

DENNIS MILLIGAN
TREASURER



STATE CAPITOL BUILDING
500 WOODLANE STREET, SUITE 220
LITTLE ROCK, ARKANSAS 72201

TREASURER OF STATE

February 21, 2017

The Honorable Larry Teague
The Honorable Lane Jean
Joint Budget Committee

Co-Chairs:

I am respectfully requesting an amendment to House Bill 1235 fiscal year 2018 Office of the Treasurer of State appropriations.

Operating Expenses for the Office of the Treasurer of State:

We are not requesting any additional staff positions nor an increase in the total maximum regular salary level (item (01)) of \$2,239,462.00. We have no plans or intentions to decrease the set salary of any current employee of the Treasurer's office.

In our continued effort to properly align job duties, lines of supervision and segregation of functions within the Treasurer of State's office organizational structure, please amend Section 1. Regular Salaries as follows:

Item No	Class Code	Title	Maximum No. Of Employees	Maximum Annual Salary Rate Fiscal Year 2017-2018
(1)	Q232U	Treas Chief of Staff	1	\$108,581
(2)	Q246U	Treas Senior Investment Manager I	1	\$108,581
(3)	Q244U	Treas Chief Deputy Treasurer	2	\$105,000
(4)	Q098U	Treas Chief Investment Officer	1	\$97,400
(5)	Q154U	Treas Chief Financial Officer	1	\$97,400
(6)	Q234U	Treas Chief Operating Officer	1	\$97,400
(*)	NEW	Treas Chief Legal Counsel	1	\$97,400
(7)	Q236U	Treas Division Director	4-2	\$85,000
(*)	NEW	Treas Director of 529 and Financial Education	1	\$81,000
(*)	NEW	Treas Senior Investment Manager II	1	\$81,000
(*)	NEW	Treas Manager V	4	\$72,000
(8)	Q248U	Treas Manager IV	3	\$67,500
(9)	Q237U	Treas Manager III	3 2	\$63,850
(10)	Q238U	Treas Manager II	4-3	\$53,750
(11)	Q239U	Treas Manager I	3 2	\$50,250
(12)	Q170U	Treas Assistant IV	2	\$46,000
(13)	Q094U	Treas Assistant III	2 3	\$40,527
(14)	Q085U	Treas Assistant II	5 3	\$35,250
Max. No. of Employees			33	\$2,239,462.00

I am requesting the following adjustments within our operations line item to reflect the appropriate authorized amounts in Section 1. Regular Salaries- Operations and subsequent appropriate amount for Item No. (3) Personal Services Matching.

Please amend Section 3. Appropriations – Operations as follows:

Item No. (1) Regular Salaries	\$2,239,462
Item No. (3) Personal Services Matching	\$689,407

I am requesting the following adjustments within our operations line within Item No. (4) Maint. & Gen. Operations sections (a) Oper. Expense to create a new subsection titled Financial Programs and Education. These adjustments do not reflect an increase in appropriations nor are we requesting new funds for the office. These reflect adjustments for the management of the important programs and priorities of the Arkansas 529 program, Arkansas ABLE program and financial education.

Please amend Section 3. Appropriation – Operations. as follows:

There is hereby appropriated, to the Office of the Treasurer of State, to be payable from the State Central Services Fund, for personal services, operating expenses, data processing system/services, Financial/Educational Programs including the Arkansas 529 College Savings Program, Arkansas ABLE Program and financial education, and debt collection of the Office of the Treasurer of State for the fiscal year ending June 30, 2018, the following:

Please amend Section 3. Appropriation – Operations as follows:

Item No. (4) Maint. & Gen. Operation	
(A) Oper. Expense	\$1,120,000
(NEW) Financial/Educational Programs	\$60,000

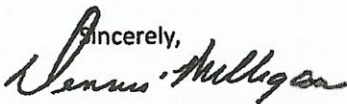
In conjunction with HB 1464 by Representative Collins and Senator Rapert, I am requesting a new item within our operations line item reflecting our authority to collect fees, charges and expenses for the administration of the Money Management Trust Fund. These funds will strictly be utilized for operating expenses related to the increased usage of our custodial services, increased banking fees, the increased need for computer software and hardware as well as the potential increases in other operational expenses related to fully administering this fund.

Please establish a new section for a cash appropriation as follows:

NEW SECTION. APPROPRIATION - CASH. There is hereby appropriated, to the Treasurer of State, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the operating expenses and data systems and services for the Investments operations of the Treasurer of State's Office for the fiscal year ending June 30, 2018, the following:

ITEM	FISCAL YEAR
NO.	2017-2018
(1) MAINT. & GEN. OPERATION	
A. OPER. EXPENSE	
B. CONF. & TRAVEL	
C. PROF. FEES	\$15,000
D. CAP. OUTLAY	\$50,000
E. DATA PROC.	\$110,000

Thank you for your consideration into this matter.

Sincerely,


Dennis Milligan

Hall of the House of Representatives

91st General Assembly - Regular Session, 2017

Amendment Form

DRAFT

Subtitle of House Bill No. 1235

AN ACT FOR THE OFFICE OF THE TREASURER OF STATE APPROPRIATION FOR THE 2017-2018
FISCAL YEAR.

Amendment No. ___ to House Bill No. 1235

Amend House Bill No. 1235 as originally introduced:

Page 1 delete Section 1 in its entirety and insert the following:

" SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established for the Office of the Treasurer of State for the 2017-2018 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2017-2018
(1)	Q243U	TREAS SENIOR INVESTMENT MANAGER I	1	\$108,581
(2)	Q244U	TREAS CHIEF DEPUTY TREASURER	2	\$105,000
(3)	Q234U	TREAS CHIEF OPERATING OFFICER	1	\$97,400
(4)	Q154U	TREAS CHIEF FINANCIAL OFFICER	1	\$97,400
(5)	Q098U	TREAS CHIEF INVESTMENT OFFICER	1	\$97,400
(6)	Q348U	TREAS CHIEF LEGAL COUNSEL	1	\$97,400
(7)	Q236U	TREAS DIVISION DIRECTOR	2	\$85,000
(8)	Q349U	TREAS DIR OF 529 & FINANCIAL EDUCATION	1	\$81,000
(9)	Q350U	TREAS SENIOR INVESTMENT MANAGER II	1	\$81,000
(10)	Q351U	TREAS MANAGER V	4	\$72,000
(11)	Q245U	TREAS MANAGER IV	3	\$67,500
(12)	Q237U	TREAS MANAGER III	2	\$63,850
(13)	Q238U	TREAS MANAGER II	3	\$53,750
(14)	Q239U	TREAS MANAGER I	2	\$50,250
(15)	Q170U	TREAS ASSISTANT IV	2	\$46,000
(16)	Q094U	TREAS ASSISTANT III	3	\$40,527
(11)	Q085U	TREAS ASSISTANT II	3	\$35,250
		MAX. NO. OF EMPLOYEES	<u>33</u> "	

And

Page 2, line 22, delete "and debt collection" and insert ", debt collection and Financial/Educational Programs including the Arkansas 529 College Savings

DRAFT

WLC093 - 02-23-2017 14:37:54

Page 1 of 3

The Amendment was read _____
By: Joint Budget Committee
WLC/WLC - 02-23-2017 14:37:54
WLC093 _____ Chief Clerk

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017

A Bill

HOUSE BILL 1235

4
5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL
9 SERVICES, OPERATING EXPENSES AND DATA PROCESSING
10 SYSTEM/SERVICES FOR THE OFFICE OF THE TREASURER OF
11 STATE FOR THE FISCAL YEAR ENDING JUNE 30, 2018; AND
12 FOR OTHER PURPOSES.
13

Subtitle

14
15
16 AN ACT FOR THE OFFICE OF THE TREASURER OF
17 STATE APPROPRIATION FOR THE 2017-2018
18 FISCAL YEAR.
19

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

23 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established
24 for the Office of the Treasurer of State for the 2017-2018 fiscal year, the
25 following maximum number of regular employees.
26

			Maximum Annual
			Salary Rate
			Fiscal Year
Item	Class	No. of	2017-2018
No.	Code	Title	Employees
31	(1) Q232U	TREAS CHIEF OF STAFF	1 \$108,581
32	(2) Q243U	TREAS SENIOR INVESTMENT MANAGER	1 \$108,581
33	(3) Q244U	TREAS CHIEF DEPUTY TREASURER	2 \$97,400
34	(4) Q234U	TREAS CHIEF OPERATING OFFICER	1 \$97,400
35	(5) Q154U	TREAS CHIEF FINANCIAL OFFICER	1 \$97,400
36	(6) Q098U	TREAS CHIEF INVESTMENT OFFICER	1 \$97,400



1	(7)	Q236U	TREAS DIVISION DIRECTOR	4	\$85,000
2	(8)	Q245U	TREAS MANAGER IV	3	\$72,750
3	(9)	Q237U	TREAS MANAGER III	3	\$67,800
4	(10)	Q238U	TREAS MANAGER II	4	\$63,850
5	(11)	Q239U	TREAS MANAGER I	3	\$52,500
6	(12)	Q170U	TREAS ASSISTANT IV	2	\$44,750
7	(13)	Q094U	TREAS ASSISTANT III	2	\$41,500
8	(14)	Q085U	TREAS ASSISTANT II	<u>5</u>	\$37,650
9		MAX. NO. OF EMPLOYEES		33	

10

11 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for
 12 the Office of the Treasurer of State for the 2017-2018 fiscal year, the
 13 following maximum number of part-time or temporary employees, to be known as
 14 "Extra Help", payable from funds appropriated herein for such purposes: five
 15 (5) temporary or part-time employees, when needed, at rates of pay not to
 16 exceed those provided in the Uniform Classification and Compensation Act, or
 17 its successor, or this act for the appropriate classification.

18

19 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 20 to the Office of the Treasurer of State, to be payable from the State Central
 21 Services Fund, for personal services, operating expenses, data processing
 22 system/services and debt collection of the Office of the Treasurer of State
 23 for the fiscal year ending June 30, 2018, the following:

24

25	ITEM	FISCAL YEAR
26	<u>NO.</u>	<u>2017-2018</u>
27	(01) REGULAR SALARIES	\$2,401,416
28	(02) EXTRA HELP	35,000
29	(03) PERSONAL SERVICES MATCHING	727,778
30	(04) MAINT. & GEN. OPERATION	
31	(A) OPER. EXPENSE	1,180,000
32	(B) CONF. & TRAVEL	37,260
33	(C) PROF. FEES	194,375
34	(D) CAP. OUTLAY	25,000
35	(E) DATA PROC.	0
36	(05) DATA PROCESSING SYST/SERVICES	<u>970,000</u>

1 TOTAL AMOUNT APPROPRIATED \$5,570,829

2

3 SECTION 4. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
 5 PROVISION. After receiving approval from the Chief Fiscal Officer of the
 6 State, and prior review by the Arkansas Legislative Council or Joint Budget
 7 Committee, the Treasurer of State is authorized to transfer appropriation
 8 from any line item authorized in the Operations Appropriation of the
 9 Treasurer’s Office in this Act to any other line item authorized in the
 10 Operations Appropriation.

11 The provisions of this section shall be in effect only from July 1, ~~2016~~
 12 2017 through June 30, ~~2017~~ 2018.

13

14 SECTION 5. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
 15 authorized by this act shall be limited to the appropriation for such agency
 16 and funds made available by law for the support of such appropriations; and
 17 the restrictions of the State Procurement Law, the General Accounting and
 18 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
 19 Procedures and Restrictions Act, or their successors, and other fiscal
 20 control laws of this State, where applicable, and regulations promulgated by
 21 the Department of Finance and Administration, as authorized by law, shall be
 22 strictly complied with in disbursement of said funds.

23

24 SECTION 6. LEGISLATIVE INTENT. It is the intent of the General
 25 Assembly that any funds disbursed under the authority of the appropriations
 26 contained in this act shall be in compliance with the stated reasons for
 27 which this act was adopted, as evidenced by the Agency Requests, Executive
 28 Recommendations and Legislative Recommendations contained in the budget
 29 manuals prepared by the Department of Finance and Administration, letters, or
 30 summarized oral testimony in the official minutes of the Arkansas Legislative
 31 Council or Joint Budget Committee which relate to its passage and adoption.

32

33 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the General
 34 Assembly, that the Constitution of the State of Arkansas prohibits the
 35 appropriation of funds for more than a one (1) year period; that the
 36 effectiveness of this Act on July 1, 2017 is essential to the operation of

1 the agency for which the appropriations in this Act are provided, and that in
2 the event of an extension of the legislative session, the delay in the
3 effective date of this Act beyond July 1, 2017 could work irreparable harm
4 upon the proper administration and provision of essential governmental
5 programs. Therefore, an emergency is hereby declared to exist and this Act
6 being necessary for the immediate preservation of the public peace, health
7 and safety shall be in full force and effect from and after July 1, 2017.

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36