2010

Findings	Recommendations
<p>To assure revenue is recorded properly, a system for processing the receipt and recording of tax revenue should be designed to provide adequate controls. DFA -- Revenue Division - Cash Control Section receives payments for various taxes throughout the year. During periods of high volume, a substantial amount of the Cash Control Section’s unprocessed mail containing tax payments and associated tax documents is transferred to various other tax sections for assistance in processing without being logged. In addition, when an issue arises and a payment cannot be processed, the Cash Control Section will send the financial instrument and payment documents to the appropriate tax section for correction. Once corrected, the various tax sections are not recording the return of the documents in the Cash Control Section’s check log. The movement of the financial instruments and payment documents without any record of return to the Cash Control Section significantly increases the likelihood of asset misappropriation and the untimely recording of tax revenues.</p>	<p>DFA management strengthen internal controls over the tracking of documents in the revenue receipting and recording process.</p>

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2010

Findings

In contrast to state rules and regulations, we noted one Agency employee claimed reimbursement for mileage in excess of allowable map mileage. We therefore examined all available mileage reimbursement documentation for this employee from July 2006 through February 2011 and determined the employee received travel reimbursements exceeding allowable map mileage by 8,642 miles. Based on applicable mileage rates, we calculated excess mileage reimbursements of \$3,659. We also noted that while all of the travel reimbursement forms with excess mileage reimbursement were signed by a district manager as prescribed by Agency policy, the managers did not properly review the forms prior to authorization. The employee was fired by DFA and subsequently rehired by the Agency through the Agency's grievance appeal process after repayment was received.

Recommendations

DFA management establish procedures to ensure proper review of travel reimbursement forms prior to approval as required by Agency regulations.

Performance Audit Findings

*Selected Industries Receiving Economic Incentives from the Consolidated Incentive Act of 2003 – Food and Publishing Industries
Arkansas Economic Development Commission (AEDC) and
Arkansas Department of Finance and Administration (DFA)
(July 1, 2003 – December 31, 2008)*

Findings and Conclusions:

- Currently, not all incentives have expiration dates to provide for timely accounting for and analysis of incentives. This creates the potential situation where a company may, for example, delay filing a claim or a 2004 incentive until 2010.
- No exceptions were noted during the audit of the AEDC's awarding of Consolidated Incentive Act funds for food and publishing industries or DFA's monitoring of those funds.
- Related incentive programs were successful in the food and publishing industries.
- The creation of a Tier System for most programs of the Consolidated Incentive Act indicates the desire of the General Assembly to award incentives based on consideration of economic need. However, the majority of incentive funds were from the InvestArk statutory investment program with 61% of the total incentive funds distributed to the most prosperous counties of the State.

Recommendations:

- We recommend AEDC include time limitations for payments/rebates on future incentive awards to reduce the time between when incentive payments/rebates are earned by companies and when they are paid.
- If it is the intent of the General Assembly to direct incentive funds primarily to counties with the greatest need of economic development, it would be necessary for AEDC to reevaluate the methodology used for distributing InvestArk funds.

*Arkansas State and Public School Employees Fiscal Year 2010 Health and Benefit Plans
Arkansas Department of Finance and Administration – Employee Benefits Division (EBD)
(July 1, 2009 – June 30, 2010)*

Findings and Conclusions:

- Pharmacy contract terms provide that EBD is to receive 92% of all rebates received by InformedRX. However, EBD did not have procedures in place to ensure they received all amounts due.

Recommendations:

- EBD develop and implement procedures to ensure all pharmaceutical rebates earned on behalf of EBD are properly received from pharmacy benefit managers.

Findings and Conclusions:

- Based on AFC records, we noted 59 instances totaling \$6.4 million improperly transferred from federal grants throughout the review period, with \$1,567,926 remaining outstanding.
- The Arkansas Agriculture Secretary signed AFC certification of income documents on behalf of the AFC director without fully understanding the implications of the forms and the financial situation at AFC.
- DFA operations are not designed or expected to detect the type of inappropriate activity subsequently discovered at AFC; and staffing levels at the Office of Budget would not allow each budget analyst to know the intricate details of each federal grant administered by each state agency.

Recommendations:

- AFC reexamine its federal grant award, draw, and oversight procedures to ensure all federal grant monies are properly recorded, expended, and reported.
- AFC certification of income documents be reviewed and signed by the AFC director and fiscal officer.
- DFA consider implementing additional procedures for agencies with declining trust fund or special revenue accounts that are critical to an agency's operations to ensure frequent or significant fund transfers are appropriate.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	113	173	286	76 %
Black Employees	17	60	77	20 %
Other Racial Minorities	7	8	15	4 %
Total Minorities			92	24 %
Total Employees			378	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Budget Instruction Packet	None	N	N	200	Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.
Biennial Budget Book	None	N	N	25	Contains detailed information regarding agency changes, funding and positions for each agency, as well as capital projects. Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.
Biennial Budget Instruction Packet	A.C.A. 19-4-304	N	N	200	Provide information and assistance to state agencies in the preparation of biennial budget requests. Electronic copy available on DFA Website.
Biennial Budget Manuals	A.C.A. 19-4-305	Y	N	3,000	Compile agency requests and Governor's recommendations for Legislative Council/Joint Budget Committee. Electronic copy available on DFA Website.
COBRA Packets	None	N	N	18,000	Federal legislation requires former employees or dependents have insurance benefits after termination of group benefits. Continuing coverage information is provided to individuals.
Comprehensive Annual Financial Report (CAFR)	A.C.A. 19-5-517	N	N	400	To provide the detailed information of the State's financial status and to ensure proper handling of the taxpayers' money.
EBD Buzz	None	N	N	350,000	Newsletter to be sent quarterly on insurance updates and information.
Enrollment Guide for Arkansas Public School Employees	None	N	N	100	The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Enrollment Guide for Arkansas State and Public School Retired Employees	None	N	N	500	The enrollment guide provides information regarding open enrollment, rates and benefit changes. 250 State / 250 Public School. Electronic copy available on DFA website.
Enrollment Guide for Arkansas State Employees	None	N	N	100	The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.
Facts about the Arkansas State Budget	None	N	N	1,000	Informational brochure for the public. Electronic copy available on DFA Website.
Summary Plan Description	None	N	N	250	The Department of Labor requires that a summary of the plan be available to all employees. The summary plan description describes insurance benefits for the State and Public School Employees enrolled in the plan. Electronic copy available on DFA website.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DF Victims of Crime Justice Assistance - Federal	7,942,192	8	14,263,902	10	15,735,986	10	13,877,638	10	13,884,593	10	13,884,593	10	13,877,163	10	13,884,111	10	13,884,111	10
1GA Purchase / Corporate Travel Card Program	8,901	0	2,000,000	0	2,000,000	0	2,000,000	0	4,000,000	0	4,000,000	0	2,000,000	0	4,000,000	0	4,000,000	0
251 Dept of Justice Non-Victim Assistance Grants - S	496,730	0	848,963	0	1,000,000	0	848,963	0	1,000,000	0	1,000,000	0	848,963	0	1,000,000	0	1,000,000	0
252 Dept of Justice Non-Victim Assistance Grants - f	6,446,131	4	10,260,007	5	20,943,603	7	9,846,430	5	9,846,430	5	9,846,430	5	9,846,289	5	9,846,289	5	9,846,289	5
272 DFA Management Services - Operations	24,457,973	349	27,161,868	367	28,069,762	369	27,089,875	367	27,418,397	366	27,418,397	366	27,074,987	367	27,403,293	366	27,403,293	366
274 Marketing and Redistribution	744,979	17	1,348,906	17	1,332,899	17	1,356,126	17	1,367,178	17	1,367,178	17	1,356,443	17	1,367,481	17	1,367,481	17
277 Quick Copy Service Center	115,412	2	100,000	0	448,339	0	100,003	0	0	0	0	0	99,990	0	0	0	0	0
278 Employee Benefits Division	2,246,114	29	2,966,705	36	3,103,611	37	2,977,333	36	2,945,766	35	2,945,766	35	2,976,566	36	2,945,027	35	2,945,027	35
279 Information Technology	28,187,908	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
2HG Personnel Management - Employee Awards	0	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0
34Z Victims of Crime Justice Assistance - State	0	0	50,000	0	359,196	0	50,000	0	359,196	0	359,196	0	50,000	0	359,196	0	359,196	0
574 Statewide Payroll Paying	0	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0
83Q IT Projects - Federal	912,920	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0
907 DFA Management Services - Miscellaneous Cash	542,605	8	2,186,960	13	2,251,197	13	2,190,966	13	2,697,918	13	2,697,918	13	2,190,301	13	2,697,246	13	2,697,246	13
NOT REQUESTED FOR THE BIENNIUM																		
81P State Fiscal Stabilization - ARRA	3,166,132	0	0	0	56,566,276	0	0	0	0	0	0	0	0	0	0	0	0	0
83K State Health Info Exchange - State	0	0	0	0	600,000	0	0	0	0	0	0	0	0	0	0	0	0	0
83T State Health Info Exchange - ARRA	27	0	6,159,190	0	7,915,429	0	0	0	0	0	0	0	0	0	0	0	0	0
86A ARRA-Educ Jobs	108,429	0	1,757,541	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	75,376,453	417	2,201,542,930	447	2,272,765,186	453	2,192,776,222	447	2,195,958,366	445	2,195,958,366	445	2,192,759,590	447	2,195,941,531	445	2,195,941,531	445

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	1,960,688	2.5	3,665,875	0.2			2,089,273	0.1	2,089,273	0.1	2,089,273	0.1	2,724,177	0.1	2,724,177	0.1	2,724,177	0.1
General Revenue	4000010	535,375	0.7	898,963	0.0			898,963	0.0	1,359,196	0.1	1,359,196	0.1	898,963	0.0	1,359,196	0.1	1,359,196	0.1
Federal Revenue	4000020	12,063,209	15.3	26,206,961	1.2			26,130,676	1.2	26,137,631	1.2	26,137,631	1.2	26,130,060	1.2	26,137,008	1.2	26,137,008	1.2
State Central Services	4000035	54,874,445	69.4	60,160,853	2.7			60,099,488	2.7	60,396,443	2.7	60,396,443	2.7	60,083,833	2.7	60,380,600	2.7	60,380,600	2.7
Non-Revenue Receipts	4000040	4,019,387	5.1	2,859,264	0.1			4,088,951	0.2	6,000,000	0.3	6,000,000	0.3	4,088,952	0.2	6,000,000	0.3	6,000,000	0.3
Cash Fund	4000045	1,111,523	1.4	1,200,000	0.1			2,193,048	0.1	2,700,000	0.1	2,700,000	0.1	2,193,055	0.1	2,700,000	0.1	2,700,000	0.1
Agency Payroll Paying Accounts	4000085	0	0.0	2,100,000,000	95.3			2,100,000,000	95.7	2,100,000,000	95.5	2,100,000,000	95.5	2,100,000,000	95.6	2,100,000,000	95.5	2,100,000,000	95.5
Federal Funds-ARRA	4000244	6,512,622	8.2	8,640,287	0.4			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	23,204	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	(38,645)	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	17,550	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%		%		%	
Transfer to DFA Disbursing	4000610	(2,037,030)	(2.6)	0	0.0												
		0	0.0	0	0.0												
Total Funds		79,042,328	100.0	2,203,632,203	100.0	2,195,500,399	100.0	2,198,682,543	100.0	2,198,682,543	100.0	2,196,119,040	100.0	2,199,300,981	100.0	2,199,300,981	100.0
Excess Appropriation/(Funding)		(3,665,875)		(2,089,273)		(2,724,177)		(2,724,177)		(2,724,177)		(3,359,450)		(3,359,450)		(3,359,450)	
Grand Total		75,376,453		2,201,542,930		2,192,776,222		2,195,958,366		2,195,958,366		2,192,759,590		2,195,941,531		2,195,941,531	

FC 272 DFA Management Services Operations Appropriation - Reflects consolidation of Appropriation 584 (AASIS Service Center). Both are funded from State Central Services.

FC 274 - FY13 Budget amount exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
451	407	47	454	-3	9.76 %	457	376	71	447	10	17.72 %	453	375	72	447	6	17.22 %

FY11 Budgeted Positions exceeds Authorized due to 3 ARRA positions authorized through the Miscellaneous Federal Grant process.

Analysis of Budget Request

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal

Funding Sources: FVD - Victims of Crime Justice Assistance

This federally funded appropriation for the Victims of Crime Justice Assistance Program includes salary, operating expenses and the administration of federal funds received through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$13,877,638 for FY14 and \$13,877,163 for FY15.

The Agency is requesting a Change Level increase of \$6,955 for FY14 and \$6,948 FY15 due to reclassification of three positions. This request will properly align the positions with the current job responsibilities.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal
Funding Sources: FVD - Victims of Crime Justice Assistance

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	270,858	356,515	331,489	356,890	362,587	362,587	356,890	362,587	362,587
#Positions		8	10	10	10	10	10	10	10	10
Extra Help	5010001	0	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	85,403	124,111	104,135	126,632	127,890	127,890	126,157	127,408	127,408
Overtime	5010006	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Operating Expenses	5020002	28,739	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	1,821	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	0	74,219	74,219	74,219	74,219	74,219	74,219	74,219	74,219
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	6,997,636	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000
Refunds/Reimbursements	5110014	8,278	78,125	78,125	78,125	78,125	78,125	78,125	78,125	78,125
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
ARRA of 2009	5900052	549,457	389,160	1,906,246	0	0	0	0	0	0
Total		7,942,192	14,263,902	15,735,986	13,877,638	13,884,593	13,884,593	13,877,163	13,884,111	13,884,111
Funding Sources										
Federal Revenue	4000020	7,392,735	13,874,742		13,877,638	13,884,593	13,884,593	13,877,163	13,884,111	13,884,111
Federal Funds-ARRA	4000244	549,457	389,160		0	0	0	0	0	0
Total Funding		7,942,192	14,263,902		13,877,638	13,884,593	13,884,593	13,877,163	13,884,111	13,884,111
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		7,942,192	14,263,902		13,877,638	13,884,593	13,884,593	13,877,163	13,884,111	13,884,111

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal
Funding Sources: FVD - Victims of Crime Justice Assistance

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	13,877,638	10	13,877,638	100.0	13,877,163	10	13,877,163	100.0
C10	Reclass	6,955	0	13,884,593	100.1	6,948	0	13,884,111	100.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	13,877,638	10	13,877,638	100.0	13,877,163	10	13,877,163	100.0
C10	Reclass	6,955	0	13,884,593	100.1	6,948	0	13,884,111	100.1

Justification

C10	Reclassification of 3 positions to properly align the positions with the current job responsibilities.
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Analysis of Budget Request

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

This appropriation is funded by a miscellaneous revolving fund and is used for rebates from vendor banks, distribution to participating agencies and for operating expenses connected with the administration of the Purchase and Corporate Travel Card Program.

Arkansas Agency Travel Card Program

The Department of Finance and Administration (DFA) - Office of State Procurement (OSP), State Agencies and Institutions of Higher Education have developed and implemented the Arkansas Agency Travel Card Program for employees that have valid business related travel expenses. The Office of State Procurement has responsibility for the development of policy and procedures. Agencies and Higher Education Institutions are responsible for the development of procedures consistent with State policies implementing the program.

Card holders use the card for any authorized travel related expense at any establishment or merchant that accepts the VISA card. The Arkansas Travel Regulations govern most aspects of the State Travel Card Program.

Arkansas Purchasing Card Program

The State of Arkansas and participating organizations have implemented the Arkansas Purchasing Card Program (P-Card) with US Bank VISA Purchasing Card to simplify, streamline, and facilitate the purchase and payment process.

The P-Card is a fast, flexible purchasing tool offering an enhancement to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total maximum per cycle limit that will be determined on an individual basis. The default maximum charges per individual card holder are \$2,000 per cycle. The P-Card is to be used only for official business purchases for the State of Arkansas. Any attempt to use the P-Card for a purchase in excess of the set card limit will result in the purchase being rejected by the bank and the vendor.

Base Level is \$2,000,000 each year of the 2013-2015 Biennium.

The Agency is requesting a Change Level increase of \$2,000,000 each year to allow for enough appropriation to distribute back to participating agencies increasing rebates from vendor banks.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	8,901	2,000,000	2,000,000	2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000
Total	8,901	2,000,000	2,000,000	2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000
Funding Sources									
Fund Balance 4000005	114,540	1,217,206		0	0	0	0	0	0
Non-Revenue Receipts 4000040	1,111,567	782,794		2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000
Total Funding	1,226,107	2,000,000		2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	(1,217,206)	0		0	0	0	0	0	0
Grand Total	8,901	2,000,000		2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000

Change Level by Appropriation

Appropriation: 1GA - Purchase / Corporate Travel Card Program
Funding Sources: MPC - Purchase & Travel Card Program Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,000,000	0	2,000,000	100.0	2,000,000	0	2,000,000	100.0
C01	Existing Program	2,000,000	0	4,000,000	200.0	2,000,000	0	4,000,000	200.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,000,000	0	2,000,000	100.0	2,000,000	0	2,000,000	100.0
C01	Existing Program	2,000,000	0	4,000,000	200.0	2,000,000	0	4,000,000	200.0

Justification

C01	Additional Purchase and Corporate Travel Card Program appropriation used for rebates from vendor banks and distributed back to participating agencies.								
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Analysis of Budget Request

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides city and county governments and state agencies with matching funds to implement programs authorized under the Federal Drug Law Enforcement Program. This appropriation provides matching funds to the sub-grantees of the Federal Law Enforcement Block Grant, Violent Offender, and Substance Abuse Treatment Programs.

Base Level is \$848,963 each year of the 2013-2015 Biennium.

The Agency is requesting a Change Level increase of \$151,037 each year to restore the required general revenue appropriation and funding matching obligation for corresponding federal appropriation (252), also administered by DFA Management Services.

The Executive Recommendation provides for the Agency Request of appropriation and general revenue funding.

Appropriation Summary

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	496,730	848,963	1,000,000	848,963	1,000,000	1,000,000	848,963	1,000,000	1,000,000
Total		496,730	848,963	1,000,000	848,963	1,000,000	1,000,000	848,963	1,000,000	1,000,000
Funding Sources										
General Revenue	4000010	535,375	848,963		848,963	1,000,000	1,000,000	848,963	1,000,000	1,000,000
Inter-agency Fund Transfer	4000316	(38,645)	0		0	0	0	0	0	0
Total Funding		496,730	848,963		848,963	1,000,000	1,000,000	848,963	1,000,000	1,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		496,730	848,963		848,963	1,000,000	1,000,000	848,963	1,000,000	1,000,000

Inter-agency fund transfers: Community Corrections - \$16,032.29; Corrections - \$22,613.46

Change Level by Appropriation

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	848,963	0	848,963	100.0	848,963	0	848,963	100.0
C01	Existing Program	151,037	0	1,000,000	117.8	151,037	0	1,000,000	117.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	848,963	0	848,963	100.0	848,963	0	848,963	100.0
C01	Existing Program	151,037	0	1,000,000	117.8	151,037	0	1,000,000	117.8

Justification

C01	Restore the required general revenue appropriation and funding matching obligation for the Department of Justice Non-Victim Assistance Grants Program.
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Analysis of Budget Request

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal

Funding Sources: FIG - DFA Federal Funds

Department of Finance and Administration - Intergovernmental Services is responsible for the management of a federal grant program that supports improvements in the State's criminal justice system. This grant program provides funds to cities and counties, prosecuting attorneys, state courts and state agencies. Grant programs operated through Intergovernmental Services include the Edward Byrne Memorial Drug Law Enforcement Program (DLEP) for narcotics enforcement and violent crime control.

This grant program has varying eligibility requirements, and a twenty-five percent match requirement. Grant funds are made available for application after the State receives notification of a state level grant award. All federal grant funds are made available through the U. S. Department of Justice.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$9,846,430 for FY14 and \$9,846,289 for FY15. The Agency is requesting reclassification of one position to properly align the position with the current job responsibilities; this request does not increase the appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal

Funding Sources: FIG - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	212,549	203,050	197,420	202,825	202,825	202,825	202,925	202,925	202,925
#Positions		4	5	7	5	5	5	5	5	5
Personal Services Matching	5010003	59,615	65,834	58,849	66,976	66,976	66,976	66,735	66,735	66,735
Operating Expenses	5020002	23,328	173,129	168,129	168,129	168,129	168,129	168,129	168,129	168,129
Conference & Travel Expenses	5050009	964	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Professional Fees	5060010	0	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,461,098	9,075,098	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Refunds/Reimbursements	5110014	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
ARRA of 2009	5900052	2,688,577	334,396	11,110,705	0	0	0	0	0	0
Total		6,446,131	10,260,007	20,943,603	9,846,430	9,846,430	9,846,430	9,846,289	9,846,289	9,846,289

Funding Sources										
Federal Revenue	4000020	3,757,554	9,925,611		9,846,430	9,846,430	9,846,430	9,846,289	9,846,289	9,846,289
Federal Funds-ARRA	4000244	2,688,577	334,396		0	0	0	0	0	0
Total Funding		6,446,131	10,260,007		9,846,430	9,846,430	9,846,430	9,846,289	9,846,289	9,846,289
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		6,446,131	10,260,007		9,846,430	9,846,430	9,846,430	9,846,289	9,846,289	9,846,289

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

Budget exceeds Authorized Appropriation in Operating Expenses and Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal
Funding Sources: FIG - DFA Federal Funds

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,846,430	5	9,846,430	100.0	9,846,289	5	9,846,289	100.0
C10	Reclass	0	0	9,846,430	100.0	0	0	9,846,289	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,846,430	5	9,846,430	100.0	9,846,289	5	9,846,289	100.0
C10	Reclass	0	0	9,846,430	100.0	0	0	9,846,289	100.0

Justification

C10	Reclassification of one position to properly align the position with the current job responsibilities; this request does not increase the appropriation.								
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Analysis of Budget Request

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for operations of the Management Services Division of the Department of Finance and Administration. The Management Services Division provides state agencies with assistance in accounting, budgeting, personnel, purchasing, and administering statutorily required controls. The Division includes the Office of the Director, Economic Analysis and Tax Research, Office of Administrative Services, Office of Accounting, Office of Budget, Office of Personnel Management, Office of State Procurement, Office of Internal Audit, Office of Information Systems, Office of Intergovernmental Services and the Criminal Detention Facilities Coordinator.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum.

The Agency is requesting Base Level of \$27,089,875 for FY14 and \$27,074,987 for FY15.

The Agency is requesting Change Levels of \$328,522 in FY14 and \$328,306 in FY15 for the following:

- Discontinuation of 5 Base Level Positions, 3 Extra Help positions, an additional 6 authorized but un-budgeted positions.
- Consolidation of Appropriation 584 (ASSIS Service Center) and DFA Management Services Operations Appropriation 272. AASIS is a part of the Management Services daily operations and would streamline the procurement and operational processes. Both are funded from State Central Services and the consolidation results in no increase in appropriation or funding.
- Transferring 1 position to DFA Racing Commission to assist in the constant growth of the electronic games of skill, the transfer is extremely important to stay on top of the constant change of new games submitted to place in both facilities.
- The Revenue Division is requesting to transfer 5 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These functional and technical IT positions support the Arkansas Integrated Revenue System (AIRS) and should be in the Information Systems organization for proper oversight.
- Reclassifications/Upgrades due to several DFA positions being lower than comparable positions in state agencies and the experiencing of turnover rates in excess of 50% in the majority of these positions. Title change of two positions to align the positions current title to the scope of the position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	17,654,825	18,412,117	19,482,990	18,276,823	18,544,494	18,544,494	18,283,723	18,551,394	18,551,394
#Positions		349	367	369	367	366	366	367	366	366
Extra Help	5010001	0	41,512	41,512	41,512	41,512	41,512	41,512	41,512	41,512
#Extra Help		0	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	5,258,058	5,778,097	5,615,118	5,841,398	5,902,249	5,902,249	5,819,610	5,880,245	5,880,245
Overtime	5010006	15	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	1,458,509	2,537,543	2,537,543	2,537,543	2,537,543	2,537,543	2,537,543	2,537,543	2,537,543
Conference & Travel Expenses	5050009	76,871	377,599	377,599	377,599	377,599	377,599	377,599	377,599	377,599
Professional Fees	5060010	9,695	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		24,457,973	27,161,868	28,069,762	27,089,875	27,418,397	27,418,397	27,074,987	27,403,293	27,403,293

Funding Sources										
State Central Services	4000035	24,456,932	27,161,868		27,089,875	27,418,397	27,418,397	27,074,987	27,403,293	27,403,293
M & R Sales	4000340	1,041	0		0	0	0	0	0	0
Total Funding		24,457,973	27,161,868		27,089,875	27,418,397	27,418,397	27,074,987	27,403,293	27,403,293
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		24,457,973	27,161,868		27,089,875	27,418,397	27,418,397	27,074,987	27,403,293	27,403,293

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Reflects consolidation of Appropriation 584 (AASIS Service Center) into DFA Management Services Operations Appropriation (272). Both are funded from State Central Services.

Change Level by Appropriation

Appropriation: 272 - DFA Management Services - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	27,089,875	367	27,089,875	100.0	27,074,987	367	27,074,987	100.0
C03	Discontinue Program	(156,563)	(5)	26,933,312	99.4	(156,422)	(5)	26,918,565	99.4
C07	Agency Transfer	328,117	4	27,261,429	100.6	327,787	4	27,246,352	100.6
C10	Reclass	150,296	0	27,411,725	101.2	150,281	0	27,396,633	101.2
C11	Upgrade/Downgrade	6,672	0	27,418,397	101.2	6,660	0	27,403,293	101.2
C14	Title Change	0	0	27,418,397	101.2	0	0	27,403,293	101.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	27,089,875	367	27,089,875	100.0	27,074,987	367	27,074,987	100.0
C03	Discontinue Program	(156,563)	(5)	26,933,312	99.4	(156,422)	(5)	26,918,565	99.4
C07	Agency Transfer	328,117	4	27,261,429	100.6	327,787	4	27,246,352	100.6
C10	Reclass	150,296	0	27,411,725	101.2	150,281	0	27,396,633	101.2
C11	Upgrade/Downgrade	6,672	0	27,418,397	101.2	6,660	0	27,403,293	101.2
C14	Title Change	0	0	27,418,397	101.2	0	0	27,403,293	101.2

Justification

C03	Represents the discontinuation of 5 Base Level Positions, 3 Extra Help positions, an additional 6 authorized but un-budgeted positions.
C07	(1) Revenue Division is transferring 5 positions into Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These positions are functional and technical IT positions that are ongoing support. (2)Transferring 1 position to DFA Racing Commission to assist in the constant growth of the electronic games of skill. (3) Consolidate Appropriation 584 (ASSIS Service Center) into DFA Management Services Operations Appropriation 272. AASIS is a part of the Management Services daily operations and would streamline the procurement and operational processes. Both are funded from State Central Services.
C10	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and the experiencing of turnover rates in excess of 50% in the majority of these positions.
C11	Upgrade due to several DFA positions now lower than comparable positions in state agencies and the experiencing of turnover rates in excess of 50% in the majority of these positions.
C14	Title change of two positions to align the positions current title to the scope of the position.

Analysis of Budget Request

Appropriation: 274 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Marketing and Redistribution (M&R) Program. State agencies are required to dispose of furnishings, equipment, vehicles and other inventory items through M&R. State and public agencies have first option to purchase these items. Funding for this service is provided via fees charged for goods and services offered through the M&R Warehouse.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$1,356,126 for FY14 and \$1,356,443 for FY15.

The Agency is requesting a Change Level increase of \$11,052 in FY14 and \$11,038 for FY15 due to the reclassification of nine positions that are now lower than comparable positions at other state agencies and experiencing high turnover rates. The Agency is also requesting reallocation of special line items to Operating Expenses, Professional Fees and Capital Outlay to properly classify expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 274 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	462,115	500,082	498,974	502,531	511,294	511,294	503,331	512,094	512,094
#Positions	17	17	17	17	17	17	17	17	17
Extra Help 5010001	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	170,871	190,219	175,320	194,990	197,279	197,279	194,507	196,782	196,782
Operating Expenses 5020002	111,993	128,605	128,605	128,605	528,605	528,605	128,605	528,605	528,605
Conference & Travel Expenses 5050009	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional Fees 5060010	0	0	0	0	24,000	24,000	0	24,000	24,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	100,000	100,000	0	100,000	100,000
Special Maintenance 5120032	0	500,000	500,000	500,000	0	0	500,000	0	0
Data Processing Services 5900044	0	24,000	24,000	24,000	0	0	24,000	0	0
Total	744,979	1,348,906	1,332,899	1,356,126	1,367,178	1,367,178	1,356,443	1,367,481	1,367,481
Funding Sources									
Fund Balance 4000005	893,499	937,922		1,589,016	1,589,016	1,589,016	2,221,838	2,221,838	2,221,838
Non-Revenue Receipts 4000040	2,826,432	2,000,000		1,988,948	2,000,000	2,000,000	1,988,962	2,000,000	2,000,000
Transfer to DFA Disbursing 4000610	(2,037,030)	0		0	0	0	0	0	0
Total Funding	1,682,901	2,937,922		3,577,964	3,589,016	3,589,016	4,210,800	4,221,838	4,221,838
Excess Appropriation/(Funding)	(937,922)	(1,589,016)		(2,221,838)	(2,221,838)	(2,221,838)	(2,854,357)	(2,854,357)	(2,854,357)
Grand Total	744,979	1,348,906		1,356,126	1,367,178	1,367,178	1,356,443	1,367,481	1,367,481

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 274 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,356,126	17	1,356,126	100.0	1,356,443	17	1,356,443	100.0
C04	Reallocation	0	0	1,356,126	100.0	0	0	1,356,443	100.0
C10	Reclass	11,052	0	1,367,178	100.8	11,038	0	1,367,481	100.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,356,126	17	1,356,126	100.0	1,356,443	17	1,356,443	100.0
C04	Reallocation	0	0	1,356,126	100.0	0	0	1,356,443	100.0
C10	Reclass	11,052	0	1,367,178	100.8	11,038	0	1,367,481	100.8

Justification

C04	Reallocation of special line items within the Marketing and Redistribution. Net effect is no increase.
C10	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and the experiencing of turnover rates in excess of 50% in the majority of these positions.

Analysis of Budget Request

Appropriation: 277 - Quick Copy Service Center

Funding Sources: MRC - Quick Copy Service Center Revolving Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Quick Copy Service Center. Quick Copy provides high speed copying, bindery, lamination and graphic design products and services to State Agencies. Funding to support this function is derived from fees charged for services.

Base Level is \$100,003 for FY14 and \$99,990 for FY15.

In 2007 Quick Copy was consolidated into the DFA Print & Mail Center in the Ledbetter Building to streamline production printers and mail equipment in a work flow that allows for a secure environment due to IRS & SSA regulated security. With very few remaining customers outside of DFA, the Agency is requesting to discontinue three Extra Help positions and operations appropriation for the 2013-2015 Biennium. The agency is also requesting any remaining fund balance on June 30, 2013 be transferred to State Central Services.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 277 - Quick Copy Service Center

Funding Sources: MRC - Quick Copy Service Center Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	75,912	0	78,091	0	0	0	0	0	0
#Positions		2	0	0	0	0	0	0	0	0
Extra Help	5010001	2,438	10,000	10,000	10,000	0	0	10,000	0	0
#Extra Help		1	3	3	3	0	0	3	0	0
Personal Services Matching	5010003	25,632	781	25,648	784	0	0	771	0	0
Operating Expenses	5020002	11,430	75,000	318,600	75,000	0	0	75,000	0	0
Conference & Travel Expenses	5050009	0	4,219	6,000	4,219	0	0	4,219	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	10,000	10,000	10,000	0	0	10,000	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		115,412	100,000	448,339	100,003	0	0	99,990	0	0

Funding Sources										
Fund Balance	4000005	57,554	23,530		0	0	0	0	0	0
Non-Revenue Receipts	4000040	81,388	76,470		100,003	0	0	99,990	0	0
Total Funding		138,942	100,000		100,003	0	0	99,990	0	0
Excess Appropriation/(Funding)		(23,530)	0		0	0	0	0	0	0
Grand Total		115,412	100,000		100,003	0	0	99,990	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Agency requests that fund balance remaining at the end of FY13 be transferred to State Central Services.

Change Level by Appropriation

Appropriation: 277 - Quick Copy Service Center
Funding Sources: MRC - Quick Copy Service Center Revolving Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	100,003	0	100,003	100.0	99,990	0	99,990	100.0
C03	Discontinue Program	(100,003)	0	0	0.0	(99,990)	0	0	0.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	100,003	0	100,003	100.0	99,990	0	99,990	100.0
C03	Discontinue Program	(100,003)	0	0	0.0	(99,990)	0	0	0.0

Justification

C03	With very few remaining customers outside of DFA, the Agency is requesting to discontinue three Extra Help positions and operations appropriation for the 2013-2015 Biennium.								
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Analysis of Budget Request

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

The Department of Finance and Administration - Employees Benefit Division (EBD) manages the group health and life programs, other select benefit programs for active and retired state and public school employees, and builds quality programs that operate in an efficient manner to ensure responsive customer service, promote product education, affordability and accessibility.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$2,977,333 for FY14 and \$2,976,566 for FY15.

The Agency is requesting a Change Level decrease of \$31,567 for FY14 and \$31,539 for FY15 due to discontinuing one Base Level position no longer needed due to agency efficiencies. The Agency is also requesting reclassification of one position to properly align the position with the current job responsibilities; this request does not increase the appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,096,726	1,330,726	1,466,072	1,332,026	1,310,199	1,310,199	1,332,826	1,310,999	1,310,999
#Positions		29	36	37	36	35	35	36	35	35
Personal Services Matching	5010003	402,026	464,168	465,728	473,496	463,756	463,756	471,929	462,217	462,217
Overtime	5010006	36	11,895	11,895	11,895	11,895	11,895	11,895	11,895	11,895
Operating Expenses	5020002	746,526	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827
Conference & Travel Expenses	5050009	800	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Professional Fees	5060010	0	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,246,114	2,966,705	3,103,611	2,977,333	2,945,766	2,945,766	2,976,566	2,945,027	2,945,027
Funding Sources										
State Central Services	4000035	2,245,993	2,966,705		2,977,333	2,945,766	2,945,766	2,976,566	2,945,027	2,945,027
M & R Sales	4000340	121	0		0	0	0	0	0	0
Total Funding		2,246,114	2,966,705		2,977,333	2,945,766	2,945,766	2,976,566	2,945,027	2,945,027
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,246,114	2,966,705		2,977,333	2,945,766	2,945,766	2,976,566	2,945,027	2,945,027

Change Level by Appropriation

Appropriation: 278 - Employee Benefits Division
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,977,333	36	2,977,333	100.0	2,976,566	36	2,976,566	100.0
C03	Discontinue Program	(31,567)	(1)	2,945,766	98.9	(31,539)	(1)	2,945,027	98.9
C10	Reclass	0	0	2,945,766	98.9	0	0	2,945,027	98.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,977,333	36	2,977,333	100.0	2,976,566	36	2,976,566	100.0
C03	Discontinue Program	(31,567)	(1)	2,945,766	98.9	(31,539)	(1)	2,945,027	98.9
C10	Reclass	0	0	2,945,766	98.9	0	0	2,945,027	98.9

Justification

C03	Discontinuation of 1 Base Level Postion no longer needed to be utilized due to efficiencies of the agency.
C10	Reclassification of one position to properly align the position with the current job responsibilities; this request does not increase the appropriation.

Analysis of Budget Request

Appropriation: 279 - Information Technology

Funding Sources: HSC - State Central Services

The Department of Finance and Administration (DFA) - Office of Information Technology facilitates a more effective and efficient management of the Department's information technology assets. Funded from State Central Services, this appropriation provides for data processing, development, implementation, enhancement, and operation of automated systems within the Department of Finance and Administration. The AASIS Billings line item represents Department of Information Systems bills and related expenses for the AASIS Service Center.

The Agency is requesting Base Level of \$30,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 279 - Information Technology

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Information Technology Services 5900044	21,687,908	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000
AASIS Billings 5900046	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Total	28,187,908	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources									
State Central Services 4000035	28,171,520	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
M & R Sales 4000340	16,388	0		0	0	0	0	0	0
Total Funding	28,187,908	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	28,187,908	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

Analysis of Budget Request

Appropriation: 2HG - Personnel Management - Employee Awards

Funding Sources: HSC - State Central Services

This appropriation provides authority for payment of awards made through the Arkansas Employee Suggestion System (A.C.A. §21-11-101 et seq.). Through this program, state employees are encouraged to submit cost saving ideas for State Government. Employees eligible to participate in the Employee Suggestion System Program are those who are full-time state employees of all departments, agencies, institutions, boards, commissions or other agencies of the State supported by state and/or federal funds.

Up to \$5,000 in cash awards is given for suggestions that provide tangible monetary savings. Awards are paid in an amount equal to 10% of the first year's estimated net cost savings. There is a maximum award possible for tangible savings of \$5,000 and a Certificate of Recognition. Certificates are given for suggestions providing intangible benefits such as more efficient procedures and forms and improved employee morale, employee health or safety. Awards for intangible savings range from a Certificate of Recognition to \$100.

Funds disbursed for awards from the State Central Services Fund are reimbursed from funds of the benefiting Agency.

The Agency is requesting Base Level of \$32,280 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2HG - Personnel Management - Employee Awards

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Employee Awards	5900046	0	27,329	27,329	27,329	27,329	27,329	27,329	27,329	27,329
Total		0	32,280	32,280	32,280	32,280	32,280	32,280	32,280	32,280
Funding Sources										
State Central Services	4000035	0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Total Funding		0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	32,280		32,280	32,280	32,280	32,280	32,280	32,280

Analysis of Budget Request

Appropriation: 34Z - Victims of Crime Justice Assistance - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides the state match for the Victims of Crime Justice Assistance Program which receives federal funds through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

Base Level is \$50,000 each year of the 2013-2015 Biennium.

The Agency is requesting a Change Level increase of \$309,196 in each year to provide the required State match obligation for corresponding federal appropriation (1DF), also administered by DFA Management Services.

The Executive Recommendation provides for the Agency Request of appropriation and general revenue funding.

Appropriation Summary

Appropriation: 34Z - Victims of Crime Justice Assistance - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	50,000	359,196	50,000	359,196	359,196	50,000	359,196	359,196
Total	0	50,000	359,196	50,000	359,196	359,196	50,000	359,196	359,196
Funding Sources									
General Revenue 4000010	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196
Total Funding	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196

Change Level by Appropriation

Appropriation: 34Z - Victims of Crime Justice Assistance - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	309,196	0	359,196	718.4	309,196	0	359,196	718.4

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	309,196	0	359,196	718.4	309,196	0	359,196	718.4

Justification

C01	Restore the required General Revenue appropriation and funding matching obligation for the Victims of Crime Justice Assistance Grants Program.
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Analysis of Budget Request

Appropriation: 574 - Statewide Payroll Paying

Funding Sources: PAY - State Payroll Fund

This appropriation provides the authority for disbursement of personal services of the various state agencies as a result of the consolidation to one federal identification number for all state agencies in the State of Arkansas. Actual expenditures are reflected at the individual agency level.

The Agency is requesting Base Level of \$2,100,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 574 - Statewide Payroll Paying

Funding Sources: PAY - State Payroll Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Statewide Payroll Paying 5900046	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Funding Sources									
Agency Payroll Paying Accounts 4000085	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total Funding	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000

Actual expenditures are reflected at the individual agency level.

Analysis of Budget Request

Appropriation: 83Q - IT Projects – Federal

Funding Sources: FOI - IT Projects Federal Funds

This federally funded appropriation provides appropriation to the Department of Finance and Administration (DFA) - Office of Information Technology (OIT) to facilitate a more effective and efficient management of the Department's federally funded information technology projects. Current projects include the State of Arkansas's ability to improve the security and integrity of driver's license and identification card issuance processes to include information technology system, facilities, source document verification and the required security protections of individual's personal identification information.

The Agency is requesting Base Level of \$2,406,608 each year of the 2013-2015 Biennium.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 83Q - IT Projects – Federal

Funding Sources: FOI - IT Projects Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Info Tech Services & Equipment 5900046	912,920	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Total	912,920	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Funding Sources									
Federal Revenue 4000020	912,920	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Total Funding	912,920	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	912,920	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608

Analysis of Budget Request

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

This appropriation is used to provide spending authority for various activities such as the DFA Office of Personnel Management - Inter-Agency Training Program, DFA Office of State Procurement seminars, vendor fees and rebates, and DFA - Employee Benefits Division. The source of funding for this appropriation is registration fees collected from participants attending training sessions, seminars, payment of vendor fees, and other miscellaneous reimbursements and revenues.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$2,190,966 for FY14 and \$2,190,301 for FY15.

The Agency is requesting the following Change Level increases in each year of the 2013-2015 Biennium.

- Increase of \$6,952 for FY14 and \$6,945 FY15 due to reclassification of two positions. This request will properly align the positions with the current job responsibilities.
- Additional \$500,000 each year for Refunds/Reimbursements to allow for enough appropriation to distribute back to participating agencies increasing rebates from vendor banks.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	359,681	510,773	568,283	511,373	517,067	517,067	511,373	517,067	517,067
#Positions		8	13	13	13	13	13	13	13	13
Personal Services Matching	5010003	141,291	173,465	180,192	176,871	178,129	178,129	176,206	177,457	177,457
Operating Expenses	5020002	34,229	888,222	888,222	888,222	888,222	888,222	888,222	888,222	888,222
Conference & Travel Expenses	5050009	5,809	71,800	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Professional Fees	5060010	314	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	1,281	517,700	517,700	517,700	1,017,700	1,017,700	517,700	1,017,700	1,017,700
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		542,605	2,186,960	2,251,197	2,190,966	2,697,918	2,697,918	2,190,301	2,697,246	2,697,246
Funding Sources										
Fund Balance	4000005	895,095	1,487,217		500,257	500,257	500,257	502,339	502,339	502,339
Cash Fund	4000045	1,111,523	1,200,000		2,193,048	2,700,000	2,700,000	2,193,055	2,700,000	2,700,000
Interest	4000300	23,204	0		0	0	0	0	0	0
Total Funding		2,029,822	2,687,217		2,693,305	3,200,257	3,200,257	2,695,394	3,202,339	3,202,339
Excess Appropriation/(Funding)		(1,487,217)	(500,257)		(502,339)	(502,339)	(502,339)	(505,093)	(505,093)	(505,093)
Grand Total		542,605	2,186,960		2,190,966	2,697,918	2,697,918	2,190,301	2,697,246	2,697,246

Change Level by Appropriation

Appropriation: 907 - DFA Management Services - Miscellaneous Cash
Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,190,966	13	2,190,966	100.0	2,190,301	13	2,190,301	100.0
C01	Existing Program	500,000	0	2,690,966	122.8	500,000	0	2,690,301	122.8
C10	Reclass	6,952	0	2,697,918	123.1	6,945	0	2,697,246	123.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,190,966	13	2,190,966	100.0	2,190,301	13	2,190,301	100.0
C01	Existing Program	500,000	0	2,690,966	122.8	500,000	0	2,690,301	122.8
C10	Reclass	6,952	0	2,697,918	123.1	6,945	0	2,697,246	123.1

Justification

C01	Additional Purchase and Corporate Travel Card Program appropriation funded by a cash fund used for rebates from vendor banks and distributed back to participating agencies.
C10	Reclassification of two positions to properly align the positions with the current job responsibilities.

Appropriation Summary

Appropriation: 81P - State Fiscal Stabilization – ARRA

Funding Sources: FAR - ARRA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	3,166,132	0	56,566,276	0	0	0	0	0	0
Total	3,166,132	0	56,566,276	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	3,166,132	0		0	0	0	0	0	0
Total Funding	3,166,132	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,166,132	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Appropriation Summary

Appropriation: 83K - State Health Info Exchange - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Pers Serv, Matching, Oper Exp & 5900046	0	0	600,000	0	0	0	0	0	0
Total	0	0	600,000	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Appropriation Summary

Appropriation: 83T - State Health Info Exchange - ARRA

Funding Sources: FHI - ARRA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	27	6,159,190	7,915,429	0	0	0	0	0	0
Total	27	6,159,190	7,915,429	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	27	6,159,190		0	0	0	0	0	0
Total Funding	27	6,159,190		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	27	6,159,190		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Appropriation Summary

Appropriation: 86A - ARRA-Educ Jobs

Funding Sources: FEJ - ARRA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	108,429	1,757,541	0	0	0	0	0	0	0
Total	108,429	1,757,541	0	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	108,429	1,757,541		0	0	0	0	0	0
Total Funding	108,429	1,757,541		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	108,429	1,757,541		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM. Budget exceeds Authorized Appropriation in ARRA of 2009 due to a transfer from the Miscellaneous Federal Grant Holding Account.

DFA - RACING COMMISSION

Enabling Laws

Act 30 of 2012

ACA §23-110-101 - §23-110-415; ACA §23-111-101 - §23-111-516; ACA §23-113-101 - §23-113-604

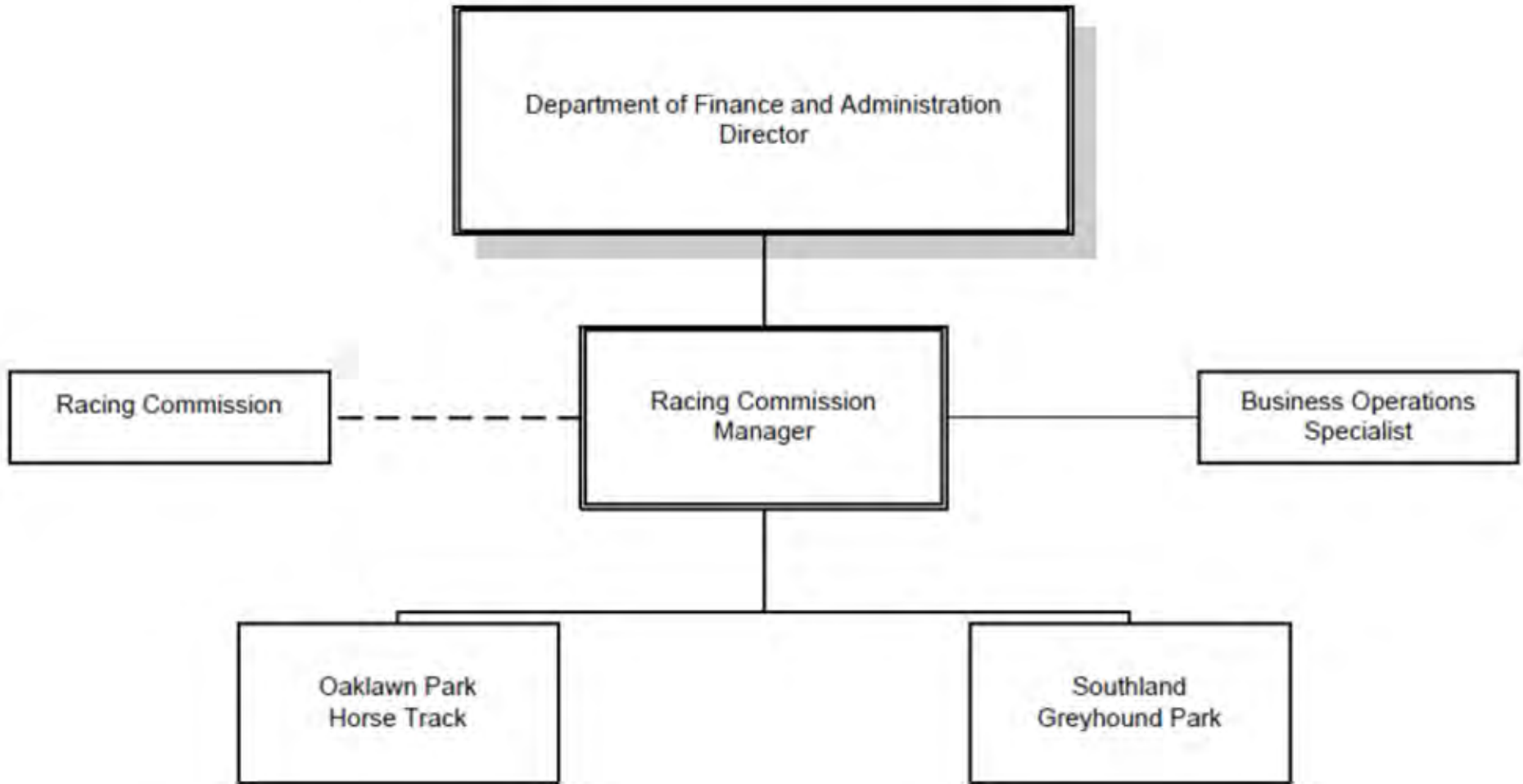
History and Organization

The mission of the Racing Commission is to regulate thoroughbred and greyhound racing in the State of Arkansas as provided in the enabling legislation; whereby, the best interests of the State and its citizens are preserved and protected.

Amendment 46 to the Arkansas Constitution authorizes horse and pari-mutuel betting in Hot Springs. Act 46 of 1935 established the Arkansas Racing Commission. The Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has the sole jurisdiction over thoroughbred horse and greyhound dog racing. Acts 339 of 1935 and 191 of 1957 stipulate the rules and regulations concerning greyhound racing. The Commission is authorized to grant franchises; approve racing dates; issue permits and licenses; hold hearings and take other action as necessary to supervise, regulate and effectively control the sport of racing in the State of Arkansas.

Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas.

In the 2010 racing season, the Thoroughbred Owners and Breeders Association changed the protocol required for the American Graded Stakes Races. Compliance is a condition of a race maintaining its eligibility for grading. Oaklawn currently has eleven such races. The new requirements include a new pre-test known as TC02 administered about one hour before the race and a post-test that will include an additional 17 drug screenings to the current 140.



Agency Commentary

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has sole jurisdiction over thoroughbred horse and greyhound dog racing. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of racing in the State of Arkansas. Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded electronic gaming at the race tracks in the State of Arkansas.

The Racing Commission State Operations appropriation is funded from general revenue. The agency is requesting a change over base level (funding and appropriation) in the amount of \$36,485 for FY14 and FY15.

- Transfer A098C Fiscal Support Specialist (C112) from DFA Management Services to the Racing Commission (\$25,268 Regular Salaries and \$11,217 Personal Services Matching)

With the constant growth of the electronic games of skill, the transfer of a current authorized position to the Commission is extremely important to stay on top of the constant change of new games submitted to place in both facilities. This position is responsible for logging in all games, assigning tracking numbers and corresponding with the vendor and the current gaming consultant. This position will allow for thorough analysis of the games and also assist in other areas of the Commission as needed.

The Racing Commission Cash Operations appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks. The Base Level appropriation is sufficient for FY14 and FY15.

In conclusion, the Agency is requesting the Extra Help - Horse Racing Special Language continue with the currently authorized 22 Extra Help positions and existing titles, but remove the number of required by each title. This update allows the Agency to adjust to the changing needs of the types of positions needed each racing season. The current Pay Plan in place for the State already determines the hourly rate and no longer needs to be updated in the special language.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - RACING COMMISSION
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	3	5	8	62 %
Black Employees	3	2	5	38 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			5	38 %
Total Employees			13	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Electronic Games of Skill Regulations	23-113-201	N	N	100	The regulations must be kept up to date and widely distributed in order to protect the State, the franchises and the gaming public from the actions of illegal/illegal actions of those playing games of skill. It also ensures operating games according to the regulations & standards prescribed by law.
Instant Racing Rules	23-113-603; 23-111-101; 23-110-101	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. The franchises operating the instant racing games must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.
Medication rules and Penalties for Greyhounds	23-111-204	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.
Medication rules and Penalties for Horses	23-110-202	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.
Pari-mutuel Wagering Rules for Greyhound Racing	23-111-101 - 517	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Pari-mutuel Wagering Rules for Horse Racing	23-110-101 - 415	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
146 Division of Racing - Operations	1,238,005	13	1,364,599	13	1,341,330	13	1,368,227	13	1,404,712	14	1,404,712	14	1,369,101	13	1,405,586	14	1,405,586	14
7WJ License Applications	63,533	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0
Total	1,301,538	13	1,499,599	13	1,476,330	13	1,503,227	13	1,539,712	14	1,539,712	14	1,504,101	13	1,540,586	14	1,540,586	14

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	327,631	19.3	400,378	21.5			365,378	19.9	365,378	19.5	365,378	19.5	330,378	18.4	330,378	18.0	330,378	18.0
General Revenue 4000010	1,238,005	72.7	1,341,330	71.9			1,368,227	74.6	1,404,712	75.1	1,404,712	75.1	1,369,101	76.1	1,405,586	76.6	1,405,586	76.6
Cash Fund 4000045	130,665	7.7	100,000	5.4			100,000	5.5	100,000	5.3	100,000	5.3	100,000	5.6	100,000	5.4	100,000	5.4
Merit Adjustment Fund 4000055	0	0.0	23,269	1.2			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest 4000300	5,615	0.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,701,916	100.0	1,864,977	100.0			1,833,605	100.0	1,870,090	100.0	1,870,090	100.0	1,799,479	100.0	1,835,964	100.0	1,835,964	100.0
Excess Appropriation/(Funding)	(400,378)		(365,378)				(330,378)		(330,378)		(330,378)		(295,378)		(295,378)		(295,378)	
Grand Total	1,301,538		1,499,599				1,503,227		1,539,712		1,539,712		1,504,101		1,540,586		1,540,586	

FY13 Budget amount in Appropriation 146 exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
13	12	1	13	0	7.69 %	13	13	0	13	0	0.00 %	13	13	0	13	0	0.00 %

Analysis of Budget Request

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of pari-mutuel horse and dog racing in the State of Arkansas.

Southland Greyhound Park, in West Memphis, Arkansas, operates year-round and runs over 400 live greyhound performances each year. Oaklawn Park, in Hot Springs, Arkansas, has approximately 60 days of live thoroughbred horse racing and also offers Simulcast and Instant horse racing throughout the year. With the passage of Act 1151 of 2005 and passing of local elections, the addition of electronic games of skill at both Arkansas tracks is now allowed.

General revenue funds 100% of the Arkansas Racing Commission's operating budget. Currently 80% of the Agency's budget is personnel related costs with the remaining 20% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting to transfer A098C Fiscal Support Specialist (C112) from DFA Management Services to the Racing Commission (\$25,268 Regular Salaries and \$11,217 Personal Services Matching) in order to stay on top of the constant change of new games submitted to place in both facilities. This position is responsible for logging in all games, assigning tracking numbers and corresponding with the vendor and the current gaming consultant. This position will allow for thorough analysis of the games and also assist in other areas of the Commission as needed.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	595,278	630,740	642,884	630,940	656,208	656,208	631,640	656,908	656,908
#Positions		13	13	13	13	14	14	13	14	14
Extra Help	5010001	192,490	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
#Extra Help		27	27	27	27	27	27	27	27	27
Personal Services Matching	5010003	238,227	245,612	210,199	249,040	260,257	260,257	249,214	260,431	260,431
Overtime	5010006	24,513	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Operating Expenses	5020002	175,487	210,247	210,247	210,247	210,247	210,247	210,247	210,247	210,247
Conference & Travel Expenses	5050009	1,524	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	10,486	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,238,005	1,364,599	1,341,330	1,368,227	1,404,712	1,404,712	1,369,101	1,405,586	1,405,586

Funding Sources										
General Revenue	4000010	1,238,005	1,341,330		1,368,227	1,404,712	1,404,712	1,369,101	1,405,586	1,405,586
Merit Adjustment Fund	4000055	0	23,269		0	0	0	0	0	0
Total Funding		1,238,005	1,364,599		1,368,227	1,404,712	1,404,712	1,369,101	1,405,586	1,405,586
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,238,005	1,364,599		1,368,227	1,404,712	1,404,712	1,369,101	1,405,586	1,405,586

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 146 - Division of Racing - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,368,227	13	1,368,227	100.0	1,369,101	13	1,369,101	100.0
C07	Agency Transfer	36,485	1	1,404,712	102.7	36,485	1	1,405,586	102.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,368,227	13	1,368,227	100.0	1,369,101	13	1,369,101	100.0
C07	Agency Transfer	36,485	1	1,404,712	102.7	36,485	1	1,405,586	102.7

Justification

C07	Transfer A098C Fiscal Support Specialist (C112) from DFA Management Services to the Racing Commission. With the constant growth of the electronic games of skill, the transfer of a current authorized position to the Commission is extremely important to stay on top of the constant change of new games submitted to place in both facilities.
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Analysis of Budget Request

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Act 1151 of 2005, otherwise known as "Electronic Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas. This cash funded appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

Applicants, by regulation, are required to pay a license fee and the costs of the background investigations. License fees are deposited to general revenue. The costs of the background investigations are retained by the Department of Finance and Administration - Division of Racing to pay for the actual costs of the investigations, postage and licensing material and unexpected refunds.

The Racing Commission Cash Operations appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks. The Base Level appropriation is sufficient for FY14 and FY15.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	63,533	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		63,533	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
Funding Sources										
Fund Balance	4000005	327,631	400,378		365,378	365,378	365,378	330,378	330,378	330,378
Cash Fund	4000045	130,665	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Interest	4000300	5,615	0		0	0	0	0	0	0
Total Funding		463,911	500,378		465,378	465,378	465,378	430,378	430,378	430,378
Excess Appropriation/(Funding)		(400,378)	(365,378)		(330,378)	(330,378)	(330,378)	(295,378)	(295,378)	(295,378)
Grand Total		63,533	135,000		135,000	135,000	135,000	135,000	135,000	135,000

DFA - REVENUE SERVICES DIVISION

Enabling Laws

Act 70 of 2012
Act 161 of 2012

Arkansas Code Annotated:

§2-8-101 et seq.	§2-20-101 et seq.	§2-35-101 et seq.
§2-40-101 et seq.	§3-4-201 et seq.	§3-5-101 et seq.
§3-7-101 et seq.	§3-9-101 et seq.	§8-7-901
§8-7-908	§8-9-402 et seq.	§14-164-101
§15-4-1001 et seq.	§15-4-1201 et seq.	§15-4-1508
§15-4-1602	§15-4-1701 et seq.	§15-4-1901 et seq.
§15-5-1301 et seq.	§17-21-101 et seq.	§23-113-101 et seq.
§23-114-101 et seq.	§26-5-101 et seq.	§26-17-203
§26-18-101 et seq.	§26-19-101 et seq.	§26-36-301 et seq.
§26-51-101 et seq.	§26-52-101 et seq.	§26-53-101 et seq.
§26-55-101 et seq.	§26-56-101 et seq.	§26-57-201 et seq.
§26-57-901 et seq.	§26-58-101 et seq.	§26-59-101 et seq.
§26-60-101 et seq.	§26-62-101 et seq.	§26-74-101 et seq.
§26-75-101 et seq.	§27-14-101 et seq.	§27-15-101 et seq.
§26-52-301 et seq.	§26-53-126	§27-16-101 et seq.
§27-19-101 et seq.	§27-20-101 et seq.	§27-23-101 et seq.
§27-50-801 et seq.	§27-50-901 et seq.	

Act 555 of 1965, Act 142 of 1949 and Act 134 of 1911

History and Organization

Act 88 of 1925 that created the Office of Insurance and Revenues first established the Revenue Division. Act 115 of 1927 separated the powers of the Insurance Commissioner and changed the title to Commissioner of Revenues. Act 38 of 1971 transferred the Department of Revenues to the Department of Finance and Administration. The Revenue Division is responsible for administration and enforcement of state

taxing laws, vehicle and driver licenses imposed under Arkansas law. The following nine major offices properly administer the varied tax laws, license laws and other functions of Revenue Division operations:

1) Office of the Assistant Commissioner for Policy and Legal

This office consists of three sections: one for the Assistant Commissioner, another for Hearings and Appeals and lastly Taxpayer Assistance. The Office of Assistant Commissioner for Policy and Legal was created in 1995. This office is responsible for policy and legal matters for the Revenue Division. The Hearings and Appeals Section was created by Act 401 of 1979 and is responsible for reviewing all written protests submitted by taxpayers and making findings on proposed assessments. The Taxpayer Assistance Office was created in 1993 and assists taxpayers in resolving problems with the various offices in the Revenue Division.

2) Office of Income Tax

The Office of Income Tax consists of four sections: Administration, Individual Income Tax, Corporate Income Tax and Income Tax Systems. Individual Income Tax administers tax laws as they apply to individuals, fiduciaries, partnerships and estates. Corporate Income Tax administers tax laws applying to corporations doing business in the State. Income Tax Systems processes income tax returns and provides income tax data entry.

3) Office of Field Audit

Act 235 of 1935 gave the Revenue Commissioner the duty of employing Field Auditors and Collectors. The Office is organized into nine sections; Administration, five Audit Districts covering the State, Audit Coordination, Collections and Nexus. The Audit Districts are responsible for performing audits and collection of delinquent taxes in their district. Audit Coordination organizes requests for information and audits between the various tax sections and the Audit Districts. The Collections Section collects delinquent and deficient taxes as well as insufficient fund checks. Act 1151 of 2005, the Local Option Horse Racing and Greyhound Racing Electronic Games of Skill Act added audit responsibilities to Field Audit for games of skill.

4) Office of Motor Vehicle

This Office was first authorized to issue licenses by Act 134 of 1911. Act 142 of 1949 required motor vehicle titles. The Office of Motor Vehicle administers licensing, registration and titling of all vehicles subject to registration. The Office consists of five sections; Administration, Systems Support, Direct Services, International Registration Plan and Registration and Title. The Systems Support section provides customer service for motor vehicle automated systems. The International Registration Plan section registers and licenses all Arkansas trucks under the International Registration Plan. The Direct Services section files all direct liens and provides information on motor vehicles to the general public and to law enforcement on a 24 hour basis. The Registration and Title section provides data entry for titles, renewals and registrations, maintains control records for licenses and fees issued and examines applications for title for completeness and proper documentation. It microfilms all documents submitted with applications for title.

5) Office of Excise Tax Administration

This Office administers tax laws of the State. The Office consists of five sections; Administration, Sales Tax, Motor Fuel Tax, Miscellaneous Tax and Tax Credits. Sales Tax administers taxes on sales, use, mixed drink and beverage excise for State and Local governments. Motor Fuel administers taxes on motor fuel. Miscellaneous Tax administers various tax laws such as cigarette, real estate transfer, amusement, vending and severance. Tax Credits administers the various tax credit programs. Act 388 of 2007, the Charitable Bingo and Raffles Enabling Act, added the tax administration of Bingo and Raffles to the office.

6) Office of Driver Services

Act 555 of 1965 established the Driver Licensing Bureau. Act 311 of 1977 created the color photo driver license program. This Office consists of six sections; Administration, Issuance, Technical Services, Safety Responsibility, Driver Control and Commercial Driver License. The Issuance section is responsible for procedures for issuance of licenses to qualified individuals and for maintaining driver license records. The Technical Services section is responsible for data entry, Traffic Violation Reports and Revenue Micrographics. The Safety Responsibility section administers the financial responsibility laws. Driver Control monitors problem drivers statewide. The Commercial Driver License section administers that program.

7) Office of Assistant Commissioner for Operations and Administration

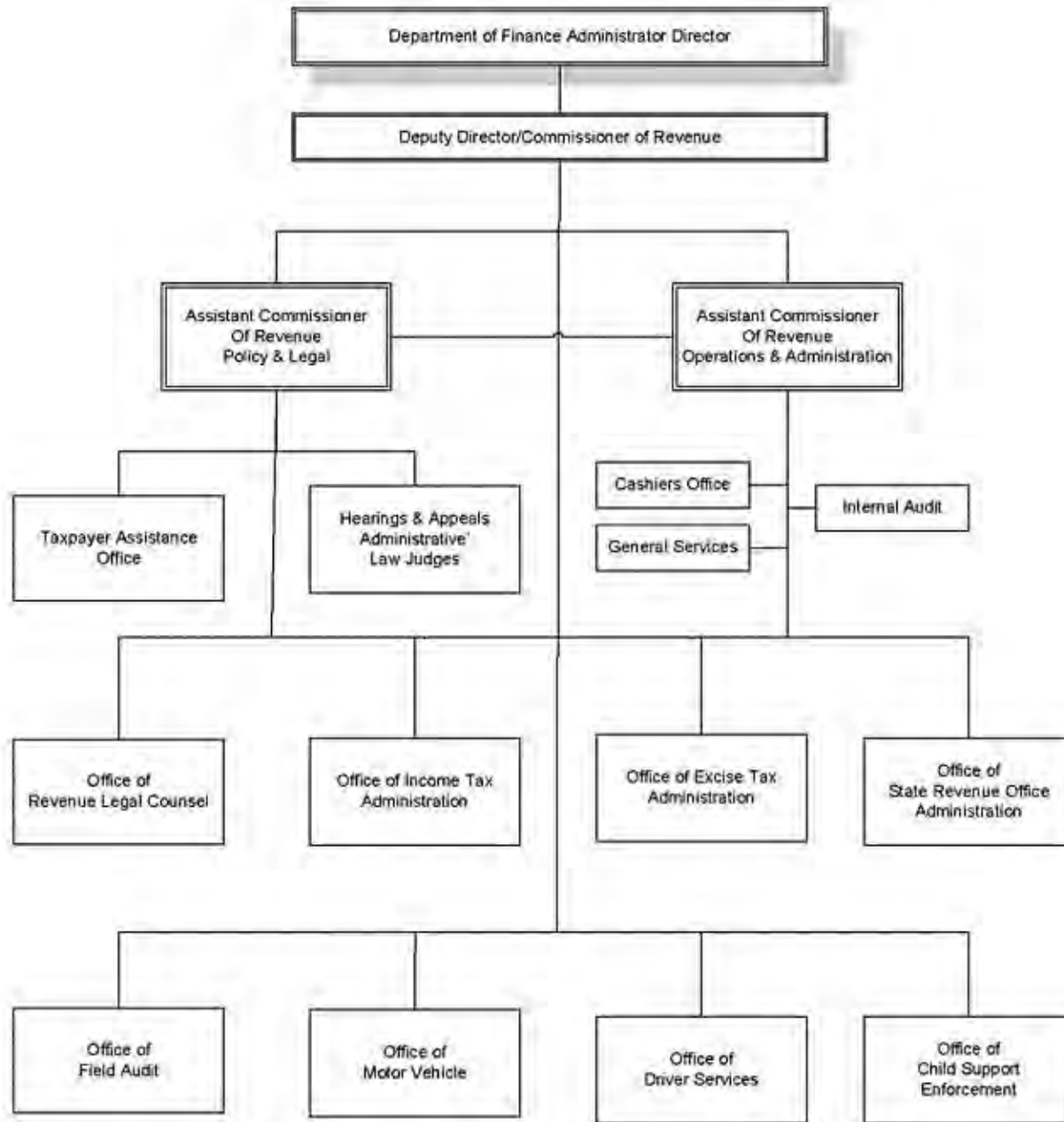
This Office consists of three sections; Office of the Assistant Commissioner, Cashier and General Services. The Cashier section prepares deposits of all monies for deposit with the State Treasurer. The General Services section is responsible for audits all State Revenue Offices, reconciles bank accounts and processes revenues collected by State Revenue Offices, building maintenance and security, central supply, processing all revenues paid by mail and all incoming and outgoing mail.

8) Office of Revenue Legal Counsel

This Office provides legal counsel for the Revenue Division and the operating offices of the Revenue Division. It represents the Division in litigation involving taxes, fees, licenses and programs administered by the Division.

9) Office of State Revenue Office Administration

This office was created to meet the requirements of Act 465 of 1967 that allows individuals to apply in person in their County of residence for automobile registration and renewal. The Office consists of six sections; Administration and five districts dividing the State.



Agency Commentary

DFA Revenue Services Division is funded primarily from the State Central Services Fund and collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Fees are also collected for the Commercial Driver's License Program and dedicated as special revenue to support this program.

Sections of the Revenue Services Division include the following offices:

- Assistant Commissioner for Operations and Administration
- Assistant Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services / Commercial Driver's License
- State Revenue Office Administration

The Revenue Division seeks to restore 10 currently authorized positions: 5 in the State Revenue Offices, 1 in the Office of Income Tax, 2 in the Office of Excise Tax, 1 in the Office of Motor Vehicles, and 1 in Commercial Driver License. These positions all support the collection of general and special revenue or in the regulation and licensing of drivers and motor vehicles. Shortages of positions throughout the Revenue Division resulting in reduced or slower collection of revenue and the reduction of of service in licensing drivers and motor vehicles will result if these positions are not restored.

The Revenue Division is also requesting to transfer 5 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These positions are functional and technical IT positions that are ongoing support for the Arkansas Integrated Revenue System (AIRS).

Reclassification of 8 A059C - Tax Auditor (C119) to A054C - Tax Auditor II (C120). Once reclassified these 8 positions will be able to participate in the Tax Auditor Grid in place for the current 171 Tax Auditor II positions.

Reduction of 21 currently authorized positions (10 Base Level and 11 Unbudgeted) from 1506 currently authorized positions. The positions no longer need to be utilized due to efficiencies of the agency.

The Revenue Division also requests the following maintenance and operation requests (Appropriation 281 - Revenue Operations):

- \$225,000 increase each year in Operating Expenses. This will cover the anticipated increases in postage that have become routine from the United States Postal Services, additional postage costs related to the Certified Mail requirement for mailing taxpayer notification that their state tax debt is being submitted to the Treasury Offset Program (TOP) for federal refund offset.
- Reallocation of \$736,207 each year from Professional Fees to Operating Expenses to properly classify technical services expenses; and reallocation of \$225,000 each year from Refunds / Reimbursements to Operating Expenses. These expenses are directly related to AIRS automatic generation of liens and simplifies the writ filing process. Using this new system has enabled the Collections Section to more aggressively pursue collection activities and result in additional revenues collected.
- Capital Outlay in the amount of \$610,000 in FY14 and \$661,500 in FY15 for replacement of 78 aging and high mileage vehicles.

In conclusion, a continuation of a \$4,000,000 Cash in Treasury Appropriation requested and approved in FY13. The installation of the Cash Management System (CMS) / Arkansas Integrated Revenue System (AIRS) has provided additional opportunities to change business processes to allow better internal controls to safeguard state assets. This appropriation was set up to make the necessary changes in the business processes for disbursing the Motor Vehicle Special License Plates fees to the proper entities.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - REVENUE SERVICES DIVISION
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

Employment Summary

	Male	Female	Total	%
White Employees	214	731	945	68 %
Black Employees	51	373	424	30 %
Other Racial Minorities	6	16	22	2 %
Total Minorities			446	32 %
Total Employees			1,391	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Ad Valorem Assessment Return	26-26-1601	N	N	250,000	Statutory requirement to file annual return
Amusement Machine Tax Register	26-57-404	N	N	200	Statutory requirement to register annually
Beef Promotion Assessment Report	2-35-401	N	N	1,350	Statutory requirement to file monthly report
Beer Excise Tax Report	3-7-104(6)(A)	N	N	500	Statutory requirement to file monthly report
Brucellosis & Swine Testing Report	2-40-206	N	N	1,000	Statutory requirement to file monthly report
Catfish Feed Assessment Report	Act 790 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection
Cigarette Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report
Cigarette Paper Tax Report	26-57-801	N	N	1,000	Statutory requirement to file monthly report
Coin-Operated Vending Tax Register	Act 928 of 1997	N	N	2,000	Statutory requirement to register annually
Construction Permit Fee Report	Act 474 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Corn & Grain Sorghum Assessment Report	Act 271 of 1997	N	N	200	Statutory requirement to file monthly report
Corporation Income Tax	26-51-806	N	N	30,000	Required by law
Driver License Renewal Notice	None	N	N	520,000	To remind people when their license expires
Estimated & Withholding	26-51-806	N	N	110,000	Required by law
Gross Receipts Tax Regulations	26-52-105	N	N	15,000	To provide sales and use tax reporting information and guidelines
IFTA Quarterly Report	26-55-1102	N	N	25,000	IFTA Agreement requires that all accounts must file a quarterly report
IFTA Renewal Application	26-55-1102	N	N	3,500	IFTA Agreement requires that all accounts must file an annual renewal
Imported Wine Tax Report	3-7-104(4)(5)	N	N	200	Statutory requirement to file monthly report
Income Tax Booklet	26-51-806	N	N	712,000	Required by law
Liquor Excise Tax Report	3-7-104	N	N	500	Statutory requirement to file monthly report
LPG Renewal Application	26-56-304	N	N	1,200	Required by the Motor Fuel Tax Law
Moving to Arkansas	None	N	N	1,000	Help new residents understand their tax obligations
Native Wine Tax Report	3-5-409	N	N	100	Statutory requirement to file monthly report
Oil & Brine Museum Fund Report	26-58-302	N	N	300	Statutory requirement to file monthly report
Package A	26-51-806	N	N	25,000	Required by law
Property Tax Refund Claim Form	26-51-601	N	N	150,000	Statutory requirement to file a claim for refund annually

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Registration Renewal Notice	27-14-1014	N	N	1,975,000	Required by law to notify owner of expiration
Rice Promotion Assessment Report	2-20-507	N	N	1,600	Statutory requirement to file monthly report
Sales & Use Tax Reporting Form	26-52-105	N	N	131,800	Statutory Requirement to file monthly/quarterly/annual report
Severance Tax Report	26-58-111	N	N	6,000	Statutory requirement to file monthly report
Soft Drink Assessment Report	26-57-901	N	N	2,500	Statutory requirement to file monthly report
Soybean Promotion Assessment Report	2-20-406	N	N	2,500	Statutory requirement to file monthly report
Starting a New Business	None	N	N	1,000	Provide business operators with a source of information concerning state business tax obligations
Sub S Booklet	26-51-806	N	N	25,000	Required by law
Taxpayer Notification Cards	26-51-806	N	N	532,000	Required by law
Timber Processing Tax	26-58-111	N	N	5,000	Statutory requirement to file monthly report
Tobacco Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report
Vehicle Certificate of Title	27-14-713	N	N	1,000,000	Required by law to convey ownership
Vehicle Registration Certificate	27-14-713	N	N	2,500,000	Required by law to be carried in vehicle
Waste Tire Assessment Report	23-3-510	N	N	20,000	Statutory requirement to file monthly report
Wheat Promotion Assessment Report	2-20-606	N	N	2,000	Statutory requirement to file monthly report

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$25,000 AWARDED TO MINORITY OWNED BUSINESSES
Fiscal Year 2012
Required by A.C.A. 25-36-104

AGENCY: 0630 DFA - REVENUE SERVICES DIVISION

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Akins Janitorial	\$105,376	X					
Remediation Consultants	\$41,373			X			

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED 2

TOTAL EXPENDITURES FOR CONTRACTS AWARDED \$12,519,431

% OF MINORITY CONTRACTS AWARDED 0.31 %

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1JN Commercial Drivers License Program	1,735,998	10	1,713,867	9	1,794,960	10	1,716,149	9	1,746,502	10	1,746,502	10	1,716,272	9	1,746,625	10	1,746,625	10
236 Individual Income Tax & Ad Valorem Property T	494,631,657	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0
237 Corporate Income Tax	56,802,800	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
239 Gasoline Tax Refunds	24,169	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
240 Interstate Motor Fuel Tax Refunds	568,545	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
241 Miscellaneous Tax Refunds	78,187,523	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0
281 Revenue Services Division - Operations	95,509,649	1,476	97,326,086	1,476	99,174,925	1,496	97,372,841	1,476	97,829,408	1,470	97,829,408	1,470	97,425,079	1,476	97,933,146	1,470	97,933,146	1,470
F10 MV Special Plates	0	0	4,000,000	0	0	0	0	0	4,000,000	0	4,000,000	0	0	0	4,000,000	0	4,000,000	0
Total	727,460,341	1,486	1,264,539,953	1,485	1,262,469,885	1,506	1,260,588,990	1,485	1,265,075,910	1,480	1,265,075,910	1,480	1,260,641,351	1,485	1,265,179,771	1,480	1,265,179,771	1,480

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	8,002,980	1.1	8,475,241	0.7			9,261,374	0.7	9,261,374	0.7	9,261,374	0.7	10,045,225	0.8	10,014,872	0.8
Special Revenue	4000030	2,208,259	0.3	2,500,000	0.2			2,500,000	0.2	2,500,000	0.2	2,500,000	0.2	2,500,000	0.2	2,500,000	0.2
State Central Services	4000035	95,509,649	13.0	97,326,086	7.6			97,372,841	7.7	97,829,408	7.7	97,829,408	7.7	97,425,079	7.7	97,933,146	7.7
Cash Fund	4000045	0	0.0	4,000,000	0.3			0	0.0	4,000,000	0.3	4,000,000	0.3	0	0.0	4,000,000	0.3
Tax Refunds	4000485	630,214,694	85.6	1,161,500,000	91.2			1,161,500,000	91.4	1,161,500,000	91.1	1,161,500,000	91.1	1,161,500,000	91.4	1,161,500,000	91.0
Total Funds		735,935,582	100.0	1,273,801,327	100.0			1,270,634,215	100.0	1,275,090,782	100.0	1,275,090,782	100.0	1,271,470,304	100.0	1,275,948,018	100.0
Excess Appropriation/(Funding)		(8,475,241)		(9,261,374)				(10,045,225)		(10,014,872)		(10,014,872)		(10,828,953)		(10,768,247)	
Grand Total		727,460,341		1,264,539,953				1,260,588,990		1,265,075,910		1,265,075,910		1,260,641,351		1,265,179,771	

Budget exceeds Authorized Appropriation in F10 MV Special Plates due to a transfer from the Cash Fund Holding Account.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,506	1404	81	1485	21	6.77 %	1,506	1411	74	1485	21	6.31 %	1,506	1396	89	1485	21	7.30 %

Analysis of Budget Request

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

This appropriation provides for operating expenses of the Arkansas Commercial Driver License Program and for other related purposes as required by the Director of the Department of Finance and Administration (DFA) in carrying out the functions, powers, and duties of the DFA - Revenue Services Division. Fees collected for licenses issued are dedicated as special revenue to support this program.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting a Change Level increase of \$20,788 in Regular Salaries and \$9,565 in Personal Services Matching each year of the 2013-2015 Biennium to restore one currently authorized position to assist in the collection of special revenue in the Arkansas Commercial Driver License Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	281,337	261,050	329,454	261,150	281,938	281,938	261,250	282,038	282,038
#Positions		10	9	10	9	10	10	9	10	10
Personal Services Matching	5010003	102,309	100,465	113,154	102,647	112,212	112,212	102,670	112,235	112,235
Operating Expenses	5020002	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,735,998	1,713,867	1,794,960	1,716,149	1,746,502	1,746,502	1,716,272	1,746,625	1,746,625
Funding Sources										
Fund Balance	4000005	8,002,980	8,475,241		9,261,374	9,261,374	9,261,374	10,045,225	10,014,872	10,014,872
Special Revenue	4000030	2,208,259	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Funding		10,211,239	10,975,241		11,761,374	11,761,374	11,761,374	12,545,225	12,514,872	12,514,872
Excess Appropriation/(Funding)		(8,475,241)	(9,261,374)		(10,045,225)	(10,014,872)	(10,014,872)	(10,828,953)	(10,768,247)	(10,768,247)
Grand Total		1,735,998	1,713,867		1,716,149	1,746,502	1,746,502	1,716,272	1,746,625	1,746,625

Change Level by Appropriation

Appropriation: 1JN - Commercial Drivers License Program
Funding Sources: SDL - Commercial Driver License Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,716,149	9	1,716,149	100.0	1,716,272	9	1,716,272	100.0
C01	Existing Program	30,353	1	1,746,502	101.8	30,353	1	1,746,625	101.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,716,149	9	1,716,149	100.0	1,716,272	9	1,716,272	100.0
C01	Existing Program	30,353	1	1,746,502	101.8	30,353	1	1,746,625	101.8

Justification

C01	Restore one currently authorized position that supports the collection of special revenue for the Commercial Drivers License Program.
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Analysis of Budget Request

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to refund individual taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts and for property tax rebates levied on the assessed value of all taxable real property, personal property, and utility property in the State.

The Agency is requesting Base Level of \$680,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	494,631,657	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Total		494,631,657	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Funding Sources										
Tax Refunds	4000485	494,631,657	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Total Funding		494,631,657	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		494,631,657	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000

Analysis of Budget Request

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to make income tax refunds to corporate taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts.

The Agency is requesting Base Level of \$200,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 237 - Corporate Income Tax
Funding Sources: TGC - Corporate Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	56,802,800	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total		56,802,800	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000

Funding Sources		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Tax Refunds	4000485	56,802,800	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total Funding		56,802,800	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		56,802,800	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000

Analysis of Budget Request

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used for making motor fuel tax refunds that come from the fuel tax of 21½ cents a gallon on gasoline and 22½ cents a gallon on diesel. A refund results from an overpayment on taxes paid on fuel by a distributor or a supplier.

The Agency is requesting Base Level of \$1,500,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	24,169	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total	24,169	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funding Sources									
Tax Refunds 4000485	24,169	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	24,169	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	24,169	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

The Interstate Motor Fuel Tax Refund fund consists of the amount, estimated quarterly, which is transferred monthly from gross motor fuel taxes and gross special motor fuel tax collections, to be used to pay refunds to interstate users of motor fuels and special motor fuels as set out in A.C.A. §26-55-714 and §26-56-215. The interstate users of motor fuel tax refunds are generated from an over purchase of tax paid fuel, usually diesel, which is used on the highway by a vehicle over 26,001 pounds, purchased by truckers in the State of Arkansas, but where majority of the miles were traveled in another state.

The Agency is requesting Base Level of \$20,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	568,545	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	568,545	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources									
Tax Refunds 4000485	568,545	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total Funding	568,545	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	568,545	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary. Some of the sources that fall into the category of miscellaneous tax refunds are:

- Cigarette and Tobacco Excise Taxes
- Alcoholic Beverage Excise Taxes
- Promotion Assessments
- Severance Tax
- Amusement Machine Tax
- Soft Drink Tax
- Real Property Transfer Tax
- Waste Tire Fee
- Vending Device Decal Act of 1997
- Construction Nonresidential Surcharge

The Agency is requesting Base Level of \$260,000,000 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 241 - Miscellaneous Tax Refunds
Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	78,187,523	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Total		78,187,523	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Funding Sources										
Tax Refunds	4000485	78,187,523	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Total Funding		78,187,523	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		78,187,523	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000

Analysis of Budget Request

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for the operation of the Department of Finance and Administration - Revenue Services Division which collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Sections of the Revenue Services Division include the following offices:

- Assistant Commissioner for Operations and Administration
- Assistant Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services
- State Revenue Office Administration

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$97,372,841 in FY14 and \$97,425,079 in FY15.

The Agency is requesting a Change Level increase above Base Level of \$456,567 for FY14 and \$508,067 for FY15 as follows:

- Restoration of 9 currently authorized positions and related matching all of which support the collection of general revenue or in the regulation and licensing of drivers and motor vehicles. Shortages of positions throughout the Revenue Division resulting in reduced or slower collection of revenue and the reduction of service in licensing drivers and motor vehicles will result if these positions are not restored; increase of \$318,033 each year.
- Transfer of 5 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These positions are functional and technical IT positions that are ongoing support for the Arkansas Integrated Revenue System (AIRS); decrease of (\$364,635) each year.

- Reclassification of 8 A059C - Tax Auditor (C119) to A054C - Tax Auditor II (C120). Once reclassified these 8 positions will be able to participate in the Tax Auditor Grid in place for the current 171 Tax Auditor II positions; increase of \$6,526 each year.
- Reduction of 21 currently authorized positions (10 Base Level and 11 Unbudgeted) from 1506 currently authorized positions. The positions no longer need to be utilized due to efficiencies of the agency; decrease of (\$338,357) each year.
- \$225,000 increase each year in Operating Expenses. This will cover the anticipated increases in postage that have become routine from the United States Postal Services.
- Reallocation of \$736,207 each year from Professional Fees to Operating Expenses to properly classify technical services expenses; and reallocation of \$225,000 each year from Refunds / Reimbursements to Operating Expenses. These expenses are directly related to AIRS automatic generation of liens and simplifies the writ filing process.
- The Capital Outlay request is for replacement of 78 aging, high mileage vehicles in accordance with A.C.A. 22-8-201 et seq., Automobile and Pickup Truck Acquisition Law, which establishes guidelines for automobile replacement; increase of \$610,000 FY14 and \$661,500 FY15.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	52,384,032	51,204,836	53,537,312	51,309,871	51,024,693	51,024,693	51,352,571	51,067,393	51,067,393
#Positions		1,476	1,476	1,496	1,476	1,470	1,470	1,476	1,470	1,470
Extra Help	5010001	94,077	564,466	564,466	564,466	564,466	564,466	564,466	564,466	564,466
#Extra Help		15	221	221	221	221	221	221	221	221
Personal Services Matching	5010003	17,629,005	18,425,675	17,942,038	18,803,395	18,710,140	18,710,140	18,812,933	18,719,678	18,719,678
Overtime	5010006	488	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Operating Expenses	5020002	23,847,516	25,311,452	25,311,452	25,311,452	26,497,659	26,497,659	25,311,452	26,497,659	26,497,659
Conference & Travel Expenses	5050009	26,872	115,450	115,450	115,450	115,450	115,450	115,450	115,450	115,450
Professional Fees	5060010	885,497	893,207	893,207	893,207	157,000	157,000	893,207	157,000	157,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	19,064	250,000	250,000	250,000	25,000	25,000	250,000	25,000	25,000
Capital Outlay	5120011	623,098	436,000	436,000	0	610,000	610,000	0	661,500	661,500
Total		95,509,649	97,326,086	99,174,925	97,372,841	97,829,408	97,829,408	97,425,079	97,933,146	97,933,146
Funding Sources										
State Central Services	4000035	95,509,649	97,326,086		97,372,841	97,829,408	97,829,408	97,425,079	97,933,146	97,933,146
Total Funding		95,509,649	97,326,086		97,372,841	97,829,408	97,829,408	97,425,079	97,933,146	97,933,146
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		95,509,649	97,326,086		97,372,841	97,829,408	97,829,408	97,425,079	97,933,146	97,933,146

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 281 - Revenue Services Division - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	97,372,841	1,476	97,372,841	100.0	97,425,079	1,476	97,425,079	100.0
C01	Existing Program	1,153,033	9	98,525,874	101.2	1,204,533	9	98,629,612	101.2
C03	Discontinue Program	(338,357)	(10)	98,187,517	100.8	(338,357)	(10)	98,291,255	100.9
C04	Reallocation	0	0	98,187,517	100.8	0	0	98,291,255	100.9
C07	Agency Transfer	(364,635)	(5)	97,822,882	100.5	(364,635)	(5)	97,926,620	100.5
C10	Reclass	6,526	0	97,829,408	100.5	6,526	0	97,933,146	100.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	97,372,841	1,476	97,372,841	100.0	97,425,079	1,476	97,425,079	100.0
C01	Existing Program	1,153,033	9	98,525,874	101.2	1,204,533	9	98,629,612	101.2
C03	Discontinue Program	(338,357)	(10)	98,187,517	100.8	(338,357)	(10)	98,291,255	100.9
C04	Reallocation	0	0	98,187,517	100.8	0	0	98,291,255	100.9
C07	Agency Transfer	(364,635)	(5)	97,822,882	100.5	(364,635)	(5)	97,926,620	100.5
C10	Reclass	6,526	0	97,829,408	100.5	6,526	0	97,933,146	100.5

Justification

C01	Restore 9 currently authorized positions that support the collection of general and special revenue or in the regulation and licensing of drivers and motor vehicles. The Capital Outlay request is for replacement of 78 aging and high mileage vehicles, Operating Expenses reflect anticipated increases in postage that have become routine from the United States Postal Services, additional postage costs related to the Certified Mail requirement for mailing taxpayer notification that their state tax debt is being submitted to the Treasury Offset Program (TOP) for federal refund offset.
C03	Reduction of 10 Base Level positions. The positions no longer need to be utilized due to efficiencies of the agency.
C04	Reallocation of \$736,207 each year from Professional Fees to Operating Expenses to properly classify technical services expenses; and reallocation of \$225,000 each year from Refunds / Reimbursements to Operating Expenses. These expenses are directly related to AIRS automatic generation of liens and simplifies the writ filing process.
C07	Transfer 5 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). These positions are functional and technical IT positions that are ongoing support for the Arkansas Integrated Revenue System (AIRS).
C10	Reclassification of 8 A059C - Tax Auditor (C119) to A054C - Tax Auditor II (C120). Once reclassified these 8 positions will be able to participate in a progression plan that is currently in place for the current 171 Tax Auditor II positions.

Analysis of Budget Request

Appropriation: F10 - MV Special Plates

Funding Sources: NMV - MV Special Plates - Cash in Treasury

The installation of the Cash Management System (CMS) / Arkansas Integrated Revenue System (AIRS) has provided additional opportunities to change business processes to allow better internal controls to safeguard state assets. This appropriation was set up to make the necessary changes in the business processes for disbursing the Motor Vehicle Special License Plates fees to the proper entities.

The Agency is requesting a continuation of a \$4,000,000 Cash in Treasury Appropriation requested and approved in FY13.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F10 - MV Special Plates

Funding Sources: NMV - MV Special Plates - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
MV Special Plates 5900046	0	4,000,000	0	0	4,000,000	4,000,000	0	4,000,000	4,000,000
Total	0	4,000,000	0	0	4,000,000	4,000,000	0	4,000,000	4,000,000
Funding Sources									
Cash Fund 4000045	0	4,000,000		0	4,000,000	4,000,000	0	4,000,000	4,000,000
Total Funding	0	4,000,000		0	4,000,000	4,000,000	0	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000,000		0	4,000,000	4,000,000	0	4,000,000	4,000,000

Budget exceeds Authorized Appropriation due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: F10 - MV Special Plates
Funding Sources: NMV - MV Special Plates - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C02	New Program	4,000,000	0	4,000,000	100.0	4,000,000	0	4,000,000	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C02	New Program	4,000,000	0	4,000,000	100.0	4,000,000	0	4,000,000	100.0

Justification

C02	Continuation of Cash in Treasury Appropriation requested and approved in FY13. The installation of the Cash Management System (CMS) / Arkansas Integrated Revenue System (AIRS) has provided additional opportunities to change business processes to allow better internal controls to safeguard state assets.
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DISABLED VETERANS' SERVICE OFFICE

Enabling Laws

Act 24 of 2012

History and Organization

This Agency is dedicated to a single purpose: building better lives for disabled veterans, their families and survivors. The Disabled Veterans' Service Office is located within the Disabled American Veterans (DAV), VA Regional Office, Building 65, Room 121, 2200 Fort Roots Drive, North Little Rock, Arkansas.

Act 376 of 1951 provided appropriation to be expended by the Disabled Veterans' Service Office to assist such claimants in preparation of their claims for benefits from federal, state and local agencies. We have a long history of advocacy and successful representation of veterans and their dependents seeking benefits and services from the Department of Veterans' Affairs (VA) and other governmental agencies. In keeping with the purpose of our creation, we are required to develop and prosecute claims in writing, in person, and by video/teleconferencing with the agencies, which serve our clients.

Our effort to realize our purpose expands well beyond the office and extends deep within the veterans community through our Mobile Service Office Program. This outreach program was designed so that many disabled veterans, who are unable to physically travel to our office, can still obtain claim assistance when our Mobile Service Office (MSO) is in their area.

The Disabled Veterans Service Office assists claimants in filing for the following benefits:

- | | | |
|--------------------------------|-----------------------------|---|
| 1. VA Compensation | 11. Hospitalization | 21. Pre-COVA preparation |
| 2. VA Pension | 12. Discharge Upgrade | 22. Reimbursed Medical Expenses |
| 3. Education & Training | 13. TAP/DTAP | 23. EEOC recoveries |
| 4. Vocational Rehabilitation | 14. Injuries from treatment | 24. REPS benefits |
| 5. Aid & Attendance Allowance | 15. Injuries from training | 25. Soldiers & Sailors Civil Relief Act |
| 6. VA Clothing Allowance | 16. Military Retirement | 26. Arkansas State benefits |
| 7. Automobile Grants | 17. CRSC/CRDP | 27. U.S. Insurance Programs |
| 8. Housing Grants | 18. Dependency Benefits | 28. Widow's Benefits |
| 9. Waivers for VA Overpayments | 19. Domiciliary Entrance | 29. Burial Assistance |
| 10. ChampVA Benefits | 20. Relief from VA co-pays | 30. Unemployment Compensation |

This Agency is also responsible for conducting the Service Officer Training Conference, an annual event that enables all Department Service Officers (DSOs) and Chapter Service Officers (CSOs) the opportunity to become certified, or recertified, for coverage under the National Organization's Indemnification of the Department and Chapter Service Programs. Once certified, these service officers may assist this Agency in providing benefit information to claimants and helping claimants to prepare claims for submission to the Department of Veterans' Affairs (VA). The training is designed to enhance the knowledge and professionalism of the DSOs and CSOs and will help the Agency offer the best service possible to our claimants. Over 100 service officers receive certification on a biennial basis.

Many of Arkansas' disabled veterans take advantage of our Transportation Network that is administered by our Department Office. Many volunteers work under our Transportation Network to transport sick and disabled veterans to and from VA medical facilities for treatment. The majority of the veterans who use this program are seeking care for their service-connected disabilities. Others have limited resources, are too ill to drive, or may have no access to public transportation.



Agency Commentary

The Disabled Veterans' Service Office is responsible for ascertaining benefits for Arkansas' veterans, their families and survivors. This service is accomplished by carrying out the following tasks: assisting claimants in completing any necessary paperwork; submitting applications, evidence, and other documents to the appropriate agency; explaining laws; advising and providing benefit information; assisting in procuring and presenting evidence to support claims; conducting in-depth reviews of medical histories, explaining decisions rendered; preparing appellate briefs; and personally representing claimants in formal hearings before the Board of Veterans Appeal.

FY2014 and FY2015 Base level appropriation and general revenue funding consists of \$33,567 in Regular Salaries with related Personal Services Matching for one (1) Administrative Specialist I position, Operating Expenses and Conference & Travel Expenses.

The Disabled Veterans Service Office will maintain all past services rendered as referenced in the History and Organization Section of this presentation and continue to seek new and innovative methods to provide extended service to our clientele. Maintaining the current level of activity, the Agency brings over \$205 million into the State on a biennial basis. Additionally, volunteer hours provide service work of over \$480,000 to the State's citizens, and the fifteen (15) vans donated for use to the Department of Veterans Affairs saves Arkansas' veterans over \$567,000 in transportation costs on a biennial basis.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DISABLED VETERANS SERVICE OFFICE
FOR THE YEAR ENDED JUNE 30, 2011

Findings

None

Recommendations

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %

Analysis of Budget Request

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Disabled Veterans Service Office offers assistance to veterans in the preparation of their claims to the U.S. Government for compensation and other benefits, and is primarily supported by the Disabled American Veterans Service Office. The Office also provides transportation services to veterans for outpatient appointments when no other options are available. The State provides appropriation and general revenue funding for one clerical position, as well as for Operating Expenses and Conference & Travel Expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Request of Base Level for FY14 and FY15 includes \$33,567 each year for 1 position.

The Executive Recommendations provides for the Agency Request.

Appropriation Summary

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	20,662	21,688	23,216	21,827	21,827	21,827	21,827	21,827	21,827
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	9,053	9,427	9,363	9,712	9,712	9,712	9,712	9,712	9,712
Operating Expenses	5020002	870	1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304
Conference & Travel Expenses	5050009	0	724	724	724	724	724	724	724	724
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		30,585	33,143	34,607	33,567	33,567	33,567	33,567	33,567	33,567
Funding Sources										
General Revenue	4000010	30,585	32,939		33,567	33,567	33,567	33,567	33,567	33,567
Merit Adjustment Fund	4000055	0	204		0	0	0	0	0	0
Total Funding		30,585	33,143		33,567	33,567	33,567	33,567	33,567	33,567
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		30,585	33,143		33,567	33,567	33,567	33,567	33,567	33,567

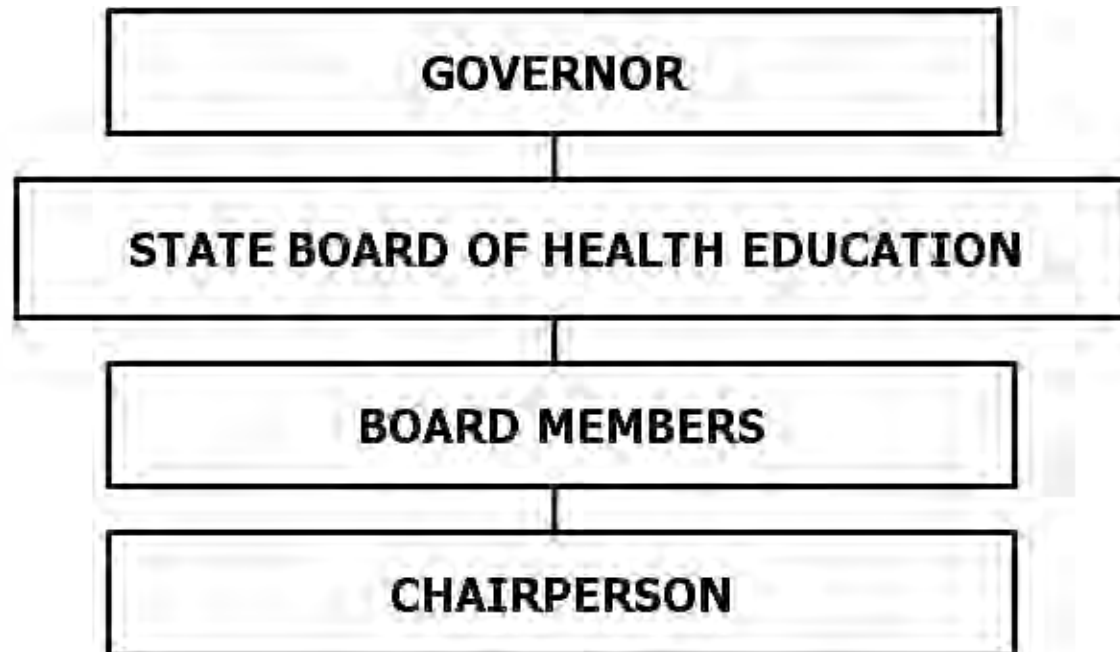
ARKANSAS BOARD OF HEALTH EDUCATION

Enabling Laws

Act 113 of 2012
A.C.A. §17-53-101 et seq.

History and Organization

The State Board of Health Education, authorized by A.C.A. §17-53-101 et seq., certifies and regulates persons engaged in the practice of health education. The Board is comprised of seven members appointed by the Governor and confirmed by the Senate who serve three year terms. The Board is a Cash Agency funded from fees used for operating expenses.



Agency Commentary

Agency Request is Base Level for each year of the 2013-15 Biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS BOARD OF HEALTH EDUCATION
FOR THE YEAR ENDED JUNE 30, 2011

Findings

None

Recommendations

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

Analysis of Budget Request

Appropriation: 85D - Health Education- Treasury

Funding Sources: NBH - Cash in Treasury

The State Board of Health Education, authorized by A.C.A. §17-53-101 et seq., certifies and regulates persons engaged in the practice of health education. The Board is comprised of seven members serving three year terms. Board members are appointed by the Governor and confirmed by the Senate. The Board is a cash funded agency and collects fees from the certification of health education personnel. The revenue collected from such fees are used for the operating expenses of the Board.

The Board requests Base Level of \$4,800 each year of the 2013-15 Biennium.

The Executive Recommendation provides for transfer of Base Level appropriation established for this Agency to the Department of Health.

Appropriation Summary

Appropriation: 85D - Health Education- Treasury

Funding Sources: NBH - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	437	4,800	5,592	4,800	4,800	0	4,800	4,800	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		437	4,800	5,592	4,800	4,800	0	4,800	4,800	0
Funding Sources										
Fund Balance	4000005	4,287	4,273		675	675	0	0	0	0
Cash Fund	4000045	423	1,202		1,202	1,202	0	1,202	1,202	0
Total Funding		4,710	5,475		1,877	1,877	0	1,202	1,202	0
Excess Appropriation/(Funding)		(4,273)	(675)		2,923	2,923	0	3,598	3,598	0
Grand Total		437	4,800		4,800	4,800	0	4,800	4,800	0

The Executive Recommendation provides for the transfer of appropriation established for this Agency to the Department of Health.

Change Level by Appropriation

Appropriation: 85D - Health Education- Treasury
Funding Sources: NBH - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	4,800	0	4,800	100.0	4,800	0	4,800	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	4,800	0	4,800	100.0	4,800	0	4,800	100.0
C07	Agency Transfer	(4,800)	0	0	0.0	(4,800)	0	0	0.0

Justification

C07	The Executive Recommendation provides for the transfer of appropriation established for this Agency to the Department of Health.
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HEALTH SERVICES PERMIT AGENCY

Enabling Laws

Act 279 of 2012

Arkansas Code Annotated §20-8-101 et seq.

Developmental Disabilities Assistance and Bill of Rights Act of 2000 (Public Law 106-402)

History and Organization

Health Services Permit Agency

Arkansas Code Annotated §20-8-101 et seq. authorizes the Health Services Permit Agency as an independent agency under the supervision and control of the Governor. With direction from a nine (9) member Health Services Permit Commission, the Agency is responsible for implementing the State's Health Services Program which includes a Permit of Approval (POA) process. The current POA process evolved from federal initiatives in the sixties resulting in passage of an Arkansas Certificate of Need (CON) law in 1975. Legislation in 1987 abolished the CON program and established the existing program. Arkansas Act 593 of 1987, as amended, created the Health Services Permit Commission (Commission) and the Health Services Permit Agency (Agency) to implement the State's long term care planning and review program. Act 1800 of 2001 added one member to represent the Hospice Association to the Commission, which is composed of the following membership appointed by the Governor and confirmed by the Senate:

- A member from the Arkansas Hospital Association,
- A member from the Arkansas Health Care Association,
- A member from the Arkansas Chapter, American Association of Retired Persons,
- A member from the Arkansas Home Care Association of Arkansas,
- A member from the Arkansas Residential Assisted Living Association,
- A representative of the Department of Health & Human Services,
- A consumer knowledgeable in business health insurance,
- A practicing physician, and
- A representative from the Arkansas Hospice Association.

Mission Statement: The Commission/Agency mission is to ensure appropriate distribution of health care providers through the regulation of new services, protection of quality care and negotiation of competing interests so that community needs are appropriately met without unnecessary duplication and expense.

Developmental Disabilities Council

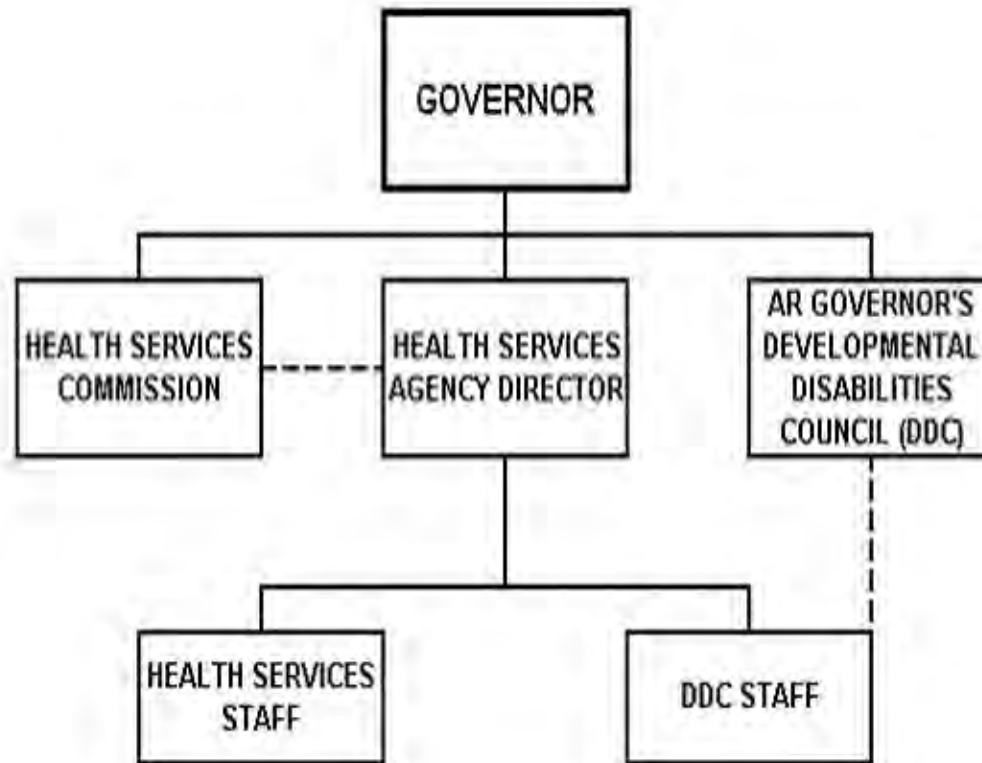
Vision: We envision a world where everyone has an equal and real opportunity to lead a meaningful life.

Mission Statement: The Arkansas Governor's Developmental Disabilities Council supports people with developmental disabilities in achieving independence, productivity, integration and inclusion into the community through advocating and promoting service systems that enhance their lives. The Council believes society gains from the full participation of a wide variety of people.

The Council believes in the right of individuals to live, work, play, learn, worship and experience life as they choose. The Council believes independence entails economic self-sufficiency, equal opportunity, a right to make choices, a right to dignity and respect, dignity of risk and the opportunity to maximize one's potential and to achieve individual goals. The Council supports individuals with developmental disabilities in achieving independence, productivity, integration and inclusion into the community. The purpose of the Council is to engage in advocacy, capacity building and systemic change activities that contribute to a comprehensive system of community services.

The Developmental Disabilities Council includes twenty-six members, appointed by the Governor, and includes individuals with developmental disabilities, parents and/or guardians, state agency representatives, and other interested individuals. The purpose of the Council is to bring the perspective of the individual with a disability and his or her family to policymakers in order to make needed improvements to the service system to improve and/or enhance the quality of services provided. The Council plays a major role as a system's advocate and a resource to provide information on needed changes.

Council funding is available for demonstration projects and activities that build the infrastructure and capacity of the State to meet the needs of individuals and their families. Sub-grantee recipients include non-profit organizations, state agencies, and other groups that demonstrate, through an approved application, their ability to accomplish activities identified and requested by the Council.



Agency Commentary

The Agency is requesting Base Level on all appropriations and funding for the 2013-2015 Biennium. This level will allow continuation of the Agency's mission.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
HEALTH SERVICES PERMIT AGENCY
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

None

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	1	3	4	44 %
Black Employees	0	4	4	44 %
Other Racial Minorities	0	1	1	12 %
Total Minorities			5	56 %
Total Employees			9	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Permit of Approval Rulebook	A.C.A. 2-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the Rules and Regulations regarding Permits of Approval, and of the changes to those rules.
Health Care Facilities and Services Need	A.C.A. 20-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the need for health services in the State.
Health Services Permit Agency Annual Report	A.C.A. 20-8-110	Y	Y	3	Distributed by request, to keep the public, Governor, and General Assembly informed of activities of agency.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
844 Health Serv Permit Agency-State	332,040	4	377,100	4	418,077	4	385,927	4	385,927	4	385,927	4	385,934	4	385,934	4	385,934	4
845 Dev Disabilities Plng Council-State	29,044	1	37,108	1	38,140	1	37,055	1	37,055	1	37,055	1	37,082	1	37,082	1	37,082	1
846 Dev Disabilities Plng Council-Fed	451,255	4	1,443,772	6	1,402,924	6	1,445,430	6	1,445,430	6	1,445,430	6	1,446,189	6	1,446,189	6	1,446,189	6
Total	812,339	9	1,857,980	11	1,859,141	11	1,868,412	11	1,868,412	11	1,868,412	11	1,869,205	11	1,869,205	11	1,869,205	11

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	207,347	19.8	232,335	11.3			189,994	9.5	189,994	9.5	189,994	9.5	121,568	6.3	121,568	6.3
General Revenue	4000010	313,243	30.0	313,243	15.3			316,556	15.9	316,556	15.9	316,556	15.9	316,615	16.5	316,615	16.5
Federal Revenue	4000020	451,255	43.2	1,443,772	70.5			1,445,430	72.6	1,445,430	72.6	1,445,430	72.6	1,446,189	75.2	1,446,189	75.2
Merit Adjustment Fund	4000055	0	0.0	4,624	0.2			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Permit of Approval Fees	4000375	72,829	7.0	54,000	2.6			38,000	1.9	38,000	1.9	38,000	1.9	38,000	2.0	38,000	2.0
Total Funds		1,044,674	100.0	2,047,974	100.0			1,989,980	100.0	1,989,980	100.0	1,989,980	100.0	1,922,372	100.0	1,922,372	100.0
Excess Appropriation/(Funding)		(232,335)		(189,994)				(121,568)		(121,568)		(121,568)		(53,167)		(53,167)	
Grand Total		812,339		1,857,980				1,868,412		1,868,412		1,868,412		1,869,205		1,869,205	

FY13 Budget amount exceeds the authorized amount in Appropriation 846 due to salary and matching rate adjustments during the 2011-2013 Biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
11	8	3	11	0	27.27 %	11	9	2	11	0	18.18 %	11	9	2	11	0	18.18 %

Analysis of Budget Request

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

The Agency uses this appropriation to review all applications for permits of approval, for nursing homes, residential care facilities, etc., addressing such issues as need, staffing, and economic feasibility. The State Operations appropriation is funded from general revenue and fees from certificate of need applications as authorized by Arkansas Code Annotated §20-8-108.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Base Level request for this appropriation is \$385,927 in FY14 and \$385,934 in FY15 with four (4) budgeted base level positions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	217,786	225,150	260,325	231,440	231,440	231,440	231,443	231,443	231,443
#Positions	4	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	62,276	68,782	74,584	71,319	71,319	71,319	71,323	71,323	71,323
Operating Expenses 5020002	38,172	60,627	60,627	60,627	60,627	60,627	60,627	60,627	60,627
Conference & Travel Expenses 5050009	0	5,274	5,274	5,274	5,274	5,274	5,274	5,274	5,274
Professional Fees 5060010	13,806	17,267	17,267	17,267	17,267	17,267	17,267	17,267	17,267
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	332,040	377,100	418,077	385,927	385,927	385,927	385,934	385,934	385,934
Funding Sources									
Fund Balance 4000005	207,347	232,335		189,994	189,994	189,994	121,568	121,568	121,568
General Revenue 4000010	284,199	276,135		279,501	279,501	279,501	279,533	279,533	279,533
Merit Adjustment Fund 4000055	0	4,624		0	0	0	0	0	0
Permit of Approval Fees 4000375	72,829	54,000		38,000	38,000	38,000	38,000	38,000	38,000
Total Funding	564,375	567,094		507,495	507,495	507,495	439,101	439,101	439,101
Excess Appropriation/(Funding)	(232,335)	(189,994)		(121,568)	(121,568)	(121,568)	(53,167)	(53,167)	(53,167)
Grand Total	332,040	377,100		385,927	385,927	385,927	385,934	385,934	385,934

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2012 TO FISCAL YEAR 2013**

Agency: Health Services Permit Agency

Program: Health Serv Permit Agency-State

Act #: 1100 Section(s) #: 2 & 5

Estimated Carry Forward Amount \$ 242,500.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0665 Funds Center: 844 Fund: HUA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

These funds are necessary for the operations of the Agency. The funds are generated from fees and fines collected pursuant to A.C.A. 20-8-108 and deposited into the Miscellaneous Agencies Fund. The funds will carry forward into FY13.

Actual Funding Carry Forward Amount \$ 232,355.33

Current status of carry forward funding:

The funds will be used to support the operations of the Agency for FY13.

Deborah Frazier

Director

08-23-2012

Date

Analysis of Budget Request

Appropriation: 845 - Dev Disabilities Plng Council-State

Funding Sources: HUA - General Revenue

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - State appropriation is funded from general revenue and is used to match the federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that funds the DDPC - Federal appropriation.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Base Level request for this appropriation is \$37,055 in FY14 and \$37,082 in FY15 with one (1) budgeted base level position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 845 - Dev Disabilities Plng Council-State

Funding Sources: HUA - General Revenue

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	22,810	28,845	29,446	28,676	28,676	28,676	28,694	28,694	28,694
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	6,234	8,263	8,694	8,379	8,379	8,379	8,388	8,388	8,388
Total		29,044	37,108	38,140	37,055	37,055	37,055	37,082	37,082	37,082
Funding Sources										
General Revenue	4000010	29,044	37,108		37,055	37,055	37,055	37,082	37,082	37,082
Total Funding		29,044	37,108		37,055	37,055	37,055	37,082	37,082	37,082
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		29,044	37,108		37,055	37,055	37,055	37,082	37,082	37,082

The Base Level amount is less than the Budget amount due to flexibility in the authorization of all positions through one salary section in the appropriation act.

Analysis of Budget Request

Appropriation: 846 - Dev Disabilities Plng Council-Fed

Funding Sources: FKM - Health Services - DDPC Federal

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - Federal appropriation is funded from a federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that is matched with general revenue funds from the DDPC - State appropriation.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Base Level request for this appropriation is \$1,445,430 in FY14 and \$1,446,189 in FY15 with six (6) budgeted base level positions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 846 - Dev Disabilities Plng Council-Fed

Funding Sources: FKM - Health Services - DDPC Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	196,647	273,148	246,690	273,078	273,078	273,078	273,696	273,696	273,696
#Positions		4	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	71,485	89,827	75,437	91,555	91,555	91,555	91,696	91,696	91,696
Operating Expenses	5020002	104,347	259,025	259,025	259,025	259,025	259,025	259,025	259,025	259,025
Conference & Travel Expenses	5050009	10,032	10,843	10,843	10,843	10,843	10,843	10,843	10,843	10,843
Professional Fees	5060010	0	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	68,744	690,929	690,929	690,929	690,929	690,929	690,929	690,929	690,929
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		451,255	1,443,772	1,402,924	1,445,430	1,445,430	1,445,430	1,446,189	1,446,189	1,446,189
Funding Sources										
Federal Revenue	4000020	451,255	1,443,772		1,445,430	1,445,430	1,445,430	1,446,189	1,446,189	1,446,189
Total Funding		451,255	1,443,772		1,445,430	1,445,430	1,445,430	1,446,189	1,446,189	1,446,189
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		451,255	1,443,772		1,445,430	1,445,430	1,445,430	1,446,189	1,446,189	1,446,189

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 Biennium.

LAW ENFORCEMENT STANDARDS & TRAINING

Enabling Laws

Act 127 of 2012
A.C.A. §12-9-101 et seq.

History and Organization

As the dynamics of law enforcement continue to rapidly change, the Commission on Law Enforcement Standards and Training, recognizing its responsibility to the citizens of our State by maintaining and enforcing standards for employment, is committed to providing the law enforcement profession in the State of Arkansas with the very best training available, utilizing the latest in law enforcement instructional methods, techniques, and technology, emphasizing professional ethics and personal accountability.

The Arkansas Law Enforcement Training Academy was established by the 1963 Arkansas General Assembly with the passage of Act 526. No funds were appropriated for the operation of the Academy at that time. For the next two years, concerned and interested law enforcement administrators worked diligently towards establishing an academy which would provide training to law enforcement officers in the state.

In 1965, Act 514 provided the necessary appropriations for the operations of the Academy. In that year also, Act 172 amended the act which originally created the Academy and placed it under the supervision and the direction of a board composed of three members appointed by the Governor.

Land which was owned by the United States Government and utilized as the Shumaker Ordinance Plant was converted to private enterprise by Brown & Root of Houston, Texas. It was decided that a portion of this land would be donated to the State Department of Education with the understanding that 13.6 acres would be used for a law enforcement training academy. As a result, the Academy was provided with permanent facilities at East Camden. The original structure, which is a part of the current facility, was formerly utilized as Bachelor Officers Quarters at the Naval Depot. It was modified and converted to provide food, lodging and training to law enforcement officers of the state.

The International Paper Company donated to the Arkansas Law Enforcement Training Academy 56.9 acres adjoining the Arkansas Law Enforcement Training Academy property in 1971. On August 26, 1986, 2.21 acres were donated to the Academy by Highland Resources Incorporated, formerly known as HRI Resources, Inc. This increased the total acreage to 72.71 acres, more or less.

The State of Arkansas purchased 28.68 acres adjoining the Arkansas Law Enforcement Training Academy property in 1996, increasing the total acreage of the Arkansas Law Enforcement Training Academy to a total of approximately 101.39 acres. This additional acreage was purchased for the purpose of the construction and operation of a Driving Training Course at the Arkansas Law Enforcement Training Academy.

Class 68-A was the first class to be conducted in the East Camden facility. The three-week course was conducted January 28 - February 16 and was composed of thirty-four officers.

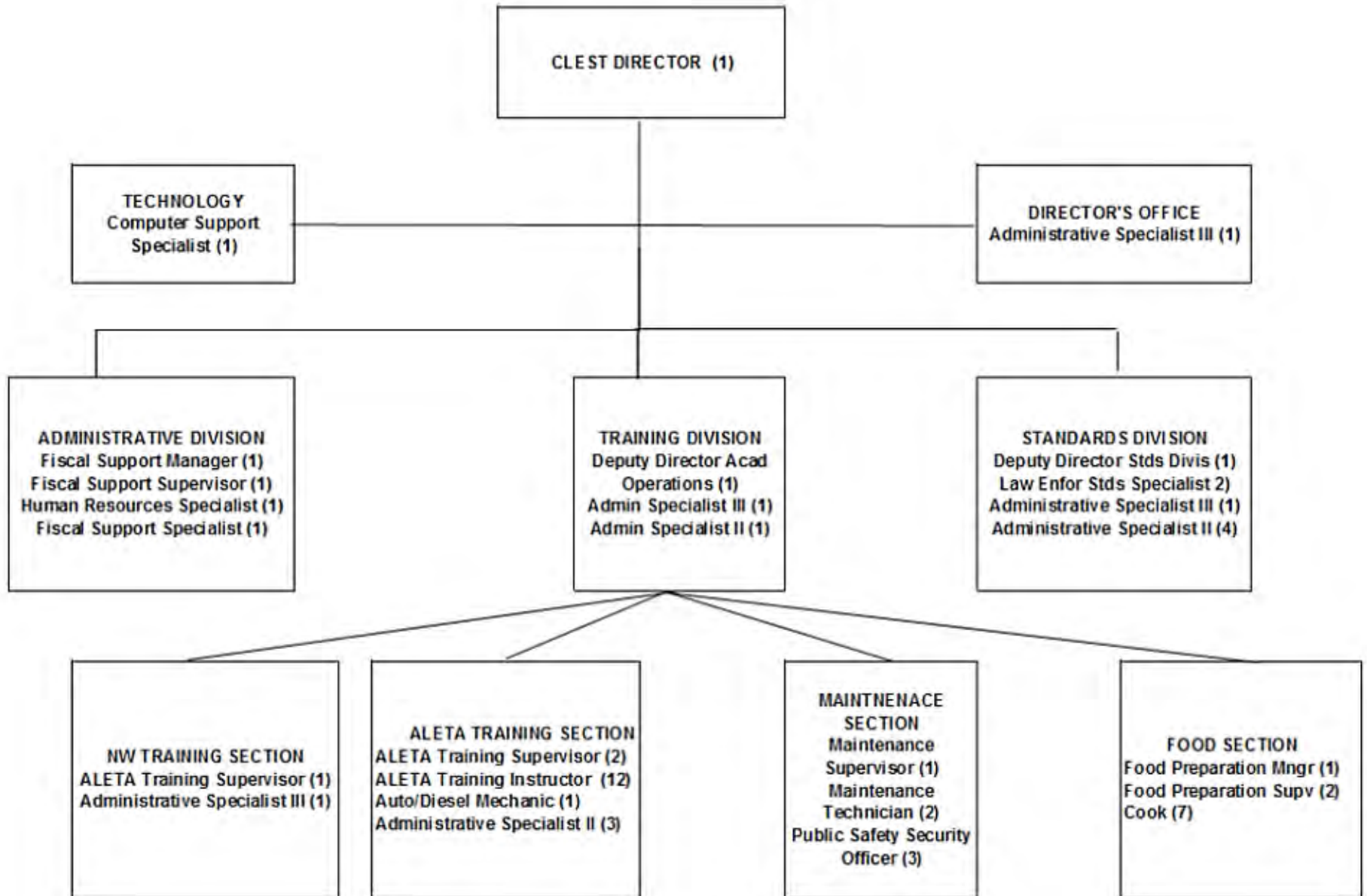
In the early 1970's it was realized the existing facilities were inadequate. Plans were made and approved for the construction of new facilities valued at \$1.3 million dollars. This project was completed in March, 1976.

The Executive Commission on Law Enforcement Standards was created by House Bill 577 enacted by the Seventieth General Assembly, which was signed by Governor David Pryor on March 18, 1975 and became known as Act 452 of 1975, and later compiled as AR Statute Ann. 42-1001-1009, and presently Arkansas Code of 1987 Annotated 12-9-101 through 12-9-109.

The Act granted the Executive Commission the power to establish reasonable minimum standards for selection and training of law enforcement officers in Arkansas, to certify officers as being qualified by training and education, to examine and evaluate instructors and courses of instruction and certify the extent of qualifications respectively.

The Commission was composed of five members appointed by the Governor to five-year terms, which were staggered. Act 452 requires the Commission to meet formally at least four times a year, adopt rules and regulations to govern its operations, select one of its members as Chairman and is authorized to enter in contracts or do such things as may be necessary and incidental to the administration of the Act. The Minimum Standards became effective January 1, 1978.

Act 45 of 1981 abolished the Department of Public Safety and transferred the Arkansas Law Enforcement Training Academy from the agency to the newly created Arkansas Commission on Law Enforcement Standards and Training, consisting eventually and presently of nine members. The same act abolished the Executive Commission on Law Enforcement Standards and transferred that agency to the Arkansas Commission on Law Enforcement Standards and Training. The Act became effective July 1, 1981.



Agency Commentary

The Arkansas Commission on Law Enforcement Standards and Training is committed to provide technical and specialized training courses to meet the needs and problems that confront law enforcement officers in their daily activities. With expanding and implementing new training programs, maintaining current operations, providing new upgrades in computer equipment, launching a new web-based data system, and by providing professional training to law enforcement officers the agency can accomplish this goal. It is imperative that this agency stays current with the society of today in meeting the vast needs of our law enforcement officers. The agency has fallen behind in meeting this goal due to previous budget cuts.

In addition to Base Level, the agency requests the following for FY 2014 and FY 2015:

Law Enforcement Standards & Training - Operations (172)

1. Operating Expense increase of \$269,700 requested for FY14 and \$178,400 requested in FY15 to replace worn out equipment due to age or malfunction, purchase new laptops for basic students, upgrades to IT equipment and software, increase costs in licensing fees, professional services and costs of implementing new training programs.
2. \$10,000 increase in Conference & Travel Expense each year of the biennium to provide on-going training for staff.
3. \$7,860 increase in Professional Fees each year of the biennium for education fees and professional services.
4. \$20,000 increase in Capital Outlay each year of the biennium for replacement of capital equipment.

Special Training - Cash (D48)

1. \$80,000 in Operating Expenses each year to cover the increase in tuition paid to SAU Tech for ALETA students enrolled in the Technical degree program with SAU Tech.
2. \$31,325 in Capital Outlay appropriation each year for replacement of old and broken equipment.
3. \$20,000 in Professional Fees appropriation request to cover expense of Professional Service Fees each year.

AG Funding - Cash (C64)

1. \$339,615 in appropriation each year for upgrades to firing range, building repairs and maintenance to main complex, north and south dorms and equipment purchases.

911 Training & Education (86M)

1. \$130,743 in appropriation for each year of the biennium. The increase in appropriation is from a cash balance from previous year. New program implemented in FY 12 to train and provide 911 training and education through out the state.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

ARKANSAS COMMISSION ON LAW ENFORMENT STANDARDS AND TRAINING

Findings

Recommendations

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State’s CAFR for the year ended June 30, 2011.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	22	24	46	87 %
Black Employees	2	4	6	11 %
Other Racial Minorities	1	0	1	2 %
Total Minorities			7	13 %
Total Employees			53	100 %

Cash Fund Balance Description as of June 30, 2012

Fund Account	Balance	Type	Location
1080200	\$323,052	Checking	Farmers Bank & Trust, Camden, AR

Statutory/Other Restrictions on use:

A.C.A. 19-6-109 (c) All nonrevenue receipts from the sale of property or income shall be credited to the fund from which the agency draws its support.

Statutory Provisions for Fees, Fines, Penalties:

n/a

Revenue Receipts Cycle:

Funds are deposited in bank account when received by agency.

Fund Balance Utilization:

Funds are being used for purchase of students uniforms and food for students. Paying tuition to SAU Tech for a 28 credit hour program to all students that complete basic police training at the Arkansas Law Enforcement Training Academy at East Camden or Springdale.

Fund Account	Balance	Type	Location
1080300	\$341,658	Checking	Smackover State Bank, Smackover, AR

Statutory/Other Restrictions on use:

n/a

Statutory Provisions for Fees, Fines, Penalties:

n/a

Revenue Receipts Cycle:

n/a

Fund Balance Utilization:

Funds are used for any upgrades, building repairs, maintenance costs and equipment purchases needed for the agency.

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	A.C.A. §12-9-101	N	N	120	As required by Arkansas Code

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
172 Law Enforcement Standards-Operations	3,187,697	54	3,164,506	54	3,339,092	54	3,192,833	54	3,500,393	54	3,500,393	54	3,193,937	54	3,410,197	54	3,410,197	54
86M 911 Training & Education	98,668	1	120,492	1	121,414	1	120,743	1	130,743	1	130,743	1	120,743	1	130,743	1	130,743	1
C64 AG Funding - Cash	61,378	0	341,658	0	0	0	0	0	339,615	0	339,615	0	0	0	339,615	0	339,615	0
D48 Special Training-Cash	442,098	0	600,000	0	500,000	0	468,675	0	600,000	0	620,000	0	468,675	0	600,000	0	620,000	0
Total	3,789,841	55	4,226,656	55	3,960,506	55	3,782,251	55	4,570,751	55	4,590,751	55	3,783,355	55	4,480,555	55	4,500,555	55

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	438,538	9.8	686,035	16.0		65,385	1.8	65,385	1.6	65,385	1.7	10,090	0.3	10,090	0.3	10,090	0.3
General Revenue	4000010	3,161,024	70.6	3,164,506	73.7		3,192,833	86.1	3,500,393	86.9	3,192,833	85.4	3,193,937	86.9	3,410,197	87.4	3,193,937	86.2
Cash Fund	4000045	729,648	16.3	321,500	7.5		341,000	9.2	341,000	8.5	361,000	9.7	361,000	9.8	361,000	9.3	381,000	10.3
Merit Adjustment Fund	4000055	26,673	0.6	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Transfers	4000355	119,993	2.7	120,000	2.8		110,000	3.0	120,000	3.0	120,000	3.2	110,000	3.0	120,000	3.1	120,000	3.2
Total Funds		4,475,876	100.0	4,292,041	100.0		3,709,218	100.0	4,026,778	100.0	3,739,218	100.0	3,675,027	100.0	3,901,287	100.0	3,705,027	100.0
Excess Appropriation/(Funding)		(686,035)		(65,385)			73,033		543,973		851,533		108,328		579,268		795,528	
Grand Total		3,789,841		4,226,656			3,782,251		4,570,751		4,590,751		3,783,355		4,480,555		4,500,555	

Budget exceeds Authorized Appropriation in (C64) AG Funding - Cash and (D48) Special Training - Cash due to a transfer from the Cash Fund Holding Account. Variances in fund balance due to unfunded appropriation in (C64) AG Funding - Cash and (D48) Special Training - Cash.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
54	51	3	54	0	5.56 %	55	53	2	55	0	3.64 %	55	53	2	55	0	3.64 %

Analysis of Budget Request

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

This General Revenue appropriation provides for the operations of the Commission on Law Enforcement Standards and Training (CLEST). CLEST provides basic training for new officers and specialized training for certified police officers at the Arkansas Law Enforcement Training Academy (ALETA) near East Camden and in Springdale, while providing field training classes as requested around the State. CLEST and ALETA's goal is to establish the role of the law enforcement officer as a professional, thereby presenting the citizens of the State of Arkansas with officers who have the knowledge and skills to detect, prevent and reduce crime.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level requests total \$307,560 in appropriation and General Revenue funding for FY14 and \$216,260 in appropriation and General Revenue funding for FY15 and reflect the following:

- \$125,000 increase in Operating Expenses each year of the biennium for increases in food costs, training guns, low value kitchen and grounds maintenance equipment. Technology related increase for Operating Expenses of \$144,700 in FY14 and \$53,400 in FY15 for maintaining new website, Acadis Readiness Suite software, laptops, and data process supplies. Costs associated with these requests are documented in the Agency's IT Plan. \$65,869 reallocation between General Ledger codes in Operating Expenses each year of the biennium to more accurately reflect anticipated expenses.
- \$10,000 in Conference and Travel Expenses appropriation each year for instructor and staff training in new and updated law enforcement programs.
- \$7,860 in Professional Fees appropriation each year for guest speakers, trainers, attorneys, and court reporters.
- \$20,000 in Capital Outlay appropriation each year for kitchen/food service equipment and ground maintenance equipment.

The Executive Recommendation provides for the Agency Request for appropriation only, with no increase in general revenue funding.

Appropriation Summary

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,822,766	1,788,530	1,910,806	1,802,680	1,802,680	1,802,680	1,803,580	1,803,580	1,803,580
#Positions		54	54	54	54	54	54	54	54	54
Personal Services Matching	5010003	636,481	654,246	633,436	670,923	670,923	670,923	671,127	671,127	671,127
Operating Expenses	5020002	716,529	707,090	778,710	707,090	976,790	976,790	707,090	885,490	885,490
Conference & Travel Expenses	5050009	4,958	5,000	5,000	5,000	15,000	15,000	5,000	15,000	15,000
Professional Fees	5060010	6,963	7,140	7,140	7,140	15,000	15,000	7,140	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	2,500	4,000	0	20,000	20,000	0	20,000	20,000
Total		3,187,697	3,164,506	3,339,092	3,192,833	3,500,393	3,500,393	3,193,937	3,410,197	3,410,197
Funding Sources										
General Revenue	4000010	3,161,024	3,164,506		3,192,833	3,500,393	3,192,833	3,193,937	3,410,197	3,193,937
Merit Adjustment Fund	4000055	26,673	0		0	0	0	0	0	0
Total Funding		3,187,697	3,164,506		3,192,833	3,500,393	3,192,833	3,193,937	3,410,197	3,193,937
Excess Appropriation/(Funding)		0	0		0	0	307,560	0	0	216,260
Grand Total		3,187,697	3,164,506		3,192,833	3,500,393	3,500,393	3,193,937	3,410,197	3,410,197

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 172 - Law Enforcement Standards-Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	3,192,833	54	3,192,833	100.0	3,193,937	54	3,193,937	100.0
C01	Existing Program	162,860	0	3,355,693	105.1	162,860	0	3,356,797	105.1
C04	Reallocation	0	0	3,355,693	105.1	0	0	3,356,797	105.1
C08	Technology	144,700	0	3,500,393	109.6	53,400	0	3,410,197	106.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	3,192,833	54	3,192,833	100.0	3,193,937	54	3,193,937	100.0
C01	Existing Program	162,860	0	3,355,693	105.1	162,860	0	3,356,797	105.1
C04	Reallocation	0	0	3,355,693	105.1	0	0	3,356,797	105.1
C08	Technology	144,700	0	3,500,393	109.6	53,400	0	3,410,197	106.8

Justification

C01	Change level of \$125,000 is requested each year of the biennium for Commitment Item 502:00:02 (\$60,000 increase food cost due to increase in students, \$7,000 training guns, \$8,000 to replace worn out low value kitchen & maintenance equipment, and \$50,000 replacement of heat and air units). Change level of \$20,000 requested each year of the biennium for Commitment Item 512:00:11 for replacement of capital equipment in kitchen/food service and maintenance & grounds. Change level of \$10,000 is requested each year of the biennium in Commitment Item 505:00:09 for instructor and staff training in new and updated programs. Change level of \$7,860 is requested in Commitment Item 506:00:10 for costs of guest speakers, trainers, attorneys, and court reporters for each year.
C04	\$65,869 Reallocation between General Ledger codes in Operating Expenses each year to more accurately reflect anticipated expenses.
C08	Change level of \$144,700 requested in FY14 and \$53,400 requested in FY15 for Technology. Requesting \$24,800 each year for costs associated with the maintaining of the Acadis Readiness Suite Software. Requesting \$97,400 in FY14 and \$6,100 in FY15 for cost associated with the purchase of laptops, software, and maintenance. Requesting \$20,000 each year for increase in costs of data processing supplies due to increase in students. Requesting \$2,500 each year for costs of maintaining new website. IT Support Categories: Hardware, Software, Major Application Section, and Contracted Services

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2012 TO FISCAL YEAR 2013**

Agency: Law Enforcement Standards & Training Commission

Program: Law Enforcement Standards-Operations

Act #: 573 Section(s) #: 2 & 5

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0950 Funds Center: 172 Fund: HUA Functional Area: SFTY

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

There will be no funds available for carry forward.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

All funds were expended by year end.

Ken Jones
Director

08-23-2012
Date

Analysis of Budget Request

Appropriation: 86M - 911 Training & Education

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency uses this appropriation for personal services and operating expenses of the Arkansas Commission on Law Enforcement Standards and Training - 911 Training Education. Funds for this appropriation comes from \$120,000 fund transfer from Arkansas Emergency Telephone Service Board.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level requests total \$10,000 each year of the biennium and reflect the following:

- \$5,000 increase in Operating Expenses appropriation each year for increases in food cost.
- \$5,000 increase in Professional Fees appropriation each year for guest speakers in 911 training program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 86M - 911 Training & Education

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	29,435	37,332	38,389	37,332	37,332	37,332	37,332	37,332	37,332
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	10,980	13,061	12,926	13,312	13,312	13,312	13,312	13,312	13,312
Operating Expenses	5020002	50,099	50,099	50,099	50,099	55,099	55,099	50,099	55,099	55,099
Conference & Travel Expenses	5050009	1,225	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	6,929	10,000	10,000	10,000	15,000	15,000	10,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		98,668	120,492	121,414	120,743	130,743	130,743	120,743	130,743	130,743
Funding Sources										
Fund Balance	4000005	0	21,325		20,833	20,833	20,833	10,090	10,090	10,090
Miscellaneous Transfers	4000355	119,993	120,000		110,000	120,000	120,000	110,000	120,000	120,000
Total Funding		119,993	141,325		130,833	140,833	140,833	120,090	130,090	130,090
Excess Appropriation/(Funding)		(21,325)	(20,833)		(10,090)	(10,090)	(10,090)	653	653	653
Grand Total		98,668	120,492		120,743	130,743	130,743	120,743	130,743	130,743

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 86M - 911 Training & Education
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	120,743	1	120,743	100.0	120,743	1	120,743	100.0
C01	Existing Program	10,000	0	130,743	108.3	10,000	0	130,743	108.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	120,743	1	120,743	100.0	120,743	1	120,743	100.0
C01	Existing Program	10,000	0	130,743	108.3	10,000	0	130,743	108.3

Justification

C01	Agency is requesting an increase in Operating Expenses of \$5,000 for increase in food costs; Professional Fees of \$5,000 for guest speakers in 911 Training Program.
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Analysis of Budget Request

Appropriation: C64 - AG Funding - Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

The Commission on Law Enforcement Standards and Training uses this cash appropriation for various expenses associated with the Arkansas Law Enforcement and Training Academy (ALETA) facilities. Revenue derived from one time money from settlement agreements through the Attorney General Office. The Commission will use this appropriation for repairs and upgrades to the ALETA firing range, equipment, building maintenance and repairs to the main complex and repairs to the NW ALETA in Springdale, AR.

The Agency is requesting an increase in the Cash - Attorney General line item of \$339,615 each year. This request will enable the Agency to utilize these funds for repairs and upgrades to the ALETA facilities.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: C64 - AG Funding - Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Cash - Attorney General 5900046	61,378	341,658	0	0	339,615	339,615	0	339,615	339,615
Total	61,378	341,658	0	0	339,615	339,615	0	339,615	339,615
Funding Sources									
Fund Balance 4000005	0	341,658		0	0	0	0	0	0
Cash Fund 4000045	403,036	0		0	0	0	0	0	0
Total Funding	403,036	341,658		0	0	0	0	0	0
Excess Appropriation/(Funding)	(341,658)	0		0	339,615	339,615	0	339,615	339,615
Grand Total	61,378	341,658		0	339,615	339,615	0	339,615	339,615

Budget exceeds Authorized Appropriation in Cash - Attorney General due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: C64 - AG Funding - Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C02	New Program	339,615	0	339,615	100.0	339,615	0	339,615	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C02	New Program	339,615	0	339,615	100.0	339,615	0	339,615	100.0

Justification

C02	Agency is requesting appropriation to be used for repairs and upgrades to the ALETA firing range, equipment, building maintenance and repairs to the main complex and repairs to the NW ALETA in Springdale, AR.
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Analysis of Budget Request

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

The Commission on Law Enforcement Standards and Training uses this cash appropriation for Operating Expenses and Capital Outlay associated with Special Training. Fees are collected from state agencies for the use of the Training Academy's facilities for special training of their police officers and for meals purchased by the Fire Training Academy for students enrolled in training. The Commission uses this appropriation to buy uniforms (up to \$40,000 annually pursuant to A.C.A. §12-9-111), purchase equipment and supplies, and for facility maintenance.

The Agency's Change Level requests total \$131,325 each year of the biennium and reflect the following:

- \$80,000 increase in Operating Expenses appropriation each year to cover the costs of increased tuition paid to SAU Tech for students enrolled at the Academy and increased food costs.
- \$20,000 increase in Professional Fees appropriation each year for various professional fees.
- \$31,325 in Capital Outlay appropriation each year to replace and/or purchase kitchen equipment and grounds maintenance equipment.

The Executive Recommendation provides for the Agency Request with the addition of \$20,000 in Operating Expenses. Additional funding is to come from the creation of a Memorandum of Understanding between state agencies to recoup the cost of training. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	437,864	568,675	468,675	468,675	548,675	568,675	468,675	548,675	568,675
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	4,234	0	0	0	20,000	20,000	0	20,000	20,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	31,325	31,325	0	31,325	31,325	0	31,325	31,325
Total		442,098	600,000	500,000	468,675	600,000	620,000	468,675	600,000	620,000
Funding Sources										
Fund Balance	4000005	438,538	323,052		44,552	44,552	44,552	0	0	0
Cash Fund	4000045	326,612	321,500		341,000	341,000	361,000	361,000	361,000	381,000
Total Funding		765,150	644,552		385,552	385,552	405,552	361,000	361,000	381,000
Excess Appropriation/(Funding)		(323,052)	(44,552)		83,123	214,448	214,448	107,675	239,000	239,000
Grand Total		442,098	600,000		468,675	600,000	620,000	468,675	600,000	620,000

Budget exceeds Authorized Appropriation in Operating Expenses due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: D48 - Special Training-Cash
Funding Sources: 108 Law Enforcement Standards and Training - Cash

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	468,675	0	468,675	100.0	468,675	0	468,675	100.0
C01	Existing Program	131,325	0	600,000	128.0	131,325	0	600,000	128.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	468,675	0	468,675	100.0	468,675	0	468,675	100.0
C01	Existing Program	131,325	0	600,000	128.0	131,325	0	600,000	128.0
C19	Executive Changes	20,000	0	620,000	132.3	20,000	0	620,000	132.3

Justification

C01	Agency is requesting an increase in Operating Expenses for \$80,000 to cover the increase in student fees paid to SAU-Tech for tuition; Capital Outlay a \$31,325 increase to replace equipment due to age or malfunctions; Professional Fees for \$20,000 to pay various professional fees.
C19	The Executive Recommendation provides for the addition of \$20,000 in Operating Expenses. Additional funding is to come from the creation of a Memorandum of Understanding between state agencies to recoup the cost of training.

MARTIN LUTHER KING, JR COMMISSION

Enabling Laws

Act 37 of 2012
A.C.A. §25-24-101 et seq.

History and Organization

The Martin Luther King, Jr. Commission was created by Act 1216 of 1993. The Commission is an offspring of the Martin Luther King Federal Holiday Commission and was established under then Governor Bill Clinton by executive order. The Commission was created to promote the legacy and philosophy of Dr. Martin Luther King, Jr. Initially, the Commission had one staff person, and was housed within the Governor's Office at the State Capitol. Then Governor Jim Guy Tucker appointed the 25-member board and recommended that Tracy Steele serve as Executive Director. Senator Steele served as Executive Director until November 2006, and in March, 2008, a new Executive Director, DuShun Scarbrough, was appointed by the Commission. The current headquarters for the Commission is 501 Woodlane, Suite 122S, Little Rock, AR 72201.

In 1997, a mission statement, a stated purpose, goals and objectives, and the Junior Commission Board were developed. Because of its limited resources, a consensus determined that the Commission would focus on youth oriented projects first, and then expand. Violence and crime among youth was one of the critical concerns with the people of Arkansas. Then Governor Jim Guy Tucker called a special legislative session to deal with the problem of juvenile crime. The Commission formed the Junior Commission Board, which is composed of Arkansas high school and college students who have demonstrated strong qualities of leadership and community service. The Junior Commissioners have particular influence in advising the Commission in projects dealing with youth. Junior Commissioners have since been replaced with the development of Youth Commissioners. Each board member is able to choose 1 youth commissioner to represent their district. Each youth commissioner is a high school student who demonstrates strong leadership qualities and a desire to serve the community. Youth commissioners serve in a variety of areas including public speaking, volunteering, mentoring in our Dream Keepers, and Leadership, Education, and Acceptance of Diversity, or L.E.A.D. programs, established in 2008 by Executive Director, DuShun Scarbrough, and advising the commission on projects dealing with youth.

Mission Statement

The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans.

Purpose

The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill, among all citizens
- Promote principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.
- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King's holiday

The Martin Luther King, Jr. Commission continues to reach out to people throughout the state until Dr. King's dream is accepted and realized by every Arkansan.



Agency Commentary

The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill among all citizens
- Promote Dr. King's principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.

- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King's holiday

The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans.

The Commission is guided by Dr. King's teachings and philosophy of love, tolerance, and nonviolence. It strives for social improvement in Arkansas, helping communities and organizations achieve new levels of leadership and public service.

The Commission works directly with youth and others, encouraging them to embrace alternatives to violence and discover their common humanity. Through activities that stress racial and cultural diversity, the Commission offers Arkansas youth a new understanding of the important roles they play in the communities, now and in the future.

Funding for appropriation for the Arkansas Martin Luther King, Jr. Commission is state general revenue and cash funds from donations and grants. Our appropriation is used to further the organization's efforts to enhance the awareness of peace and harmonious living among all Arkansans.

The agency has consistently shown growth each year since the Executive Director, DuShun Scarbrough, took office in March 2008. We hold several events across the state throughout the year to further promote the legacy of Dr. King, rather than only observing Dr. King's holiday. With additional appropriation the agency can continue to expand programs and relevance to the State of Arkansas.

In addition to Base Level, the agency requests: 1) An increase of \$32,651 each year of the biennium due to an increase in the office lease. 2) An increase of \$5,225 in FY14 and \$4,800 in FY15 for computer and software replacement and upgrades. 3) An increase of \$1,200 each year of the biennium in the Conference & Travel line item for staff training.

The Martin Luther King, Jr. Commission requests an increase of \$30,000 for the Cash Appropriation for the 2013-2015 Biennium to continue to produce and distribute additional volumes of the *Arkansas African American History Makers Coloring Book*. The coloring book is distributed to school children ages Pre-K through 12th grade throughout the state.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 MARTIN LUTHER KING, JR. COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

None

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	25 %
Black Employees	3	0	3	75 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	75 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
125 Martin Luther King - State Operations	238,862	4	245,842	4	248,582	4	246,846	4	285,922	4	281,997	4	246,846	4	285,497	4	281,997	4
54S Martin Luther King - Treasury Cash	41,351	0	61,517	0	61,522	0	61,522	0	91,522	0	91,522	0	61,522	0	91,522	0	91,522	0
Total	280,213	4	307,359	4	310,104	4	308,368	4	377,444	4	373,519	4	308,368	4	377,019	4	373,519	4

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	51,524	16.4	33,018	10.5			6,501	2.1	6,501	1.7	6,501	1.7	6,501	2.1	6,501	1.7	6,501	1.7
General Revenue	4000010	214,545	68.5	214,545	68.4			219,109	69.6	258,185	67.2	254,260	66.9	219,109	69.6	257,760	67.2	254,260	66.9
Cash Fund	4000045	42,337	13.5	62,737	20.0			89,259	28.3	119,259	31.1	119,259	31.4	89,259	28.3	119,259	31.1	119,259	31.4
Merit Adjustment Fund	4000055	4,825	1.5	3,560	1.1			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		313,231	100.0	313,860	100.0			314,869	100.0	383,945	100.0	380,020	100.0	314,869	100.0	383,520	100.0	380,020	100.0
Excess Appropriation/(Funding)		(33,018)		(6,501)				(6,501)		(6,501)		(6,501)		(6,501)		(6,501)		(6,501)	
Grand Total		280,213		307,359				308,368		377,444		373,519		308,368		377,019		373,519	

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
4	3	1	4	0	25.00 %	4	4	0	4	0	0.00 %	4	3	1	4	0	25.00 %

Analysis of Budget Request

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Martin Luther King, Jr. Commission was established by Arkansas Code Annotated §24-24-101. The Commission consists of thirteen (13) members: five (5) members appointed by the Governor; four (4) members appointed by the President Pro Tempore of the Senate; and four (4) members appointed by the Speaker of the House of Representatives. The Governor shall select annually a chair from the membership of the commission.

The responsibility of the Commission is to promote racial harmony, understanding, respect and goodwill among all citizens; promote principles of nonviolence; promote awareness and appreciation of the civil rights movement and advocacy of the principles and legacy of Dr. King; develop, coordinate, and advise the Governor and the General Assembly of appropriate ceremonies and activities related to Dr. King's birthday; and to receive donations and contributions from individuals and public and private organizations to carry out its responsibilities. Funding to support the activities of the Commission is derived from General Revenue.

Base Level Personal Services Matching includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases.

The Agency requests a Change Level of \$39,076 for FY14 and \$38,651 for FY15 as follows:

- Operating Expenses of \$37,876 for FY14 and \$37,451 for FY15 includes an increase in office rent of \$32,651, which is consistent with other tenants, \$5,225 for FY14 and \$4,800 for FY15 to replace/upgrade computer equipment and update existing software and to replace computer equipment only in FY15. The agency currently uses four (4) computers borrowed from the Department of Information Systems (DIS) and currently uses Microsoft 2003 software. The agency anticipates replacing four computers each year. This request is included in the Agency's approved IT plan under Agency Hardware-Future Hardware Purchases and Agency Software-Future Software Purchases.
- Conference & Travel Expenses of \$1,200, for conference attendance and other associated costs for staff training to better fulfill the agency's mission.

The Executive Recommendation provides for an increase of \$35,151 in Operating Expenses and General Revenue funding which includes the increase in office rent of \$32,651 and \$2,500 for computer equipment replacement each year of the biennium.

Appropriation Summary

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	144,061	147,519	151,841	147,519	147,519	147,519	147,519	147,519	147,519
#Positions		4	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	52,358	55,438	53,856	56,442	56,442	56,442	56,442	56,442	56,442
Operating Expenses	5020002	42,443	42,585	42,585	42,585	80,461	77,736	42,585	80,036	77,736
Conference & Travel Expenses	5050009	0	300	300	300	1,500	300	300	1,500	300
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		238,862	245,842	248,582	246,846	285,922	281,997	246,846	285,497	281,997
Funding Sources										
General Revenue	4000010	214,545	214,545		219,109	258,185	254,260	219,109	257,760	254,260
Cash Fund	4000045	19,492	27,737		27,737	27,737	27,737	27,737	27,737	27,737
Merit Adjustment Fund	4000055	4,825	3,560		0	0	0	0	0	0
Total Funding		238,862	245,842		246,846	285,922	281,997	246,846	285,497	281,997
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		238,862	245,842		246,846	285,922	281,997	246,846	285,497	281,997

The FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 125 - Martin Luther King - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	246,846	4	246,846	100.0	246,846	4	246,846	100.0
C01	Existing Program	33,851	0	280,697	113.7	33,851	0	280,697	113.7
C08	Technology	5,225	0	285,922	115.8	4,800	0	285,497	115.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	246,846	4	246,846	100.0	246,846	4	246,846	100.0
C01	Existing Program	32,651	0	279,497	113.2	32,651	0	279,497	113.2
C08	Technology	2,500	0	281,997	114.2	2,500	0	281,997	114.2

Justification

C01	The agency requests a change level of \$33,851 for both years of the biennium. The request for FY14 and FY15 includes an increase in office rent of \$32,651, which is consistent with other tenants; and an increase in Conference & Travel Expenses of \$1,200, for conference attendance and other associated costs for staff training to better fulfill the agency's mission.
C08	The agency requests an increase of \$5,225 for FY14 to replace/upgrade computer equipment and update existing software and \$4,800 in FY15 to replace computer equipment. The agency currently uses four (4) computers borrowed from the Department of Information Systems (DIS). The agency currently uses Microsoft 2003 software. The agency anticipates replacing four computers each year. This request is included in the Agency's approved IT plan under Agency Hardware-Future Hardware Purchases and Agency Software-Future Software Purchases.

Analysis of Budget Request

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

One of the responsibilities of the Commission is to receive donations and contributions in order to carry out its duties of promoting racial harmony, understanding, respect and goodwill, with these revenues deposited into a cash fund account pursuant to Arkansas Code Annotated §25-24-102. The Commission continues to apply for grants in support of community-based programs and services for the prevention of youth crime and violence.

The Agency Base Level request is \$61,522 for both years of the biennium. There are four (4) Extra Help positions authorized for this appropriation. Base Level consists of Extra Help (\$15,900), Personal Services Matching (\$1,698), Operating Expenses (\$38,924), Travel (\$2,000), and Professional Fees (\$3,000).

The Agency requests a Change Level of \$30,000 for each year of the biennium to produce and distribute additional volumes of the "Arkansas African American History Makers" coloring book. Of the \$30,000, \$29,000 will be used to produce and distribute the coloring book; the remaining \$1,000 will be used for retaining the artist. The coloring books will be distributed to school-aged children from pre-kindergarten to 12th grade throughout the State.

The Executive Recommendation provides for the Agency Request. Expenditure of this appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Extra Help	5010001	3,040	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
#Extra Help		1	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	716	1,693	1,698	1,698	1,698	1,698	1,698	1,698	1,698
Operating Expenses	5020002	35,815	38,924	38,924	38,924	67,924	67,924	38,924	67,924	67,924
Conference & Travel Expenses	5050009	1,630	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	150	3,000	3,000	3,000	4,000	4,000	3,000	4,000	4,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		41,351	61,517	61,522	61,522	91,522	91,522	61,522	91,522	91,522
Funding Sources										
Fund Balance	4000005	51,524	33,018		6,501	6,501	6,501	6,501	6,501	6,501
Cash Fund	4000045	22,845	35,000		61,522	91,522	91,522	61,522	91,522	91,522
Total Funding		74,369	68,018		68,023	98,023	98,023	68,023	98,023	98,023
Excess Appropriation/(Funding)		(33,018)	(6,501)		(6,501)	(6,501)	(6,501)	(6,501)	(6,501)	(6,501)
Grand Total		41,351	61,517		61,522	91,522	91,522	61,522	91,522	91,522

Change Level by Appropriation

Appropriation: 54S - Martin Luther King - Treasury Cash
Funding Sources: NMK - Martin Luther King - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	61,522	0	61,522	100.0	61,522	0	61,522	100.0
C01	Existing Program	30,000	0	91,522	148.8	30,000	0	91,522	148.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	61,522	0	61,522	100.0	61,522	0	61,522	100.0
C01	Existing Program	30,000	0	91,522	148.8	30,000	0	91,522	148.8

Justification

C01	The agency requests a change level of \$30,000 for each year of the biennium to produce and distribute additional volumes of the "Arkansas African American History Makers" coloring book. Of the \$30,000, \$25,000 will be used to produce the coloring book, the remaining \$5,000 will be used for retaining the artist and distribution of the coloring books to school children from pre-kindergarten to 12th grade throughout the State.
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PAROLE BOARD

Enabling Laws

Act 137 of 2012
A.C.A. §16-93-201, et seq.

History and Organization

The Parole Board is dedicated to the process of promoting public safety by the return of offenders into the community through supervised, conditional release. The goal is to guide and monitor the transition from confinement to the successful completion of supervision within the community. The State Board of Parole and Community Rehabilitation was created by Act 937 of 1989, with three (3) full-time members and four (4) part-time members.

During the 79th General Assembly Regular Session the name of the State Board of Parole and Community Rehabilitation was changed to the Post Prison Transfer Board. This was followed by Act 285 & 361 of 1995, to provide that the Post Prison Transfer Board be comprised of five (5) full-time members and two (2) part-time members. Act 979 of 1999, authorized a change to six (6) full-time members and one (1) part-time member. The staff consisted of three (3) Revocation Hearing Examiners and seven (7) Clerks for a total of 16 authorized positions.

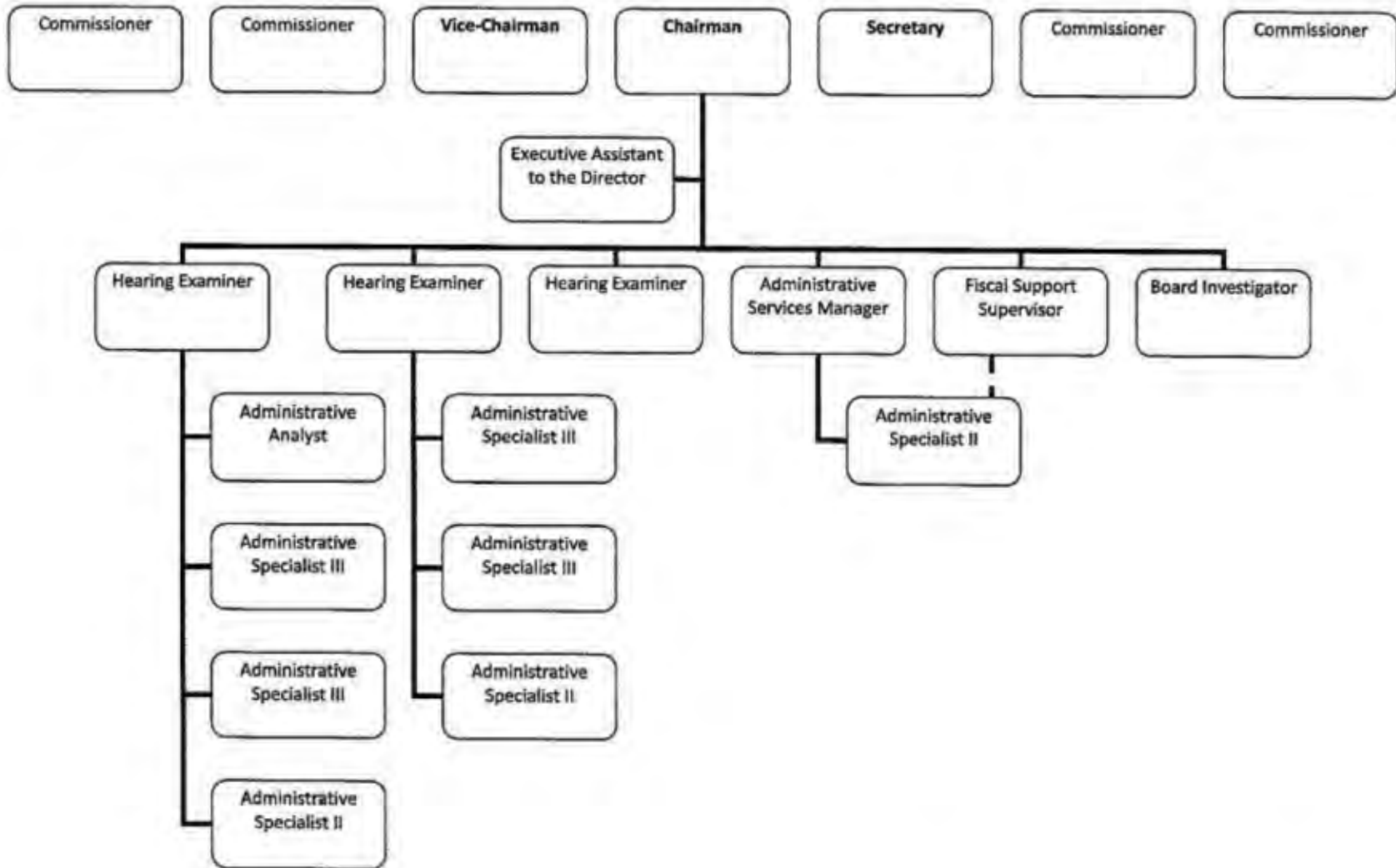
During the 85th General Assembly Regular Session, Act 1033 of 2005 changed the name of the Post Prison Transfer Board to the Parole Board and authorized three (3) additional clerical staff. The staff consisted of three (3) Revocation Hearing Examiners, five (5) Administrative Assistants, three (3) Secretaries, one (1) Management Project Analyst and one (1) Agency Manager for a total of 19 authorized positions.

During the 86th General Assembly Regular Session, Act 697 of 2007 authorized two (2) additional support staff members and changed the composition of the Board to seven (7) full-time members to be appointed from the state at large by the Governor and confirmed by the Senate. The support staff consists of one (1) Executive Assistant to the Director, three (3) Hearing Examiners, one (1) Investigator, one (1) Fiscal Support Supervisor, one (1) Information Technology/Accreditation Coordinator, two (2) Administrative Support Supervisors, one (1) Fiscal Support Specialist, three (3) Administrative Support Specialists II and two (2) Administrative Support Specialist III for a total of 22 authorized positions.

Since 2002, Arkansas's parole caseload has grown 84%. During the past five years (since FY '08), the number of supervised parolees has increased by 19% (from 20,080 to 24,001 as of June 30, 2012). During FY '12, the Board considered 9,951 cases by means of a hearing or file review by the Board, with 5,539 being face-to-face interviews. According to the Arkansas Department of Correction (ADC), the prison population on June 29, 2012 was 14,832. At the end of the biennium (FY '15), the parole and prison populations are projected to reach 25,000 and 15,000 respectively.

Depending on the date of a crime or sentence, some inmates are transfer eligible (TE) and others are parole eligible (PE). Parole/transfer is the conditional release of an inmate from incarceration to structured supervision within the community for the balance of the court-ordered sentence. Parole/transfer may be granted to an eligible person by the Board when, in its opinion, there is a reasonable probability that the person can be released without detriment to the community or the offender or when mandated by law.

Staff from DCC's Institutional Release Services' section prepare case files for use by Board members in conducting hearings and file reviews.



Agency Commentary

The Arkansas Parole Board (APB) is responsible for conducting parole hearings throughout the State, make decisions on conditional release of inmates for correctional facilities, and review all pardon and executive clemency applications and make non-binding recommendations to the Governor. They are responsible to grant, deny, suspend, and revoke parole in accordance with legislative criteria: the risk posed to the community by the offender's potential to re-offend and the rehabilitation and re-integration of the offender back into the community. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

The Arkansas Parole Board is requesting additional general revenue appropriation and funding in the amount of \$119,270 in fiscal year 2014 and \$109,028 in fiscal year 2015. The breakdown is reflected below:

This budget allocates \$2,000 for each Board Member to attend one (1) conference each fiscal year. Trips will be limited to the Association of Paroling Authorities International, American Probation & Parole Associations, and the National Institute of Corrections. Establishing partnerships with these groups is required under Ark Code Annotated §16-93-201. These amounts are reflects in board member travel meals and board member travel lodging GL codes for a total of \$19,200.

This budget allocates an additional \$7,000 in FY14 and \$7,508 in FY15 for General Office Supplies. This would cover purchases such as paper, pens, furniture and other office related expenses.

The Agency is adding an additional \$7,000 to the Vehicle Maintenance budget, because as the fleet gets older the maintenance costs are increasing.

Video System, Information Network of Arkansas (INA) and Arkansas Crime Information Center (ACIC) are paid out of the same line item, Network Services. We are requesting increases for video network costs in FY 2014. Additional funding and appropriation is being requested for INA in FY14 (increased to fund an online database of Parole Board decisions). The agency also requests additional funding and appropriation for ACIC Transmissions. The total of this request is \$9,670 in FY 14 and a reduction of \$1,080 in FY15.

This budget allocates appropriation and funding to replace fourteen (14) computers during FYs 2014 and 2015 and this is reflected in the GL code of Data Processing Supplies in the amount of \$12,500. Also Data Processing Equipment Maintenance GL code reflects any minor maintenance that needs to be done on the PCs in the amount of \$200 each year of the biennium.

Rent of office equipment GL code reflects an increase of \$11,000 in both fiscal years due to higher copier lease costs.

Telecom Wireless line item reflects a request of \$8,000 each year to cover the additional data plans that resulted from the FY12 Mobility Project. This increase also includes funding for minor equipment and accessory purchases. Telecom wired reflects a reduction of \$6,800 each year of the biennium.

Ark Code Annotated §16-93-201 indicates that the Parole Board Members will annually be trained in data driven decision-making, evidence based practices, stakeholder collaboration, and recidivism reduction. Therefore, staff conferences fees will include annual in-service training for annual ACT 570 training and other internal needs such as strategic planning. These are listed as increases of \$26,500 for each year under Conference and Seminar Fees.

The request in Professional Fees of \$25,000 during each year of the biennium will be used to fund the necessary enhancements to the agency's areas of eOMIS. Previously the Parole Board has had to rely on ADC and DCC to fund projects on behalf of the Board. During FY12 ADC and DCC expended over \$47,000 for Parole Board eOMIS projects.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS PAROLE BOARD
 FOR THE YEAR ENDED JUNE 30, 2010

Findings	Recommendations
None	None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	5	5	10	45 %
Black Employees	4	8	12	55 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			12	55 %
Total Employees			22	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	ACA §16-93-202	Y	Y	30	Information Purposes
Monthly Board Reports	ACA §16-93-210	Y	Y	7	Monitor Parole Applications and Outcomes

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
22	21	1	22	0	4.55 %	22	22	0	22	0	0.00 %	22	22	0	22	0	0.00 %

Analysis of Budget Request

Appropriation: 306 - Parole Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Parole Board consists of seven members, which are appointed by the Governor and confirmed by the Senate for a seven-year term. Board members regularly conduct parole hearings throughout the State of Arkansas and make decisions on conditional releases of inmates in correctional facilities. The Board is also responsible for reviewing all pardon and executive clemency applications and making non-binding recommendations to the Governor. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

Funding for Parole Board is from general revenue. The Parole Board is authorized to receive assistance from the Department of Correction (DOC) and the Department of Community Correction (DCC), as provided by Section 3 of Act 137 of 2012.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level Request provides for an increase of \$119,270 in FY14 and \$109,028 in FY15 in general revenue funding and appropriation for the 2013-2015 Biennium and reflects the following:

- A title change of three (3) Parole Board Hearing Examiners to Revocation Hearing Judges. This change is for title only and does not reflect a change in job duties.
- Operating Expenses net increases of \$67,770 in FY14 and \$57,528 in FY15 for needs associated with implementation of Act 570 of 2011 for network services expense, vehicle maintenance, data processing equipment maintenance, rent of office equipment, board member travel, office supplies and data processing supplies.
- Conference & Travel Expenses of \$26,500 in each year for increased training per Act 570.
- Professional Fees of \$25,000 in each year for Electronic Offender Management Information System (eOMIS) enhancements for improved parolee tracking.

The Executive Recommendation provides for Base Level, with the addition of \$36,500 each year in general revenue funding and appropriation as follows:

- Operating Expenses of \$14,000.
- Conference & Travel Expenses of \$2,500.
- Professional Fees of \$20,000.

Appropriation Summary

Appropriation: 306 - Parole Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,297,334	1,233,952	1,279,157	1,238,485	1,238,485	1,238,485	1,239,085	1,239,085	1,239,085
#Positions		22	22	22	22	22	22	22	22	22
Personal Services Matching	5010003	383,837	373,072	388,260	380,088	380,088	380,088	380,220	380,220	380,220
Operating Expenses	5020002	270,429	267,536	270,056	267,536	335,306	281,536	267,536	325,064	281,536
Conference & Travel Expenses	5050009	2,624	2,500	2,500	2,500	29,000	5,000	2,500	29,000	5,000
Professional Fees	5060010	20,000	0	0	0	25,000	20,000	0	25,000	20,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,974,224	1,877,060	1,939,973	1,888,609	2,007,879	1,925,109	1,889,341	1,998,369	1,925,841
Funding Sources										
General Revenue	4000010	1,974,224	1,877,060		1,888,609	2,007,879	1,925,109	1,889,341	1,998,369	1,925,841
Total Funding		1,974,224	1,877,060		1,888,609	2,007,879	1,925,109	1,889,341	1,998,369	1,925,841
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,974,224	1,877,060		1,888,609	2,007,879	1,925,109	1,889,341	1,998,369	1,925,841

Change Level by Appropriation

Appropriation: 306 - Parole Board Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,888,609	22	1,888,609	100.0	1,889,341	22	1,889,341	100.0
C01	Existing Program	126,070	0	2,014,679	106.7	116,908	0	2,006,249	106.2
C03	Discontinue Program	(6,800)	0	2,007,879	106.3	(7,880)	0	1,998,369	105.8
C14	Title Change	0	0	2,007,879	106.3	0	0	1,998,369	105.8

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,888,609	22	1,888,609	100.0	1,889,341	22	1,889,341	100.0
C01	Existing Program	36,500	0	1,925,109	101.9	36,500	0	1,925,841	101.9
C03	Discontinue Program	0	0	1,925,109	101.9	0	0	1,925,841	101.9
C14	Title Change	0	0	1,925,109	101.9	0	0	1,925,841	101.9

Justification

C01	Requests of \$126,070 in FY14 and \$116,908 in FY15 are due to increased responsibilities under Act 570. The following GL codes are reflected. Network Services Expense, Vehicle Maintenance, Data Processing Equipment Maintenance, Rent of Office Equipment, Board Member Travel Meals, Board Member Travel Lodging, Office Supplies, Data Processing Supplies, Conference & Seminar Fees, & Professional & Administrative Fees.
C03	Reduction of \$6,800 during both years of the biennium of Telecom wired general ledger code. Also a reduction of \$1,080 in network services expense general ledger code for FY15.
C14	This change would bring the position title in line with other jurisdictions employing individuals doing similar work and more accurately reflect the requirement of being licensed to practice law and admitted to the Arkansas State Bar per ACA 16-22-201. This title change DOES NOT reflect a change in duties.

ARKANSAS PUBLIC DEFENDER COMMISSION

Enabling Laws

Act 255 of 2012
A.C.A. §16-87-201 - 214; Act 1193 of 1993

History and Organization

The Arkansas Public Defender Commission was created by Act 1193 of 1993 (codified at Ark. Code Ann. §§ 16-87-201 through 214) in response to the Arkansas Supreme Court's ruling in Independence County v. State, 312 Ark. 472, 850 S.W.2d 842 (1993). In that case, the Court held that insuring indigents a right to counsel was a function of the State of Arkansas, and not a county obligation.

Prior to passage of the Act, each of Arkansas' seventy-five counties bore the responsibility of providing and paying for the representation of indigent criminal defendants within their district. The county system resulted in a myriad of systems, providing varying levels of representation among the counties. After passage of the Act, the Commission began the takeover of the public defender system in order to help rectify this inconsistency in representation, as well as to address a number of other problems regarding the representation of indigent criminal defendants in Arkansas.

Initially, the Commission was only charged with monitoring county-based public defender systems throughout the State, overseeing a small Capital, Conflict and Appellate Office (CCA), and insuring that certain minimum standards established by the Commission were met by appointed counsel. However, since its creation, almost without exception, the Commission's duties and responsibilities have been expanded at each Legislative Session.

In 1995, the staffing of the CCA office was increased to better meet the needs of capital murder defendants throughout the state.

With the passage of Act 1341 of 1997, the State began taking over the funding of the public defender system. Prior to the passage of this Act, the counties were still responsible for paying for indigent representation. However, pursuant to Act 1341, as of January 1, 1998, the State assumed the responsibility of paying the salaries of public defender attorneys, some support staff, and all private attorneys appointed to represent indigent criminal defendants. The Commission also began paying all expenses for expert assistance furnished to indigent defendants, including: psychiatrists, psychologists, pathologists, investigators, mitigation specialists, translators, weapons experts and handwriting experts, just to name a few. As a part of the State take-over, the Commission was likewise given additional duties. Those new duties included: allocating resources; recommending to the Judges whom to employ as public defenders; assuming control over and

maintaining all personnel and payroll documentation; disbursing payroll; and paying any and all costs associated with indigent representation by private attorneys whom the Commission certified to handle various types of cases and then appointed in the appropriate case.

The Commission's duties and responsibilities in connection with the appointment and compensation of private attorneys appointed to represent indigent criminal defendants are numerous, costly and time-consuming. However, these appointments are necessary for several reasons. For example: the local public defender may have a conflict; the case may be such that the local public defender does not have the necessary skills to handle it; or caseloads and scheduling may require the appointment of outside counsel.

With respect to the appointment of private attorneys, the Commission has established a certification procedure whereby private attorneys apply for differing levels of certification based upon their level of experience. After reviewing the applications and supporting documentation, the attorneys are certified to handle the types of cases commensurate with their level of expertise.

When a conflict arises, the trial courts contact the Commission director to make the necessary appointments. The Commission maintains up-to-date lists of attorneys certified for and interested in appointments for various types of cases in various regions of the state, and continually adds more attorneys to the list through training and education. Additionally, the Commission requires detailed invoices from these attorneys which are reviewed very carefully by the Commission staff prior to compensation. While the trial court signs the order for payment of these fees, except with respect to Rule 37.5 appointed counsel (as discussed below), the amount paid is set by the Commission based on numerous factors, including the type of case involved.

Also with the passage of Act 1341 of 1997, and Act 925 of 1997 (now Arkansas Rules of Criminal Procedure, Rule 37.5), the Commission's duties and responsibilities were greatly expanded to include qualifying attorneys and paying any and all expenses relating to the representation of individuals under a sentence of death who are pursuing State post-conviction relief. These expenses include attorneys' fees, investigators' fees, experts' fees, and any other fees or expenses incurred during post-conviction proceedings. In an effort to assist the trial courts, the Commission has created a list of attorneys willing, and qualified, to accept this type of appointment. However, unlike trial fees and expenses discussed above, these fees are still set by the various judges throughout the State. Thus, an over-generous trial judge may thwart the Commission's efforts to maintain fiscal responsibility. Just as the Commission now sets the fees for indigent representation of those whose loss of liberty is at stake, the Commission needs to establish the fees to be paid in Rule 37.5 cases. Such a procedure allows for both uniformity and fiscal responsibility.

During the 1999 Legislative Session, the Ombudsman Division was created within the Commission. At the time of its creation, there were eight (8) social workers and three (3) support staff within this division. However, due to budget cuts, there is now only one (1) Ombudsman position and no support staff within the Division. The Ombudsman is charged with insuring that children sentenced to Division of Youth Services' (DYS) custody are safe, both physically and mentally, and are receiving necessary services. The Ombudsman works closely with the courts, providers, DYS and children's families to ensure the best outcome for the child; hence, the State. Importantly, this is the one area where the Commission is allowed to take a pro-active stance by guiding children and their parents in hopes of preventing these children from becoming future clients of the Commission.

The Legislative Session of 2001 was a very busy one for the Commission. Due to the enormously heavy caseload of defendants per public defender, twenty-two (22) additional attorney positions were authorized by Act 1799 of 2001. By splitting some of these positions into job shares, the Commission has been able to more efficiently and effectively provide adequate representation throughout the State. However, despite the Commission's best efforts, in some Judicial Districts, attorney/defendant caseloads remain untenable and well beyond the standard recommended by the American Bar Association.

Also in 2001, the Commission: (1) set up conflict offices around the State to save on costs for conflicts appointments; (2) helped secure legislation so that part-time public defenders could receive additional compensation for appellate work; (3) gained the authority to set compensation for private attorney appointments rather than having local judges attend to same (a much-needed cost saving measure) and (4) helped secure legislation setting forth the types of cases in which a public defender may or may not be appointed. Indeed, due to the Commission's assumption of the responsibility of setting the compensation for private attorney appointments, it was able to return \$253,158.03 to the State Treasury in June of 2002.

In 2003, the Commission was instrumental in the passage of Act 1778 which assessed a ten dollar fee to be charged and collected on each and every bail bond written by the various bail bond companies doing business in the State. This money is deposited into the Public Defender User Fee Fund.

With the passage of Act 2093 of 2005, two new positions in the Washington County Drug Court were added allowing the Commission to provide a public defender and drug court administrator for Washington County. These positions, previously federally funded, are now being funded out of fees collected by the various courts from criminal defendants given probation or a suspended sentence, as well as from the bail bond user fees.

The Legislative Session of 2005 was also very beneficial for the Commission. Act 2093 provided the commission with two additional attorney positions and one paralegal position so that a conflicts office could be established in Northwest Arkansas to serve Benton, Washington, Carroll, Madison, Crawford and Sebastian counties. This office has proven very beneficial not only in saving the State money, but by helping the Courts run more smoothly in these counties. However, due to the ever increasing caseload of these new employees, additional positions are needed to continue and expand the benefits achieved by this conflicts office.

In 2005, the Commission also received two of the four mitigation specialist positions requested in order to comply with the unequivocal directive of the United States Supreme Court in *Wiggins v. Smith*, 539 U.S. 510 (2003). In *Wiggins*, the Supreme Court made it absolutely clear that all cases involving the death penalty require the use of a mitigation specialist.

Finally, during the 2005 Session, the Commission, in conjunction with the Counties, was able to advance legislation adding an additional ten (10) dollar fee on all bail bond collections. Of this additional fee, seven (7) dollars goes to the Commission and three (3) dollars goes to the Counties to help them defray the costs they contribute for indigent defense.

During the 2007 Session, the Commission was provided an additional 20 positions. These much-needed positions included: 2 interpreters, 2 mitigation specialists, 1 CCA attorney, 1 CCA paralegal, and 11 trial public defender attorneys. Also because the Legislature determined that Dependent Neglect Appeals could best be handled by the Commission, two additional attorney positions and one paralegal position were added to the Commission. Finally, because the Commission had never done this type of case due to its civil, rather than criminal nature, the Commission was instrumental in securing special language in legislation allowing the Commission to assume this responsibility.

In the 2009 Legislative Session, the Commission received one legal support specialist and three Public Defenders positions.

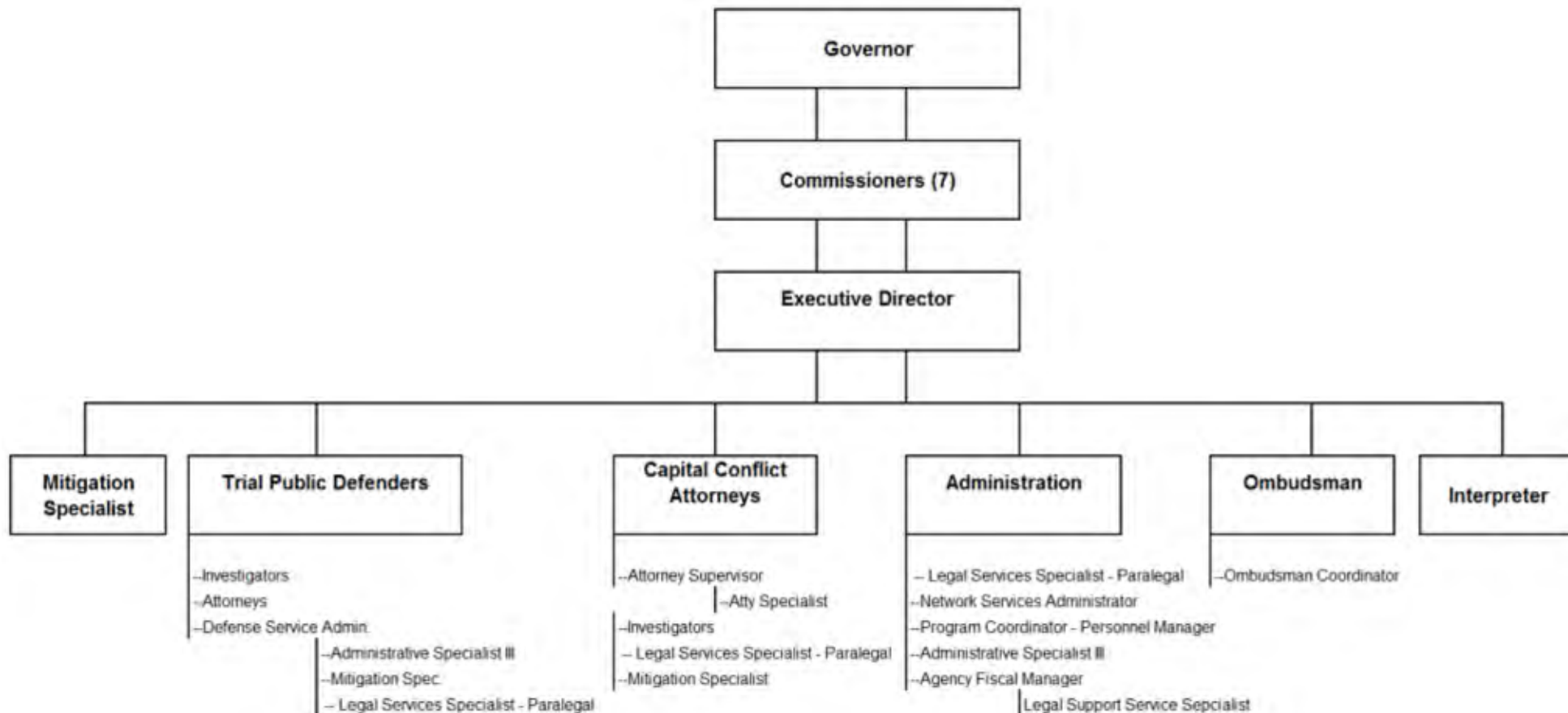
In Fiscal Year 2010, the Arkansas Supreme Court ruled in *Arkansas Public Defender Commission v. Muhammad, et al.*, 2010 Ark. 120 that the APDC was statutorily obligated to pay all reasonable and necessary expenses in cases wherein a defendant is found to be indigent regardless of whether his or her attorney was retained or appointed.

During the 2012 and 2013 Legislative Session, the Commission received two new positions, a program coordinator and a mitigation specialist. The Commission was given additional professional fees to help with cost incurred from retained or appointed attorneys due to the Arkansas Public Defender Commission v. Muhammad, et al. 2010 Ark. 120 case.

In addition to the duties set forth above, the Commission has myriad other duties which may be less familiar to the general public. For example, the Commission is responsible for representing children in state custody, including foster children, who are subject to police interrogation. The Commission also handles adult protective services cases in which DHS seeks to take custody of an elderly person, as well as alcohol and mental commitments, as needed. Further, the Commission has a full-time attorney at the Arkansas State Hospital to represent persons who have been committed to the institution. Finally, the Commission has been called upon to represent children in truancy proceedings, and persons charged with failure to pay child support.

Obviously, the Arkansas Public Defender Commission's duties cover a broad spectrum. Indeed, it is often said that Public Defenders are the third leg of the Criminal Justice system, with Judges and Prosecutors being the other two. The Commission welcomes these additional duties, responsibilities, authority, and obligations as the Commission's objective has been, and remains, to insure that all persons facing a risk of loss of liberty are provided effective and constitutionally-mandated representation. The Commission's requests for this biennial budget are made with this preeminent goal in mind.

The Commission consists of seven members who are attorneys, a County Judge and a Circuit Judge. Each of the Commissioners is appointed by the Governor.



Agency Commentary

All of the Public Defender Commission’s (“Commission”) change level requests are made with the goal of increasing the availability, the effectiveness, and the efficiency of both the Commission, the Trial Public Defender’s Offices throughout the State of Arkansas, the Capital Conflicts Office and the Dependent Neglect Appellate Office. While being mindful of our Constitutional mandate of providing effective representation, these requests are made in an effort to more efficiently and effectively expend the State’s limited resources. Finally, the requests are made in light of recent United States Supreme Court decisions, and Arkansas Supreme Court opinions which substantially affect the role of the attorneys and their representation of clients. Courts have increasingly scrutinized the effectiveness of counsel and have been

particularly critical of over-burdensome case-loads and the lack of resources provided for the representation of indigent defendants. The Commission is aware of the need to provide finality to its cases as well as to provide effective assistance to counsel; hence, the following requests are made with those objectives in mind.

Public Defenders, like prosecutors, are essential to the workings of the Judicial System. Approximately 90% of the persons prosecuted by the State of Arkansas are represented by public defenders or appointed counsel. Without an effective public defender standing beside a criminal defendant, the court system in Arkansas could not function properly. Obviously, our public defenders do more than merely stand beside their clients. An inability to function effectively as a public defender or to proceed on cases would serve no one. If the public defender system fails, the entire court system fails. If we are unprepared due to unmanageable case-loads or inadequate funding, justice is compromised for all parties.

Public Defender State Operations

M & O Request

The Commission is requesting to relocate, renovate and increase our lease space. Currently our offices are located on two different floors. Additional space that is adjacent to our main office will become available. This would allow us to open up our main office and the adjacent space so that we could have one large office and house more of our staff in the same area. At the present time, there is no supervisor located in the first floor space, nor is there a secretary or receptionist. Relocating this staff to the adjacent offices would alleviate these issues. Further, the additional space would give extra room for attorneys, and provide an additional conference area and provide much needed storage space for our massive files.

Trial Public Defender

Personnel

The Commission would like to restore the two positions that were received in FY2011 & FY2012. These two positions are very valuable to the operations of the commission. One position, a public defender III currently has an attorney with over twenty years legal experience including trial and appellate practice, litigation and capital murder counsel in this position. We would hate to lose all this experience and credentials. The position has the responsibility of handling death penalty cases over the State, supervising support staff and assisting other attorneys in capital and conflict cases. The addition of a qualified and experienced Capital / Conflict Public Defender Attorney is critical to the efficient and effective operation of our office and the court system. The other position, a capital conflicts investigator has over twenty-five years as a practicing attorney and over five years as a capital murder investigator. We have a tremendous need for this position that has the responsibility of working with attorneys on death penalty cases over the State and assisting other attorneys in capital and conflict cases. The addition of a qualified and experienced Capital / Conflict Investigator is critical to the efficient and effective operation of our office and the court system. The addition of this investigator position helps in reducing the need and expense in hiring private investigators for court appointed cases.

Also the Commission is requesting sixteen (16) positions: twelve (12) Public Defender II positions, four (4) Legal Service Specialist. These positions are essential to provide Constitutionally required effective representation of indigent persons in the courts of Arkansas. The need arises for a variety of reasons. The number of serious felony offenses, including capital murder cases, remains at an all-time high.

Changes in the District Court system, which includes their expanded jurisdiction and the addition of full time Judges and staff, has increased the workload and responsibility of public defenders. Prior to this, we were not required to represent individuals in city courts. Merger of these courts into the District Courts has resulted in more Public Defender appointments and increased the number of court sites. While locating District Courts in more places makes them more accessible to the public, it also increases the demand for the number of attorneys required to appear in those courts, which often meet simultaneously and in wide-ranging geographic locations. Further, the advent of the Hope Court, Diversion Courts, more Drug Courts, Juvenile Drug Courts, Veterans Courts and Swift Courts, while all good things, has vastly increased the time commitments on our staff. Rather than have court a few days a week, many of our public defenders have to be in various courts nearly all day every day.

The United State's Supreme Court has now specifically ruled attorneys must provide effective assistance of counsel at plea bargains, *Laffler v. Cooper*, 566 U.S. 132S. Ct. 1376, No. 10-209, 2012 WL 932019 (March 21, 2012); and must explain immigration consequences to pleas as well, *Padilla v. Kentucky*, 130 S.Ct. 1473 (2010). *Laffler* is common sense but its effect now that it is formally recognized is that high caseloads are extremely problematic. The Commission needs attorneys with expertise in immigration law to serve as a resource to all of our staff. We propose adding two attorneys for this purpose.

The addition of attorneys and staff to the commission is further implicated by the recent US Supreme Court cases Jackson v. Hobbs and Miller v. AL where it was held that the Eighth Amendment forbids a sentencing scheme that mandates life in prison without possibility of parole for juvenile homicide offenders. These cases necessitate a review of each and every case in Arkansas where a juvenile homicide offender was tried as an adult and sentenced to life in prison without possibility of parole. In each of these cases, mitigation specialists will be required to perform a thorough review and present their findings through defense counsel in order for these sentences to be reconsidered and altered where necessary. It is estimated at this time by the Commission that there are ninety (90) such cases where these reviews will need to take place in a timely manner.

In nearly every District our caseloads far exceed national and American Bar Association (ABA) standards. These standards have been recognized by Courts throughout the United States and by the United States Supreme Court. Final caseload numbers for FY 2011-2012 are still being accumulated. However, using the previous year's (FY2010-2011) totals, application of the national standards would require approximately 361 full time equivalent attorneys to meet the standard of "effective assistance of counsel". By comparison, the Commission employs 158 attorneys for trial work - or, 203 attorneys short of the ABA Standards.

The hourly rates, established by the Commission, and paid when private attorneys are necessary, are from \$60 to \$110. The range is in recognition of the differing degrees of severity of cases. Because our staff attorneys are paid at a significantly lower rate, we have found it is cost effective to hire people rather than appoint private attorneys to handle every conflict. Further, there is an ability to contain and project costs if a staff attorney handles a case rather than a private attorney. The efficacy of this method has been proven by the establishment of conflicts offices in Northwest Arkansas, and Pulaski and Jefferson Counties.

Often, due to the lack of local lawyers, we have to send qualified private attorneys from distant regions of the State - further exacerbating costs. While we cannot anticipate where the demand will arise in the coming biennium, locating these conflict staff attorneys in Central Arkansas would allow us the flexibility to assign attorneys to meet the demand statewide. If the need changes from the present time we will still be able to cover it.

The ratio of attorneys to staff is very disproportionate. We have few support staff to assist in handling our ever-growing case-loads. This lack of support staff often causes attorneys to do most of their own secretarial type work rather than being able to concentrate on attorney duties. Many districts have only one legal services specialist though the district may have four or five counties and five or six attorneys making the coordination of resources much more difficult. While attorneys may only be responsible for one court or one county, district secretaries must handle the work of all attorneys in all seventy-five counties. Additional support staff is needed to help better manage the high case-loads and more efficiently process the cases. The need is especially acute in districts where staff to attorney ratio is excessive and where the district has many counties. A ratio of one (1) secretary/paralegal to two attorneys (1:2) is usually acceptable. There are fourteen (14) of the twenty-eight (28) districts that exceed this ratio. Additionally, there are six districts where the ratio exceeds 1:4. One of those districts has four counties and the other two have six counties. Clearly, additional staffing resources are needed. For the foregoing reasons, the Commission respectfully requests the additional attorney and paralegal support staff positions.

M & O Request

We are requesting a small increase to allow for the necessary start up equipment for the sixteen new employees requested in this same budget. We will need office furniture, supplies, membership fees, subscription dues, and computers.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS PUBLIC DEFENDER COMMISSION
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Ark. Code Ann. § 19-4-1604 and the APDC's Personnel Handbook state that full or part-time attorneys may teach temporarily at state-supported institutions of higher education even though their combined salaries will exceed the line item maximum, subject to approval of the Chief Fiscal Officer of the State. To obtain this approval of concurrent employment, the Department of Finance and Administration (DFA) requires that the employee provide a statement describing how he or she will make up the time missed from the primary employer while teaching at the secondary employer in order to verify that the additional duties performed for the secondary employer will not interfere with the proper and required performance of the employee's primary duties.

Two Agency attorneys taught a one-hour daytime course and maintained a one-hour office period once weekly at a state-supported institution of higher education in the spring 2012 and fall 2011. However, the Chief Fiscal Officer of the State did not approve these concurrent employment positions.

Controls were not operating effectively to ensure proper recording of employee absences from work. During our testing, we noted an Agency employee submitted two time sheets totaling 11 hours of annual leave at the District Office that were not recorded in AASIS.

The Agency did not comply with Governor's Policy Directive #5, which states that "all State offices shall be open for business between 8:00 a.m. and 4:30 p.m. However, department directors shall have flexibility to establish other working hours for their department personnel so long as all employees work an eight-hour day. Deviations from the five-day, 40-hour work week shall be approved by the Governor."

We noted that it is standard practice for Agency attorneys to work outside of the 8:00 a.m. to 4:30 p.m. timeframe due to the nature of the work performed. However, an alternative work schedule policy was not approved by the Governor as required by Governor's Policy Directive #5.

Recommendations

Include in its policy a requirement for employees to provide supporting documentation for concurrent employment as required by DFA and ensure this policy is communicated to all division offices.

Review its controls over recording leave to ensure that all leave requests submitted at the district level are received by the Administration offices for processing.

Obtain approval from the Governor for an alternative work schedule policy.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	145	131	276	92 %
Black Employees	12	8	20	7 %
Other Racial Minorities	1	3	4	1 %
	Total Minorities		24	8 %
	Total Employees		300	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Reports	ACA §16-87-203	Y	Y	40	Required by Law

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1VA Ombudsman Program	93,070	1	87,909	1	89,640	1	88,189	1	88,189	1	88,189	1	88,313	1	88,313	1	88,313	1
337 Public Defender-Operations	2,556,231	18	2,468,326	18	2,588,811	18	2,521,741	18	2,582,451	18	2,582,451	18	2,521,863	18	2,551,073	18	2,551,073	18
530 Public Defender -Trial Office	20,722,784	222	19,983,180	222	20,366,127	221	19,893,585	220	21,505,669	238	20,053,164	222	19,901,634	220	21,443,318	238	20,061,213	222
Total	23,372,085	241	22,539,415	241	23,044,578	240	22,503,515	239	24,176,309	257	22,723,804	241	22,511,810	239	24,082,704	257	22,700,599	241

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	4,091,234	17.2	361,997	1.6		361,997	1.6	361,997	1.5	361,997	1.6	361,997	1.6	361,997	1.5	361,997	1.6
State Central Services	4000035	10,773,330	45.4	14,586,924	63.7		14,550,744	63.6	16,223,538	66.1	14,771,033	64.0	14,558,915	63.6	16,129,809	66.0	14,747,704	63.9
Bail Bond Fees	4000115	1,359,816	5.7	1,200,000	5.2		1,200,000	5.2	1,200,000	4.9	1,200,000	5.2	1,200,000	5.2	1,200,000	4.9	1,200,000	5.2
M & R Sales	4000340	113	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
State Administration of Justice	4000470	6,236,168	26.3	5,664,582	24.7		5,664,582	24.8	5,664,582	23.1	5,664,582	24.5	5,664,582	24.8	5,664,582	23.2	5,664,582	24.6
Transfer from DHS-DYS	4000515	90,534	0.4	87,909	0.4		88,189	0.4	88,189	0.4	88,189	0.4	88,313	0.4	88,313	0.4	88,313	0.4
User / Attorney Fees	4000725	1,182,887	5.0	1,000,000	4.4		1,000,000	4.4	1,000,000	4.1	1,000,000	4.3	1,000,000	4.4	1,000,000	4.1	1,000,000	4.3
Total Funds		23,734,082	100.0	22,901,412	100.0		22,865,512	100.0	24,538,306	100.0	23,085,801	100.0	22,873,807	100.0	24,444,701	100.0	23,062,596	100.0
Excess Appropriation/(Funding)		(361,997)		(361,997)			(361,997)		(361,997)		(361,997)		(361,997)		(361,997)		(361,997)	
Grand Total		23,372,085		22,539,415			22,503,515		24,176,309		22,723,804		22,511,810		24,082,704		22,700,599	

Budgeted positions exceed Authorized in (530) Public Defender - Trial Office due to positions authorized through the Central Growth Pool.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
237	236	2	238	-1	0.42 %	239	239	2	241	-2	0.00 %	239	240	1	241	-2	-0.42 %

Total Budgeted Positions exceed Authorized due to positions received from the Central Growth Pool.

Analysis of Budget Request

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

The Ombudsman Division of the Arkansas Public Defender Commission was created during the 82nd General Assembly for the purpose of insuring that children placed within the custody of the Department of Human Services (DHS) - Division of Youth Services are receiving necessary services designed to keep them safe both mentally and physically. One position in the Ombudsman Division of the Arkansas Public Defender Commission is funded from funds transferred by the DHS. This transfer is for the benefit of the Juvenile Ombudsman Program of the Public Defender Commission.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum.

The Commission's Request provides for Base Level for the 2013-2015 Biennium.

The Executive Recommendation provides for the Commission's Request.

Appropriation Summary

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	72,917	68,282	70,708	68,282	68,282	68,282	68,382	68,382	68,382
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	20,153	19,627	18,932	19,907	19,907	19,907	19,931	19,931	19,931
Total		93,070	87,909	89,640	88,189	88,189	88,189	88,313	88,313	88,313
Funding Sources										
Fund Balance	4000005	14,760	12,224		12,224	12,224	12,224	12,224	12,224	12,224
Transfer from DHS-DYS	4000515	90,534	87,909		88,189	88,189	88,189	88,313	88,313	88,313
Total Funding		105,294	100,133		100,413	100,413	100,413	100,537	100,537	100,537
Excess Appropriation/(Funding)		(12,224)	(12,224)		(12,224)	(12,224)	(12,224)	(12,224)	(12,224)	(12,224)
Grand Total		93,070	87,909		88,189	88,189	88,189	88,313	88,313	88,313

Analysis of Budget Request

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

The Arkansas Public Defender Commission was established in 1993 to address a variety of problems and concerns related to the representation of indigent criminal defendants in Capital Conflicts and Appeals to the Supreme Court in the State of Arkansas. The State Operations appropriation is funded from the State Central Services Fund.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum.

The Commission's Change Level Request in Operating Expenses totals \$60,710 in FY2014 and \$29,210 in FY2015 to cover the costs of renovations and rental expenses in the acquisition of approximately 2200 additional sq. ft. of office space.

The Executive Recommendation provides for the Commission's Request.

Appropriation Summary

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,161,386	1,073,131	1,188,283	1,112,857	1,112,857	1,112,857	1,112,957	1,112,957	1,112,957
#Positions		18	18	18	18	18	18	18	18	18
Extra Help	5010001	3,858	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		1	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	330,183	320,067	325,400	333,756	333,756	333,756	333,778	333,778	333,778
Operating Expenses	5020002	218,551	218,438	218,438	218,438	279,148	279,148	218,438	247,648	247,648
Conference & Travel Expenses	5050009	19,690	19,690	19,690	19,690	19,690	19,690	19,690	19,690	19,690
Professional Fees	5060010	822,563	825,000	825,000	825,000	825,000	825,000	825,000	825,000	825,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,556,231	2,468,326	2,588,811	2,521,741	2,582,451	2,582,451	2,521,863	2,551,073	2,551,073
Funding Sources										
State Central Services	4000035	2,556,118	2,468,326		2,521,741	2,582,451	2,582,451	2,521,863	2,551,073	2,551,073
M & R Sales	4000340	113	0		0	0	0	0	0	0
Total Funding		2,556,231	2,468,326		2,521,741	2,582,451	2,582,451	2,521,863	2,551,073	2,551,073
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,556,231	2,468,326		2,521,741	2,582,451	2,582,451	2,521,863	2,551,073	2,551,073

Change Level by Appropriation

Appropriation: 337 - Public Defender-Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,521,741	18	2,521,741	100.0	2,521,863	18	2,521,863	100.0
C01	Existing Program	60,710	0	2,582,451	102.4	29,210	0	2,551,073	101.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,521,741	18	2,521,741	100.0	2,521,863	18	2,521,863	100.0
C01	Existing Program	60,710	0	2,582,451	102.4	29,210	0	2,551,073	101.2

Justification

C01	The Commission is requesting to relocate, renovate, and increase our lease space. Currently our offices are located on two different floors. Additional space that is adjacent to our main office will become available. This would allow us to open up our main office and the adjacent space so that we could have one large office and house more of our staff in the same area. At the present time, there is no supervisor located in the first floor space, nor is there a secretary or receptionist. Relocating this staff to the adjacent offices would alleviate these issues. Further, the additional space would give extra room for attorneys, and provide an additional conference area to staff cases and provide much needed storage space for our massive files.
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Analysis of Budget Request

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

The Trial Public Defender Office of the Arkansas Public Defender Commission was created by Act 1341 of 1997 and provides for the establishment of a statewide public defender system in Arkansas. The Trial Public Defender Office operates under the supervision of the Executive Director of the Arkansas Public Defender Commission. Duties of all public defenders are to provide for competent, effective, and uniform representation of indigent criminal defendants throughout the State. The Commission utilizes over sixty-one (61) job share positions.

The Trial Public Defender Office is funded in part from a share of those funds remitted by the cities and counties from court costs and filing fees for deposit into the State Administration of Justice Fund. A portion of those funds is then allocated for deposit into the State Central Services Fund for the benefit of the Public Defender Commission per Arkansas Code §16-10-310. Arkansas Code §17-19-301 (e) allows for a fee to be charged and collected by all bail bond companies on each bond. The additional revenue helps defray the cost of the public defender system, both statewide and in each individual county.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum.

The Commission's Change Level Request totaling \$1,612,084 in FY2014 and \$1,541,684 in FY2015 reflects the following:

- Regular Salaries and Personal Services Matching increases of \$1,384,868 each year for restoration of two (2) growth pool positions, four (4) new G179C Legal Service Specialist positions, twelve (12) new G002N Public Defender II positions, and the reclassification of one (1) position.
- Operating Expenses increases of \$193,616 in FY2014 and \$123,216 in FY2015 for purchase of a computer and related software, telecommunications and network expenses, rent, mileage, meals & lodging, office supplies and subscription dues to support sixteen (16) new employees.
- Travel and Conference Expenses increases of \$33,600 each year for training and continuing education requirements for the twelve (12) new G002N Public Defender II positions.

The Executive Recommendation provides for Base Level plus \$159,579 annually in Regular Salaries and Personal Services Matching appropriation and State Central Services Fund funding for the restoration of two (2) growth pool positions and the reclassification of one (1) position.

Appropriation Summary

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	14,656,571	13,797,129	14,317,442	13,681,242	14,744,225	13,804,029	13,687,842	14,750,825	13,810,629
#Positions		222	222	221	220	238	222	220	238	222
Extra Help	5010001	12,284	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
#Extra Help		3	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	4,077,211	4,060,300	3,922,934	4,086,592	4,408,477	4,123,384	4,088,041	4,409,926	4,124,833
Operating Expenses	5020002	284,004	288,251	288,251	288,251	481,867	288,251	288,251	411,467	288,251
Conference & Travel Expenses	5050009	2,500	2,500	2,500	2,500	36,100	2,500	2,500	36,100	2,500
Professional Fees	5060010	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Public Defender Comm. Prgms.	5900046	736,424	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000
Bail Bond Co. Public Def. Prgm.	5900047	203,790	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total		20,722,784	19,983,180	20,366,127	19,893,585	21,505,669	20,053,164	19,901,634	21,443,318	20,061,213
Funding Sources										
Fund Balance	4000005	4,076,474	349,773		349,773	349,773	349,773	349,773	349,773	349,773
State Central Services	4000035	8,217,212	12,118,598		12,029,003	13,641,087	12,188,582	12,037,052	13,578,736	12,196,631
Bail Bond Fees	4000115	1,359,816	1,200,000		1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
State Administration of Justice	4000470	6,236,168	5,664,582		5,664,582	5,664,582	5,664,582	5,664,582	5,664,582	5,664,582
User / Attorney Fees	4000725	1,182,887	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding		21,072,557	20,332,953		20,243,358	21,855,442	20,402,937	20,251,407	21,793,091	20,410,986
Excess Appropriation/(Funding)		(349,773)	(349,773)		(349,773)	(349,773)	(349,773)	(349,773)	(349,773)	(349,773)
Grand Total		20,722,784	19,983,180		19,893,585	21,505,669	20,053,164	19,901,634	21,443,318	20,061,213

FY13 Budget amounts in Regular Salaries, Personal Services Matching and Positions exceed the authorized amounts due to transfers from the Central Growth Pool during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 530 - Public Defender -Trial Office
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	19,893,585	220	19,893,585	100.0	19,901,634	220	19,901,634	100.0
C01	Existing Program	1,404,169	16	21,297,754	107.1	1,376,969	16	21,278,603	106.9
C06	Restore Position/Approp	159,579	2	21,457,333	107.9	159,579	2	21,438,182	107.7
C08	Technology	48,336	0	21,505,669	108.1	5,136	0	21,443,318	107.7
C10	Reclass	0	0	21,505,669	108.1	0	0	21,443,318	107.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	19,893,585	220	19,893,585	100.0	19,901,634	220	19,901,634	100.0
C01	Existing Program	0	0	19,893,585	100.0	0	0	19,901,634	100.0
C06	Restore Position/Approp	159,579	2	20,053,164	100.8	159,579	2	20,061,213	100.8
C08	Technology	0	0	20,053,164	100.8	0	0	20,061,213	100.8
C10	Reclass	0	0	20,053,164	100.8	0	0	20,061,213	100.8

Justification

C01	The United State's Supreme Court has ruled attorneys must provide effective assistance of counsel at plea bargains, Lafler v. Cooper, 566 U.S. 132S. Ct. 1376, No. 10-209, 2012 WL 932019 (March 21, 2012); and must explain immigration consequences to pleas as well, Padilla v. Kentucky, 130 S.Ct. 1473 (2010). The request includes two (2) positions with related Salary and Personal Service Match and Operating Expenses to be expert in immigration law and to serve as a resource to all our staff. The addition of full time District Judges has increased our obligation substantially. Prior to this development we were not required to represent individuals in city courts. We now have to do so which puts a severe strain on our already overworked lawyers. These positions are essential to provide Constitutionally required effective representation of indigent persons in the courts of Arkansas. The need arises for a variety of reasons. Our overall caseload has increased in almost every district. Additionally, the number of homicides and class Y felonies has greatly increased our obligations. By adding twelve (12) attorneys and four (4) paralegal to the office we would be able to more efficiently and economically provide representation for the myriad of conflicts appointments we make annually. The request for the new additional positions includes Salary and Personnel Service Match and Operating Expenses. The Operating Expense of \$227,216 and \$156,816 in FY2014 and FY2015 is or additional office furniture, office supplies, membership fees, subscription and due, telephone and parking cost associated for the overall sixteen (16) new positions. Travel & Conference increase of \$33,600 each year is needed to cover the costs of training and CLE for the new attorney positions.
C06	The Commission would like to restore / continue the two growth pool positions that were received in FY2011 & FY2012. The Commission would like to retain two highly qualified employees. Public Defender III position. Currently in this position, there is an attorney with over twenty years legal experience including trial and appellate practice, litigation and capital murder counsel in this position. Losing all this experience and credentials would create such hardship on the Commission. This position is used as our Capital / Conflicts Attorney. The position has the responsibility of handling death penalty cases over the State, supervising support staff and assisting other attorneys in capital and conflict cases. The addition of a qualified and experienced Capital / Conflict Public Defender Attorney is critical to the efficient and effective operation of our office and the court system. Capital Conflicts Investigator position. Currently there is an investigator with over twenty-five years as a practicing attorney and over five years as a capital murder investigator. We have a tremendous need for this position that has the responsibility of working with attorneys on death penalty cases over the State and assisting other attorneys in capital and conflict cases. The addition of a qualified and experienced Capital / Conflict Investigator is critical to the efficient and effective operation of our office and the court system. The addition of this investigator position helps in reducing the need and expense in hiring private investigators for court appointed cases.
C08	The sixteen new positions in FY2014 will require a computer, software and connection to the internet. The estimate for this is request is \$48,336 in FY2014. The internet connection is \$26.75 per month or \$1,605 per year. This request will not be needed if the positions are not added. The computers can be found in the Commission's IT Plan in the IT Support Cost section Future Hardware Purchases, and the software is found in the IT Support Cost under section Future Software Purchases.
C10	The needs of the agency have changed since the Pay Plan Implementation and the Commission has implemented some minor internal reorganization changes in duties, responsibilities, and reporting structure to better facilitate internal controls.

AR SCIENCE AND TECHNOLOGY AUTHORITY

Enabling Laws

Act 216 of 2012
A.C.A. 15-3-101 - A.C.A. 15-3-405

History and Organization

The Arkansas Science and Technology Authority (the Authority) was created by Act 859 of 1983: "There is hereby established for the State of Arkansas the Arkansas Science and Technology Authority, hereinafter referred to as "The Authority," which shall have the powers, functions and duties, as herein provided, to be the instrumentality of this State to exert leadership in and give directions to a broad spectrum of programs and services designed to gain for this State and its people the benefits and opportunities to be realized through advanced science and technology."

The Authority's vision, mission, goals and core values are derived from its strategic planning process and are established by the Authority's Board in the "Board of Director's Operating Guide," dated November 20, 2009.

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity and (6) We will value diversity among ourselves and our customers.

The Arkansas Science and Technology Authority is comprised of a Board of Directors and staff. The 14-member Board is appointed by the Governor to staggered four year terms. The Authority has a nineteen person staff, one private grant funded position and eleven federally-funded positions.

The Board makes all decisions concerning the allocation of monies to projects funded under the Authority's programs, except the Technology Transfer Assistance Grants Program where the Board approves funding to the program and the Director approves the individual project funding. Recommendations are made to the Board by three standing committees comprised exclusively of members of the Board. The committees deal respectively with sponsored projects, research and commercialization, and manufacturing extension. The Board's Executive Committee deals with proposals with deadlines and actions required between regularly scheduled meetings. The standing committees are further supported by three advisory committees.

Staff activities are designed to support the goals of the Authority's Board of Directors.

The Assistant Director of Finance, assisted by the Finance Program Coordinator and the Research Program Coordinator is responsible for managing programs involving Seed Capital Investments, Technology Development, Technology Transfer Assistance Grants, Basic Research Grants, Applied Research Grants, Research Matching Grants, Research Infrastructure Grants, Business Incubator Technology Certifications, and Centers for Applied Technology. These activities are overseen by the Board's Research and Commercialization Committee. The Assistant Director and Program Managers also provide technical assistance to (1) Arkansas Manufacturing Solutions, a state-federal partnership under the federal Manufacturing Extension Partnership, (2) and the Research and Development Tax Credit activities under the Consolidated Incentive Act.

The Assistant Director of Research, assisted by the Information Technology Manager, the Database Analyst, and the Public Information Coordinator, is responsible for the Authority's initiative to become paperless, provide electronic applications for all programs, automate agency workflows, maintain the Authority's database, and prepare analytical reports. The Assistant Director of Research is also responsible for projects with deadlines, supports the Assistant Director of Finance with research-oriented programs, and assists in overseeing the NSF EPSCoR grant. These activities are overseen by the Board's Executive Committee.

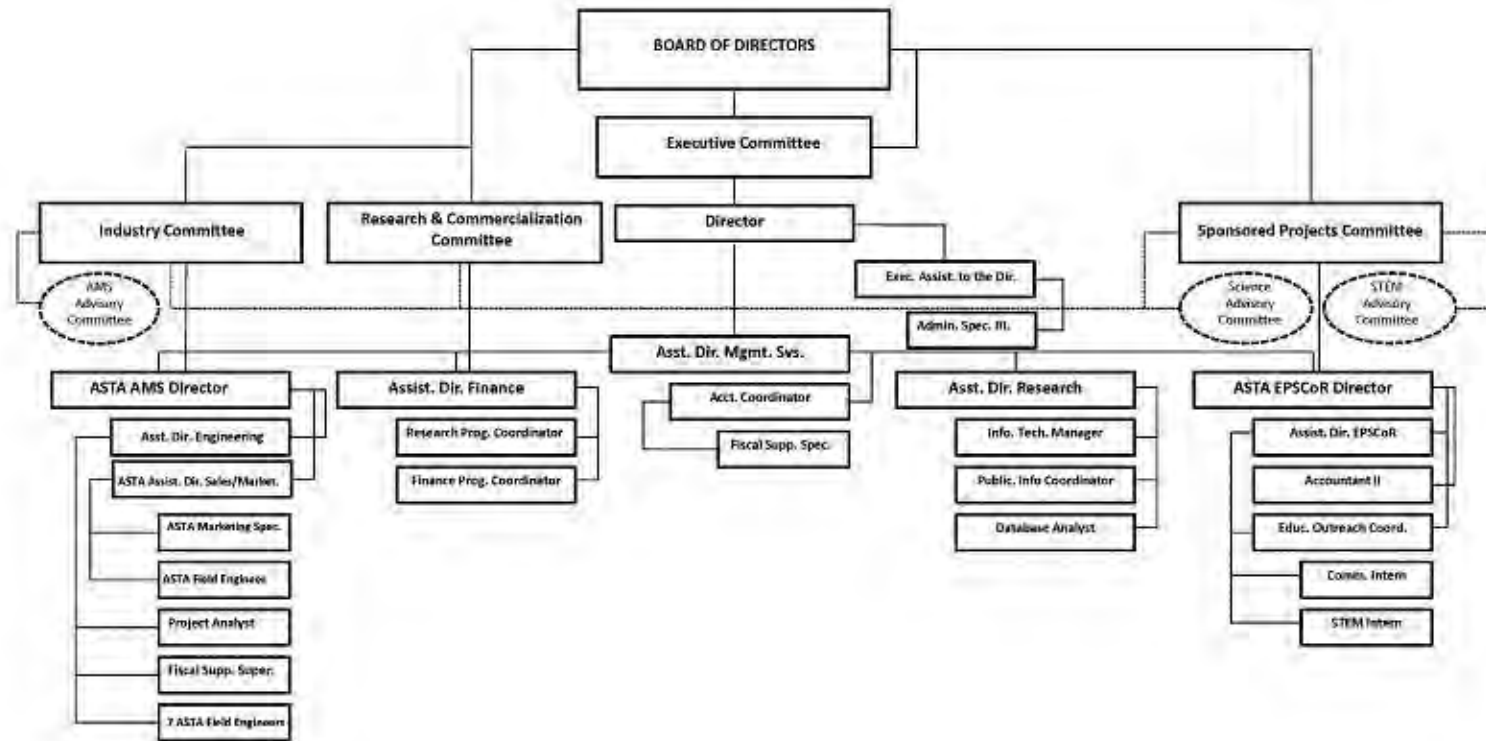
The ASTA EPSCoR Director, assisted by the ASTA Assistant Director EPSCoR, is responsible for managing the Authority's ASSET Initiative and STEM (Science, Technology, Engineering, and Mathematics) projects. The ASSET Initiative is a project jointly funded by a grant from the National Science Foundation's EPSCoR Program and by state matching support. The EPSCoR Director, assisted by the EPSCoR Assistant Director, manages the grant and additional STEM (Science, Technology, Engineering, and Mathematics) outreach grants. These activities are overseen by the Board's Sponsored Projects Committee.

Arkansas Manufacturing Solutions, a cooperative agreement between the National Institute of Standards and Technology and the Authority, is headed by the ASTA Director of Manufacturing, whose position is administratively at UALR, but housed at the Authority. The Assistant Director of Manufacturing is responsible for three federally funded positions housed at the Authority: the Science & Technology Assistant Director of Engineering, Research Project Analyst, and Fiscal Support Supervisor. They are responsible for the management and administration of the Cooperative Agreement. Seven Project Managers, who are supervised by the Assistant Director for Engineering, and are located at universities and non-profits throughout the state, are responsible for the delivery of services. The activities are overseen by the Board's Industry Committee.

The Assistant Director of Management Services is responsible for the day-to-day operations of the Authority and is assisted by the Accounting Coordinator and the Fiscal Support Specialist. The Accounting Coordinator is responsible for the fiscal activities of the Authority and is assisted by the Fiscal Support Specialist. The Fiscal Support Specialist is responsible for the procurement and asset management activities of the Authority. Management Services are overseen by the Board's Executive Committee.

The Executive Director is the chief executive officer and has overall responsibility for the Authority's programs and staff activities. The Executive Director is assisted by the Executive Assistant to the Director, who provides administrative support to the agency's Board of Directors and is responsible for the personnel activities of the agency. The Administrative Specialist III assists the Executive Assistant and is responsible for administrative support for the Authority's programs and cooperative agreements.

The Executive Director is selected by the Board and serves at the pleasure of the Governor.



Agency Commentary

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity, and (6) We will value diversity among ourselves and our customers.

The Arkansas Science & Technology Authority's (Authority) program commentary is derived from the Authority's vision, mission, goals and core values that were created in its strategic planning process and are established by the Authority's Board in the "Board of Directors Operating Guide," dated November 20, 2009.

GOAL 1: ENSURE THE AVAILABILITY OF THE NEXT GENERATION OF ARKANSANS WITH SCIENCE, ENGINEERING AND MATHEMATICS SKILLS NECESSARY FOR A COMPETITIVE 21ST CENTURY WORKFORCE.

The Authority, with grant support from the Winthrop Rockefeller Foundation, will empower teachers to generate enthusiasm in STEM classrooms around the state using projects, such as robotics competition and summer academies, that interest and engage students in the STEM curriculum. These efforts result not only in increased student competence in STEM skill sets but also produce increases in STEM career choices for these students as they advance.

GOAL 2: MAXIMIZE THE PRODUCTION OF SCIENTIFIC AND ENGINEERING TALENT AND RESEARCH INNOVATIONS AS BUILDING BLOCKS FOR THE 21ST CENTURY ECONOMY.

The Authority continues to manage the cooperative agreement with the National Science Foundation for the EPSCoR program. The cooperative agreement has established the Arkansas ASSET Initiative (**A**dvancing and **S**upporting **S**cience, **E**ngineering and **T**echnology). This project is designed to strengthen developing research areas in Arkansas with economic development potential. The initiative is a multi-institutional, interdisciplinary, state-wide program. Integral components of the five-year research project are entrepreneurial training, support for commercialization of new technologies, and an educational outreach program that targets the STEM pipeline needed to support the advanced technologies workforce.

The ASSET Initiative project covers more than one of the Authority's five goals. The match for the project, for budget purposes, is included in goal 3.

GOAL 3: INVEST IN RESEARCH INNOVATIONS THAT BUILD KNOWLEDGE-BASED INDUSTRIES FOR ARKANSAS'S 21ST CENTURY ECONOMY.

The Authority's research and commercialization programs address this goal by supporting strategic state investments in university research activities, development of new products, and the commercialization of new technology by entrepreneurial firms.

Technology Transfer Assistance Grants (TTAG) support enterprises participating in the federal Small Business Innovation Research Program; the Technology Development Program supports enterprises developing new technologies; and the Seed Capital Investment Program provides start-up working capital.

The Authority Board of Directors requests \$156,975 per year from General Revenue to support TTAG and Technology Development Programs, \$292,653 to support research and an additional \$800,000 to support research under the third year of a five-year, \$20 million National Science Foundation research grant. The request asks that the \$1,249,628 be included in one line labeled Research and Commercialization. This request will allow the agency to respond more effectively to the research and commercialization needs of its customers.

The Board also requests \$292,653 per year from General Revenue for Seed Capital Investments.

The Board requests authority to spend up to \$1.9 million per year from the Seed Capital Investment Fund (a cash fund).

GOAL 4: STRENGTHEN ARKANSAS COMPANIES' CAPACITY TO INNOVATE, CREATE WEALTH, EXPAND KNOWLEDGE-BASED JOBS AND COMPETE GLOBALLY.

The Authority continues its state-federal technology partnership with the National Institute of Standards and Technology (NIST). The partnership allows the Authority, through the function of its Arkansas Manufacturing Solutions (AMS), to continue to meet the expressed needs of Arkansas manufacturers and provide them with the tools to become world-class competitors. AMS continues to provide technology support to the state's manufacturers through TTAG grants. The Arkansas Innovation Marketplace (AIM), provided by AMS, is a web-based marketplace that globally connects Arkansas innovators with potential buyers, investors, distributors and manufacturers seeking breakthrough technological advancements. Arkansas AIM is part of the national USA Innovation Marketplace Initiative and the Planet Eureka International Innovation Network.

The Authority Board of Directors requests \$257,182 per year from General Revenue as state match for AMS.

GOAL 5: EXTEND SCIENCE AND TECHNOLOGY EXPERTISE TO TAKE ADVANTAGE OF EMERGING OPPORTUNITIES IN PARTNERSHIP WITH OTHER PROGRAMS, SERVICES AND ORGANIZATIONS.

The Authority continues to collaborate on economic development projects with AEDC and ADFA. The agencies, through shared processes, manage projects involving the Venture Capital Investment Trust, Equity Investment Tax Credit, and Research and Development Tax Credits. The Authority further extends its expertise by membership on at least 13 boards and commissions.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2011

Findings	Recommendations
None	None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	7	6	13	72 %
Black Employees	2	1	3	17 %
Other Racial Minorities	0	2	2	11 %
Total Minorities			5	28 %
Total Employees			18	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	A.C.A. §15-3-123	Y	Y	4	Detail operations and transactions conducted in previous fiscal year. Posted on website; printed by request only.
ARMF Biennial Report	A.C.A. §15-3-206	Y	Y	1	Report investments from the Arkansas Research Matching Fund. Posted on website; printed by request only.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1ND AR Manufacturing Extention Network-St	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
34G Seed Capital Investment-Cash in Treasury	0	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0
35K AR EPSCoR-Federal	4,070,487	3	11,466,686	3	23,079,238	5	11,467,524	3	11,467,524	3	11,467,124	3	11,468,257	3	11,468,257	3	11,467,857	3
678 Science & Tech-St Operations	1,817,775	13	1,794,687	13	1,909,241	13	1,804,947	13	1,884,947	13	1,884,947	13	1,805,068	13	1,885,068	13	1,885,068	13
84W New AMS - Cash in Treasury	611,020	3	1,174,395	3	1,240,365	3	1,175,207	3	1,240,365	4	1,240,365	4	1,175,207	3	1,240,365	4	1,240,365	4
85E Energy Efficiency-Cash in Treasury	59,078	0	185,000	0	0	0	0	0	150,000	0	150,000	0	0	0	150,000	0	150,000	0
919 AR Manufacturing Extension Network-Fed	885,907	0	941,110	0	941,110	0	941,110	0	941,110	9	941,110	9	941,110	0	941,110	9	941,110	9
99Q AR Acceleration Fund	0	0	0	0	61,000,000	0	0	0	18,700,000	0	18,700,000	0	0	0	18,700,000	0	18,700,000	0
NOT REQUESTED FOR THE BIENNIUM																		
1FA Rockefeller-IMSST-Cash in Treasury	258,422	0	0	0	51,563	0	0	0	0	0	0	0	0	0	0	0	0	0
38X St Industrial Assessment-Federal	0	0	0	0	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0
83R ARRA AIEC	85,341	0	0	0	7,909,401	0	0	0	0	0	0	0	0	0	0	0	0	0
84V Health Information Technology State	164,544	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
84X Health Information Technology Federal	1,094,456	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
86B Collaborative Plan46	90,113	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	9,394,325	28	17,719,060	19	98,313,100	21	17,545,970	19	36,541,128	29	36,540,728	29	17,546,824	19	36,541,982	29	36,541,582	29

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	1,660,279	14.1	2,351,451	12.8		622,955	3.4	622,955	1.7	622,955	1.7	387,748	2.2	322,590	0.9	322,590	0.9
General Revenue	4000010	2,074,957	17.7	2,034,558	11.1		2,062,129	11.4	2,142,129	5.8	2,142,129	5.8	2,062,250	11.4	2,142,250	5.8	2,142,250	5.8
Federal Revenue	4000020	4,956,394	42.2	12,407,796	67.6		12,408,634	68.6	12,408,634	33.7	12,408,634	33.7	12,409,367	68.9	12,409,367	33.8	12,409,367	33.8
Special Revenue	4000030	692,979	5.9	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Cash Fund	4000045	509,912	4.3	1,530,899	8.3		2,990,000	16.5	2,990,000	8.1	2,990,000	8.1	3,160,000	17.5	3,160,000	8.6	3,160,000	8.6
Merit Adjustment Fund	4000055	0	0.0	17,311	0.1		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Federal Funds-ARRA	4000244	1,179,797	10.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	1,508	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	1,240,785	10.6	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	0	0.0	0	0.0		0	0.0	18,700,000	50.7	18,700,000	50.7	0	0.0	18,700,000	50.9	18,700,000	50.9
Transfers (to) / from Agencies	4000693	(570,835)	(4.9)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		11,745,776	100.0	18,342,015	100.0		18,083,718	100.0	36,863,718	100.0	36,863,718	100.0	18,019,365	100.0	36,734,207	100.0	36,734,207	100.0
Excess Appropriation/(Funding)		(2,351,451)		(622,955)			(537,748)		(322,590)		(322,990)		(472,541)		(192,225)		(192,625)	
Grand Total		9,394,325		17,719,060			17,545,970		36,541,128		36,540,728		17,546,824		36,541,982		36,541,582	

Variance in Fund Balance due to appropriations 1FA, Rockefeller, 84V Office of Health Information Technology and 86B Collaborative Planning.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
17	17	0	17	0	0.00 %	32	24	6	30	2	25.00 %	21	18	1	19	2	14.29 %

Analysis of Budget Request

Appropriation: 1ND - AR Manufacturing Extension Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority Technology and Manufacturing Extension Program plans strategic state investments in, evaluates proposals and applications for, and supports Manufacturing Extension, Technology Transfer, and Applied Research. The Technology and Manufacturing Program is funded by General Revenue.

The agency requests Base Level of \$257,182 for each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ND - AR Manufacturing Extention Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Manufacturing Ext Network 5900046	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Total	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Funding Sources									
General Revenue 4000010	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Total Funding	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182

Analysis of Budget Request

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

This program is used for investments in technology-based businesses in accordance with Arkansas Code, §15-3-101 through §15-3-123. Funds are loaned to businesses, with a maximum amount of \$500,000 for any one project. As businesses repay the loans, the Arkansas Science & Technology Authority (ASTA) deposits the repayments into the fund.

ASTA requests continuation of the Base Level appropriation of \$1,900,000 each year of the 2013-2015 Biennium for the Seed Capital Investment Program.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Investments	5120013	0	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total		0	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Funding Sources										
Fund Balance	4000005	1,088,017	1,121,570		2,469	2,469	2,469	2,469	2,469	2,469
Cash Fund	4000045	33,553	780,899		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total Funding		1,121,570	1,902,469		1,902,469	1,902,469	1,902,469	1,902,469	1,902,469	1,902,469
Excess Appropriation/(Funding)		(1,121,570)	(2,469)		(2,469)	(2,469)	(2,469)	(2,469)	(2,469)	(2,469)
Grand Total		0	1,900,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

Analysis of Budget Request

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

The Experimental Program to Stimulate Competitive Research (EPSCoR), funded by the National Science Foundation is a statewide multi-university collaborative research initiative addressing two research areas: 1) plant-based bioproduction and 2) wireless nanosensors. Plant-based bioproduction is a project which targets biochemical pathways in plants - harnessing and enhancing the production power in plants. Wireless nanosensors is a project which links the potential commercial applications of inexpensive nanosensors with wireless data collection and analysis.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases.

The Authority requests Base Level appropriation for the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	208,719	197,718	1,083,593	197,718	197,718	197,718	198,318	198,318	198,318
#Positions		3	3	5	3	3	3	3	3	3
Personal Services Matching	5010003	58,710	57,320	261,266	58,158	58,158	58,158	58,291	58,291	58,291
Operating Expenses	5020002	93,531	497,664	875,583	497,664	497,664	497,664	497,664	497,664	497,664
Conference & Travel Expenses	5050009	42,589	81,000	138,333	81,000	81,000	81,000	81,000	81,000	81,000
Professional Fees	5060010	118,963	224,400	599,667	224,400	224,400	224,000	224,400	224,400	224,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,547,975	10,408,584	20,120,796	10,408,584	10,408,584	10,408,584	10,408,584	10,408,584	10,408,584
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		4,070,487	11,466,686	23,079,238	11,467,524	11,467,524	11,467,124	11,468,257	11,468,257	11,467,857
Funding Sources										
Federal Revenue	4000020	4,070,487	11,466,686		11,467,524	11,467,524	11,467,524	11,468,257	11,468,257	11,468,257
Total Funding		4,070,487	11,466,686		11,467,524	11,467,524	11,467,524	11,468,257	11,468,257	11,468,257
Excess Appropriation/(Funding)		0	0		0	0	(400)	0	0	(400)
Grand Total		4,070,487	11,466,686		11,467,524	11,467,524	11,467,124	11,468,257	11,468,257	11,467,857

Analysis of Budget Request

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority was created to develop and promote Arkansas' technological resources and to encourage the use of advanced technology in the State's business and agricultural communities. The Authority offers a variety of programs emphasizing three areas: project financing, company financing, and technology extension/development. This appropriation is funded by General Revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases. The Base Level salary of the unclassified position reflects the FY13 line item maximum.

The Agency requests a Change Level increase of \$80,000 each year of the biennium.

- \$10,771 for Extra Help and Personal Services Matching to restore appropriation to the authorized FY13 level;
- \$58,217 for Operating Expenses include \$41,947 for software maintenance, data processing supplies, software licenses, and tablets, these items are found in the agency's state IT plan under Hardware and Software, pages 21 and 22; miscellaneous technical and other expenses and services, \$16,270 for postage, telecommunications, network services, travel related expenses, membership dues, office supplies and food service and trash pickup;
- \$11,012 for Conference & Travel for attendance at the Southern Technology Council meeting in conjunction with the Southern Growth Policies and the State Science & Technology Initiative to remain engaged in regional and national science and technology discussions. These meetings provide opportunities to learn, network, and to share best practices, as well as teach effective stewardship of state-funded, technology-based economic development strategies.

The Executive Recommendation provides for the Agency Request and additional General Revenue funding of \$80,000.

Appropriation Summary

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	655,238	652,506	681,796	658,038	658,038	658,038	658,138	658,138	658,138
#Positions		13	13	13	13	13	13	13	13	13
Extra Help	5010001	1,421	2,000	12,000	2,000	12,000	12,000	2,000	12,000	12,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	199,702	203,826	207,269	208,554	209,325	209,325	208,575	209,346	209,346
Operating Expenses	5020002	197,347	160,486	221,295	160,486	218,703	218,703	160,486	218,703	218,703
Conference & Travel Expenses	5050009	15,229	16,788	27,800	16,788	27,800	27,800	16,788	27,800	27,800
Professional Fees	5060010	6,557	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Technology Development	5900046	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975
Seed Capital Investments	5900047	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Total		1,817,775	1,794,687	1,909,241	1,804,947	1,884,947	1,884,947	1,805,068	1,885,068	1,885,068
Funding Sources										
General Revenue	4000010	1,817,775	1,777,376		1,804,947	1,884,947	1,884,947	1,805,068	1,885,068	1,885,068
Merit Adjustment Fund	4000055	0	17,311		0	0	0	0	0	0
Total Funding		1,817,775	1,794,687		1,804,947	1,884,947	1,884,947	1,805,068	1,885,068	1,885,068
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,817,775	1,794,687		1,804,947	1,884,947	1,884,947	1,805,068	1,885,068	1,885,068

Change Level by Appropriation

Appropriation: 678 - Science & Tech-St Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,804,947	13	1,804,947	100.0	1,805,068	13	1,805,068	100.0
C01	Existing Program	69,500	0	1,874,447	103.9	69,500	0	1,874,568	103.9
C08	Technology	10,500	0	1,884,947	104.4	10,500	0	1,885,068	104.4

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,804,947	13	1,804,947	100.0	1,805,068	13	1,805,068	100.0
C01	Existing Program	69,500	0	1,874,447	103.9	69,500	0	1,874,568	103.9
C08	Technology	10,500	0	1,884,947	104.4	10,500	0	1,885,068	104.4

Justification

C01	The agency requests a change level of \$69,500 each year of the biennium, for Extra Help and Personal Services Matching of \$10,771, an increase in Operating Expenses of \$47,717, and an increase in Conference & Travel of \$11,012. The increase request for the Extra Help and Operating Expenses are to restore the appropriation to the authorized FY13 level. The Conference and Travel increase is requested for meeting attendance of the Southern Technology Council in conjunction with the Southern Growth Policies and the State Science & Technology Initiative, are critical for Arkansas to remain engaged in regional and national science and technology discussions. The ever-changing technology landscape demands staff apprised of the state of innovation, research, and commercialization efforts. These meetings provide valuable learning, networking, and opportunities to share best practices, as well as teach effective stewardship of state-funded, technology-based economic development strategies.
C08	The agency requests a change level of \$10,500 for software maintenance, data processing supplies, software licenses, and tablets. The increase is due to the increase in staff by one-third (1/3), new computer systems have been introduced or replaced existing ones. This includes SharePoint (hosted by DIS) and the new agency website, hosted by INA. The agency has participated in the current trend to provide tablets to its board members to increase their participation in review of board documents and reduce costs related to producing and distributing paper copies of board packets. These items can be found in the agency's state IT plan under Hardware, page 21, and Software, page 22.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2012 TO FISCAL YEAR 2013**

Agency: Science and Technology Authority

Program: Science & Tech-St Operations

Act #: 1064 Section(s) #: 3 & 13

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0327 Funds Center: 678 Fund: HUA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

No carry forward, all funds will be spent.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

All funding was spent in FY12.

Dr. John W. Ahlen
President

08-23-2012
Date

Analysis of Budget Request

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. This appropriation was established in 2012 by separating the client (cash)funded portion from the federal funded portion of the cooperative agreement.

Funding is provided by client (cash) service agreements and training class revenue.

Base Level Regular Salaries and Personal Services Matching includes Carer Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases.

The Agency requests a Change Level of \$65,158 each year of the biennium as follows:

- \$101,361 in Regular Salaries and Personal Services Matching for a new AMS Director Grade N906 position, to be transferred from the University of Arkansas at Little Rock (UALR). This position is requested to reduce the disparity of personnel policies including leave (annual and sick), time keeping, raises/merit bonuses, and travel reimbursement;
- \$117,286 in Operating Expenses and \$21,000 in Conference & Travel Expenses is requested for the continued operation of the program at the current level with the new position. These increases are partially offset by a decrease in the Grants & Aid and Field Services line items;
- \$22,781 reduction in Grants & Aid to offset the increase in Conference & Travel and Operating Expenses;
- \$151,708 reduction in the Field Services line item to offset the increase in Operating Expenses and Conference & Travel.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	160,961	152,414	154,772	152,414	231,496	231,496	152,414	231,496	231,496
#Positions		3	3	3	3	4	4	3	4	4
Personal Services Matching	5010003	48,584	47,404	47,125	48,216	70,495	70,495	48,216	70,495	70,495
Operating Expenses	5020002	98,815	94,457	99,900	94,457	211,743	211,743	94,457	211,743	211,743
Conference & Travel Expenses	5050009	22,885	31,860	31,860	31,860	52,860	52,860	31,860	52,860	52,860
Professional Fees	5060010	6,650	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	182,818	381,552	440,000	381,552	358,771	358,771	381,552	358,771	358,771
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Field Services	5900046	90,307	391,708	391,708	391,708	240,000	240,000	391,708	240,000	240,000
Total		611,020	1,174,395	1,240,365	1,175,207	1,240,365	1,240,365	1,175,207	1,240,365	1,240,365

Funding Sources										
Fund Balance	4000005	0	1,011,286		436,891	436,891	436,891	201,684	136,526	136,526
Cash Fund	4000045	381,521	600,000		940,000	940,000	940,000	1,110,000	1,110,000	1,110,000
Inter-agency Fund Transfer	4000316	1,240,785	0		0	0	0	0	0	0
Total Funding		1,622,306	1,611,286		1,376,891	1,376,891	1,376,891	1,311,684	1,246,526	1,246,526
Excess Appropriation/(Funding)		(1,011,286)	(436,891)		(201,684)	(136,526)	(136,526)	(136,477)	(6,161)	(6,161)
Grand Total		611,020	1,174,395		1,175,207	1,240,365	1,240,365	1,175,207	1,240,365	1,240,365

The FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 84W - New AMS - Cash in Treasury
Funding Sources: NST - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,175,207	3	1,175,207	100.0	1,175,207	3	1,175,207	100.0
C01	Existing Program	239,647	1	1,414,854	120.4	239,647	1	1,414,854	120.4
C03	Discontinue Program	(174,489)	0	1,240,365	105.5	(174,489)	0	1,240,365	105.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,175,207	3	1,175,207	100.0	1,175,207	3	1,175,207	100.0
C01	Existing Program	239,647	1	1,414,854	120.4	239,647	1	1,414,854	120.4
C03	Discontinue Program	(174,489)	0	1,240,365	105.5	(174,489)	0	1,240,365	105.5

Justification

C01	Arkansas Manufacturing Solutions (AMS) has awarded grants to Arkansas State University, Winrock International, and University of Arkansas at Little Rock, SAU Tech, and the University of Arkansas at Fayetteville. These grants supported project managers' salaries, fringe benefits, operating expenses, and travel. The agency requests a change level of \$239,647 for a new AMS Director N906 position, which includes \$101,361 in Regular Salaries and Personal Services Matching. The agency also requests an increase in Operating Expenses of \$117,286, and \$21,000 for Conference and Travel. The position is requested to reduce the disparate personnel policies including annual leave, sick leave, time keeping, raises/merit bonuses, and travel reimbursement. This reallocation will be partially offset by decreases in Grants and Aid and Field Services line items.
C03	Arkansas Manufacturing Solutions (AMS) requests a reduction of \$174,489 which includes Grants and Aid of \$22,781 and Field Services line item of \$151,708. These reductions will be offset by the requested change level.

Analysis of Budget Request

Appropriation: 85E - Energy Efficiency-Cash in Treasury

Funding Sources: NST - Cash in Treasury

This appropriation was established during the 2011-2013 Biennium by a transfer from the Cash Fund Holding Account. The Agency requests continuation of this program to provide workshops and/or conferences Arkansas manufacturers. The Agency is the contractor to develop, plan, and execute the logistical details for the Energy Efficiency program workshops and/or conferences. Funding is provided by a grant from the Arkansas Economic Development Commission.

The Agency requests an increase of \$150,000 for both years of the biennium, which includes \$60,000 in Operating Expenses and \$90,000 in Grants & Aid to continue to provide energy efficiency workshops or classes.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 85E - Energy Efficiency-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	24,598	70,000	0	0	60,000	60,000	0	60,000	60,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	34,480	115,000	0	0	90,000	90,000	0	90,000	90,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		59,078	185,000	0	0	150,000	150,000	0	150,000	150,000
Funding Sources										
Fund Balance	4000005	96,266	38,267		3,267	3,267	3,267	3,267	3,267	3,267
Cash Fund	4000045	1,079	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		97,345	188,267		153,267	153,267	153,267	153,267	153,267	153,267
Excess Appropriation/(Funding)		(38,267)	(3,267)		(153,267)	(3,267)	(3,267)	(153,267)	(3,267)	(3,267)
Grand Total		59,078	185,000		0	150,000	150,000	0	150,000	150,000

Budget exceeds Authorized Appropriation in Operating Expenses and Grants & Aid due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 85E - Energy Efficiency-Cash in Treasury
Funding Sources: NST - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	150,000	0	150,000	100.0	150,000	0	150,000	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	150,000	0	150,000	100.0	150,000	0	150,000	100.0

Justification

C01	The agency requests a change level of \$150,000 for the Energy Efficiency Arkansas grant from the Arkansas Economic Development Commission (AEDC) to continue to provide energy efficiency program workshops to manufacturers. This includes an increase of \$60,000 in Operating Expenses and \$90,000 in Grants and Aid. The agency will be the workshop coordination contractor to develop, plan, and execute logistical details for these workshops.
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Analysis of Budget Request

Appropriation: 919 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. The program is funded by the U.S. Department of Commerce's National Institute of Standards and Technology (NIST) and third party reimbursements for field services and technical support from manufacturers supported under this grant.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases.

The Agency requests a Change Level reallocation of \$841,110, from the Field Services line item for each year of the biennium to the following:

The Agency, through Arkansas Manufacturing Solutions (AMS), awards grants to Arkansas State University, University of Arkansas at Little Rock, SAU-Tech, and the University of Arkansas at Fayetteville. These grants supported salaries, fringe benefits, operating expenses, and travel.

- The Agency requests nine (9) new positions, 7 which are to be transferred from these schools and 2 new positions to remain at their current program level. The positions include one Assistant Director Sales & Marketing, 1 Sales & Marketing Specialist Grade N901, and 7 Field Engineers Grade N902 for \$786,352 in Regular Salaries and Personal Services Matching. These positions are requested to eliminate the disparity in personnel policies regarding annual and sick leave, time keeping, raises/merit bonuses, and travel reimbursement;
- Also requested is an increase in Operating Expenses of \$24,758 and;
- An increase in Conference & Travel of \$30,000.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 919 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	0	0	608,504	608,504	0	608,504	608,504
#Positions	0	0	0	0	9	9	0	9	9
Personal Services Matching 5010003	0	0	0	0	177,848	177,848	0	177,848	177,848
Operating Expenses 5020002	44,796	100,000	100,000	100,000	124,758	124,758	100,000	124,758	124,758
Conference & Travel Expenses 5050009	0	0	0	0	30,000	30,000	0	30,000	30,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Field Services 5900046	841,111	841,110	841,110	841,110	0	0	841,110	0	0
Total	885,907	941,110	941,110	941,110	941,110	941,110	941,110	941,110	941,110
Funding Sources									
Federal Revenue 4000020	885,907	941,110		941,110	941,110	941,110	941,110	941,110	941,110
Total Funding	885,907	941,110		941,110	941,110	941,110	941,110	941,110	941,110
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	885,907	941,110		941,110	941,110	941,110	941,110	941,110	941,110

Change Level by Appropriation

Appropriation: 919 - AR Manufacturing Extension Network-Fed
Funding Sources: FST - ASTA Federal Programs

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	941,110	0	941,110	100.0	941,110	0	941,110	100.0
C01	Existing Program	841,110	9	1,782,220	189.4	841,110	9	1,782,220	189.4
C03	Discontinue Program	(841,110)	0	941,110	100.0	(841,110)	0	941,110	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	941,110	0	941,110	100.0	941,110	0	941,110	100.0
C01	Existing Program	841,110	9	1,782,220	189.4	841,110	9	1,782,220	189.4
C03	Discontinue Program	(841,110)	0	941,110	100.0	(841,110)	0	941,110	100.0

Justification

C01	Arkansas Manufacturing Solutions (AMS) has awarded grants to Arkansas State University, Winrock International, and University of Arkansas at Little Rock, SAU Tech, and the University of Arkansas at Fayetteville. These grants supported project managers' salaries, fringe benefits, operating expenses, and travel. The agency requests a change level of \$841,110. This includes nine (9) new positions which includes one (1) Assistant Director Sales and Marketing Grade N903, one (1) Sales and Marketing Specialist Grade N901, and seven (7) Field Engineers Grade N902 for \$786,352 in Regular Salaries and Personal Services Matching. The agency also requests an increase in Operating Expenses of \$24,758, and \$30,000 for Conference and Travel. These positions are requested to reduce the disparate personnel policies including annual leave, sick leave, time keeping, raises/merit bonuses, and travel reimbursement. This reallocation will be offset by a decrease in the Filed Services line item.
C03	Arkansas Manufacturing Solutions (AMS) requests a reduction of \$841,110 in the Field Services line item. This reduction will be offset by the requested change level.

Analysis of Budget Request

Appropriation: 99Q - AR Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

Act 706 of 2011 created the Arkansas Acceleration Fund. The Arkansas Science & Technology Authority shall use this fund for support and assistance for the accelerated growth of knowledge-based and high-technology jobs in the state through funding of the state's initiatives and programs defined under the Act. Among those included, are initiatives and programs authorized by the Arkansas Research Alliance, Innovate Arkansas, and Arkansas Risk Capital Matching.

The fund shall consist of funds provided by law and grants made by any person or federal government agency.

The Agency requests a Change Level of \$18,700,000 for each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99Q - AR Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	0	61,000,000	0	18,700,000	18,700,000	0	18,700,000	18,700,000
Total	0	0	61,000,000	0	18,700,000	18,700,000	0	18,700,000	18,700,000
Funding Sources									
Other 4000370	0	0		0	18,700,000	18,700,000	0	18,700,000	18,700,000
Total Funding	0	0		0	18,700,000	18,700,000	0	18,700,000	18,700,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	0		0	18,700,000	18,700,000	0	18,700,000	18,700,000

Change Level by Appropriation

Appropriation: 99Q - AR Acceleration Fund
Funding Sources: MST - Arkansas Acceleration Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C01	Existing Program	18,700,000	0	18,700,000	100.0	18,700,000	0	18,700,000	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C01	Existing Program	18,700,000	0	18,700,000	100.0	18,700,000	0	18,700,000	100.0

Justification

C01	The agency requests a Change Level of \$18.7 million for each year of the biennium for support and assistance for accelerated growth of knowledge-based and high-technology jobs through funding of the state's initiatives and programs under the Acceleration Fund Act.								
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Appropriation Summary

Appropriation: 1FA - Rockefeller-IMSST-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	3,389	0	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	10,834	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	244,199	0	51,563	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		258,422	0	51,563	0	0	0	0	0	0
Funding Sources										
Fund Balance	4000005	344,991	180,328		180,328	180,328	180,328	180,328	180,328	180,328
Cash Fund	4000045	93,759	0		0	0	0	0	0	0
Total Funding		438,750	180,328		180,328	180,328	180,328	180,328	180,328	180,328
Excess Appropriation/(Funding)		(180,328)	(180,328)		(180,328)	(180,328)	(180,328)	(180,328)	(180,328)	(180,328)
Grand Total		258,422	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Appropriation Summary

Appropriation: 38X - St Industrial Assessment-Federal

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	0	25,000	0	0	0	0	0	0
Total	0	0	25,000	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Appropriation Summary

Appropriation: 83R - ARRA AIEC

Funding Sources: FST - Federal Funds-ARRA

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	85,341	0	7,909,401	0	0	0	0	0	0
Total	85,341	0	7,909,401	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	85,341	0		0	0	0	0	0	0
Total Funding	85,341	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	85,341	0		0	0	0	0	0	0

ARRA of 2009 appropriation and/or positions have been removed from Base Level and are not requested for the 2013 - 2015 Biennium.

Appropriation Summary

Appropriation: 84V - Health Information Technology State

Funding Sources: MHI - Health Information Technology Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	67,886	0	0	0	0	0	0	0	0
#Positions		0	0	0	0	0	0	0	0	0
Personal Services Matching	5010003	21,054	0	0	0	0	0	0	0	0
Operating Expenses	5020002	42,249	0	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	613	0	0	0	0	0	0	0	0
Professional Fees	5060010	32,742	0	0	0	0	0	0	0	0
Total		164,544	0	0	0	0	0	0	0	0
Funding Sources										
Special Revenue	4000030	692,979	0		0	0	0	0	0	0
Transfers (to) / from Agencies	4000693	(528,435)	0		0	0	0	0	0	0
Total Funding		164,544	0		0	0	0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		164,544	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

The excess funding was transferred Health Information Technology Fund to the Office of Health Information Technology at the beginning of FY13.

Appropriation Summary

Appropriation: 84X - Health Information Technology Federal

Funding Sources: FST - Federal Funds-ARRA

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	456,000	0	0	0	0	0	0	0	0
#Positions	9	0	0	0	0	0	0	0	0
Personal Services Matching 5010003	140,677	0	0	0	0	0	0	0	0
Operating Expenses 5020002	263,648	0	0	0	0	0	0	0	0
Conference & Travel Expenses 5050009	4,908	0	0	0	0	0	0	0	0
Professional Fees 5060010	93,383	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
HIT Expenses & Grants 5900046	135,840	0	0	0	0	0	0	0	0
Total	1,094,456	0	0	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	1,094,456	0		0	0	0	0	0	0
Total Funding	1,094,456	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,094,456	0		0	0	0	0	0	0

ARRA of 2009 appropriation and/or positions have been removed from Base Level and are not requested for the 2013 - 2015 Biennium.

Appropriation Summary

Appropriation: 86B - Collaborative Plan46

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	34,004	0	0	0	0	0	0	0	0
Professional Fees	5060010	56,109	0	0	0	0	0	0	0	0
Total		90,113	0	0	0	0	0	0	0	0
Funding Sources										
Fund Balance	4000005	131,005	0		0	0	0	0	0	0
Interest	4000300	1,508	0		0	0	0	0	0	0
Transfers (to) / from Agencies	4000693	(42,400)	0		0	0	0	0	0	0
Total Funding		90,113	0		0	0	0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		90,113	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Excess funding transferred to the Office of Health Information Technology in FY13.

ARKANSAS SENTENCING COMMISSION

Enabling Laws

Act 136 of 2012
A.C.A. §16-90-801 - 16-90-804

History and Organization

“The purpose of the Arkansas Sentencing Commission is to establish, maintain and revise sentencing guidelines and to monitor and assess the effect of legislation and policy on correctional resources, and to educate the criminal justice community and the public regarding sentencing laws and policy.”

As defined in Acts 532 and 550 of 1993, the Arkansas Sentencing Commission’s powers and duties are:

- To adopt the initial sentencing standards grid and seriousness reference table within the new sentencing structure and to make any necessary revisions thereto;
- To establish transfer eligibility for the offenses at the seriousness levels with the more serious offenders serving one-half of their sentences and the less serious serving one-third;
- To monitor compliance with standards, assess impact on correctional resources and determine if the state sentencing policy is furthered;
- To make legislative recommendations on revisions to the target offense group, classifications of crimes, and appropriate changes to sentencing laws, policies and/or practices;
- “Strategic planning” with the Board of Correction to further the goals of equitable sentencing and rational use of correctional resources;
- To collect data relative to sentencing in coordination with the Administrative Office of the Courts, the Arkansas Crime Information Center, the circuit clerks of the State and the Departments of Correction and Community Correction; and
- To develop a research and analysis system to determine the feasibility, impact on resources and budget consequences of proposed and existing legislation affecting sentence length.

Act 570 of 2011 amended A.C.A. § 16-90-802 to include the following:

- Produce an annual report to include compliance with the sentencing guidelines, including county-by-county and statewide data, sentence to the Arkansas Department of Correction (ADC) and the Department of Community Correction (DCC), average sentence length by offense type and seriousness level, percentage of upward departures; average number of months above the recommended sentence, and a comparison with data from prior years beginning with 2012;

- Prepare and conduct annual continuing legal education seminars regarding the sentencing guidelines to be presented to judges, prosecuting attorneys and their deputies, and public defenders and their deputies; and
- Collaborate with the Administrative Office of the Courts to produce and implement an integrated sentencing and departure form that shall include demographic information including the race and ethnicity of the offender and victim(s), the placement decision, sentence length, any departure from the sentencing guidelines on placement and sentence length, the number of months above or below the presumptive sentence, justification for departure and signature of the judge and prosecuting attorney.

The Commission has adopted the initial sentencing grid and the seriousness reference table; continues to establish transfer eligibility for all offenses created or modified by the General Assembly after each legislative session; reviews and revises the guidelines as deemed necessary. The Commission also continues to work with the Departments of Correction and Community Correction in developing a continuum of sanctions which makes the most efficient use of the correctional resources of the State.

The Commission works with the Departments of Correction and Community Correction in producing projections on the inmate, parole and probation populations of the State. Commission staff monitors these projections for accuracy on a monthly basis. The Commission also does extensive analysis and tracking of sentencing trends. The population projections and sentencing trends are used to produce impact assessments of proposed legislation for the General Assembly during each legislative session.

The Sentencing Commission provides daily research assistance to judges, defense attorneys and prosecutors throughout the State. The Commission provides timely updates on new developments in criminal law to all criminal justice constituents.

As mandated by Act 570, the Sentencing Commission, in collaboration with the Administrative Office of the Courts and other criminal justice agencies, developed an integrated Sentencing Order which the circuit courts began using on January 2, 2012. The Commission has also developed a database of the Sentencing Order to collect data for the annual report. Commission staff has conducted training seminars on the use of the sentencing guidelines and the Sentencing Order. This training is certified by the Arkansas Continuing Legal Education Board.

The Commission also provides other Continuing Legal Education training for attorneys practicing in the criminal law field. This training emphasizes all segments of the criminal justice system and the correctional resources of the State. These training sessions includes segments on programs available at the ADC, understanding how to compute time on sentences and transfer eligibility, Parole Board procedures, and a tour of the local DCC facility with an emphasis on the therapeutic community treatment model available for offenders with substance abuse behavior. Increased knowledge and understanding of available alternative sanctions helps divert nonviolent offenders from the more costly prison beds. This training is certified by the Arkansas Continuing Legal Education Board.

The Commission is composed of nine voting members: three circuit judges, two prosecuting attorneys, two defense attorneys, and two members of the general public. The Commission currently has five full time staff positions. The Executive Director is responsible for compiling the work of the Commission and drafting suggested legislation. The Assistant Director and Legal Services Specialist are responsible for data

entry, data transference and analysis, impact studies and research on various sentencing practices. The Assistant Director also serves as the Agency Fiscal Officer. The Legal Services Specialist and the Legal Support Specialist are responsible for educational efforts, legal research, data collection from judicial districts throughout the State, and other special projects. The Administrative Specialist III provides administrative, secretarial, and accounting support to the staff and commission.



Agency Commentary

The Arkansas Sentencing Commission has submitted a personnel request for reclassifying two current positions to Attorney positions. The primary duties and responsibilities of the agency require legal skills and knowledge. The two persons currently holding these positions are, in fact, licensed attorneys. The previous six people who held these positions were attorneys who left after short periods for higher paying positions. However, with the passage of the Public Safety Improvement Act of 2011 (PSIA), training is much more extensive and quick turnover is expensive and a deterrent to our office. The agency needs attorneys who have had time to establish relationships with the judges, prosecutors, and public defenders across the State. The PSIA gave the Sentencing Commission new duties and responsibilities, all of which also require legal skills. This request is projected to result in a \$29,833 increase in salaries and a \$6,548 increase in personal services matching for each year of the biennium.

The Arkansas Sentencing Commission has submitted one Non-Personnel Change Level request for the up-coming biennium. Change Level C01 includes a \$54,500 increase for both fiscal year 2014 and 2015. The increases over the Base Level are for an increase in printing costs

and professional service contracts. The printing costs cover publishing the sentencing guidelines bench book and training materials due to increased training mandated by the PSIA. The sentencing guidelines bench book is furnished to judges, prosecuting attorneys and defense attorneys throughout the state. The increase in professional service contracts is due to costs incurred in contracting expert services needed to compile and process sentencing data used to produce the annual report regarding compliance with the sentencing guidelines also mandated by the PSIA.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS SENTENCING COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2011

Findings	Recommendations
None	None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	0	5	5	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			5	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Sentencing Seminar Manual	N/A	N	N	300	Used in continuing legal education of attorneys and judges on correctional resources of the State.
Commission Annual Report	ACA §16-90-802(d)	N	Y	100	Legislative mandate and for information on commission activities and findings.
Sentencing Standards Grid, Offenses Seriousness Rankings and Related Material (Bench Book)	ACA §16-90-802 et seq	N	N	1,400	Policy manual for sentencing standards used by criminal justice practitioners in criminal proceedings (also available via the Internet).

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %

Analysis of Budget Request

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Sentencing Commission was established by Act 532 & 550 of 1993 as codified at Arkansas Code 16-90-801 - 16-90-804 for the purpose of instituting sentencing standards to ensure that sanctions imposed following conviction are proportional to the seriousness of the offense of conviction and the extent of the offender's criminal history. The Commission has developed the sentencing grid, the seriousness reference table and established transfer eligibility for all offenses. The Commission provides impact assessments of proposed legislation for the Governor and General Assembly through a professional service contract with the Institute on Crime, Justice and Correction. This contract also has provided training to the staff of the Sentencing Commission and the Department of Correction in the use of a software program that is utilized in data analysis of criminal justice laws, policies and procedures. The Commission consists of nine (9) Commissioners that are appointed by the Governor for a five-year term.

This is the operating appropriation of the Commission. It is funded entirely by general revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

For the 2013-15 Biennium, the Board is requesting the following change levels:

- Salaries and Personal Services Matching of \$36,381 (\$29,833 salaries and \$6,548 matching) in appropriation and general revenue funding for both FY14 and FY15 to reclassify two current positions to Attorney positions.
- \$3,500 in appropriation and general revenue funding for both years of the biennium in Operating Expenses commitment item due to increased printing costs.
- \$51,000 in appropriation and general revenue funding for both years of the biennium in Professional Fees commitment item for increased professional service contracts.

The Executive Recommendation provides for the Agency Request with the exception of one of the position requests. The Legal Support Specialist is recommended to be reclassified to a Legal Services Specialist.

Appropriation Summary

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	237,146	222,434	229,702	227,614	257,447	244,319	227,614	257,447	244,319
#Positions		5	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	73,488	72,608	69,280	74,415	80,963	78,082	74,415	80,963	78,082
Operating Expenses	5020002	62,620	60,006	64,748	60,006	63,506	63,506	60,006	63,506	63,506
Conference & Travel Expenses	5050009	4,282	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Professional Fees	5060010	19,000	19,000	19,000	19,000	70,000	70,000	19,000	70,000	70,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		396,536	378,598	387,280	385,585	476,466	460,457	385,585	476,466	460,457
Funding Sources										
General Revenue	4000010	396,536	378,598		385,585	476,466	460,457	385,585	476,466	460,457
Total Funding		396,536	378,598		385,585	476,466	460,457	385,585	476,466	460,457
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		396,536	378,598		385,585	476,466	460,457	385,585	476,466	460,457

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 806 - Sentencing Commission State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	385,585	5	385,585	100.0	385,585	5	385,585	100.0
C01	Existing Program	54,500	0	440,085	114.1	54,500	0	440,085	114.1
C10	Reclass	36,381	0	476,466	123.6	36,381	0	476,466	123.6

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	385,585	5	385,585	100.0	385,585	5	385,585	100.0
C01	Existing Program	54,500	0	440,085	114.1	54,500	0	440,085	114.1
C10	Reclass	20,372	0	460,457	119.4	20,372	0	460,457	119.4

Justification

C01	An increase in operating expenses is requested due to an increase in printing costs and professional service contracts. The printing costs cover publishing the sentencing guidelines benchbook which is furnished to judges, prosecuting attorneys and defense attorneys throughout the state. The printing costs also include training materials due to increased training mandated by the Public Safety Improvement Act of 2011(PSIA). The increase in professional service contracts is due to costs incurred in contracting expert services needed to compile and process sentencing data used to produce the annual report regarding compliance with the sentencing guidelines also mandated by the PSIA. In previous years the agency used data from the Administrative Office of the Courts and the Department of Correction but this data lacks certain new information required by PSIA. Therefore the agency will contract the development of an Access-based data system to collect the necessary information from the newly developed Sentencing order. This amount also includes the increased costs for the population projections, conducting the analysis on the court data, producing the report, and minor updates on the information database. Additional one time funding was given to the Department of Community Correction in the previous biennium to cover these additional mandates and the responsibility now shifts to the agency.
C10	Agency requests 2 positions (legal services specialist and legal support specialist) be reclassified to attorney positions.

ARKANSAS STATE POLICE

Enabling Laws

Act 284 of 2012
A.C.A. §12-8-101 et seq.

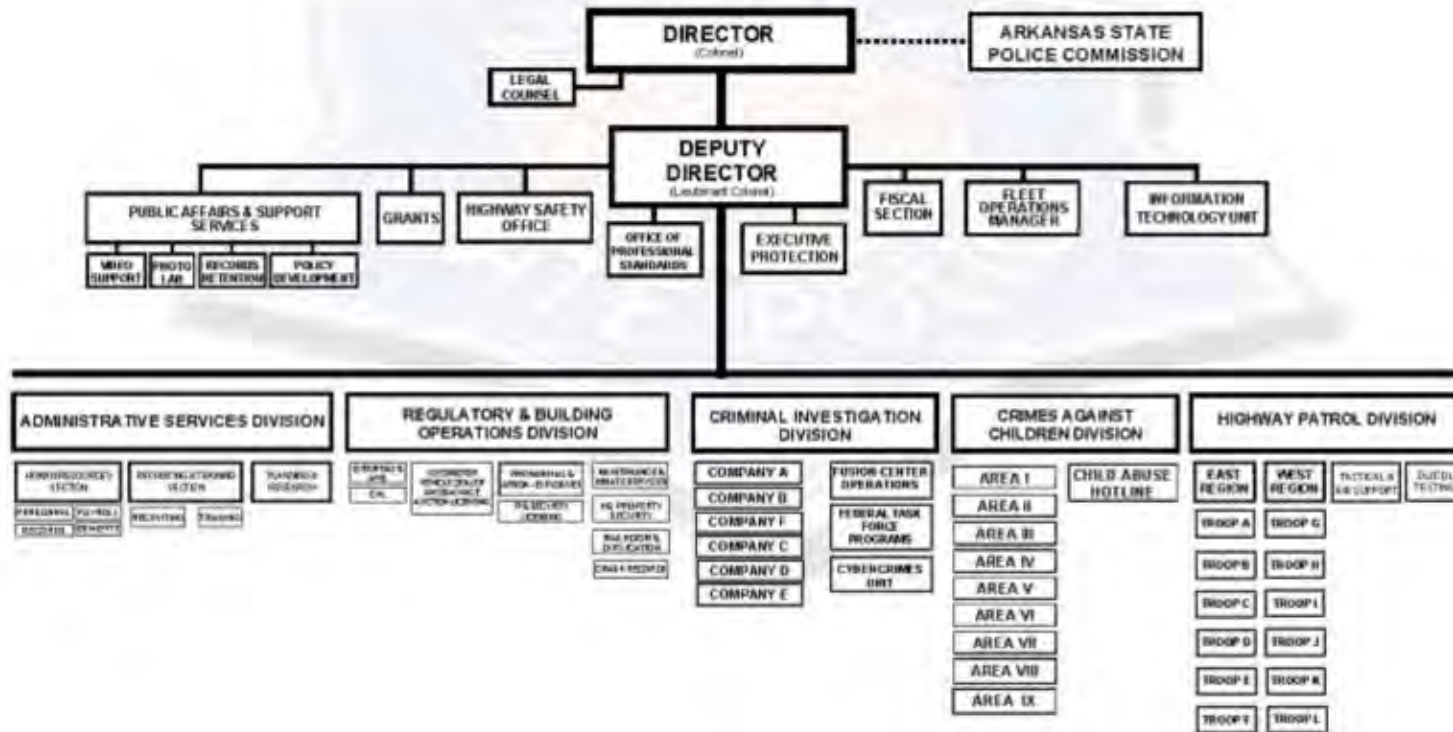
History and Organization

The Department of Arkansas State Police evolved from the original Arkansas State Rangers created in 1935. Act 231 of 1945 abolished the Arkansas State Police Department and created the current Department of Arkansas State Police. Act 38 of 1971 transferred the Arkansas State Police to the Department of Public Safety as the Police Services Division. The Department remained as an operating Division of the Department of Public Safety until Act 45 of 1981 abolished the Department of Public Safety and the Department of Arkansas State Police (ASP) was returned to its status as a separate agency.

The statutory responsibilities of the Department of Arkansas State Police are described in A.C.A. §12-8-101 et seq. Stated simply, the Department of Arkansas State Police is responsible for enforcement of the traffic laws, criminal laws, investigation of motor vehicular crashes, cases of child abuse, maltreatment and neglect, protection of the public and public property and apprehension of criminals. Additionally, the ASP is responsible for driver's license testing and other regulatory functions.

The Director of the Arkansas State Police is appointed by the Governor (A.C.A. §12-8-104). The Director's primary duties are: to promote rules and regulations necessary for the efficient operation of the Arkansas State Police; supervise and control for the purpose of discipline and proper management of all members and employees of the Arkansas State Police; and to appoint, with approval of the Arkansas State Police Commission, all members of the Arkansas State Police.

The Arkansas State Police Commission is composed of seven (7) members appointed by the Governor for a term of seven (7) years, each with the advice and consent of the Arkansas Senate. Act 149 of 1999 now requires that four (4) of the Commissioners be appointed from the congressional districts with three (3) being appointed at large, and no more than two (2) Commissioners being appointed from the same congressional district. Terms are staggered so that one term expires January 14 each year. One member (elected by the Commission) serves as Chairman. The Arkansas State Police Commission is required to conduct monthly meetings and is empowered (A.C.A. §12-8-103) to approve or disapprove each promotion or demotion and review each application for employment. In addition, the Commission hears appeals and approves or disapproves any disciplinary action and acts as administrators for the Arkansas State Police Uniformed Employee Health Plan (A.C.A. §12-8-210).



Agency Commentary

The Director's Office provides overall administration of the Agency and directly manages the Arkansas Highway Safety Office, Agency Fiscal Management, Executive Protection, Legal Services, Grants Management, Fleet Management, Information Technology, Public Affairs and Support Services and Internal Affairs. The Director, in consultation with the Deputy Director, oversees the daily operations of the agency.

The Department of Arkansas State Police (ASP) is organized into five (5) divisions: the Highway Patrol Division, the Administrative Services Division, the Regulatory & Building Operations Division, the Crimes Against Children Division and the Criminal Investigation Division.

The Highway Patrol Division (HPD) is comprised of twelve (12) troop headquarters located throughout the state. The HPD is responsible for

patrolling the Arkansas highway system, responding to calls for service, and investigating motor vehicle crashes. Included within some troops are personnel assigned to Interstate Criminal Patrol teams. These teams place a special focus on identifying criminal activity traveling the Arkansas Highway System. The HPD also coordinates canine activities, including handler training throughout the Agency. The HPD administers Arkansas driver's license testing and commercial driver's license testing programs. The HPD also manages the agency's tactical and air support unit, which includes the SWAT Team, Crisis Negotiation Team, Mobile Incident Command Center, and the Ballistic Engineered Armored Response Vehicle (BEAR). Aviation assets are managed by HPD and provide both fixed wing and rotor wing aircraft for a multitude of law enforcement and executive protection missions.

The Administrative Services Division (ASD) operates the human resource functions for the Agency that includes recruiting, hiring, promotions and all personnel transactions. The ASD conducts all trooper applicant testing and competitive promotional testing. The ASD coordinates and provides training throughout the Agency, including troop school and in-service training. The ASD administers the uniformed officers' health insurance plan and monitors the ASP Retirement System.

The Regulatory & Building Operations Division (RBOD) is responsible for regulatory administration concerning licensing/permits for used motor vehicles dealers, concealed handguns, private investigators, security guards, alarm technicians and fireworks establishments. The Division manages the Arkansas Automated Fingerprint Identification System (AFIS) and Identification Bureau (ID). AFIS/ID is responsible for collection of all arrest records for the state as well as all non-criminal justice related background checks. Also, the State Fire Marshal Office and Crash Records Repository are located within the RBOD.

The Crimes Against Children Division (CACD) is comprised of the Child Abuse Hotline Section and the Investigation Section.

- The hotline operates 24 hours a day and seven days a week with a toll free number for the public and mandated reporters to report child maltreatment and other crimes against children (800-482-5964). The hotline receives over 4,000 calls per month. Investigations are launched from the reports meeting the criteria of state and federal statutes. Calls are either dispatched to the Department of Human Services, Children and Family Services Division or Arkansas State Police CACD.
- The Investigation Section is comprised of nine (9) areas throughout Arkansas, responsible for the receipt and investigation of reports involving sexual abuse and severe physical maltreatment of children. The CACD Investigation Section works with law enforcement to prosecute crimes against children.

The Criminal Investigation Division (CID) is comprised of six (6) companies located throughout Arkansas. The Division provides investigative support to city, county, state and federal law enforcement agencies. CID manages the "Morgan Nick" Critical Incident Command Center and the Internet Crimes Against Children Unit. The Division investigates white collar crimes and cases of public corruption via referrals from the Division of Legislative Audit or through various Prosecuting Attorneys.

The State of Arkansas Fusion Center is located within the Arkansas State Police Central Headquarters facility in Little Rock, Arkansas. The mission of the Arkansas State Fusion Center is to provide an integrated, multi-discipline, information sharing network to collect, analyze, and disseminate information to stakeholders in a timely manner in order to protect the citizens and the critical infrastructure of Arkansas.

A total of 1,043 fulltime personnel positions and 20 Extra Help positions are requested for the biennium.

Appropriation 519 - State Police Operations

This is the primary operating appropriation for the Department of Arkansas State Police. Change level requests are:

1. Arkansas State Police (ASP) requests funding and appropriation for a Troop School each year of the biennium. Troop School is needed to maintain current staffing levels and the integrity of the Agency's mission by providing timely response to call for services and meet legislative mandates.
Anticipated cost is \$852,685 for FY 14 and \$852,685 in FY 15.

In addition, the agency requests \$1,480,271 to cover Troop School FY 14 salary and fringe expenses that will be paid in FY 15.

2. ASP requests restoration of 15 positions for each year of the biennium including 11 Commissioned Positions and 4 Civilian Positions. Anticipated cost is \$1,018,542 each year of the biennium.
3. ASP requests funding and appropriation for 6 new positions each year of the biennium. These positions include:
 - 1 ASP Major for Regulatory Division
 - 2 Administrative Specialist for Concealed Handguns processing
 - 1 ASP Pilot for Aircraft
 - 1 Forensic Specialist for Cyber Crimes

 - 1 General Counsel

These positions are needed to staff a variety of essential job duties within the Agency. Anticipated cost is \$416,975 each year of the biennium.

4. ASP requests funding and appropriation for Information Technology needs in FY 14 of \$1,149,615, to include system conversions, security systems, phone systems, X-ray system, scanners, computers, printers, software for crash reconstruction, servers, and licenses. In FY 15 we request funding and appropriation of \$403,552, to include system conversion, disaster recovery, computers, scanners, and

network equipment.

5. ASP requests funding and appropriation for Travel and Training expenses for the biennium. Requests include mandated training (state and federal) for all aspects of ASP operations. Anticipated cost is \$22,601 for FY 14 and \$20,800 for FY 15.
6. ASP requests funding and appropriation for the purchase of maintenance and operation items to include, body armor, repairs at Troop Headquarters, and in-car camera supplies. Anticipated cost is \$155,670 in FY 14 and \$80,170 in FY 15.
7. ASP requests appropriation only for the Fleet Rotation Maintenance. Appropriation is needed to equip, repair, and maintain agency vehicles. Anticipated cost is \$825,000 in FY 14 and \$835,000 in FY 15. Funding is Special Revenue.
8. ASP requests appropriation only for Used Motor Vehicles Operations. Appropriation is needed for operating expenses. Current information technology system will no longer be supported. Agency will convert to INA system. Anticipated cost is \$157,500 in FY 14 and \$7,500 in FY 15. Funding is Special Revenue.
9. ASP requests appropriation only for PI/Security Operations. Appropriation is needed for operating expenses. Current information technology system will no longer be supported. Agency will convert to INA system. Anticipated cost is \$180,000 in FY 14 and \$10,000 in FY 15. Funding is Special Revenue.

519 Summary

Total Appropriation Change Level request in FY 14 is \$4,778,588.

Total New General Revenue request in FY 14 is \$3,616,088.

Total Appropriation Change Level request in FY 15 is \$5,125,495.

Total New General Revenue request in FY 15 is \$4,272,995.

Appropriation 345 - AFIS Operations, Maintenance & Equipment

This appropriation is for operation and maintenance of the Automated Fingerprint Identification System (AFIS). The AFIS system provides computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the State with the technology to quickly and accurately process fingerprint records through forty (40) remote livescan stations located across the State.

The Agency requests appropriation of \$4,476,250 in both years of the biennium. Change level requests are \$2,270,000 for both years of the biennium to include:

- Operating Expenses of \$270,000 both years of the biennium to purchase 75 mobile AFIS units.
- Capital Outlay of \$2,000,000 both years of the biennium for 20 electronic fingerprint capture stations, AFIS hardware upgrade, server and software changes for the national fingerprint file.

This appropriation is funded through Special Revenues collected from fees for Criminal History Background Checks.

Appropriation 521 - ASP Federal Programs

This appropriation is utilized by ASP to support the operations of federal grants. The Agency requests appropriation of \$329,965 in FY14 and \$435,714 in FY15. Change level requests are \$223,939 in FY14 and \$329,688 in FY15.

We anticipate receiving federal funding for Internet Crimes Against Children. Change level requests are:

- Salary and fringe
- Operating for computers, notebook systems, and monitors
- Grants and Aid
- Capital Outlay for forensic examination systems and servers

This appropriation is only used for federal expenditures authorized through grant awards.

Appropriation 524 - Confiscated Funds

This appropriation is utilized for State and Federal Asset Forfeitures.

Change level request is zero each year of the biennium.

Appropriation 526 - Criminal Background Checks

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from Special Revenues collected from fees for Criminal History Background Checks and federal charges for FBI background checks.

The Agency requests appropriation of \$3,366,006 each year of the biennium. Change level requests are \$413,048 each year of the biennium and include:

- \$13,048 in Overtime and Personal Services Matching each year of the biennium to cover the increase in background checks.
- \$400,000 in Capital Outlay each year of the biennium for software upgrades to the Criminal Background Check System and Workflow Software Upgrades for FBI requirements.

Appropriation 1AJ - ASP Methamphetamine Federal Grant (METH)

This appropriation is utilized by ASP to support the operations of federal methamphetamine grants. Agency requests appropriation of \$296,210 each year of the biennium. This appropriation is only used for federal expenditures authorized through grant awards.

Change level request is zero each year of the biennium.

Appropriation 1FD - Highway Safety Program (State)

This appropriation is utilized by ASP through the Highway Safety Office to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. Agency requests appropriation of \$351,691 each year of the biennium. This appropriation is funded from Special Revenues collected through the Child Passenger Protection Fund.

Change level request is zero each year of the biennium.

Appropriation 1FJ - Highway Safety Program (Federal)

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded primarily with federal funds from the National Highway Traffic Safety Administration (NHTSA).

The Agency requests appropriation of \$41,627,203 in FY 14 and \$41,523,086 in FY 15. Change level requests are \$678,590 in FY14 and \$574,342 in FY15 which includes:

- \$40,000 in Extra Help both years of the biennium
- \$109,889 in FY 14 and \$95,418 in FY 15 Fringe
- \$349,401 in FY 14 and \$301,924 in FY 15 Overtime
- \$179,300 in FY 14 and \$137,000 in FY 15 Capital Outlay to include in-car video cameras, E-Citation development, scanners, and servers

Appropriation 2EG - Homeland Security

This appropriation is utilized for the Department of Homeland Security grants. This appropriation is funded with federal funds.

The Agency requests appropriation of \$340,000 in FY 14 and \$205,400 in FY 15. Change level request is \$206,709 in FY 14 and \$72,109 in FY 15 which includes:

- Operating of \$32,109 in FY 14 and \$3,609 in FY 15 for increased software maintenance and software license.
- Conference & Travel Expenses of \$34,600 in FY 14 for anticipated increases in the Fusion Center program.
- Capital Outlay of \$140,000 in FY 14 and \$68,500 in FY 15 for replicators and 2 bomb robots.

Appropriation 9KA - ASP AWIN General Revenue

This appropriation is utilized for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with General Revenue to the Arkansas State Police and expensed by the Department of Information Services.

The Agency requests appropriation of \$7,859,894 each year of the biennium. Change level requests are \$1,770,900 each year of the biennium.

- \$770,900 in Operating Expenses for utilities, building and ground maintenance, and network service expenses
- \$1,000,000 in Capital Outlay for building and tower replacements

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE POLICE
FOR THE YEAR ENDED JUNE 30, 2010

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	530	234	764	83 %
Black Employees	77	70	147	16 %
Other Racial Minorities	7	2	9	1 %
Total Minorities			156	17 %
Total Employees			920	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
ASP Uniformed Employee Health Insurance Plan	Act 219 of 2010	Y	Y	1	Required by Statute

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$25,000 AWARDED TO MINORITY OWNED BUSINESSES
Fiscal Year 2012
Required by A.C.A. 25-36-104

AGENCY: 0960 ARKANSAS STATE POLICE

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Mett-T	\$157,144	X					
Quality Security Service	\$76,666	X					

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED 2

TOTAL EXPENDITURES FOR CONTRACTS AWARDED \$6,363,482

% OF MINORITY CONTRACTS AWARDED 3.40 %

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1AJ Methamphetamine Investigation - Federal	312,625	0	296,210	0	715,931	0	296,210	0	296,210	0	296,210	0	296,210	0	296,210	0	296,210	0
1FD Highway Safety Program - State	288,178	2	351,303	1	369,007	1	351,691	1	351,691	1	351,691	1	351,691	1	351,691	1	351,691	1
1FJ Highway Safety Program - Federal	10,126,102	10	42,762,556	13	43,474,698	13	40,948,613	13	41,627,203	13	41,627,203	13	40,948,744	13	41,523,086	13	41,523,086	13
2EG Homeland Security-Federal	408,283	0	424,294	0	383,291	0	133,291	0	340,000	0	340,000	0	133,291	0	205,400	0	205,400	0
345 Automated Fingerprint Identification System (AFIS)	3,389,395	0	4,326,250	0	4,326,250	0	2,206,250	0	4,476,250	0	4,476,250	0	2,206,250	0	4,476,250	0	4,476,250	0
519 ASP-Operations	80,257,565	965	77,726,390	973	81,084,102	988	79,154,456	973	83,933,044	1,019	84,621,428	1,017	79,200,387	973	84,325,882	1,044	85,014,266	1,042
521 Various Federal Programs	375,028	3	264,696	3	1,027,946	3	106,026	0	329,965	0	329,965	0	106,026	0	435,714	0	435,714	0
524 Confiscated Funds Transfer	0	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0
526 Criminal Background Checks	2,062,410	10	3,224,118	10	3,239,211	10	2,952,958	10	3,366,006	10	3,366,006	10	2,952,958	10	3,366,006	10	3,366,006	10
9KA AR Wireless Information Network (AWIN)	6,020,014	0	6,088,994	0	6,088,994	0	6,088,994	0	7,859,894	0	6,859,894	0	6,088,994	0	7,859,894	0	6,859,894	0
Total	103,239,600	990	138,464,811	1,000	143,709,430	1,015	135,238,489	997	145,580,263	1,043	145,268,647	1,041	135,284,551	997	145,840,133	1,068	145,528,517	1,066

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	9,940,975	8.8	10,352,549	7.2		6,218,152	4.4	6,218,152	4.2	6,218,152	4.4	5,867,946	4.2	3,906,037	2.7	453,048	0.3
General Revenue	4000010	62,754,479	55.2	62,293,971	43.1		64,781,579	46.2	70,168,567	47.8	65,813,989	46.2	64,815,568	46.4	70,859,463	48.9	65,847,978	48.3
Federal Revenue	4000020	11,083,702	9.8	43,798,708	30.3		41,589,640	29.7	42,698,878	29.1	42,698,878	30.0	41,589,771	29.8	42,565,910	29.4	42,565,910	31.2
Special Revenue	4000030	20,366,030	17.9	19,960,801	13.8		20,783,589	14.8	20,783,589	14.2	20,783,589	14.6	21,113,255	15.1	21,113,255	14.6	21,113,255	15.5
Merit Adjustment Fund	4000055	0	0.0	1,356,839	0.9		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	2,066,506	1.8	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Federal Funds-ARRA	4000244	181,362	0.2	69,048	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	3,756,772	3.3	714,193	0.5		751,453	0.5	751,453	0.5	751,453	0.5	268,978	0.2	268,978	0.2	268,978	0.2
Special State Asset Forfeiture	4000465	0	0.0	3,000,000	2.1		3,000,000	2.1	3,000,000	2.0	3,000,000	2.1	3,000,000	2.1	3,000,000	2.1	3,000,000	2.2
Transfer from DHS	4000510	3,081,226	2.7	2,808,854	1.9		2,808,854	2.0	2,808,854	1.9	2,808,854	2.0	2,808,854	2.0	2,808,854	1.9	2,808,854	2.1
Transfer State Admn of Justice	4000570	361,097	0.3	328,000	0.2		328,000	0.2	328,000	0.2	328,000	0.2	328,000	0.2	328,000	0.2	328,000	0.2
Total Funds		113,592,149	100.0	144,682,963	100.0		140,261,267	100.0	146,757,493	100.0	142,402,915	100.0	139,792,372	100.0	144,850,497	100.0	136,386,023	100.0
Excess Appropriation/(Funding)		(10,352,549)		(6,218,152)			(5,022,778)		(1,177,230)		2,865,732		(4,507,821)		989,636		9,142,494	
Grand Total		103,239,600		138,464,811			135,238,489		145,580,263		145,268,647		135,284,551		145,840,133		145,528,517	

Variances in fund balance due to unfunded appropriation in (345) Automated Fingerprint Identification System and (526) Criminal Background Checks.
 Budget exceeds Authorized Appropriation in (2EG) Homeland Security - Federal due to a transfer from the Miscellaneous Federal Grant Holding Account.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,012	950	45	995	17	6.13 %	1,015	947	27	974	41	6.70 %	1,015	931	69	1000	15	8.28 %

Analysis of Budget Request

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

This program is specifically targeted at methamphetamine laboratory investigation and the Environmental Protection Agency requirements for the dismantling and disposal of equipment and chemicals used in the manufacture of methamphetamine. This appropriation is used for federal expenditures authorized through grant awards.

The Agency's request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	7,593	23,367	44,983	23,367	23,367	23,367	23,367	23,367	23,367
Overtime	5010006	27,226	76,661	149,943	76,661	76,661	76,661	76,661	76,661	76,661
Operating Expenses	5020002	139,545	120,191	240,258	120,191	120,191	120,191	120,191	120,191	120,191
Conference & Travel Expenses	5050009	30,118	57,964	103,790	57,964	57,964	57,964	57,964	57,964	57,964
Professional Fees	5060010	79,726	18,027	136,957	18,027	18,027	18,027	18,027	18,027	18,027
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	28,417	0	40,000	0	0	0	0	0	0
Total		312,625	296,210	715,931	296,210	296,210	296,210	296,210	296,210	296,210
Funding Sources										
Federal Revenue	4000020	312,625	296,210		296,210	296,210	296,210	296,210	296,210	296,210
Total Funding		312,625	296,210		296,210	296,210	296,210	296,210	296,210	296,210
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		312,625	296,210		296,210	296,210	296,210	296,210	296,210	296,210

Analysis of Budget Request

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

Arkansas State Police utilizes this program, through the Highway Safety Office, to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. This appropriation is funded from special revenues collected through the Arkansas Child Passenger Protection Fund.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$32 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$672 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FD - Highway Safety Program - State
Funding Sources: SCP - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	66,102	61,994	73,623	61,873	61,873	61,873	61,873	61,873	61,873
#Positions	2	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	20,176	27,222	33,297	27,731	27,731	27,731	27,731	27,731	27,731
Operating Expenses 5020002	18,409	31,100	31,100	31,100	31,100	31,100	31,100	31,100	31,100
Conference & Travel Expenses 5050009	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	183,491	210,987	210,987	210,987	210,987	210,987	210,987	210,987	210,987
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	288,178	351,303	369,007	351,691	351,691	351,691	351,691	351,691	351,691
Funding Sources									
Fund Balance 4000005	562,159	523,154		421,851	421,851	421,851	320,160	320,160	320,160
Special Revenue 4000030	249,173	250,000		250,000	250,000	250,000	250,000	250,000	250,000
Total Funding	811,332	773,154		671,851	671,851	671,851	570,160	570,160	570,160
Excess Appropriation/(Funding)	(523,154)	(421,851)		(320,160)	(320,160)	(320,160)	(218,469)	(218,469)	(218,469)
Grand Total	288,178	351,303		351,691	351,691	351,691	351,691	351,691	351,691

Analysis of Budget Request

Appropriation: 1FJ - Highway Safety Program - Federal

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded with federal funds from the National Highway Traffic Safety Administration (NHTSA).

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$32 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$672 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level requests total \$678,590 in FY14 and \$574,342 in FY15 and reflect the following:

- Extra Help and Personal Services Matching increase of \$43,392 each year of the biennium for anticipated increases in federal grants.
- Overtime and Personal Services Matching increase of \$455,898 FY14 and \$393,950 in FY15 for anticipated increases in federal grants.
- Capital Outlay in the amount of \$22,300 FY14 to purchase a hanger fan and a ground power unit.
- Technology related increase for Capital Outlay of \$157,000 in FY14 and \$137,000 in FY15 for In-car video cameras, CDL computers and monitors, E-citation laptops, scanners, and servers. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	466,198	543,970	592,485	543,916	543,916	543,916	544,016	544,016	544,016
#Positions		10	13	13	13	13	13	13	13	13
Extra Help	5010001	24,667	42,641	55,000	42,641	82,641	82,641	42,641	82,641	82,641
#Extra Help		2	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	295,705	329,137	561,397	334,248	444,137	444,137	334,279	429,697	429,697
Overtime	5010006	460,981	198,576	868,013	198,576	547,977	547,977	198,576	500,500	500,500
Operating Expenses	5020002	1,230,260	5,766,123	5,766,123	5,766,123	5,766,123	5,766,123	5,766,123	5,766,123	5,766,123
Conference & Travel Expenses	5050009	33,026	257,615	332,186	257,615	257,615	257,615	257,615	257,615	257,615
Professional Fees	5060010	1,325,079	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	5,500,765	30,362,744	30,362,744	30,362,744	30,362,744	30,362,744	30,362,744	30,362,744	30,362,744
Capital Outlay	5120011	789,421	1,819,000	1,494,000	0	179,300	179,300	0	137,000	137,000
Total		10,126,102	42,762,556	43,474,698	40,948,613	41,627,203	41,627,203	40,948,744	41,523,086	41,523,086
Funding Sources										
Federal Revenue	4000020	10,126,102	42,762,556		40,948,613	41,627,203	41,627,203	40,948,744	41,523,086	41,523,086
Total Funding		10,126,102	42,762,556		40,948,613	41,627,203	41,627,203	40,948,744	41,523,086	41,523,086
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		10,126,102	42,762,556		40,948,613	41,627,203	41,627,203	40,948,744	41,523,086	41,523,086

Budget exceeds Authorized Appropriation in Capital Outlay due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	40,948,613	13	40,948,613	100.0	40,948,744	13	40,948,744	100.0
C01	Existing Program	521,590	0	41,470,203	101.3	437,342	0	41,386,086	101.1
C08	Technology	157,000	0	41,627,203	101.7	137,000	0	41,523,086	101.4

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	40,948,613	13	40,948,613	100.0	40,948,744	13	40,948,744	100.0
C01	Existing Program	521,590	0	41,470,203	101.3	437,342	0	41,386,086	101.1
C08	Technology	157,000	0	41,627,203	101.7	137,000	0	41,523,086	101.4

Justification

C01	The Agency is requesting Extra Help and Personal Services Matching of \$43,392 annually; Overtime and Personal Services Matching of \$455,898 in FY14 and \$393,950 in FY15 to cover anticipated increases in grants; Capital Outlay of \$22,300 in FY14 to purchase hanger fan and ground power unit.
C08	Grant funding will purchase In-car video cameras, CDL computers and monitors, E-citation laptops, scanners, and servers.

Analysis of Budget Request

Appropriation: 2EG - Homeland Security-Federal

Funding Sources: FLA - ASP Federal

This appropriation is utilized for Department of Homeland Security Grants. This program is funded with federal funds from the Arkansas Department of Emergency Management (ADEM).

The Agency's Change Level requests total \$206,709 in FY14 and \$72,109 in FY15 and reflect the following:

- Technology related increase for Operating Expenses of \$32,109 in FY14 and \$3,609 in FY15 for software maintenance contacts. Costs associated with these requests are documented in the Agency's IT Plan. \$33,391 in FY14 and \$71,391 in FY15 reallocation between General Ledger codes in Operating Expenses to more accurately reflect anticipated expenses.
- Conference & Travel Expenses increase of \$34,600 in FY14 for anticipated increases Fusion Center program. \$42,300 in FY14 and \$31,500 in FY15 reallocation between General Ledger codes in Conference & Travel Expenses to more accurately reflect anticipated expenses.
- Technology related increase for Capital Outlay of \$140,000 in FY14 and \$68,500 in FY15 to purchase port replicators, customized hubs to interface between law enforcement agencies databases, and 2 bomb robots for the Fusion Center. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2EG - Homeland Security-Federal

Funding Sources: FLA - ASP Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	116,745	92,223	71,391	71,391	103,500	103,500	71,391	75,000	75,000
Conference & Travel Expenses	5050009	11,899	61,900	61,900	61,900	96,500	96,500	61,900	61,900	61,900
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	279,639	270,171	250,000	0	140,000	140,000	0	68,500	68,500
Total		408,283	424,294	383,291	133,291	340,000	340,000	133,291	205,400	205,400
Funding Sources										
Federal Revenue	4000020	408,283	424,294		133,291	340,000	340,000	133,291	205,400	205,400
Total Funding		408,283	424,294		133,291	340,000	340,000	133,291	205,400	205,400
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		408,283	424,294		133,291	340,000	340,000	133,291	205,400	205,400

Budget exceeds Authorized Appropriation in Operating Expenses and Capital Outlay due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 2EG - Homeland Security-Federal
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	133,291	0	133,291	100.0	133,291	0	133,291	100.0
C01	Existing Program	34,600	0	167,891	126.0	0	0	133,291	100.0
C04	Reallocation	0	0	167,891	126.0	0	0	133,291	100.0
C08	Technology	172,109	0	340,000	255.1	72,109	0	205,400	154.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	133,291	0	133,291	100.0	133,291	0	133,291	100.0
C01	Existing Program	34,600	0	167,891	126.0	0	0	133,291	100.0
C04	Reallocation	0	0	167,891	126.0	0	0	133,291	100.0
C08	Technology	172,109	0	340,000	255.1	72,109	0	205,400	154.1

Justification

C01	The Agency is requesting Conference & Travel Expenses of \$34,600 in FY14 to cover anticipated increases in Fusion Center grants.
C04	\$75,691 in FY14 and \$133,291 in FY15 reallocation between General Ledger codes in Operating Expenses (\$33,391 in FY14 & \$71,391 in FY15) and Conference & Travel Expenses (\$42,300 in FY14 & \$31,500 in FY15) each year to more accurately reflect anticipated expenses.
C08	The Agency is requesting increases in Operating Expenses of \$32,109 in FY14 and \$3,609 in FY15 for anticipated increase in software maintenance contract; Capital Outlay of \$140,000 in FY14 and \$68,500 in FY15 to purchase port replicators and two (2) bomb robots.

Analysis of Budget Request

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

The AFIS system provides state of the art computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the state with the technology to quickly and accurately process fingerprint records through twenty-two (22) remote live-scan stations located across the state. This appropriation is funded through special revenues collected from fees for Criminal History Background Checks.

The Agency's Change Level requests total \$2,270,000 each year of the biennium and reflect the following:

- Technology related increase for Operating Expenses of \$270,000 each year of the biennium for purchase of mobile AFIS units. Costs associated with these requests are documented in the Agency's IT Plan.
- Technology related increase for Capital Outlay of \$2,000,000 each year of the biennium for the purchase of electronic fingerprint capture stations, AFIS hardware upgrades and fingerprint storage. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	898,109	2,195,150	2,195,150	2,195,150	2,465,150	2,465,150	2,195,150	2,465,150	2,465,150
Conference & Travel Expenses	5050009	3,754	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	2,487,532	2,120,000	2,120,000	0	2,000,000	2,000,000	0	2,000,000	2,000,000
Total		3,389,395	4,326,250	4,326,250	2,206,250	4,476,250	4,476,250	2,206,250	4,476,250	4,476,250
Funding Sources										
Fund Balance	4000005	3,121,272	2,331,909		505,659	505,659	505,659	799,409	0	0
Special Revenue	4000030	2,600,032	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Funding		5,721,304	4,831,909		3,005,659	3,005,659	3,005,659	3,299,409	2,500,000	2,500,000
Excess Appropriation/(Funding)		(2,331,909)	(505,659)		(799,409)	1,470,591	1,470,591	(1,093,159)	1,976,250	1,976,250
Grand Total		3,389,395	4,326,250		2,206,250	4,476,250	4,476,250	2,206,250	4,476,250	4,476,250

Change Level by Appropriation

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,206,250	0	2,206,250	100.0	2,206,250	0	2,206,250	100.0
C08	Technology	2,270,000	0	4,476,250	202.9	2,270,000	0	4,476,250	202.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,206,250	0	2,206,250	100.0	2,206,250	0	2,206,250	100.0
C08	Technology	2,270,000	0	4,476,250	202.9	2,270,000	0	4,476,250	202.9

Justification

C08	Agency will purchase 75 mobile AFIS devices, 20 fingerprint capture stations, AFIS Upgrade, 1 server, and software changes for national fingerprint file.
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Analysis of Budget Request

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is the primary operating account for the Department of Arkansas State Police. Approximately 74% of the total funding comes from general revenue. The remaining 26% is derived from a variety of sources, including Federal reimbursement, DWI/Court Awards, transfer from Department of Human Services to support the Crimes Against Children Division (CACD), miscellaneous revenue sources and a broad spectrum of special revenue.

Special revenue sources include Arkansas Drivers License Fees, Commercial Drivers License Fees, license fees for security guards and private investigators, permit fees for concealed weapons and used motor vehicle dealer license fees.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$32 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$672 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY13 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total \$4,778,588, funded with general revenue of \$3,616,088, in FY14 and \$5,125,495, funded with general revenue of \$4,272,995, in FY15 and reflects the following:

- Regular Salaries and Personal Services Matching increases of \$2,276,435 in FY14 and \$3,756,706 in FY15 for restoration of fifteen (15) positions each year of the biennium and the addition of thirty one (31) new positions in FY14 and fifty (56) new positions positions in FY15 throughout the Agency's five (5) divisions.
- Extra Help increase of \$11,767 each year of the biennium for Troop Schools and the associated Personal Services Matching.
- Operating Expenses increase of \$1,842,067 in FY14 and \$926,222 in FY15 for the following:
 1. To replace telephone systems, carpet, tile, security system, and AC unit at various Troop Headquarters. Costs associated with these requests are documented in the Agency's IT Plan;
 2. Information Technology needs including recurring costs and maintenance of equipment and software, replacement of dated equipment, and transition to INA for online programs. Costs associated with these requests are documented in the Agency's IT Plan; and
 3. Equip, repair, and maintain agency vehicles.

- Conference and Travel Expenses increase of \$22,601 in FY14 and \$20,800 in FY15 for training (state and federal) for all aspects of ASP operations.
- Capital Outlay of \$625,718 in FY14 and \$410,000 in FY15 for equipment purchases, IT needs, vehicles and vehicle equipping. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request for appropriation only, and provides position and general revenue funding recommended as follows:

- Reclassification of an Attorney Specialist (C126) to ASP General Counsel (N906) in lieu of the new position requested.
- Regular Salaries and Personal Services Matching increases of \$851,483 with general revenue funding to address inequities in compensation for commissioned officers at the Department of Arkansas State Police.

The Executive Recommendation provides for the following items to be addressed through the General Improvement Fund:

1. Capital Outlay of \$1,000,000 in each year of the biennium for vehicles.
2. Capital Outlay of \$1,031,200 in FY14 and \$355,000 in FY15 for replacement of computer equipment, software, and system conversions.
3. Capital Outlay of \$89,750 in FY14 for replacement of telephone systems, tile, carpet, security system, and AC unit.

Appropriation Summary

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	43,959,737	42,367,270	45,520,076	43,251,843	44,712,214	45,252,153	43,287,043	45,727,389	46,267,328
#Positions		965	973	988	973	1,019	1,017	973	1,044	1,042
Extra Help	5010001	98,476	110,000	110,000	110,000	120,847	120,847	110,000	120,847	120,847
#Extra Help		11	13	17	17	17	17	17	17	17
Personal Services Matching	5010003	22,607,369	23,424,413	23,629,316	24,067,906	24,884,890	25,033,335	24,078,637	25,395,917	25,544,362
Overtime	5010006	164,058	102,288	102,288	102,288	102,288	102,288	102,288	102,288	102,288
Operating Expenses	5020002	9,215,802	11,188,389	11,188,392	11,188,389	13,030,456	13,030,456	11,188,389	12,114,611	12,114,611
Conference & Travel Expenses	5050009	90,046	109,030	109,030	109,030	131,631	131,631	109,030	129,830	129,830
Professional Fees	5060010	48,299	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	3,948,778	100,000	100,000	0	625,718	625,718	0	410,000	410,000
Covert Ops	5900047	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Total		80,257,565	77,726,390	81,084,102	79,154,456	83,933,044	84,621,428	79,200,387	84,325,882	85,014,266

Funding Sources										
Fund Balance	4000005	3,136,272	5,165,578		4,682,852	4,682,852	4,682,852	4,748,377	3,585,877	132,888
General Revenue	4000010	56,734,465	56,204,977		58,692,585	62,308,673	59,544,068	58,726,574	62,999,569	59,578,057
Federal Revenue	4000020	43,026	120,000		105,500	105,500	105,500	105,500	105,500	105,500
Special Revenue	4000030	16,243,779	15,710,801		16,533,589	16,533,589	16,533,589	16,863,255	16,863,255	16,863,255
Merit Adjustment Fund	4000055	0	1,356,839		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	2,066,506	0		0	0	0	0	0	0
Other	4000370	3,756,772	714,193		751,453	751,453	751,453	268,978	268,978	268,978
Transfer from DHS	4000510	3,081,226	2,808,854		2,808,854	2,808,854	2,808,854	2,808,854	2,808,854	2,808,854
Transfer State Admn of Justice	4000570	361,097	328,000		328,000	328,000	328,000	328,000	328,000	328,000
Total Funding		85,423,143	82,409,242		83,902,833	87,518,921	84,754,316	83,849,538	86,960,033	80,085,532
Excess Appropriation/(Funding)		(5,165,578)	(4,682,852)		(4,748,377)	(3,585,877)	(132,888)	(4,649,151)	(2,634,151)	4,928,734
Grand Total		80,257,565	77,726,390		79,154,456	83,933,044	84,621,428	79,200,387	84,325,882	85,014,266

FY13 Budgeted Appropriations that receive Administration of Justice Funds have been reduced proportionately based on available funding in accordance with A.C.A. 16-10-312. Base Level appropriations reflect the maximum allocations authorized by Act 281 (60) of 2012.

Change Level by Appropriation

Appropriation: 519 - ASP-Operations
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	79,154,456	973	79,154,456	100.0	79,200,387	973	79,200,387	100.0
C01	Existing Program	2,460,473	46	81,614,929	103.1	3,898,443	71	83,098,830	104.9
C08	Technology	2,318,115	0	83,933,044	106.0	1,227,052	0	84,325,882	106.5

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	79,154,456	973	79,154,456	100.0	79,200,387	973	79,200,387	100.0
C01	Existing Program	2,260,770	44	81,415,226	102.9	3,698,740	69	82,899,127	104.7
C08	Technology	2,318,115	0	83,733,341	105.8	1,227,052	0	84,126,179	106.2
C10	Reclass	36,604	0	83,769,945	105.8	36,604	0	84,162,783	106.3
C19	Executive Changes	851,483	0	84,621,428	106.9	851,483	0	85,014,266	107.3

Justification

C01	The Agency is requesting increases in Regular Salaries and Personal Services Matching increases of \$2,276,435 in FY14 and \$3,756,706 in FY15 for restoration of fifteen (15) positions each year and the addition of thirty one (31) new positions in FY14 and fifty six (56) new positions in FY15. Extra Help and Personal Services Matching increase of \$11,767 each year for Troop Schools. SMP0100 - Replace outdated body armor each year. Replace windows at Troop F, replace carpet at Troop G, replace A/C and tile at Troop H. Increase in travel/training for Polygraph School, Bomb Tech Training, and K-9 training. SMP8800 - Agency requesting to purchase 1 maintenance truck in FY14 (\$50,000) and 1 ICAC specialty vehicle in FY15 (\$60,000).
C08	SMP0100 - Fire Marshal - System conversion from Fox Pro to INA in FY14 (\$75,000) and system maintenance in FY15 (\$5,000). IT - Replacement of desktops, laptops, printers, scanners. Purchase software licenses. Increased costs for bandwidth, backup circuits, disaster recovery. Purchase X-Ray system, new phone systems at Troop B and Troop D, Security Systems at Troop G and Troop L, and crash data retrieval and visual statement edge FX software for crash reconstruction team. SMP0500 - UMV - System conversion from Fox Pro to INA in FY14. In FY15, system maintenance. SMP0600 - PI/Security - System conversion from Fox Pro to INA in FY14. In FY15, system maintenance. SMP8800 - Agency requesting to purchase 50 laptops, 50 scanners, 50 printers, 75 radars, and 50 in-car cameras each year.
C10	The Executive Recommendation provides for the reclassification of an Attorney Specialist (C126) to ASP General Counsel (N906) in lieu of the new position requested.
C19	The Executive Recommendation provides for Regular Salaries and Personal Services Matching increases of \$851,483 to address inequities in compensation for commissioned officers at the Department of Arkansas State Police..

Analysis of Budget Request

Appropriation: 521 - Various Federal Programs

Funding Sources: FLA - ASP Federal

This federally funded appropriation is utilized by Arkansas State Police to support various programs received as grants from the United States Department of Justice. The Agency anticipates receiving federal funding from Internet Crimes Against Children (ICAC) grants.

The Agency's Change Level requests total \$223,939 in FY14 and \$329,688 in FY15 and reflect the following:

- Regular Salaries and Personal Services Matching increase of \$81,550 each year of the biennium for the ICAC Program.
- Overtime and Personal Service Matching increase of \$31,739 in FY14 and \$31,738 in FY15 for anticipated increases in ICAC grants.
- Operating Expenses increase of \$15,966 in FY14 and \$16,413 in FY15 for supplies for various ICAC programs. Technology related increase for Operating Expenses of \$28,794 in FY14 and \$39,247 in FY15 for computers, notebook systems, monitors. Costs associated with these requests are documented in the Agency's IT Plan. \$31,677 in FY14 and \$35,305 in FY15 reallocation between General Ledger codes in Operating Expenses to more accurately reflect anticipated expenses.
- \$37,626 in FY14 and \$47,426 in FY15 reallocation between General Ledger codes in Conference & Travel Expenses to more accurately reflect anticipated expenses.
- Grants and Aid increase of \$49,640 in FY14 and \$63,140 in FY15 for the ICAC program.
- Technology related increase for Capital Outlay of \$16,250 in FY14 and \$97,600 in FY15 for the purchase of forensic examination systems and servers for the ICAC Task Force. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 521 - Various Federal Programs

Funding Sources: FLA - ASP Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	28,282	0	0	62,500	62,500	0	62,500	62,500
#Positions	3	3	3	0	0	0	0	0	0
Personal Services Matching 5010003	2,796	13,390	0	0	26,465	26,465	0	26,464	26,464
Overtime 5010006	10,002	24,324	0	0	24,324	24,324	0	24,324	24,324
Operating Expenses 5020002	43,240	46,740	162,793	46,740	91,500	91,500	46,740	102,400	102,400
Conference & Travel Expenses 5050009	56,541	47,426	142,586	47,426	47,426	47,426	47,426	47,426	47,426
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	62,577	11,860	199,093	11,860	61,500	61,500	11,860	75,000	75,000
Capital Outlay 5120011	18,510	23,626	26,000	0	16,250	16,250	0	97,600	97,600
ARRA of 2009 5900052	181,362	69,048	497,474	0	0	0	0	0	0
Total	375,028	264,696	1,027,946	106,026	329,965	329,965	106,026	435,714	435,714

Funding Sources									
Federal Revenue 4000020	193,666	195,648		106,026	329,965	329,965	106,026	435,714	435,714
Federal Funds-ARRA 4000244	181,362	69,048		0	0	0	0	0	0
Total Funding	375,028	264,696		106,026	329,965	329,965	106,026	435,714	435,714
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	375,028	264,696		106,026	329,965	329,965	106,026	435,714	435,714

Budget exceeds Authorized Appropriation in Regular Salaries, Personal Services Matching, and Overtime due to a transfer from the Miscellaneous Federal Grant Holding Account.

ARRA of 2009 appropriation and/or positions have been removed from Base Level and are not requested for the 2013 – 2015 Biennium.

The Agency has one salary section.

Change Level by Appropriation

Appropriation: 521 - Various Federal Programs
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	106,026	0	106,026	100.0	106,026	0	106,026	100.0
C01	Existing Program	178,895	0	284,921	268.7	192,841	0	298,867	281.9
C04	Reallocation	0	0	284,921	268.7	0	0	298,867	281.9
C08	Technology	45,044	0	329,965	311.2	136,847	0	435,714	411.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	106,026	0	106,026	100.0	106,026	0	106,026	100.0
C01	Existing Program	178,895	0	284,921	268.7	192,841	0	298,867	281.9
C04	Reallocation	0	0	284,921	268.7	0	0	298,867	281.9
C08	Technology	45,044	0	329,965	311.2	136,847	0	435,714	411.0

Justification

C01	The Agency is requesting Salaries and Personal Services Matching of \$81,550 each year; Overtime and Personal Services Matching of \$31,739 in FY14 and \$31,738 in FY15; Operating Expense of \$15,966 in FY 14 and \$16,413 in FY15; and Grants and Aid of \$49,640 in FY14 and \$63,140 in FY 15 to cover anticipated increases in Internet Crimes Against Children grants.
C04	\$69,303 in FY14 and \$82,731 in FY15 reallocation between General Ledger codes in Operating Expenses (\$31,677 in FY14 & \$35,305 in FY15) and Conference & Travel Expenses (\$37,626 in FY14 & \$47,426 in FY15) each year to more accurately reflect anticipated expenses.
C08	In FY14 agency is purchasing 4 laptops, 2 servers, and 2 Forensic Examination Systems. In FY15 agency is purchasing 3 notebook systems and monitors, and 4 servers.

Analysis of Budget Request

Appropriation: 524 - Confiscated Funds Transfer

Funding Sources: TPC - Court Awards Fund

The Department of Arkansas State Police is authorized, after seeking the approval of the Chief Fiscal Officer of the State, to request transfer from the appropriation made herein for "Confiscated Funds Transfer" to the Maintenance and General Operations classifications established in the operations appropriation (Appropriation 519) of the Department of Arkansas State Police, and may be used for motor vehicle purchases and associated taxes and/or motor vehicle equipping/renovation costs, agency operational needs and capital improvements for the Department of Arkansas State Police. Fund transfers may be requested from the Court Awards Fund to the Department of Arkansas State Police Fund in the same amount and for the same purposes as the appropriation transfer requested under the provisions of this section. The provisions of this section are subject to prior review and approval of the Arkansas Legislative Council or Joint Budget Committee.

The Agency's request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 524 - Confiscated Funds Transfer

Funding Sources: TPC - Court Awards Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Investments/Transfers 5110020	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funding Sources									
Special State Asset Forfeiture 4000465	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Funding	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Analysis of Budget Request

Appropriation: 526 - Criminal Background Checks

Funding Sources: SEF - State Police Equipment Fund

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from special revenues collected from the fees for Criminal History Background Checks and the federal charge for FBI Background Checks.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$32 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$672 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level requests total \$413,048 each year of the biennium and reflect the following:

- Overtime and Personal Services Matching increase of \$13,048 each year of the biennium to cover the increase in background checks.
- Technology related increase for Capital Outlay of \$400,000 each year of the biennium for software upgrades to the Criminal Background Check System. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 526 - Criminal Background Checks
Funding Sources: SEF - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	237,391	228,363	233,524	228,363	228,363	228,363	228,363	228,363	228,363
#Positions	10	10	10	10	10	10	10	10	10
Personal Services Matching 5010003	96,211	146,405	156,337	150,245	153,293	153,293	150,245	153,293	153,293
Overtime 5010006	0	0	0	0	10,000	10,000	0	10,000	10,000
Operating Expenses 5020002	1,510,451	2,558,650	2,558,650	2,558,650	2,558,650	2,558,650	2,558,650	2,558,650	2,558,650
Conference & Travel Expenses 5050009	1,357	15,700	15,700	15,700	15,700	15,700	15,700	15,700	15,700
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	217,000	275,000	275,000	0	400,000	400,000	0	400,000	400,000
Total	2,062,410	3,224,118	3,239,211	2,952,958	3,366,006	3,366,006	2,952,958	3,366,006	3,366,006
Funding Sources									
Fund Balance 4000005	3,121,272	2,331,908		607,790	607,790	607,790	0	0	0
Special Revenue 4000030	1,273,046	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	4,394,318	3,831,908		2,107,790	2,107,790	2,107,790	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	(2,331,908)	(607,790)		845,168	1,258,216	1,258,216	1,452,958	1,866,006	1,866,006
Grand Total	2,062,410	3,224,118		2,952,958	3,366,006	3,366,006	2,952,958	3,366,006	3,366,006

Change Level by Appropriation

Appropriation: 526 - Criminal Background Checks
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,952,958	10	2,952,958	100.0	2,952,958	10	2,952,958	100.0
C01	Existing Program	13,048	0	2,966,006	100.4	13,048	0	2,966,006	100.4
C08	Technology	400,000	0	3,366,006	114.0	400,000	0	3,366,006	114.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	2,952,958	10	2,952,958	100.0	2,952,958	10	2,952,958	100.0
C01	Existing Program	13,048	0	2,966,006	100.4	13,048	0	2,966,006	100.4
C08	Technology	400,000	0	3,366,006	114.0	400,000	0	3,366,006	114.0

Justification

C01	The Agency is requesting Overtime and Personal Services Matching of \$13,048 annually to cover the increase volume in processing background checks.
C08	Biennial Capital Outlay includes software upgrades for criminal background check system and workflow software upgrades for FBI requirements.

Analysis of Budget Request

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is used for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with general revenue.

The Agency's Change Level requests total \$1,770,900 each year of the biennium and reflect the following:

- Operating Expenses increases of \$90,000 each year of the biennium for tower leases and vehicle maintenance expenses.
- Technology related increase for Operating Expenses of \$680,900 each year of the biennium to cover anticipated increases in maintenance contracts, satellite phone system service costs, and maintaining the licensing of the systems frequencies. Costs associated with these requests are documented in the Agency's IT Plan.
- \$1,514,525 reallocation between General Ledger codes in Operating Expenses each year of the biennium to more accurately reflect anticipated expenses.
- Capital Outlay of \$1,000,000 each year for building and tower repair/replacement.

The Executive Recommendation provides for the the following:

- General revenue of \$180,927 each year of the biennium for Operating Expenses.
- Appropriation only with the exception of Capital Outlay to be addressed through the General Improvement Fund.

Appropriation Summary

Appropriation: 9KA - AR Wireless Information Network (AWIN)
Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	6,020,014	6,088,994	6,088,994	6,088,994	6,859,894	6,859,894	6,088,994	6,859,894	6,859,894
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	1,000,000	0	0	1,000,000	0
Total		6,020,014	6,088,994	6,088,994	6,088,994	7,859,894	6,859,894	6,088,994	7,859,894	6,859,894
Funding Sources										
General Revenue	4000010	6,020,014	6,088,994		6,088,994	7,859,894	6,269,921	6,088,994	7,859,894	6,269,921
Total Funding		6,020,014	6,088,994		6,088,994	7,859,894	6,269,921	6,088,994	7,859,894	6,269,921
Excess Appropriation/(Funding)		0	0		0	0	589,973	0	0	589,973
Grand Total		6,020,014	6,088,994		6,088,994	7,859,894	6,859,894	6,088,994	7,859,894	6,859,894

Change Level by Appropriation

Appropriation: 9KA - AR Wireless Information Network (AWIN)
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,088,994	0	6,088,994	100.0	6,088,994	0	6,088,994	100.0
C01	Existing Program	1,090,000	0	7,178,994	117.9	1,090,000	0	7,178,994	117.9
C04	Reallocation	0	0	7,178,994	117.9	0	0	7,178,994	117.9
C08	Technology	680,900	0	7,859,894	129.1	680,900	0	7,859,894	129.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,088,994	0	6,088,994	100.0	6,088,994	0	6,088,994	100.0
C01	Existing Program	90,000	0	6,178,994	101.5	90,000	0	6,178,994	101.5
C04	Reallocation	0	0	6,178,994	101.5	0	0	6,178,994	101.5
C08	Technology	680,900	0	6,859,894	112.7	680,900	0	6,859,894	112.7

Justification

C01	The Agency is requesting Capital Outlay of \$1,000,000 each year for building and tower repair/replacement; Operating Expenses of \$90,000 for anticipated increase in tower leases and vehicle maintenance expenses.
C04	\$1,514,525 reallocation between General Ledger codes in Operating Expenses each year to more accurately reflect anticipated expenses.
C08	The Agency is requesting Operating Expense of \$680,900 each year to cover anticipated increases in maintenance contracts, satellite phone system service costs and maintaining the licensing of the systems frequencies.

AR DEPARTMENT OF VETERANS' AFFAIRS

Enabling Laws

Act 99 of 2012
Act 221 of 2010
A.C.A. §20-81-102 et seq.

History and Organization

Act 343 of 1925 created our Agency as the Arkansas Service Bureau to aid World War Veterans and Veterans of American Wars to obtain government benefits and for other purposes.

Act 234 of 1945 renamed our Agency to the Arkansas Veterans' Service Office and changed our responsibilities to assisting all veterans and their dependents in securing their rights and benefits under all laws, both state and federal.

Act 536 of 1975 appropriated funds to the Arkansas Veterans' Service Office for assisting the seventy-five (75) counties in paying salaries and/or expenses of County Veterans Service Officers who meet the training qualifications, the scheduled numbers of working hours per month and other qualifications prescribed or as may be prescribed by our office.

Act 377 of 1975 created the Governor's Task Force on Veterans' Affairs to study any and all matters relating to and affecting the affairs of veterans in the state of Arkansas as requested by the Governor or as deemed necessary by the Task Force, and to make recommendations to the Governor on request or as deemed appropriate by the majority of the members of the Task Force.

Act 619 of 1977 authorized the Arkansas Veterans' Service Office to establish and maintain an Arkansas Veterans' Home in the building formerly used by the School for the Blind and Deaf located at 20th and Madison Streets, Little Rock, Arkansas.

Act 324 of 1979, codified in A.C.A. §20-81-102 et seq., renamed our Agency as the Arkansas Department of Veterans' Affairs, which would assume all the duties and responsibilities of the Arkansas Veterans Service Office as well as to supervise the operation of the Arkansas Veterans' Home; supervise the activities, training and testing of all the County Veterans Service Officers in each county and to create a Governor's Task Force on Veterans' Affairs.

Act 432 of 1985, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to require the Arkansas Department of Veterans' Affairs to promulgate guidelines for admission to the Arkansas Veterans' Home and to conform to federal requirements necessary to qualify the Arkansas Veterans' Home as a Nursing Home and Domiciliary for veterans.

Act 431 of 1985, codified in A.C.A. §20-81-107, authorized the Arkansas Department of Veterans' Affairs to accept the donation of real property for use as Veterans Cemeteries.

Act 157 of 1987, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to provide for the conversion of the Arkansas Veterans' Home to a Nursing Home and Domiciliary for veterans without the necessity of obtaining a certificate of need.

Act 733 of 1987 appropriated funds to supplement private donations for expansion of the Little Rock, Fayetteville and Fort Smith National Cemeteries.

Act 670 of 1991, amended A.C.A. §20-81-104(b)(4) to authorize members of the Governor's Task Force on Veterans' Affairs to attend conventions, conferences or meetings of recognized veterans organizations.

Act 136 of 1993 amended A.C.A. §20-81-104 to change the name of the Governor's Task Force on Veterans' Affairs to the Governor's Commission on Veterans' Affairs.

Act 719 of 1993 amended A.C.A. §20-81-103 regarding the qualifications for appointment of the Director of the Department of Veterans' Affairs.

Act 235 of 1997 amended A.C.A. §20-81-112 by authorizing the Arkansas Department of Veterans' Affairs to establish and operate an Arkansas State Veterans' Cemetery system.

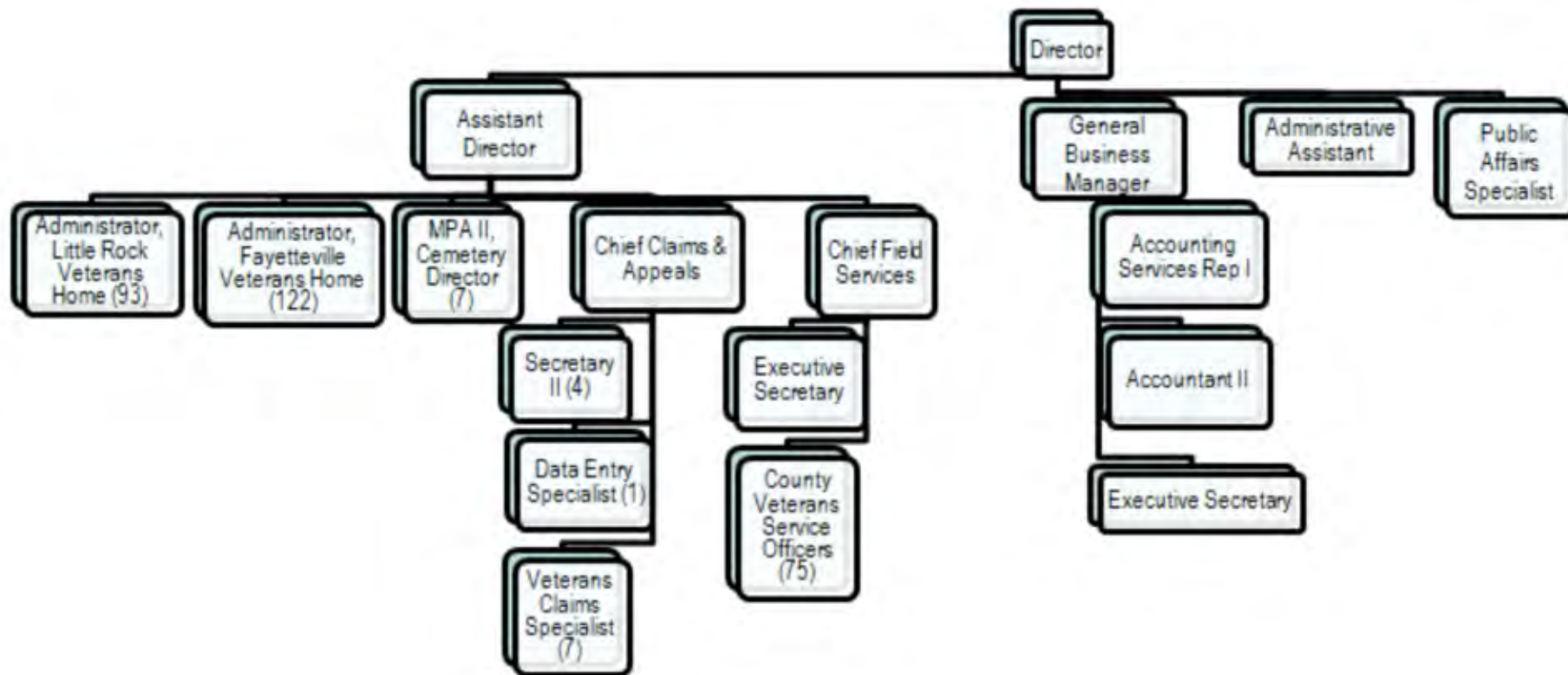
MISSION

The mission of this Agency is to ensure that veterans, their dependents and survivors receive the maximum benefits to which they are entitled under federal and state laws.

SERVICES PERFORMED

- Assist veterans, their dependents and survivors in their claims with the U.S. Department of Veterans Affairs (USDVA) for benefits they are entitled to under Title 38, United States Code.
- Supervise the activities, training and testing of a network of County Veterans Service Officers (CVSOs). There are 75 counties with county veterans service officers who are trained and supervised by this agency to serve veterans, their dependents and survivors.

- Establish, implement and maintain a program for providing financial assistance to counties to help defray the salaries and/or expenses of the CVSOs.
- Establish, operate and maintain the Arkansas Veterans' Cemetery system.
- Maintain the Little Rock Veterans' Home, which houses a 61-bed intermediate care nursing facility and a 55-bed Veterans' Domiciliary facility. This facility, which was opened in 1980, serves honorably discharged veterans who have become disabled and are unemployable.
- Maintain the Fayetteville Veterans' Home that opened in June 2006 that houses a 108 bed skilled care nursing facility.
- Participate on such boards, committees and/or projects which relate to the Agency's mission or as directed by a competent state authority.
- To promulgate rules and regulations as deemed necessary.



Agency Commentary

Arkansas Department of Veterans Affairs

The goal of this Agency is to assist all veterans, their dependents, and survivors in securing available benefits. The agency also provides skilled and intermediate nursing care and domiciliary accommodations to Arkansas veterans by operating a 116 bed facility in Little Rock and a 108 bed facility in Fayetteville. In addition, the agency operates two State Veterans Cemeteries, in North Little Rock and another in Birdeye, AR that officially opened in May 2012.

Appropriation 224: State Operations - Administrative and Veterans Claims Services

This appropriation is utilized to provide administrative support services for veterans by ensuring that all operational objectives of the Agency are met. Additionally, the appropriation is used to provide Veterans Claims and Advocacy services by counseling and advocating at both the state, regional and national levels, and by providing professional training to 75 County Veterans Service Officers statewide, 8 Veterans Claims Specialists and 2 ADVA Program Coordinators.

The Agency is requesting \$15,071 each year for Board Member stipends and to transfer six positions from the Little Rock Veterans home.

Appropriation 225: Veterans' Home Division - Arkansas State Veterans Home

This appropriation is utilized to operate a Long-Term Nursing care and Domiciliary facility in Little Rock by providing a professional staff of healthcare and support providers, by continuing training for staff and by providing equipment and supplies necessary to maintain the facility.

The Agency is requesting to discontinue appropriation for the biennium due to the phase-out of all services provided by the Little Rock home. In July 2012, the agency began transitioning residents to private residences and VA-approved facilities throughout the State. The transition of all residents is expected to be completed by the end of FY13.

The Agency is requesting no appropriation for the biennium and to transfer a total of 25 positions to other divisions within the Agency.

Appropriation 20D: Fayetteville Veterans Home

This appropriation is utilized to operate a Long-Term Care and Skilled Care Facility in Fayetteville by providing a professional staff of healthcare and support providers, by continuing training for the entire staff and by providing equipment and supplies necessary to adequately maintain the facility. The Fayetteville facility does not require general revenue.

The Agency is requesting the following Change Levels above Base Level:

- Regular Salaries and Personal Services Matching: Increase in appropriation only.
 - The Agency requests to a total transfer (16) positions from the Little Rock Home to Fayetteville which includes (12) Certified Nursing Assistants, (1) Registered Nurse-Hospital, and (1) Licensed Practical Nurse positions that were budgeted for the Little Rock Home, but are no longer needed due to the phase-down of the facility. Additionally, the Agency is request to transfer (1) Institutional Services Assistant and (1) Maintenance Assistant position that is also requested for reclassification as an Institutional Services Supervisor. The Fayetteville Home anticipates an increase in patient census as a result of being the only State Veterans home. LR home residents have the option of transferring to Fayetteville.

- Capital Outlay: Increase in appropriation only. This request is necessary to purchase an IMAR - Electronic Pharmaceutical Dispensing and Recording System for the Fayetteville home. This system ensures the accurate delivery of medications to patients, thereby preventing potentially adverse dispensing errors. It also interfaces with the clinical records system to provide information for quality assurance testing and state and federal audit inspections. The impact of the request is an increase of \$53,215 for FY14 only of the biennium.

Appropriation 490: Veterans' Cemeteries

This appropriation is used to maintain the Veterans Cemeteries in North Little Rock and Birdeye by providing sufficient staffing to maintain the cemetery facilities and grounds, by developing standardized procedures to ensure consistent care of facilities and grounds, and by sustaining an interment program responsive to the needs of veterans and their survivors.

- The Agency is requesting that a total of 3 positions to be transferred from the Little Rock Veteran Home to the Veteran Cemeteries fund. These 3 positions include (2) Maintenance Technicians positions and (1) Recreational Activity Leader II.
- Capital Outlay: Increase in appropriation and general revenue funding for FY14 only. This request is necessary to purchase capital equipment for the North Little Cemetery that has become outdated since the inception of the cemetery in 2001. This involves replacing the following equipment that was capitalized over 10 years ago and has depreciated significantly requiring constant maintenance costs: Dodge Pick Truck (\$16,690), Excavator (\$50,438), Grasshopper Lawnmower (\$12,367), Kubota Tractor (\$30,015). This equipment is critical for the daily operations of the cemetery. The impact of the request is an increase of \$109,510 for FY14 only of the biennium.
- Travel: Increase in appropriation and general revenue funding of \$3,000. This request is necessary to cover travel and associated expenses for the two cemetery managers to attend conferences and training workshops to stay abreast of changing policies and procedures governing state and national cemetery standards. The impact of the request is an increase of \$3,000 for each year of the biennium

Appropriation 38R: Little Rock Veterans' Home Cash Fund

This appropriation was utilized to help support operations of the Arkansas State Veterans' Home maintained by the Agency. This appropriation is funded by cash and federal funds that are then transferred to Appropriation 225.

The Agency is requesting to discontinue appropriation due to the phase-down of all services provided by the Little Rock home and its anticipated closure by the end of FY13.

The Agency is requesting no appropriation.

Appropriation 38S: Veterans' Cemeteries Cash Fund

This appropriation is utilized to help provide land improvements to the two Veterans Cemeteries maintained by the Agency. This request is 100% funded by burial plot allowances, so the Agency will not be in need of general revenue funding for this appropriation.

The Agency is requesting the following Change Levels above Base Level:

- Capital Outlay: Increase in appropriation in the amount of \$130,000 each year. This request is necessary to restore capital outlay appropriation and for continued land improvement projects anticipated by the Agency. Two federal grants have already been approved by the Veterans Cemetery Grants Service for maintenance improvements and columbarium expansion. A third grant is pending approval for the purpose of increasing internment spaces due to rapidly decreasing acreage for burial plots.

Appropriation 81H: Military Funeral Honors

This appropriation is utilized to pay for the costs of providing military funeral honors at veterans' funerals. Funding is through the sale of special military license plates. Currently this program is appropriated through the Capital Reappropriation.

The Agency is requesting that the appropriation be added to the biennial budgeted and \$100,000 in appropriation only to allow the Agency to spend funds that are currently available.

Appropriation 85L: Birdeye Cemetery Construction-Federal

This appropriation was utilized to support construction of a new State Veterans Cemetery located in Birdeye, AR and maintained by the Agency. This project was financed by a federal grant from the Veterans Cemetery Grants Service of the U.S. Department of Veterans Affairs.

The Agency is requesting to discontinue appropriation due to all phases of construction anticipated to be completed during FY13.

The Agency is requesting no appropriation. Change Level 3 (C03) Discontinued program.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS DEPARTMENT OF VETERANS AFFAIRS
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

On September 8, 2011, Agency personnel notified auditors of unauthorized charges to a credit card account by Robyn K. Clark, Administrative Services Manager, who had obtained a credit card for the account without management approval. These 32 charges totaled \$1,837 and occurred from February 22, 2011 through July 10, 2011. During an interview with auditors, Clark acknowledged responsibility for these charges, asserted she inadvertently used the Agency credit card, and indicated she would reimburse the Agency. As of report date, Clark, who resigned on September 26, 2011, has not repaid the \$1,837 to the Agency.

The Agency did not obtain approval for the non-standard credit card referred to in Finding 1, as required by Ark. Code Ann. § 19-4-107 and Department of Finance and Administration regulations, that was used for purchases at a wholesale club in the Fayetteville area.

The Agency did not maintain capital asset records in accordance with the State Financial Management Guide. Seven items valued at \$93,534 could not be located by the Agency, three items totaling \$74,838 displayed inventory tag numbers that did not match AASIS records, and two items totaling \$29,033 had been disposed of but had not been removed from the AASIS inventory list.

The Agency did not maintain adequate documentation to support all expenditures, and a number of expenditures did not document an appropriate level of approval before payment was processed.

Obtain appropriate approval before opening non-standard credit card accounts.

Strengthen internal controls and management oversight of capital assets to ensure proper accountability.

Strengthen internal controls and management oversight of expenditures to ensure proper accountability.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	38	67	105	54 %
Black Employees	13	56	69	35 %
Other Racial Minorities	5	16	21	11 %
Total Minorities			90	46 %
Total Employees			195	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	NA	N	N	0	NA

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
224 State Operations	1,480,575	23	1,446,521	23	1,485,144	23	1,482,351	23	1,843,045	29	1,843,045	29	1,482,476	23	1,843,170	29	1,843,170	29
2QD Fayetteville Veterans' Home	6,496,942	101	6,552,773	99	7,134,011	101	6,543,609	99	7,177,642	115	7,177,642	115	6,544,350	99	7,126,655	115	7,126,655	115
38S Veterans' Cemeteries - Cash In Treasury	67,861	0	145,000	0	145,000	0	15,000	0	145,000	0	145,000	0	15,000	0	145,000	0	145,000	0
490 Veterans' Cemeteries - State	541,478	12	585,899	12	581,760	12	588,779	12	814,453	15	704,943	15	589,521	12	705,810	15	705,810	15
81H Military Funeral Honor	0	0	0	0	0	0	0	0	100,000	0	100,000	0	0	0	100,000	0	100,000	0
NOT REQUESTED FOR THE BIENNIUM																		
225 Veterans' Home Division - State	4,197,702	87	3,992,964	80	4,579,360	89	4,020,795	81	0	0	0	0	4,025,128	81	0	0	0	0
38R LR Veterans' Home - Cash In Treasury	86,723	0	97,092	0	292,245	0	97,092	0	0	0	0	0	97,092	0	0	0	0	0
85L Arkansas State Veterans' Cemetery - Birdeye	3,184,380	0	7,139,250	0	7,139,250	0	7,139,250	0	0	0	0	0	7,139,250	0	0	0	0	0
Total	16,055,661	222	19,959,499	214	21,356,770	225	19,886,876	215	10,080,140	159	9,970,630	159	19,892,817	215	9,920,635	159	9,920,635	159

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	149,932	0.9	446,473	2.2			248,470	1.2	248,470	2.4	248,470	2.4	332,313	1.6	332,313	3.2	332,313	3.2
General Revenue	4000010	2,654,191	16.1	2,426,594	12.0			2,872,031	14.2	2,657,498	25.5	2,547,988	24.7	2,873,675	14.1	2,548,980	24.5	2,548,980	24.5
Federal Revenue	4000020	6,482,560	39.3	10,625,808	52.6			10,685,087	52.8	4,179,870	40.1	4,179,870	40.6	10,747,385	52.8	4,190,440	40.3	4,190,440	40.3
Special Revenue	4000030	24,090	0.1	28,562	0.1			0	0.0	100,000	1.0	100,000	1.0	0	0.0	100,000	1.0	100,000	1.0
Cash Fund	4000045	3,815,384	23.1	3,432,224	17.0			2,379,440	11.8	2,412,348	23.2	2,412,348	23.4	2,379,440	11.7	2,412,348	23.2	2,412,348	23.2
Merit Adjustment Fund	4000055	182,208	1.1	105,978	0.5			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Improvement Fund	4000265	0	0.0	866,316	4.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	41,593	0.3	(628,945)	(3.1)			3,219,894	15.9	0	0.0	0	0.0	3,223,450	15.8	0	0.0	0	0.0
Transfer from Medicaid	4000545	1,069,061	6.5	814,267	4.0			814,267	4.0	814,267	7.8	814,267	7.9	814,267	4.0	814,267	7.8	814,267	7.8
VA Reimbursement	4000731	2,083,115	12.6	2,090,692	10.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		16,502,134	100.0	20,207,969	100.0			20,219,189	100.0	10,412,453	100.0	10,302,943	100.0	20,370,530	100.0	10,398,348	100.0	10,398,348	100.0
Excess Appropriation/(Funding)		(446,473)		(248,470)				(332,313)		(332,313)		(332,313)		(477,713)		(477,713)		(477,713)	
Grand Total		16,055,661		19,959,499				19,886,876		10,080,140		9,970,630		19,892,817		9,920,635		9,920,635	

FY13 Budget amount in Personal Services Matching exceeds the authorized amount for Appropriation 490 due to matching rate adjustments during the 2011-2013 Biennium. General Improvement Funds include a Rainy Day Fund award of \$587,003 that was utilized to reimburse overcharged veterans and an additional \$279,313 to cover the associated shortfalls.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
221	199	22	221	0	9.95 %	225	203	22	225	0	9.78 %	225	192	33	225	0	14.67 %

Analysis of Budget Request

Appropriation: 224 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Veterans Affairs assists Arkansas veterans, their dependents and survivors in securing their rights and benefits under Federal and State laws. The Department supervises the activities, training, and testing of County Veterans Service Officers and provides financial assistance to Counties to defray their salaries and expenses. This appropriation provides for the administrative costs of the Department and is funded by general revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting a total change level of \$360,694 for each year of the biennium to cover the cost of the follow:

- \$360,694 increase in Regular Salaries and Personal Services Matching associated with the cost of transferring (6) five position from the Little Rock Veteran Home to other administrative positions within the Agency and includes \$15,071 to cover Board Member stipends. The following positions are requested to be transferred and reclassified: Nurse Manger (C125) to Agency Personnel Manager(C121), (2) two Registered Nurses- Hospital (C121) to Veteran Claims Specialist (C116), Administrative Analyst (C115) to Fiscal Support Analyst (C115), Registered Nurse - Hospital (C121) to Executive Assistant to Director (C118), and Maintenance Tech (C113) to Inventory Control Technician (C108).

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 224 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	836,635	795,564	838,421	820,045	1,089,358	1,089,358	820,145	1,089,458	1,089,458
#Positions		23	23	23	23	29	29	23	29	29
Personal Services Matching	5010003	345,038	297,063	290,649	308,412	399,793	399,793	308,437	399,818	399,818
Operating Expenses	5020002	67,854	67,444	68,444	67,444	67,444	67,444	67,444	67,444	67,444
Conference & Travel Expenses	5050009	4,023	2,950	4,130	2,950	2,950	2,950	2,950	2,950	2,950
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	227,025	283,500	283,500	283,500	283,500	283,500	283,500	283,500	283,500
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,480,575	1,446,521	1,485,144	1,482,351	1,843,045	1,843,045	1,482,476	1,843,170	1,843,170
Funding Sources										
General Revenue	4000010	1,418,576	1,418,576		1,482,351	1,843,045	1,843,045	1,482,476	1,843,170	1,843,170
Merit Adjustment Fund	4000055	61,999	27,945		0	0	0	0	0	0
Total Funding		1,480,575	1,446,521		1,482,351	1,843,045	1,843,045	1,482,476	1,843,170	1,843,170
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,480,575	1,446,521		1,482,351	1,843,045	1,843,045	1,482,476	1,843,170	1,843,170

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 224 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,482,351	23	1,482,351	100.0	1,482,476	23	1,482,476	100.0
C01	Existing Program	15,071	0	1,497,422	101.0	15,071	0	1,497,547	101.0
C07	Agency Transfer	345,623	6	1,843,045	124.3	345,623	6	1,843,170	124.3
C10	Reclass	0	0	1,843,045	124.3	0	0	1,843,170	124.3

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,482,351	23	1,482,351	100.0	1,482,476	23	1,482,476	100.0
C01	Existing Program	15,071	0	1,497,422	101.0	15,071	0	1,497,547	101.0
C07	Agency Transfer	345,623	6	1,843,045	124.3	345,623	6	1,843,170	124.3
C10	Reclass	0	0	1,843,045	124.3	0	0	1,843,170	124.3

Justification

C01	Reflects the Agency's request increase Regular Salaries to cover the cost of its Board Member stipends.
C07	Reflects in the increaes in Regular Salaries and Personal Services Matching associated with Tranferring (6) positions from the Little Rock Veteran Home.
C10	Reflects Agency's Request to reclass the (2) RN- Hospital (C121) to Veterans Claims Specialist (C116), a Administrative Analyst (C115) to Fiscal Support Analyst (C115), a Nurse Manger (C125) to a Agency Personnel Manager, a Maintenance Tech (C113) to Inventory Control Technician (C108) and a Registered Nurse - Hospital (C121) to Executive Assistant to the Director (C118)

Analysis of Budget Request

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

The Fayetteville Veterans' Home is responsible for providing Intermediate and Skilled Nursing care to honorably discharged wartime and/or service connected disabled Veterans. During the 2003-2005 Biennium, the Arkansas Department of Veterans' Affairs received state and federal appropriation and funding to construct this new Veterans' Home to serve the needs of Veterans in northwest Arkansas. The Fayetteville Home opened to residents in June 2006 and has a present capacity of 108 residents. Continuing operations of the Home are supported by Medicare, Medicaid, maintenance fees provided by the residents, and a federal per diem reimbursement from the U.S. Department of Veterans Affairs.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level Request of \$634,033 for FY14 and \$582,305 for FY15 of appropriation reflect the following:

- \$580,818 increase in FY14 and \$582,305 in FY15 to cover Regular Salaries and Personal Services Matching for the addition of (16) positions that are being transferred from the Little Rock Home due to the phasing out of the facility. Transferred positions include (12) Certified Nursing Assistants, (1) one Registered Nurse - Hospital, (1) Institutional Services Assistant, (1) one Licensed Practical Nurse, and (1) Maintenance Assistant (C108) position that is requested to be reclassified as Institutional Services Supervisor (C104).
- \$53,215 increase in (appropriation only) in Capital Outlay in FY14 to purchase an IMAR - Electronic Pharmaceutical Dispensing and Recording System for the Fayetteville home. The purchase of the IMAR is referenced under the IT Support Costs/Contracted Services section of the Agency's FY14/15 IT Plan.

The Executive Recommendations provides for the Agency's Request as well as the reclassification of two additional positions; the Licensed Certified Social Worker (C121) position which is recommended for reclassification as the Medical Records Supervisor (C115), and the Administrative Specialist III (C112) which is recommended for reclassification as Warehouse Specialist (C110).

Appropriation Summary

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	2,979,818	2,860,417	3,098,278	2,833,824	3,239,363	3,239,363	2,834,424	3,241,163	3,241,163
#Positions	101	99	101	99	115	115	99	115	115
Extra Help 5010001	26,411	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help	6	7	7	7	7	7	7	7	7
Personal Services Matching 5010003	1,145,002	1,157,568	1,168,456	1,174,997	1,350,276	1,350,276	1,175,138	1,350,704	1,350,704
Overtime 5010006	2,030	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Operating Expenses 5020002	1,953,303	1,774,538	2,107,027	1,774,538	1,774,538	1,774,538	1,774,538	1,774,538	1,774,538
Conference & Travel Expenses 5050009	5,209	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
Professional Fees 5060010	69,717	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	315,452	475,000	475,000	475,000	475,000	475,000	475,000	475,000	475,000
Capital Outlay 5120011	0	0	0	0	53,215	53,215	0	0	0
Total	6,496,942	6,552,773	7,134,011	6,543,609	7,177,642	7,177,642	6,544,350	7,126,655	7,126,655
Funding Sources									
Fund Balance 4000005	136,456	191,557		61,557	61,557	61,557	0	0	0
Federal Revenue 4000020	3,298,180	3,486,558		3,545,837	4,179,870	4,179,870	3,608,135	4,190,440	4,190,440
Cash Fund 4000045	2,184,802	2,121,948		2,121,948	2,121,948	2,121,948	2,121,948	2,121,948	2,121,948
Transfer from Medicaid 4000545	1,069,061	814,267		814,267	814,267	814,267	814,267	814,267	814,267
Total Funding	6,688,499	6,614,330		6,543,609	7,177,642	7,177,642	6,544,350	7,126,655	7,126,655
Excess Appropriation/(Funding)	(191,557)	(61,557)		0	0	0	0	0	0
Grand Total	6,496,942	6,552,773		6,543,609	7,177,642	7,177,642	6,544,350	7,126,655	7,126,655

Change Level by Appropriation

Appropriation: 2QD - Fayetteville Veterans' Home
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,543,609	99	6,543,609	100.0	6,544,350	99	6,544,350	100.0
C07	Agency Transfer	580,818	16	7,124,427	108.9	582,305	16	7,126,655	108.9
C08	Technology	53,215	0	7,177,642	109.7	0	0	7,126,655	108.9
C10	Reclass	0	0	7,177,642	109.7	0	0	7,126,655	108.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	6,543,609	99	6,543,609	100.0	6,544,350	99	6,544,350	100.0
C07	Agency Transfer	580,818	16	7,124,427	108.9	582,305	16	7,126,655	108.9
C08	Technology	53,215	0	7,177,642	109.7	0	0	7,126,655	108.9
C10	Reclass	0	0	7,177,642	109.7	0	0	7,126,655	108.9

Justification

C07	Reflect the increase Regular Salaries and Personal Services Matching associated with the transfer of 16 Little Rock Veteran Home positions.
C08	Reflects \$53,215 increase in appropriation in Capital Outlay in FY14 to purchase an IMAR - Electronic Pharmaceutical Dispensing and Recording System for the Fayetteville home. The acquisition of the IMAR is included in the Agency's IT Plan under the IT Support Costs/Hardware section of the FY14 IT Plan and the IT Support Costs/Contracted Services section of the FY14/15 IT Plan.
C10	Reflects the Agency's Request to reclass the Maintenance Assistant (C108) position to Institutional Services Supervisor (C104).

Analysis of Budget Request

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

This appropriation is cash funded by burial fees that the Agency has accumulated specifically for use at the State Veterans' Cemetery located in North Little Rock, AR. This appropriation is utilized to support the operations of, and to provide land improvements for, the Arkansas State Veterans' Cemetery.

The Agency is requesting a total Change Level of \$130,000 increase in Capital Outlay (appropriation only) for each of the biennium to cover cost of continuing land improvement projects anticipated by the Agency. The request is 100% funded by burial plot allowances and Federal grants. No general revenue funding will be required for this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	22,382	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conference & Travel Expenses	5050009	1,344	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	44,135	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	130,000	130,000	0	130,000	130,000	0	130,000	130,000
Total		67,861	145,000	145,000	15,000	145,000	145,000	15,000	145,000	145,000
Funding Sources										
Fund Balance	4000005	13,434	185,804		134,261	134,261	134,261	279,661	279,661	279,661
Cash Fund	4000045	349,261	290,400		160,400	290,400	290,400	160,400	290,400	290,400
Intra-agency Fund Transfer	4000317	(109,030)	(196,943)		0	0	0	0	0	0
Total Funding		253,665	279,261		294,661	424,661	424,661	440,061	570,061	570,061
Excess Appropriation/(Funding)		(185,804)	(134,261)		(279,661)	(279,661)	(279,661)	(425,061)	(425,061)	(425,061)
Grand Total		67,861	145,000		15,000	145,000	145,000	15,000	145,000	145,000

Change Level by Appropriation

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	130,000	0	145,000	966.7	130,000	0	145,000	966.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	130,000	0	145,000	966.7	130,000	0	145,000	966.7

Justification

C01	\$130,000 increase in Capital Outlay for each of the biennium to cover cost of continuing land improvement projects anticipated by the Agency. The request is 100% funded by burial plot allowances and no general revenue funding will be required for this appropriation.								
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Analysis of Budget Request

Appropriation: 490 - Veterans' Cemeteries - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 270 of 1999 authorized appropriation for the construction of a State Veterans' Cemetery. This appropriation is used to provide for the daily operations and grounds maintenance for the Cemetery and is funded from general revenue.

Act 913 of 2007 established the appropriation for purchase and construction of a National Veterans' Affairs Cemetery in Cross, St. Francis, or Poinsett County. One hundred (100) acres of land was purchased in Birdeye, Arkansas (Cross County) for the future site of the cemetery. Archeological, boundary/topographical, and geotech/geological surveys were completed to ensure the site is appropriate for the construction and development of a cemetery. The State is to be granted federal reimbursement for the construction of the cemetery less the cost of the land. The Cemetery is not currently under construction, but is expected to be completed and opened by the fall of 2011. Initial funding was derived from general revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency change level request of \$225,674 for FY14 and a total of \$116,289 for FY15 reflect the following:

- Regular Salaries and Personal Services Matching increase of \$113,164 in FY14 and \$113,289 in FY15 to cover the cost of transferring (3) three positions from the discontinued Little Rock Veteran Home. These positions include (2) Maintenance Technicians and (1) one Recreational Activity Leader II.
- \$3,000 increase in Conferences & Travel Expenses for each of the biennium to cover necessary travel and expenses associated with two cemetery managers attending conferences on national cemetery standards.
- \$109,510 increase in Capital Outlay for FY14 to cover the cost of replacing a Dodge Pick Truck (\$16,690), an Excavator (\$50,438), a Grasshoper Lawnmower (\$12,367), and a Kubota Tractor (\$30,015).

The Executive Recommendations provides for Agency Request with exception of Capital Outlay. The Executive has recommended that the Agency's Capital request be funded from General Improvement Funds.

Appropriation Summary

Appropriation: 490 - Veterans' Cemeteries - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	308,277	342,127	343,021	342,127	421,607	421,607	342,727	422,307	422,307
#Positions		12	12	12	12	15	15	12	15	15
Personal Services Matching	5010003	128,534	137,622	132,589	140,502	174,186	174,186	140,644	174,353	174,353
Operating Expenses	5020002	104,667	106,150	106,150	106,150	106,150	106,150	106,150	106,150	106,150
Conference & Travel Expenses	5050009	0	0	0	0	3,000	3,000	0	3,000	3,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	109,510	0	0	0	0
Total		541,478	585,899	581,760	588,779	814,453	704,943	589,521	705,810	705,810
Funding Sources										
General Revenue	4000010	541,478	358,549		588,779	814,453	704,943	589,521	705,810	705,810
Merit Adjustment Fund	4000055	0	30,407		0	0	0	0	0	0
Intra-agency Fund Transfer	4000317	0	196,943		0	0	0	0	0	0
Total Funding		541,478	585,899		588,779	814,453	704,943	589,521	705,810	705,810
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		541,478	585,899		588,779	814,453	704,943	589,521	705,810	705,810

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Intra-agency Fund Transfer represents a transfer of cash funds from 38S - Veterans' Cemeteries.

Change Level by Appropriation

Appropriation: 490 - Veterans' Cemeteries - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	588,779	12	588,779	100.0	589,521	12	589,521	100.0
C01	Existing Program	112,510	0	701,289	119.1	3,000	0	592,521	100.5
C07	Agency Transfer	113,164	3	814,453	138.3	113,289	3	705,810	119.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	588,779	12	588,779	100.0	589,521	12	589,521	100.0
C01	Existing Program	3,000	0	591,779	100.5	3,000	0	592,521	100.5
C07	Agency Transfer	113,164	3	704,943	119.7	113,289	3	705,810	119.7

Justification

C01	Reflects a \$3,000 increase in Conferences & Travel Expenses for each of the biennium to cover necessary travel and expenses associated with two cemetery managers attending conferences on national cemetery standards and \$109,510 increase in Capital Outlay for FY14 to cover the cost of replacing necessary equipment.
C07	Reflects the increase in Regular Salaries and Personal Services Matching associated with the transfer of three (3) position from the discontinued Little Rock Veteran Home.

Analysis of Budget Request

Appropriation: 81H - Military Funeral Honor

Funding Sources: SMF - Funeral Honor

This appropriation is utilized to pay for the costs of providing military funeral honors at veterans' funerals. Funding is through the sale of special military license plates.

The Agency is requesting that this appropriation be added to the Agency biennial budget and Act and for \$100,000 of appropriation to allow the Agency to spend funds that are currently available. The appropriation is currently appropriated through capital reappropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 81H - Military Funeral Honor

Funding Sources: SMF - Funeral Honor

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Military Honors 5900046	0	0	0	0	100,000	100,000	0	100,000	100,000
Total	0	0	0	0	100,000	100,000	0	100,000	100,000
Funding Sources									
Fund Balance 4000005	0	24,090		52,652	52,652	52,652	52,652	52,652	52,652
Special Revenue 4000030	24,090	28,562		0	100,000	100,000	0	100,000	100,000
Total Funding	24,090	52,652		52,652	152,652	152,652	52,652	152,652	152,652
Excess Appropriation/(Funding)	(24,090)	(52,652)		(52,652)	(52,652)	(52,652)	(52,652)	(52,652)	(52,652)
Grand Total	0	0		0	100,000	100,000	0	100,000	100,000

Program is currently appropriated through Capital Reappropriation.

Change Level by Appropriation

Appropriation: 81H - Military Funeral Honor
Funding Sources: SMF - Funeral Honor

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C01	Existing Program	100,000	0	100,000	100.0	100,000	0	100,000	100.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
C01	Existing Program	100,000	0	100,000	100.0	100,000	0	100,000	100.0

Justification

C01	Reflects the Agency's request to include the appropriation within the biennial budget.
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Analysis of Budget Request

Appropriation: 225 - Veterans' Home Division - State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Little Rock Veterans Home is responsible for providing Intermediate Nursing and Domiciliary care to honorably discharged wartime and/or service connected disabled veterans. The Little Rock Home was founded in 1980 and has a present capacity of 116 residents. Funding for the Little Rock Veterans Home consists of general revenue, maintenance fees provided by the residents, and a federal per diem reimbursement from the U.S. Department of Veterans Affairs.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting to discontinue the appropriation for the biennium due to the phase-out of all services provided by the Little Rock home. The transition of all residents is expected to be complete by the end of FY13. Additionally, the Agency is requesting to transfer 25 positions to other divisions within the Agency.

The Executive Recommendations provides for the Agency Request.

Appropriation Summary

Appropriation: 225 - Veterans' Home Division - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,432,441	2,356,977	2,680,898	2,367,080	0	0	2,370,580	0	0
#Positions		87	80	89	81	0	0	81	0	0
Extra Help	5010001	28,798	31,000	31,000	31,000	0	0	31,000	0	0
#Extra Help		4	7	7	7	0	0	7	0	0
Personal Services Matching	5010003	977,573	942,687	1,028,648	960,415	0	0	961,248	0	0
Overtime	5010006	14,277	18,000	18,000	18,000	0	0	18,000	0	0
Operating Expenses	5020002	537,726	500,025	590,738	500,025	0	0	500,025	0	0
Conference & Travel Expenses	5050009	1,736	5,000	5,000	5,000	0	0	5,000	0	0
Professional Fees	5060010	44,350	64,275	64,275	64,275	0	0	64,275	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	160,801	75,000	160,801	75,000	0	0	75,000	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		4,197,702	3,992,964	4,579,360	4,020,795	0	0	4,025,128	0	0
Funding Sources										
General Revenue	4000010	694,137	649,469		800,901	0	0	801,678	0	0
Merit Adjustment Fund	4000055	120,209	47,626		0	0	0	0	0	0
General Improvement Fund	4000265	0	866,316		0	0	0	0	0	0
Intra-agency Fund Transfer	4000317	3,383,356	2,429,553		3,219,894	0	0	3,223,450	0	0
Total Funding		4,197,702	3,992,964		4,020,795	0	0	4,025,128	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		4,197,702	3,992,964		4,020,795	0	0	4,025,128	0	0

General Improvement Funds include a Rainy Day Fund award of \$587,003 that was utilized to reimburse overcharged veterans and an additional \$279,313 to cover the associated shortfalls. APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Change Level by Appropriation

Appropriation: 225 - Veterans' Home Division - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	4,020,795	81	4,020,795	100.0	4,025,128	81	4,025,128	100.0
C03	Discontinue Program	(3,046,080)	(56)	974,715	24.2	(3,048,803)	(56)	976,325	24.3
C07	Agency Transfer	(974,715)	(25)	0	0.0	(976,325)	(25)	0	0.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	4,020,795	81	4,020,795	100.0	4,025,128	81	4,025,128	100.0
C03	Discontinue Program	(3,046,080)	(56)	974,715	24.2	(3,048,803)	(56)	976,325	24.3
C07	Agency Transfer	(974,715)	(25)	0	0.0	(976,325)	(25)	0	0.0

Justification

C03	The agency is requesting no appropriation due to the phase-out of the Little Rock which is expected to be completed by the end of FY13.
C07	Reflects the requested transfer of 25 positions to the Fayetteville Home, Veteran Cemeteries, and Administrative Division.

Analysis of Budget Request

Appropriation: 38R - LR Veterans' Home - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

This appropriation is used to help support the operations of the Little Rock Veterans' Home maintained by the Agency, and is funded by cash funding that is accumulated from the monthly maintenance fees charged to Veterans residing in the homes. This fund also includes federal per diem reimbursements from the U.S. Department of Veterans Affairs. Funding is transferred to the Little Rock Veterans' Home appropriation as needed.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting to discontinue this appropriation because the Little Rock Veteran Home will be closed by the end of FY13.

The Executive Recommendation is for the Agency Request.

Appropriation Summary

Appropriation: 38R - LR Veterans' Home - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	46,156	47,092	150,000	47,092	0	0	47,092	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	40,567	50,000	142,245	50,000	0	0	50,000	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		86,723	97,092	292,245	97,092	0	0	97,092	0	0
Funding Sources										
Fund Balance	4000005	42	45,022		0	0	0	0	0	0
Cash Fund	4000045	1,281,321	1,019,876		97,092	0	0	97,092	0	0
Intra-agency Fund Transfer	4000317	(3,232,733)	(3,058,498)		0	0	0	0	0	0
VA Reimbursement	4000731	2,083,115	2,090,692		0	0	0	0	0	0
Total Funding		131,745	97,092		97,092	0	0	97,092	0	0
Excess Appropriation/(Funding)		(45,022)	0		0	0	0	0	0	0
Grand Total		86,723	97,092		97,092	0	0	97,092	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Change Level by Appropriation

Appropriation: 38R - LR Veterans' Home - Cash In Treasury
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	97,092	0	97,092	100.0	97,092	0	97,092	100.0
C03	Discontinue Program	(97,092)	0	0	0.0	(97,092)	0	0	0.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	97,092	0	97,092	100.0	97,092	0	97,092	100.0
C03	Discontinue Program	(97,092)	0	0	0.0	(97,092)	0	0	0.0

Justification

C03	The Agency is requesting to discontinue this appropriation due to the phase-down of all services provided at the Little Rock home and its anticipated closure by the end of FY13.
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Analysis of Budget Request

Appropriation: 85L - Arkansas State Veterans' Cemetery - Birdeye

Funding Sources: FVV - Birdeye Cemetery - Federal

This appropriation provides for federal funds from the VA National Cemetery Administration to establish an Arkansas State Veterans' Cemetery in Cross County.

The Agency is requesting to discontinue this appropriation for the biennium because all phases of construction are anticipated to be completed during FY13.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85L - Arkansas State Veterans' Cemetery - Birdeye

Funding Sources: FVV - Birdeye Cemetery - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	2,962,841	0	0	0	0	0	0	0	0
Professional Fees	5060010	42,962	0	0	0	0	0	0	0	0
Construction	5090005	0	7,139,250	7,139,250	7,139,250	0	0	7,139,250	0	0
Capital Outlay	5120011	178,577	0	0	0	0	0	0	0	0
Total		3,184,380	7,139,250	7,139,250	7,139,250	0	0	7,139,250	0	0
Funding Sources										
Federal Revenue	4000020	3,184,380	7,139,250		7,139,250	0	0	7,139,250	0	0
Total Funding		3,184,380	7,139,250		7,139,250	0	0	7,139,250	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,184,380	7,139,250		7,139,250	0	0	7,139,250	0	0

APPROPRIATION NOT REQUESTED FOR THE 2013-2015 BIENNIUM.

Change Level by Appropriation

Appropriation: 85L - Arkansas State Veterans' Cemetery - Birdeye
Funding Sources: FVV - Birdeye Cemetery - Federal

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,139,250	0	7,139,250	100.0	7,139,250	0	7,139,250	100.0
C03	Discontinue Program	(7,139,250)	0	0	0.0	(7,139,250)	0	0	0.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	7,139,250	0	7,139,250	100.0	7,139,250	0	7,139,250	100.0
C03	Discontinue Program	(7,139,250)	0	0	0.0	(7,139,250)	0	0	0.0

Justification

C03	Reflects the Agency's Request to discontinue the appropriation for the biennium because all phases of construction are anticipated to be completed during FY13.
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VETERANS' CHILD WELFARE SERVICE OFFICE

Enabling Laws

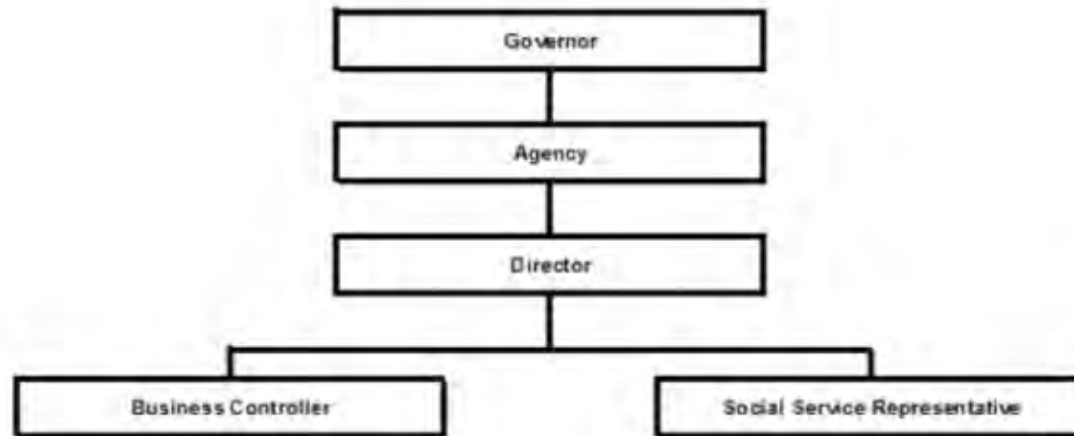
Act 39 of 2012
A.C.A. §20-81-101

History and Organization

The American Legion Child Welfare Division originated as a unit of the American Legion in 1923 to provide aid to the needy children of hospitalized and deceased veterans. Funds were provided through the American Legion Posts and Auxiliary Units.

Act 189 of 1969 changed the name of the Agency to the Arkansas Veterans Child Welfare Service Office. The Agency was put under the supervision of a Director appointed by the Governor upon written recommendation by the governing body of the American Legion Department of Arkansas. The Agency was delegated the responsibility of establishing temporary and interim welfare assistance for the minor age children of hospitalized and recently deceased Honorably Discharged Veterans who reside in Arkansas.

Act 100 of 1997 allowed our Agency to assist children of Honorably Discharged Arkansas Veterans who are deceased, hospitalized or medically incapacitated. Funds for the Agency are procured by funded appropriation from the State of Arkansas and from the American Legion Posts and Auxiliary Units through memorials, donations and contributions received throughout the year.



Agency Commentary

The Veterans Child Welfare Service Office is delegated the responsibility of providing temporary assistance to the minor age children of Honorably Discharged Veterans if recently deceased, hospitalized or medically incapacitated. Funding for this Agency consists of general revenue funding. The Agency consists of two (2) positions: Veterans Child Welfare Director and Business Operations Specialist.

The Agency is requesting Base Level for the 2013-2015 Biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS VETERANS CHILD WELFARE SERVICE
 FOR THE YEAR ENDED JUNE 30, 2011

Findings	Recommendations
None	None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	1	1	2	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			2	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	NA	N	N	0	NA

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
3	2	1	3	0	33.33 %	2	2	0	2	0	0.00 %	2	2	0	2	0	0.00 %

Analysis of Budget Request

Appropriation: 064 - Vet Child Welfare Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Veterans Child Welfare Service offers temporary financial assistance to the minor children of recently deceased, hospitalized or medically incapacitated veterans with limited or no income, until a more permanent source of income is established. Veterans and their families are eligible for assistance for up to three months with rent or house payments and utilities. The Staff also counsels with families and refers them to other agencies for further assistance. The program is also subsidized by the American Legion and its Auxiliary. This appropriation is funded from general revenue.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Request provides for Base Level which totals \$156,212 in FY14 and \$156,945 in FY15. The Base Level request also includes two (2) budgeted positions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 064 - Vet Child Welfare Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	84,405	78,995	106,961	81,587	81,587	81,587	82,187	82,187	82,187
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	27,223	26,652	35,614	27,747	27,747	27,747	27,880	27,880	27,880
Operating Expenses	5020002	1,987	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	40,750	44,746	44,746	44,746	44,746	44,746	44,746	44,746	44,746
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		154,365	152,525	189,453	156,212	156,212	156,212	156,945	156,945	156,945
Funding Sources										
General Revenue	4000010	154,365	152,525		156,212	156,212	156,212	156,945	156,945	156,945
Total Funding		154,365	152,525		156,212	156,212	156,212	156,945	156,945	156,945
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		154,365	152,525		156,212	156,212	156,212	156,945	156,945	156,945

WORKERS' COMPENSATION COMMISSION

Enabling Laws

Act 128 of 2012

Act 141 of 2012

Constitution of Arkansas Amendment 7

Constitution of Arkansas Amendment 26

History and Organization

Workers' compensation insurance is directed to the moral, social and economic benefits of protecting employers, employees, and their dependents from financial burdens imposed by job-related injury and disease. Arkansas law provides that employers in categories not specifically exempted must provide insurance coverage for employee costs incurred as a result of job-related accidents and disease.

The Arkansas Workers' Compensation Commission (WCC) enforces the workers' compensation law to ensure that all covered employer's secure insurance coverage from commercial carriers or through self-insurance programs. In addition, the Commission regulates workers' compensation awards to insure that benefit providers make correct and timely payments to eligible claimants.

The extent of disability and the fairness of total compensation can be an item of dispute among the parties involved. The Arkansas Workers' Compensation Commission, through its three Commissioners and a staff of Administrative Law Judges, adjudicates disputed workers' compensation cases with binding decisions that can be appealed to the Arkansas Court of Appeals and the Arkansas Supreme Court.

The constitutional authority for the organization and operation of the Arkansas Workers' Compensation Commission is found in Amendment No. 26 to the Constitution of the State of Arkansas, which was adopted by the people at the General Election held November 8, 1938. The amendment provides that the General Assembly shall have the power to enact laws prescribing the amount of compensation to be paid by employers for injuries to or death of employees and to provide the means, methods and forum for adjudicating claims under said law.

Pursuant to the constitutional authority, the people of the State of Arkansas, acting under the Initiated and Referendum amendment (Amendment 7) to the Constitution of Arkansas, adopted Initiated Act No. 4 of 1948 known as the Workmen's Compensation Law. The Act, together with certain amendments, now comprises the workers' compensation law of this state.

The Commission

The three-member commission is responsible for the administration of the workers' compensation law in Arkansas. The Commissioners are appointed by the Governor for a term of six years. One of the Commissioners represents the interests of labor, another management, and the Chairman acts as a neutral party, representing the interests of the public.

The administrative and regulatory functions of the Arkansas Workers' Compensation Commission include monitoring all claims and benefit payments to injured workers, processing settlements, lump sum payments, and requests for changes of physicians; ensuring that employers maintain required insurance coverage; approving applications of employers to act as self-insurers; and participating in programs to explain the functions of the Commission to the general public. The divisions that assist in carrying out these functions are: Adjudication, Administrative Services, Clerk of the Commission, Data Processing, Health and Safety, Legal Advisor, Medical Cost Containment, Operations and Compliance, Self-Insurance, Special Funds, and Support Services. These divisions operate under the direction of a Chief Executive Officer.

Adjudication

It is the function and responsibility of the Adjudication Division to see that the primary purposes of the workers' compensation laws are accomplished. Specifically, that timely temporary and permanent disability benefits are paid to all legitimately injured workers who suffer an injury or disease arising out of and in the course of their employment, together with reasonable and necessary medical expenses, before returning them to the work force.

The Division is currently staffed by twelve (12) Administrative Law Judges (ALJs), and nine (9) Administrative Assistants as support staff. Nine (9) ALJs have offices in Little Rock, two (2) are in Fort Smith, and one (1) is located in Springdale.

Based upon the number of claims filed within each county, Arkansas has been divided into six (6) geographic districts. Administrative Law Judges travel throughout the state within an assigned district and conduct hearings when disputes arise between injured employees and their employers and/or insurance carriers. Cases are assigned according to the county in which the incident occurred. Pulaski County cases are assigned to all ALJs who have offices in Little Rock as a means of balancing the overall caseload.

Clerk of the Commission

The Clerk's office was established to serve as a conduit for filing, processing and internal routing of pleadings, legal documents and other notices received by the Workers' Compensation Commission. This office is responsible for the assignment of all cases to the Administrative Law Judges and Legal Advisors. In addition, the Clerk maintains the required dockets for cases appealed to the Full Commission, prepares the record/transcripts for lodging with the Court of Appeals, reviews the record on appealed cases, certifies record composition, and certifies copies of documents from the commission files requested in writing from interested parties.

Administrative Services

Fiscal Section:

The Commission's operations are funded from a premium tax (limited by law to three percent) on workers' compensation premiums paid by insurance companies writing workers' compensation policies, companies qualifying as self-insurers, and all public employers. The Fiscal Section of the Administrative Services Division disburses these funds. All purchasing, accounting, investments, travel and budget analyses are the responsibility of this division.

Human Resources Section:

The Human Resources section of the Administrative Services Division is responsible for developing, implementing and monitoring Commission human resource systems and policy, as well as payroll transactions. Job announcement, interviewing and selection of applicants, performance evaluation, leave accounting, quality management, training and the switchboard are administered by the division. In addition, human resources coordinates with the Office of Personnel Management, provides support to the Chief Executive Officer in the compilation and analysis of Commission personnel budget requests, and counsels with agency management and staff regarding the resolution of sensitive issues associated with performance, discipline, promotion, and selection or other related matters.

Information Technology

The IT Division is responsible for the automation of the Commission. The backbone of the system is an in-house developed application that captures data from the inception of a claim and maintains and updates this data throughout the life of the claim. The Division currently maintains databases consisting of reported claims, employers, insurance carriers and adjusters, and various other supporting databases.

Health and Safety

Act 796 of 1993 created the Health and Safety Division that serves as a resource center on safety issues pertinent to employers and employees in Arkansas. Within the Division are the following sections: Accident Prevention Section, Hazardous Employer Section, Job Safety Information Section, and Education and Training Section.

Legal Advisor

The Legal Advisor Division is a dispute resolution system created to provide legal information and assistance to interested parties who have questions concerning the Arkansas workers' compensation law. The Legal Advisors are attorneys who know both the law and the procedures through which the parties must navigate during the claims process. The Division gives presentations at various conferences and meetings, and will make on-site visits to businesses when invited to do so. The Legal Advisors serve as a link between unrepresented claimants and insurance adjusters, and often help resolve problems before they escalate into issues that must be litigated.

Legal Advisors also conduct mediations, legal advisor conferences, and assist the Commission staff.

Medical Cost Containment

The major function of this Division is to oversee the Medical Fee Schedule, which limits the reimbursement to providers for treatment rendered to injured workers and the administration of the Comprehensive Managed Care Program (including requests for changes of physician), which was established by Act 796 of 1993.

Operations and Compliance

The Operations section of this Division is concerned primarily with the processing of compensation claims filed directly with the Commission by parties other than the employer receives and establishes files for all First Reports of Injury. The Compliance section is the investigative arm of the Commission, making certain all employers under the law have secured payment of compensation. Act 796 of 1993 provided for Certificates of Non-Coverage (CnC), which are processed by the Compliance section.

Self-Insurance

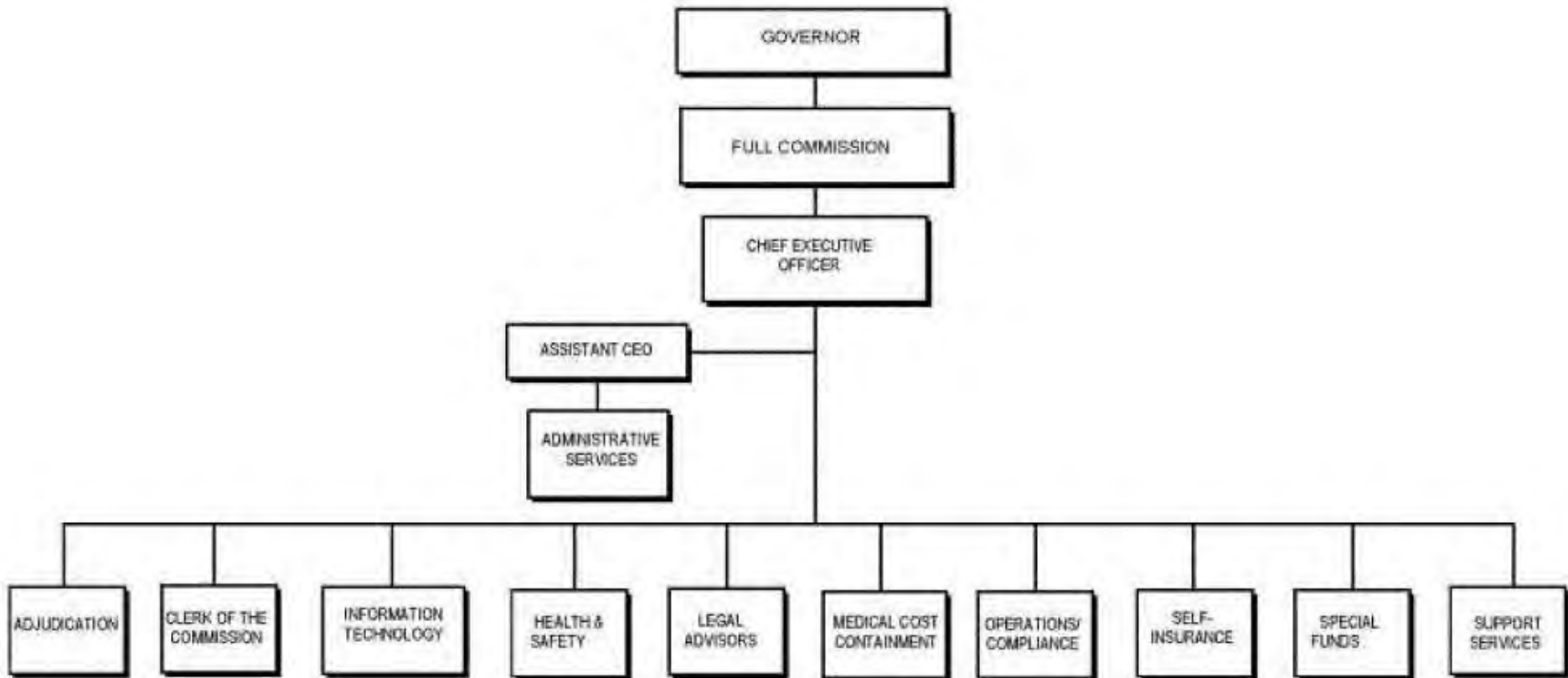
The Commission's Self-Insurance Division is responsible for the administration and regulation of the Self-Insurance Program in Arkansas. Commission Rule 099.05 governs the operation of the program. The Division processes the applications for individual self-insurance, group self-insurance, group members, and applications for third-party administrators. The Division prepares an annual renewal evaluation on both individual self-insurers and group self-insurers, subject to Commission approval, to renew the Certificate of Authority for Self-Insurance. The Division prepares annual renewal evaluations on third-party administrators, subject to Commission approval, for renewal of their Certificate of Authority to act as a Third-Party Administrator. The Division also collects the workers' compensation premium tax from the self-insurers and group self-insurers. The Division also administers Rule 099.39 (report card monitoring) for the insurance companies, self-insurers and TPA's.

Special Funds

The Special Funds Division is comprised of two individual funds, the Second Injury Trust Fund and the Death and Permanent Total Disability Trust Fund. The Second Injury Trust Fund was statutorily created to encourage employment of disabled workers by limiting, in the event of subsequent injury, the employer's liability for permanent disability benefits. Act 1415 of 2007 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Death and Permanent Total Disability Trust Fund pays weekly benefits to permanent and totally disabled workers or dependents of deceased workers after the workers' compensation insurer has paid indemnity liability of a threshold amount that is equal to 325 times the maximum total disability rate at the time of the injury.

Support Services

This division coordinates the annual educational conference programs for the Commission. Support Services prepares the agency biennial report from information compiled by the IT Division. This Division is responsible for maintaining and operating all mailroom activities for the Commission and supporting the District offices. Support Services oversees the Commissions security and maintenance of its buildings.



Agency Commentary

The Arkansas Workers' Compensation Commission operates with four appropriations. These are:

Appropriation 866 - Seminar

Appropriation 203 - Death & Permanent Total Disability Claims
Appropriation 355 - WCC Administration
Appropriation 356 - Second Injury Claims

Appropriation 866 - Seminar

The Commission annually hosts AWCC Educational Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conferences.

The Commission is requesting only the continuation of Base Level for each year of the biennium.

Appropriation 203 - Death and Permanent Total Disability Claims

This appropriation contains three parts:

- Refund of Taxes - To address premium tax overpayments.
- Claims - The Commission is requesting continuation at Base Level for each year of the biennium.
- Investments - The Commission is requesting a change level decrease of \$5,000,000 for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer.

Appropriation 355 - WCC Administration

This appropriation is to pay expenditures related to the operation of the Commission such as Regular Salaries and Personal Services Matching for all Commission employees, Operating Expenses, Conference Fees and Travel, Professional Fees, and Capital Outlay. Included in Base Level are 148 positions each year. The change level requests include the following:

- Operating Expenses - The Commission is requesting continuation at Base Level for utilities, minor building repairs and maintenance, debt service, and fuel costs.
- Capital Outlay - \$30,000 is requested as a change level increase. This increase will be necessary to purchase a new vehicle and for additions to our law library.
- Computer Hardware/Software - -\$260,000 is requested for each year of the biennium, this is a change level increase of \$77,300. This request is in accordance with the Commission's information technology plan.

- Personnel - The Commission is requesting discontinuing two positions for a change level decrease of \$67,274.
- Investments - The Commission is requesting continuation at Base Level for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer.
- Building Repairs/Maintenance - \$105,450 is requested for each year of the biennium for major building repairs and maintenance. This request is a change level decrease of \$247,325.

Appropriation 356 - Second Injury Claims

This appropriation contains two parts:

- Refund of Taxes - To refund premium tax overpayments.

Claims - The Commission is requesting a change level decrease of \$2,000,000 for each year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 WORKERS' COMPENSATION COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2011

Findings	Recommendations
<p>The Agency maintains several bank accounts to account for the payment of self-insured workers' compensation claims. Frequently, disbursements are made from these accounts to third parties who process the claims. Our review of the internal controls related to the receipts and disbursements of these accounts revealed that inadequate management oversight resulted in the following deficiencies:</p> <ul style="list-style-type: none"> • Prenumbered receipts were not used to account for deposits to one bank account as required by the State's Financial Management Guide. • Temporary checks, which were not numbered, were used for disbursements and only one signature was required to issue the checks. • There was no formal agreement maintained to document the duties and responsibilities of the third party claims processor. 	<p>Strengthen internal controls over the self-insured bank accounts to lessen the probability of misappropriation of funds.</p>

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
WORKERS' COMPENSATION COMMISSION
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Our review of the computer systems at the Agency identified the following internal control deficiencies:

- Daily backup files were not stored in a building adequately distant from the computer system.
- Management passwords were not required to be routinely changed every 90 days or less.
- The contingency plan that addresses the Agency's procedures in the event of a short- or long-term interruption of computer service had not been adequately tested.

Failure to properly implement controls increases the risk of inappropriate access to data and inability to restore computer systems.

Recommendations

Implement strong control over its computer systems to help prevent improper use and ensure successful restoration.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	29	54	83	75 %
Black Employees	4	21	25	23 %
Other Racial Minorities	0	2	2	2 %
Total Minorities			27	25 %
Total Employees			110	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	11-9-208	N	N	25	To meet the requirements of ACA 11-9-208 and to have sufficient copies for interested parties.
Biennial Report	11-9-208	Y	Y	50	To meet the requirements of Act 1276 and ACA 11-9-208 and to have sufficient copies for interested parties.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
203 Refunds and Claims	15,488,683	0	163,750,000	0	163,750,000	0	163,750,000	0	158,750,000	0	158,750,000	0	163,750,000	0	158,750,000	0	158,750,000	0
355 Administration	10,078,846	117	27,808,394	148	28,086,822	148	27,857,577	148	27,897,603	146	27,897,603	146	27,863,736	148	27,903,762	146	27,903,762	146
356 Second Injury Claims	208,080	0	9,250,000	0	9,250,000	0	9,250,000	0	7,250,000	0	7,250,000	0	9,250,000	0	7,250,000	0	7,250,000	0
866 Seminar-Cash in Treasury	75	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0
99T Building Repair	17,388	0	352,775	0	352,775	0	352,775	0	105,450	0	105,450	0	352,775	0	105,450	0	105,450	0
Total	25,793,072	117	201,301,169	148	201,579,597	148	201,350,352	148	194,143,053	146	194,143,053	146	201,356,511	148	194,149,212	146	194,149,212	146

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance 4000005	144,972,299	86.8	141,171,653	70.1		30,567	0.1	30,567	0.1	30,567	0.1	295,694	0.5	295,694	0.5	295,694	0.5
Cash Fund 4000045	475	0.0	22,000	0.0		22,000	0.0	22,000	0.0	22,000	0.0	22,000	0.0	22,000	0.0	22,000	0.0
Trust Fund 4000050	21,991,951	13.2	60,138,083	29.9		60,138,083	99.9	59,890,758	99.9	59,890,758	99.9	60,138,083	99.5	59,890,758	99.5	59,890,758	99.5
Total Funds	166,964,725	100.0	201,331,736	100.0		60,190,650	100.0	59,943,325	100.0	59,943,325	100.0	60,455,777	100.0	60,208,452	100.0	60,208,452	100.0
Excess Appropriation/(Funding)	(141,171,653)		(30,567)			141,159,702		134,199,728		134,199,728		140,900,734		133,940,760		133,940,760	
Grand Total	25,793,072		201,301,169			201,350,352		194,143,053		194,143,053		201,356,511		194,149,212		194,149,212	

Variance in fund balances are due to unfunded appropriation in the Investments line item. Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium in Refunds and Claims (203) and Administration (355).

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
153	114	39	153	0	25.49 %	148	108	40	148	0	27.03 %	148	110	38	148	0	25.68 %

Analysis of Budget Request

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

The Workers' Compensation Commission administers the Death and Permanent Disability Claims Program as established by Act 221 of 1973 (ACA §11-9-301 et seq.) An employee or dependent that has received the maximum benefit of \$75,000 from his/her employer under the provisions of Act 221 of 1973 is then eligible to receive benefits payable by the Commission from this appropriation. Funding is derived from the premium taxing authority authorized in Act 393 of 1983.

The Agency's Base Level is \$163,750,000 each year of the biennium which includes Refunds/Reimbursements, Claims, and Investments.

The Commission is requesting a Change Level decrease of (\$5,000,000) each year of the biennium in the Investments line item due to a decrease in revenue.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	13,702	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Claims	5110015	15,474,981	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Investments	5120013	0	142,000,000	142,000,000	142,000,000	137,000,000	137,000,000	142,000,000	137,000,000	137,000,000
Total		15,488,683	163,750,000	163,750,000	163,750,000	158,750,000	158,750,000	163,750,000	158,750,000	158,750,000
Funding Sources										
Fund Balance	4000005	132,780,424	128,524,648		0	0	0	0	0	0
Trust Fund	4000050	11,232,907	35,225,352		35,225,352	35,225,352	35,225,352	35,225,352	35,225,352	35,225,352
Total Funding		144,013,331	163,750,000		35,225,352	35,225,352	35,225,352	35,225,352	35,225,352	35,225,352
Excess Appropriation/(Funding)		(128,524,648)	0		128,524,648	123,524,648	123,524,648	128,524,648	123,524,648	123,524,648
Grand Total		15,488,683	163,750,000		163,750,000	158,750,000	158,750,000	163,750,000	158,750,000	158,750,000

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

Appropriation: 203 - Refunds and Claims
Funding Sources: TDP - Death & Permanent Total Disability Trust

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	163,750,000	0	163,750,000	100.0	163,750,000	0	163,750,000	100.0
C03	Discontinue Program	(5,000,000)	0	158,750,000	96.9	(5,000,000)	0	158,750,000	96.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	163,750,000	0	163,750,000	100.0	163,750,000	0	163,750,000	100.0
C03	Discontinue Program	(5,000,000)	0	158,750,000	96.9	(5,000,000)	0	158,750,000	96.9

Justification

C03	The Commission is requesting a decrease in the investment appropriation of \$5,000,000.
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Analysis of Budget Request

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

The Workers' Compensation Commission (WCC) Administration appropriation is comprised of all administrative and judicial functions within the Commission. Funding is derived from a premium tax (limited by law to 3%) on workers' compensation insurance premiums.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Base Level request is \$27,857,577 in FY14 and \$27,863,736 in FY15 with one hundred forty-eight (148) budgeted base level positions.

The Change Level requests are as follows:

- Discontinue two (2) positions, totaling \$67,274 each year, due to the duties being absorbed through technology.
- Capital Outlay increase \$30,000 each year for the purchase of a new vehicle and Library Holdings.
- Computer Software/Hardware increase \$77,300 each year for servers and other outdated equipment (referenced on page 8, 11, and 13, under the "Cost Section" in the Agency's IT Plan.)

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,594,762	7,396,616	7,745,557	7,429,684	7,382,589	7,382,589	7,433,884	7,386,789	7,386,789
#Positions		117	148	148	148	146	146	148	146	146
Extra Help	5010001	2,551	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	2,048,086	2,319,934	2,249,396	2,366,049	2,345,870	2,345,870	2,368,008	2,347,829	2,347,829
Overtime	5010006	6	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Expenses	5020002	1,249,272	1,719,084	1,719,109	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084
Conference & Travel Expenses	5050009	28,786	96,096	96,096	96,096	96,096	96,096	96,096	96,096	96,096
Professional Fees	5060010	21,262	268,464	268,464	268,464	268,464	268,464	268,464	268,464	268,464
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	13,702	685,500	685,500	685,500	685,500	685,500	685,500	685,500	685,500
Capital Outlay	5120011	1,667	30,000	30,000	0	30,000	30,000	0	30,000	30,000
Investments	5120013	0	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Computer Software/Hardware	5900044	118,752	182,700	182,700	182,700	260,000	260,000	182,700	260,000	260,000
Total		10,078,846	27,808,394	28,086,822	27,857,577	27,897,603	27,897,603	27,863,736	27,903,762	27,903,762
Funding Sources										
Fund Balance	4000005	10,184,442	10,824,273		30,141	30,141	30,141	0	0	0
Trust Fund	4000050	10,718,677	17,014,262		17,014,262	17,014,262	17,014,262	17,014,262	17,014,262	17,014,262
Total Funding		20,903,119	27,838,535		17,044,403	17,044,403	17,044,403	17,014,262	17,014,262	17,014,262
Excess Appropriation/(Funding)		(10,824,273)	(30,141)		10,813,174	10,853,200	10,853,200	10,849,474	10,889,500	10,889,500
Grand Total		10,078,846	27,808,394		27,857,577	27,897,603	27,897,603	27,863,736	27,903,762	27,903,762

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	27,857,577	148	27,857,577	100.0	27,863,736	148	27,863,736	100.0
C01	Existing Program	30,000	0	27,887,577	100.1	30,000	0	27,893,736	100.1
C03	Discontinue Program	(67,274)	(2)	27,820,303	99.9	(67,274)	(2)	27,826,462	99.9
C08	Technology	77,300	0	27,897,603	100.1	77,300	0	27,903,762	100.1

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	27,857,577	148	27,857,577	100.0	27,863,736	148	27,863,736	100.0
C01	Existing Program	30,000	0	27,887,577	100.1	30,000	0	27,893,736	100.1
C03	Discontinue Program	(67,274)	(2)	27,820,303	99.9	(67,274)	(2)	27,826,462	99.9
C08	Technology	77,300	0	27,897,603	100.1	77,300	0	27,903,762	100.1

Justification

C01	The Commission is requesting a change level increase of \$30,000 for capitol outlay. This appropriation is necessary for a car and Library Holdings.
C03	The Commission is requesting discontinuing two positions; this is a change level decrease of \$67,274. The duties of these positions have been absorbed through technology.
C08	The Commission is requesting an increase of \$77,300 for our computer hardware/software appropriation. This increase is necessary for needed servers and other outdated equipment. This request is referenced on pages 8,11, and 13 under the "Cost Section" in the Agency's IT Plan.

Analysis of Budget Request

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

The Workers' Compensation Commission administers a Second Injury Claims Fund A.C.A. 19-5-911 for the purpose of paying claims of permanently disabled persons in accordance with Act 253 of 1979. Funding is derived from the premium taxing authority authorized by Act 393 of 1983. Act 1415 of 200 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Commission appropriation need for this program is due to claims prior to January 1, 2008.

The Agency's Base Level request is \$9,250,000 each year of the biennium which includes Refunds/Reimbursements and Claims.

The Agency's Change Level request is a decrease each year of (\$2,000,000) in the Claims line item due to the Commission no longer taking new recipients for this program. The Agency is currently working with 100 to 200 injured workers. The total request for this appropriation is \$7,250,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Claims 5110015	208,080	9,000,000	9,000,000	9,000,000	7,000,000	7,000,000	9,000,000	7,000,000	7,000,000
Total	208,080	9,250,000	9,250,000	9,250,000	7,250,000	7,250,000	9,250,000	7,250,000	7,250,000
Funding Sources									
Fund Balance 4000005	1,889,407	1,704,306		0	0	0	295,694	295,694	295,694
Trust Fund 4000050	22,979	7,545,694		7,545,694	7,545,694	7,545,694	7,545,694	7,545,694	7,545,694
Total Funding	1,912,386	9,250,000		7,545,694	7,545,694	7,545,694	7,841,388	7,841,388	7,841,388
Excess Appropriation/(Funding)	(1,704,306)	0		1,704,306	(295,694)	(295,694)	1,408,612	(591,388)	(591,388)
Grand Total	208,080	9,250,000		9,250,000	7,250,000	7,250,000	9,250,000	7,250,000	7,250,000

Change Level by Appropriation

Appropriation: 356 - Second Injury Claims
Funding Sources: TSW - Second Injury Trust Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,250,000	0	9,250,000	100.0	9,250,000	0	9,250,000	100.0
C03	Discontinue Program	(2,000,000)	0	7,250,000	78.4	(2,000,000)	0	7,250,000	78.4

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	9,250,000	0	9,250,000	100.0	9,250,000	0	9,250,000	100.0
C03	Discontinue Program	(2,000,000)	0	7,250,000	78.4	(2,000,000)	0	7,250,000	78.4

Justification

C03	The Commission is requesting a decrease in the Second Injury claims appropriation of \$2,000,000.
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Analysis of Budget Request

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

The Workers' Compensation Commission (WCC) annually hosts the Arkansas WCC Education Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conference and contribute to "Kids Chance" scholarships. This scholarship program assists the children of employees who died as a result of a job-related accident or children of employees who were permanently and totally disabled in a compensable accident under the state workers' compensation laws. The scholarships allow students to continue their education at a vocational/technical school, college, or a university.

The Commission requests Base Level of \$140,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of this appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	75	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Scholarships	5100030	0	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		75	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Funding Sources										
Fund Balance	4000005	118,026	118,426		426	426	426	0	0	0
Cash Fund	4000045	475	22,000		22,000	22,000	22,000	22,000	22,000	22,000
Total Funding		118,501	140,426		22,426	22,426	22,426	22,000	22,000	22,000
Excess Appropriation/(Funding)		(118,426)	(426)		117,574	117,574	117,574	118,000	118,000	118,000
Grand Total		75	140,000		140,000	140,000	140,000	140,000	140,000	140,000

Analysis of Budget Request

Appropriation: 99T - Building Repair

Funding Sources: TJW - Workers' Compensation Trust

This appropriation is for maintenance, renovation, equipping, construction, improvement, upgrade and repair projects for the Workers' Compensation Commission. It is funded from the Workers' Compensation Fund.

The Agency's Base Level request is \$352,775 each year of the biennium which includes Building Repairs and Maintenance.

The Agency's Change Level request is a decrease of (\$247,325) each year of the biennium. This appropriation is mainly used for minor building repairs and maintenance.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99T - Building Repair

Funding Sources: TJW - Workers' Compensation Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Buidling Repairs and Maintenance 5090005	17,388	352,775	352,775	352,775	105,450	105,450	352,775	105,450	105,450
Total	17,388	352,775	352,775	352,775	105,450	105,450	352,775	105,450	105,450
Funding Sources									
Trust Fund 4000050	17,388	352,775		352,775	105,450	105,450	352,775	105,450	105,450
Total Funding	17,388	352,775		352,775	105,450	105,450	352,775	105,450	105,450
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	17,388	352,775		352,775	105,450	105,450	352,775	105,450	105,450

Change Level by Appropriation

Appropriation: 99T - Building Repair
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	352,775	0	352,775	100.0	352,775	0	352,775	100.0
C03	Discontinue Program	(247,325)	0	105,450	29.9	(247,325)	0	105,450	29.9

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	352,775	0	352,775	100.0	352,775	0	352,775	100.0
C03	Discontinue Program	(247,325)	0	105,450	29.9	(247,325)	0	105,450	29.9

Justification

C03	The Commission is requesting a decrease of \$247,325 in the building repair appropriation.
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