

**DENNIS MILLIGAN**  
AUDITOR



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LITTLE ROCK, ARKANSAS 72201

**AUDITOR OF STATE**

March 9, 2023

Honorable Jonathan Dismang, Co-Chair  
Honorable Lane Jean, Co-Chair  
Joint Budget Committee  
Arkansas General Assembly  
One Capital Mall  
Little Rock, AR 72201

Dear Senator Dismang and Representative Jean:

**FY 2024**

*SB 16- Appropriations of Office of Auditor of State*

I respectfully request the following changes to my FY 2024 office appropriation, *SB 16*.

*Section (01) Regular Salaries - Operations*

To retain and/or hire staff whose positions in the office require a higher level of education and expertise, to align salary with job responsibilities, and ensure proper job titles, please make the following changes:

Item No.	Class Code	Title	New Title	Max No of Employees	Maximum Annual Salary
(1)		Deputy Auditor	Deputy Auditor	1	\$150,144
(2)	New	<del>Operations Manager</del>	Chief of Staff	1	\$115,158
(3)		Attorney	Attorney	1	<del>\$103,199</del> \$125,986
(4)	New	<del>Internal Auditor</del>	Internal Auditor/CPA	1	<del>\$92,483</del> \$115,158
(5)	New	<del>Executive Assistant</del>	IT Tech	1	<del>\$82,882</del> \$115,158
(6)	New	<del>Capitol Office Manager</del>	Asst Chief of Staff / Accounting Dept Manager	1	\$82,882
(7)	New	<del>Administrative Tech</del>	Director of Communications	2 (1)	\$74,278
(8)	New		Communications Tech	1	\$74,278
<del>(8)</del> (9)	New	Accounting Tech	Accounting Tech III	2	\$74,278
<del>(9)</del> (10)	New	<del>DP Tech</del>	Data Processing Tech II	2-(1)	\$74,278
(11)	New		Administrative Tech II	1	\$74,278

(10) (12)	New	<del>Clerical Tech</del>	Data Processing Tech I	6-1	\$59,663
(13)	New		Accounting Tech II	1	\$59,663
(14)	New		Administrative Tech I	2	\$59,663
(15)	New		Outreach Mgr	1	\$59,663
(16)	New		Outreach Tech	1	\$59,663
(11) (17)	New	<del>Admin Assistant</del>	Accounting Tech I	1	\$42,959
(18)	New		Warrants Tech	1	\$42,959
			Max. No. of Employees	20	

The office is not adding new positions in this request. The changes above will not result in any reduction in salary for any employee but will require an increase to Section 3 Appropriations – Operations Item No. (01) Regular Salaries from \$1,519,672.00 to \$1,597,410.00, resulting in an increase of \$77,738.00.

Also, please change (03) Personal Service Matching from \$489,879.00 to \$509,314.00, an increase of \$19,435.00.

*SECTION (03) Appropriations - Operation*

Please add an additional \$263,320.00 to the (04) Maint. & Gen. Operations (A) Oper. Expense line item:

~~\$615,450.00~~                      \$878,770.00

This appropriation change is needed to add cybersecurity services from both service providers Mainstream and Strategic in protecting the personal and extremely sensitive information the Auditor’s office retains. Due to recent news about malware and ransomware attacks on cities, counties, school districts and other entities within the state, the Auditor’s office is undergoing a review of our internet, hardware and software systems, and initial reviews strongly indicate a need to take some additional protective steps. This line item has remained the same since fiscal year 2012-2013.

*SECTION (03) Appropriations - Operation*

Please add an additional \$65,000.00 to the (04) Maint. & Gen. Operation (D) Cap. Outlay line item.

~~\$25,000.00~~                      \$90,000.00

This appropriation change is needed to purchase a new check printing machine currently valued at \$89,000.00. The current check printer prints over one million checks per year and is seven (7) years old. My office would purchase a new printer and keep & use the old printer thereby extending its working life. More importantly it would provide the office with a redundant check printer. As part of our contingency plan, a redundant check print provides continuity when (not if) the primary check printing machine unexpectedly goes down and/or must be down for regular service & maintenance. The section will be as follows:

Item No.			
(04)	Maint. & Gen. Operation		
	(D) Capitol Outlay	\$25,000.00	<u>\$90,000.00</u>

If approved, the above change will result in an increase to the total amount appropriated from \$2,735,001.00 to \$3,160,494.00.

*Section (04) Regular Salaries – Unclaimed Property Program*

To align salary with job responsibilities, ensure proper job titles, please make the following changes to our appropriations:

Item No.	Class Code	Title	New Title	Max No of Employees	Maximum Annual Salary
(1)	New	<del>UCP Operations Mgr.</del>	Asst. Chief of Staff / UCP Operations Mgr.	1	\$115,158
(2)		UCP Compliance Lead	UCP Compliance Lead	1	\$82,882
(3)		UCP Claims Lead	UCP Claims Lead	1	\$82,882
(4)		Senior UCP Tech	Senior UCP Teach	2	\$66,570
(5)		<del>UCP Securities Tech</del>		+ 0	\$59,663
(6)		UCP Tech	UCP Tech	4-5	\$59,663
			Max. No. of Employees	10	

The office is not adding new positions in this request. The changes above will not result in any reduction in salary for any employee.

*Section (06) Appropriations – Payment of Unclaimed Property Claims – Cash*

Please raise this authorization amount from \$25,052,750.00 to \$29,000,000.00 for the payment of claims, resulting in an increase of \$3,947,250.00.

~~\$25,052,750.00~~                      \$29,000,000.00.

This request is a result of increased claims in fiscal year 2023 and anticipating/projecting an increase in future claims in fiscal year 2024. This line item has remained the same since fiscal year 2017-2018.

We appreciate your consideration of the above request. Should you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,



Dennis Milligan  
Auditor of State

**ARKANSAS SENATE**  
94th General Assembly - Regular Session, 2023  
**Amendment Form**

**DRAFT**

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**Subtitle of Senate Bill No. 16**

AN ACT FOR THE AUDITOR OF STATE - OPERATIONS AND UNCLAIMED PROPERTY PROGRAM  
APPROPRIATION FOR THE 2023-2024 FISCAL YEAR.

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**Amendment No. \_\_\_ to Senate Bill No. 16**

Amend Senate Bill No. 16 as originally introduced:

Page 1, delete lines 32 through 36 and insert the following:

"(1)	DEPUTY AUDITOR	1	\$150,144
(2)	ATTORNEY	1	\$125,986
(3)	CHIEF OF STAFF	1	\$115,158
(4)	INTERNAL AUDITOR/CPA	1	\$115,158
(5)	IT TECH	1	\$115,158"

AND

Page 2, delete lines 1 through 7 and insert the following:

"(6)	ASST CHIEF OF STAFF/ACCOUNTING DEPT MANAGER	1	\$82,882
(7)	DIRECTOR OF COMMUNICATIONS	1	\$74,278
(8)	COMMUNICATIONS TECH	1	\$74,278
(9)	ACCOUNTING TECH III	2	\$74,278
(10)	DATA PROCESSING TECH II	1	\$74,278
(11)	ADMINISTRATIVE TECH II	1	\$74,278
(12)	DATA PROCESSING TECH I	1	\$59,663
(13)	ACCOUNTING TECH II	1	\$59,663
(14)	ADMINISTRATIVE TECH I	2	\$59,663
(15)	OUTREACH MGR	1	\$59,663
(16)	OUTREACH TECH	1	\$59,663
(17)	ACCOUNTING TECH I	1	\$42,959
(18)	WARRANTS TECH	<u>1</u>	\$42,959
	MAX NO. OF EMPLOYEES	20"	

AND

Page 2, line 24, delete "\$1,519,672" and insert "\$1,597,410"

**DRAFT**

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Page 1 of 2

AND

Page 2, line 26, delete "489,879" and insert "509,314"

AND

Page 2, line 28, delete "615,450" and insert "878,770"

AND

Page 2, line 31, delete "25,000" and insert "90,000"

AND

Page 2, line 33, delete "\$2,735,001" and insert "\$3,160,494"

AND

Page 3, line 7, delete "UCP OPERATIONS MANAGER" and insert "ASST. CHIEF OF STAFF/UCP OPERATIONS MANAGER"

AND

Page 3, delete line 11 in its entirety and insert:

" (5) ~~UCP SECURITIES TECH~~ ~~1~~ ~~\$59,663~~"

AND

Page 3, line 12, delete "4" and insert "5"

AND

Page 4, line 6, delete "\$25,052,750" and insert "\$29,000,000"

AND

Page 4, line 7, delete "\$25,055,250" and insert "\$29,002,500".

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Joint Budget Committee

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JAR075

\_\_\_\_\_  
Secretary

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023

# A Bill

SENATE BILL 16

4  
5 By: Joint Budget Committee

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE AUDITOR OF STATE -  
10 OPERATIONS AND UNCLAIMED PROPERTY PROGRAM FOR THE  
11 FISCAL YEAR ENDING JUNE 30, 2024; AND FOR OTHER  
12 PURPOSES.

## Subtitle

15 AN ACT FOR THE AUDITOR OF STATE -  
16 OPERATIONS AND UNCLAIMED PROPERTY PROGRAM  
17 APPROPRIATION FOR THE 2023-2024 FISCAL  
18 YEAR.  
19

20  
21  
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23  
24 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
25 for the Auditor of State for the 2023-2024 fiscal year, the following maximum  
26 number of regular employees.

27 *(SEE PAGE 1 OF AMENDMENT)*

Item		Maximum	Maximum Annual
No.	Title	No. of	Salary Rate
		Employees	Fiscal Year
			2023-2024
<del>(1)</del>	<del>DEPUTY AUDITOR</del>	1	<del>\$150,144</del>
(2)	OPERATIONS MANAGER	1	\$115,158
(3)	ATTORNEY	1	\$103,199
(4)	INTERNAL AUDITOR	1	\$92,483
<del>(5)</del>	<del>EXECUTIVE ASSISTANT</del>	1	<del>\$82,882</del>





(SEE PAGE 1 OF AMENDMENT)

1	<del>(6)</del>	<del>CAPITOL OFFICE MANAGER</del>	<del>1</del>	<del>\$82,882</del>
2	<del>(7)</del>	<del>ADMINISTRATIVE TECH</del>	<del>2</del>	<del>\$74,278</del>
3	<del>(8)</del>	<del>ACCOUNTING TECH</del>	<del>2</del>	<del>\$74,278</del>
4	<del>(9)</del>	<del>DP TECH</del>	<del>2</del>	<del>\$74,278</del>
5	<del>(10)</del>	<del>CLERICAL TECH</del>	<del>6</del>	<del>\$59,663</del>
6	<del>(11)</del>	<del>ADMIN ASSISTANT</del>	<del>2</del>	<del>\$42,959</del>
7		<del>MAX. NO. OF EMPLOYEES</del>	<del>20</del>	

8

9 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for  
10 the Auditor of State for the 2023-2024 fiscal year, the following maximum  
11 number of part-time or temporary employees, to be known as "Extra Help",  
12 payable from funds appropriated herein for such purposes: five (5) temporary  
13 or part-time employees, when needed, at rates of pay not to exceed those  
14 provided in the Uniform Classification and Compensation Act, or its  
15 successor, or this act for the appropriate classification.

16

17 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
18 to the Auditor of State, to be payable from the State Central Services Fund,  
19 for personal services and operating expenses of the Auditor of State -  
20 Operations for the fiscal year ending June 30, 2024, the following:

21

22	ITEM	FISCAL YEAR	
23	<u>NO.</u>	<u>2023-2024</u>	
24	(01) REGULAR SALARIES	<del>\$1,519,672</del>	1,597,410
25	(02) EXTRA HELP	30,000	
26	(03) PERSONAL SERVICES MATCHING	<del>489,879</del>	500,314
27	(04) MAINT. & GEN. OPERATION		
28	(A) OPER. EXPENSE	<del>615,450</del>	878,720
29	(B) CONF. & TRAVEL	30,000	
30	(C) PROF. FEES	25,000	
31	(D) CAP. OUTLAY	<del>25,000</del>	90,000
32	(E) DATA PROC.	0	
33	TOTAL AMOUNT APPROPRIATED	<u><del>\$2,735,001</del></u>	3,160,444

34

35 SECTION 4. REGULAR SALARIES - UNCLAIMED PROPERTY PROGRAM. There is  
36 hereby established for the Auditor of State - Unclaimed Property Program for

1 the 2023-2024 fiscal year, the following maximum number of regular employees.

2 *ASST. CHIEF OF STAFF/UCP OPERATIONS MANAGER*

3	4	5	6	7
Item	No.	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2023-2024
7	(1)	<del>UCP OPERATIONS MANAGER</del>	1	\$115,158
8	(2)	UCP COMPLIANCE LEAD	1	\$82,882
9	(3)	UCP CLAIMS LEAD	1	\$82,882
10	(4)	SENIOR UCP TECH	2	\$66,570
11	<del>(5)</del>	<del>UCP SECURITIES TECH</del>	<del>1</del>	<del>\$59,663</del>
12	(6)	UCP TECH	<u>4</u> 5	\$59,663
13		MAX. NO. OF EMPLOYEES	10	

15 SECTION 5. APPROPRIATION - UNCLAIMED PROPERTY PROGRAM. There is hereby  
 16 appropriated, to the Auditor of State, to be payable from the State Central  
 17 Services Fund, for personal services and operating expenses of the Auditor of  
 18 State - Unclaimed Property Program for the fiscal year ending June 30, 2024,  
 19 the following:

21	22	23	24	25	26	27	28	29	30	31
ITEM	NO.									FISCAL YEAR
										2023-2024
(01)	REGULAR SALARIES									\$731,638
(02)	PERSONAL SERVICES MATCHING									237,430
(03)	MAINT. & GEN. OPERATION									
	(A) OPER. EXPENSE									713,000
	(B) CONF. & TRAVEL									30,000
	(C) PROF. FEES									1,120,000
	(D) CAP. OUTLAY									25,000
	(E) DATA PROC.									<u>0</u>
	TOTAL AMOUNT APPROPRIATED									<u>\$2,857,068</u>

33 SECTION 6. APPROPRIATION - PAYMENT OF UNCLAIMED PROPERTY CLAIMS - CASH.  
 34 There is hereby appropriated, to the Auditor of State, to be payable from  
 35 cash funds as defined by Arkansas Code 19-4-801, for operating expenses and  
 36 the payment of claims of the Auditor of State - Unclaimed Property Program