



**SUMMARY
BUDGET INFORMATION
VOLUME 5**

2009-2011 Biennium

Various Boards and Commissions

SUMMARY BUDGET INFORMATION

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2008 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>
Capitol Zoning District Commission	\$6	\$0	\$0
Crime Laboratory, State	\$247	\$0	\$1,287
DFA - Alcoholic Beverage Control Administration Division	\$20	\$10,684	\$13
DFA - Alcoholic Beverage Control Enforcement Division	\$38	\$0	\$0
DFA - Child Support Enforcement, Office of	\$1,595	\$3,722	\$15,408
DFA - Disbursing Officer	\$148	\$700	\$0
DFA - Management Services Division	\$755	\$300	\$1,387
DFA - Racing Commission	\$26	\$0	\$0
DFA - Revenue Services Division	\$2,862	\$51,920	\$9,279
Geological Survey, Arkansas	\$43	\$0	\$482
Law Enforcement Standards & Training, Commission on	\$105	\$0	\$570
Martin Luther King, Jr. Commission	\$4	\$0	\$0
Nursing, Arkansas State Board of	\$47	\$0	\$0
Public Defender Commission, Arkansas	\$530	\$0	\$0
Sentencing Commission, Arkansas	\$10	\$0	\$0
Spinal Cord Commission	\$49	\$0	\$3,435
State Police, Arkansas	\$1,935	\$28,976	\$60,170
War Memorial Stadium Commission	\$12	\$0	\$0
Workers' Compensation Commission	\$267	\$0	\$915

AGENCY POSITION USAGE REPORT

Agency	FY2007 - FY2008						3 YEAR AVERAGE(FY07,FY08,FY09)					
	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
		Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0315 - Capitol Zoning District Commission	3	2	1	3	0	33.33 %	3	2	0	2	1	33.33 %
0955 - Crime Laboratory, State	148	122	18	140	8	17.57 %	148	121	16	137	11	18.24 %
0611 - DFA Alcoholic Beverage Control Administration Division	10	9	1	10	0	10.00 %	10	9	0	9	1	10.00 %
0612 - DFA Alcoholic Beverage Control Enforcement Division	20	18	2	20	0	10.00 %	20	18	1	19	1	10.00 %
0634 - DFA Child Support Enforcement, Office of	876	807	15	822	54	7.88 %	881	811	20	831	50	7.95 %
0620 - DFA Disbursing Officer	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
0610 - DFA Management Services Division	427	377	48	425	2	11.71 %	416	370	44	414	2	11.06 %
0631 - DFA Racing Commission	13	13	0	13	0	0.00 %	9	9	0	9	0	0.00 %
0630 - DFA Revenue Services Division	1,497	1,393	68	1,461	36	6.95 %	1,487	1,394	52	1,446	41	6.25 %
0420 - Geological Survey, Arkansas	25	25	0	25	0	0.00 %	24	23	0	23	1	4.17 %
0950 - Law Enforcement Standards & Training, Commission on	54	54	0	54	0	0.00 %	54	53	1	54	0	1.85 %
0318 - Martin Luther King, Jr. Commission	4	4	0	4	0	0.00 %	4	2	1	3	1	50.00 %
0277 - Nursing, Arkansas State Board of	23	26	0	26	-3	-13.04 %	23	24	0	24	-1	-4.35 %
0324 - Public Defender Commission, Arkansas	233	231	2	233	0	0.86 %	227	224	1	225	2	1.32 %
0328 - Sentencing Commission, Arkansas	5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %
0295 - Spinal Cord Commission	26	23	2	25	1	11.54 %	25	24	1	25	0	4.00 %
0960 - State Police, Arkansas	1,104	956	22	978	126	13.41 %	1,076	962	32	994	82	10.59 %
0338 - War Memorial Stadium Commission	7	5	2	7	0	28.57 %	7	5	1	6	1	28.57 %
0390 - Workers' Compensation Commission	153	127	26	153	0	16.99 %	153	130	22	152	1	15.03 %

0631 - In the 2007-2009 Biennium 11 full time Extra Help Positions became Regular Positions; 10 at the dog track & 1 at the horse track.

0277 - During the 2007-09 biennium, the agency received supplemental positions, resulting in filled positions being greater than the number of positions authorized in Act 396 of 07. Continuation of these positions is included in the 2009-11 biennial budget request.

CAPITOL ZONING DISTRICT COMMISSION

Enabling Laws

Act 402 of 2007
Act 267 of 1975 as amended
A.C.A. § 22-3-302

History and Organization

MISSION STATEMENT

It is the mission of the Capitol Zoning District Commission, using the Capitol Zoning District Ordinance (Master Plan), to administer special zoning regulations and design guidelines in the district that preserve the dignity of the Capitol Building and Governor's Mansion, that coordinate physical development within the Capitol Area and Mansion Area of the District in accordance with present and future needs of each area, that insure efficient expenditure of public funds and that promote the safety, convenience and general well-being of the inhabitants and property owners within the District.

RESPONSIBILITY

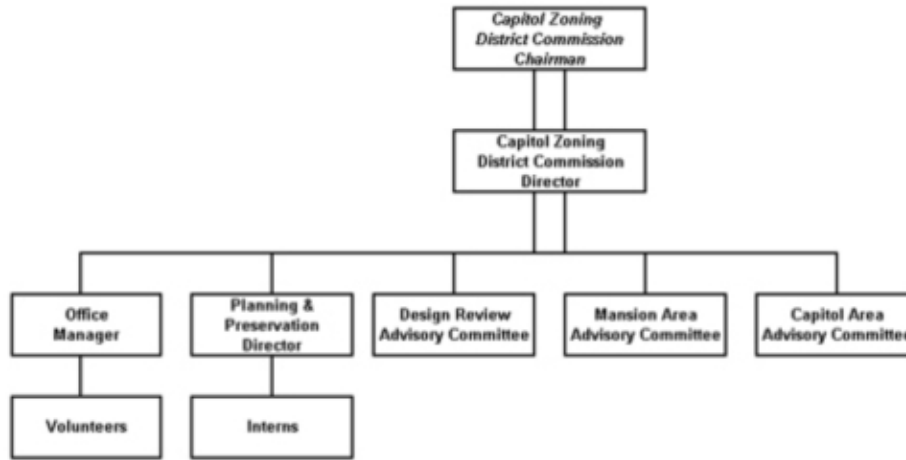
The Commission is charged with regulating zoning, development, and design within the Capitol Zoning District pursuant to a Master Plan formulated and maintained by the Commission to effectuate its applications for permits on matters within the Commission's jurisdiction, including signage, landscaping, building height and bulk, land use, parking and architectural significance.

ACTIVITIES AND ADVISORY COMMITTEES

The Commission meets once a month to review and act on applications for variances, conditional use permits, demolition permits, the design of new construction, and major modifications to architecturally significant structures. In reviewing these applications, the Commission is assisted by two citizen advisory committees, one for each area regulated by the Commission, and a professional design review committee. These advisory committees review applications pertinent to their areas of interest and expertise and forward their recommendations to the Commission.

IMPACT AND FUTURE PLANS

City maps particularly reflect the positive impact of the Capitol Zoning District in the Mansion & Capitol Area. New development is on the increase in both the Mansion and Capitol Areas with construction of new residential and commercial infill on previously vacant lots and continuing restoration and rehabilitation of the wonderful historic structures. Numerous new residents are moving into the areas attracted by the stock of beautiful historic properties, dramatically increasing property values for the area. These neighborhoods have again become a source of pride for the residents and visitors to the area, and a source of interest for developers of historic properties.



Agency Commentary

The Capitol Zoning District Commission (CZDC) is responsible for preserving the dignity of the State Capitol and the Governor’s Mansion by regulating zoning development and design within the Capitol Zoning District.

The nine (9) member Commission meets monthly to review and act on applications for various permits for land use and development. Two (2) citizen advisory committees and a professional design review committee assist the Commission by making recommendations to the Commission.

Maintenance and Operations: An increase of \$5,500 in FY10, and \$600.00 in FY11 is needed for the following reasons:

1. The Operating Expense of \$4,000.00 in FY10 is information technology expense for repairs, upgrades, and reprogramming to our outdated website. This will insure that the website has accurate and up to date information and is more user friendly. Currently, there is incorrect information on the website that could lead to erroneous assumptions by individuals applying for permits from the Commission. Changes to the website will have to be done by the website host. CZDC staff can't make the necessary changes. Some of the upgrades will give users the monthly CZDC agendas, CZDC maps, and the CZDC ordinance manuals.
2. The Operating Expense of \$1,500.00 in FY10 is needed to print signs/posters, brochures and the Capitol Zoning District Commission ordinance manuals that are dispersed to the public. We are required to provide signs/posters to all applicants going before the CZDC. The applicant in turn, places the posters on their property so that the general public will know which property is under consideration for public review. Our current brochures have incorrect information and are outdated. The brochures explain our permitting process and provide a link to our web site. The CZDC ordinance manuals contain the CZD ordinance, design guidelines, maps of the districts, rehabilitation standards, master plans, etc. We provide these books to our new commissioners and advisory committee members and to the general public as requested. This is helpful to individuals who do not have access to the internet and therefore cannot access the information on our website.
3. An increase in operating expenses in FY11 of \$600.00 for maintenance and technical is requested to support for our website. This is required because any changes/upgrades to the site must be performed by the web host and cannot be done by staff in house.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
CAPITOL ZONING DISTRICT COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	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		
Capitol Zoning District Commission Minutes of Meetings	N/A	N	Y	4	Required by Legislative Council
Monthly Activity Report	N/A	N	Y	1	Required by Legislative Council

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Total	Total			Total				
3	3	0	3	0	0.00 %	3	2	1	3	0	33.33 %	3	2	1	3	0	33.33 %

Analysis of Budget Request

Appropriation: 676 - Capitol Zoning District-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Capitol Zoning District Commission (CZDC) was created by Act 267 of 1975 (A.C.A. § 22-3-303). Duties of the Commission include development of a comprehensive zoning plan in the Capitol Zoning District, which encompasses the areas surrounding the State Capitol and the Governor's Mansion. The Act further provides that the Commission has exclusive authority over the zoning and regulation of all property within the District. Act 262 of 1997 transferred the funding and authority to hire the director and staff from Arkansas Building Authority to the Commission.

This is the primary operating appropriation of the Commission and is funded entirely by general revenue.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. Also reflected are changes of two positions from unclassified to classified. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level Request is \$230,682 in FY10 and \$235,656 in FY11.

The Change Level Requests submitted are \$5,500 in FY10 and \$600 in FY11 and are summarized as follows:

1. Information Technology needs in Operating Expenses of \$4,000 in FY10 and \$600 in FY11. The Agency would like to update and maintain their website. The \$600 in FY11 is for the web host to monitor, maintain and make minor changes to the website, such as listing dates for the Commission's monthly hearings and agenda. Individuals would be able to apply for permits and get the latest Capitol Zoning District Commission maps and ordinance manuals from the website.
2. Operating Expenses of \$1,500 in FY10 for increases in printing cost is requested. The commission needs to print more CZDC ordinance manuals, signs, and brochures with the latest information. For individuals that do not have access to the Commission's website, they can request a printed copy of the CZDC ordinance manuals and brochures explaining the permit process.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 676 - Capitol Zoning District-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	139,845	157,708	154,249	162,041	162,041	162,041	166,233	166,233	166,233
#Positions	3	3	3	3	3	3	3	3	3
Extra Help 5010001	0	938	975	938	938	938	938	938	938
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	40,390	41,627	43,383	45,230	45,230	45,230	46,012	46,012	46,012
Operating Expenses 5020002	24,473	22,473	22,473	22,473	27,973	22,473	22,473	23,073	22,473
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	204,708	222,746	221,080	230,682	236,182	230,682	235,656	236,256	235,656
Funding Sources									
General Revenue 4000010	204,708	221,080		230,682	236,182	230,682	235,656	236,256	235,656
Merit Adjustment Fund 4000055	0	1,666		0	0	0	0	0	0
Total Funding	204,708	222,746		230,682	236,182	230,682	235,656	236,256	235,656
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	204,708	222,746		230,682	236,182	230,682	235,656	236,256	235,656

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Actual Expenditures for FY08 exceed Authorized Operating Expense due to a higher Authorized appropriation in FY08.

Change Level by Appropriation

Appropriation: 676 - Capitol Zoning District-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	230,682	3	230,682	100.0	235,656	3	235,656	100.0
C01	Existing Program	1,500	0	232,182	100.7	0	0	235,656	100.0
C08	Technology	4,000	0	236,182	102.4	600	0	236,256	100.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	230,682	3	230,682	100.0	235,656	3	235,656	100.0
C01	Existing Program	0	0	230,682	100.0	0	0	235,656	100.0
C08	Technology	0	0	230,682	100.0	0	0	235,656	100.0

Justification

C01	Operating Expense of \$1,500 is requested to print signs/posters, brochures and the Capitol Zoning District Commission ordinance manuals that are dispersed to the public. Signs/posters are required to be placed on applicant's property when they apply for a permit. Need to replace the current outdated brochures with the latest information explaining the permitting process and providing a link to CDZC's web site. The CDZC ordinance manual contains design guidelines, maps of the district, rehabilitation standards, mater plans, and ordinances. These manuals are given to the general public that does not have access to the Commission's web site, as well as to new commissioners and advisory committee members.
C08	The Technology Expense of \$4,000 in FY10 is for repairs, upgrades, and reprogramming to our outdated website. The website is used by individuals to apply for permits and to provide monthly Capitol Zoning District Commission (CZDC) agendas of monthly hearings, CZDC maps, and CZDC ordinance manuals. Having people apply for permits and getting the ordinance manuals on-line will save on postage. Maintenance and technical support for the website is requested in FY11 for \$600. These IT related items are found in the Commission's IT Plan in the IT Support Cost section under Contracted Services.

STATE CRIME LABORATORY

Enabling Laws

Act 700 of 2007
A.C.A. §12-12-301 et seq.

History and Organization

The State Crime Laboratory 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 and meets once a quarter. The Board has the authority to employ and terminate the Chief Medical Examiner. An Executive Director appointed by the Governor provides the day-to-day administration of the laboratory.

The State Crime Laboratory is a complex agency that is in a continuous state of change depending upon the needs of law enforcement. The Agency is complex in that the operations of the laboratory require the most intricate relationship between science and the law. As science provides changes in methodology requiring the latest in scientific equipment for analysis of evidence, the law demands an accounting of each process. To satisfy this demand, the laboratory completed the accreditation process in December 2004 to become ASCLD/Lab accredited which holds the laboratory to higher operational standards.

Funding for the laboratory is provided through general revenue allocated from the Miscellaneous Agencies Fund Account. Some funding for laboratory operations comes through the Administrative Office of the Courts and is derived from the Special State Assets Forfeiture Fund. Federal grants are utilized to support the Forensic Biology Section by providing funds for outsourcing convicted offender cases and additional scientific instruments. A special revenue fund derived from fees charged to convicted offenders is used to partially support the Forensic Biology Section.

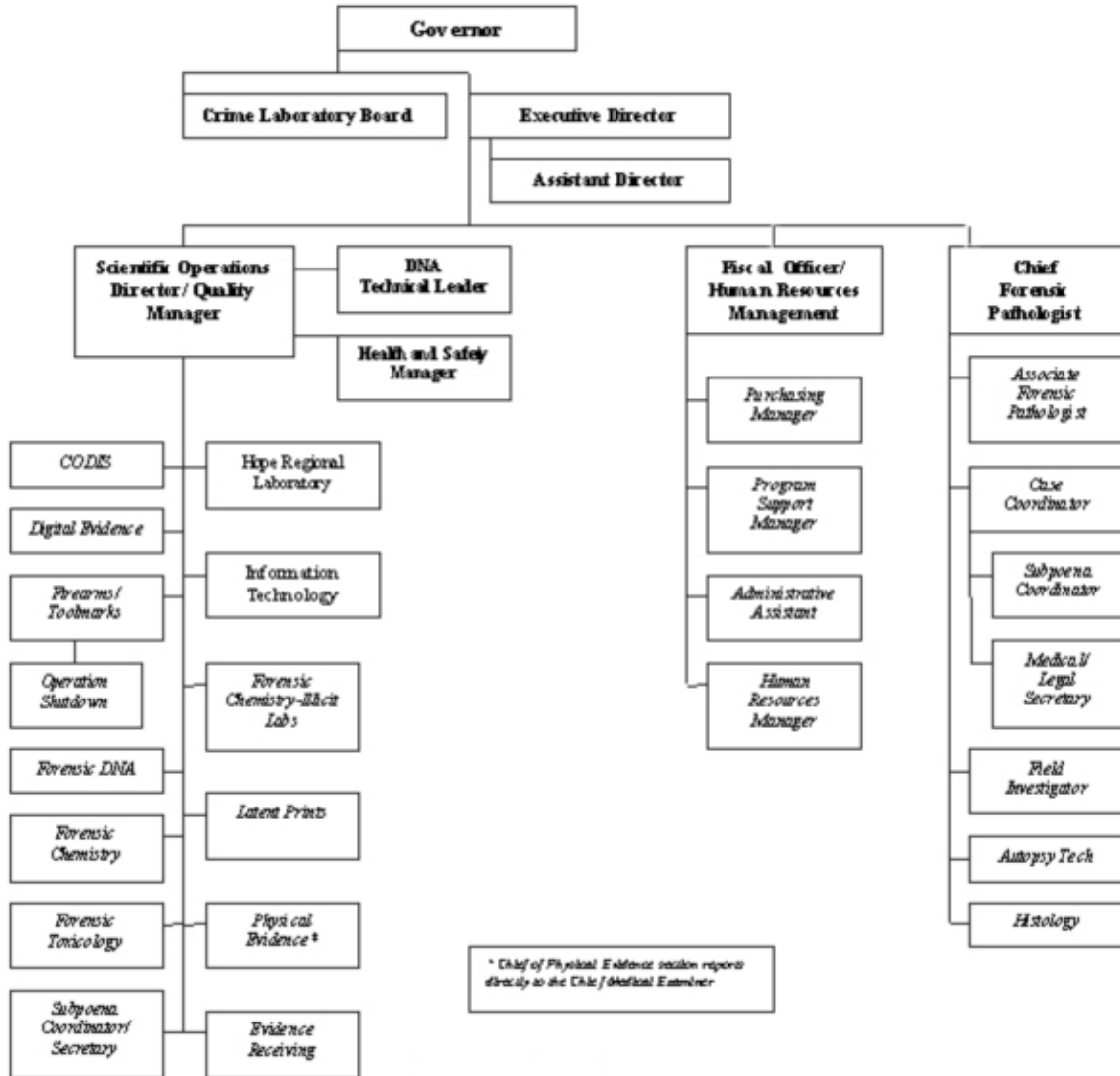
The laboratory provides forensic services at no charge to all law enforcement agencies in the State. Services provided by the laboratory include the scientific analysis of evidence, providing written reports regarding the scientific findings of the analysis, and providing expert testimony in court. As law enforcement officers are better trained in crime investigation, more arrests are made causing additional demands to be placed on the resources of the laboratory.

The laboratory facility, which occupies approximately 69,879 square feet, is located at #3 Natural Resources Drive in Little Rock. A storage facility located adjacent to the laboratory 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.

In addition to the examination of evidence in 2007, crime laboratory personnel spent approximately 1,479 hours in the various courts throughout the State. Laboratory analysts are in demand as instructors for courses being taught at the Arkansas Law Enforcement Training Academy, the Black River Training Academy, the Game and Fish Commission's training program, Arkansas State Police training programs, emergency room staffs throughout the State and for the Criminal Justice Institute. 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.

During 2007, the laboratory received 25,634 cases/submissions. Of these cases/submissions there were 37,122 requests for analysis. One case can require multiple types of examinations that can require testing from our various sections in the laboratory such as Toxicology, DNA, Latent Prints, Firearms, Drugs, Histology, and Physical Evidence. The Medical Examiners section alone completed a total of 1,113 autopsies.



Agency Commentary

The State Crime Laboratory is tasked with providing local, county, state, and, to some extent, federal law enforcement agencies in this State with forensic science services on evidence submitted and providing scientific reports and expert testimony in court regarding that evidence. The analysis of the evidence is to be made in an unbiased, accurate, and timely manner to insure that the defendant's right to a speedy trial is not hampered and the administration of justice is not overly delayed. These services are provided at no cost to the submitting agency. In previous years, a backlog of cases and an increasing caseload prohibited the Crime Lab from processing evidence in a timely manner. The 85th General Assembly provided new funding to the Crime Lab by authorizing a special revenue stream which allowed additional

analysts to be hired and additional scientific equipment to be purchased. The 86th General Assembly allowed continued funding which has resulted in a substantial decrease in the backlog and a decrease in the turnaround time of cases. In July of 2005 the laboratory had a backlog of 16,080 cases. As of July of 2008, the laboratory's backlog was 1,779 cases.

The Crime Lab received accreditation by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) in December of 2004. This accreditation not only holds the laboratory to a higher standard of operation, which requires the monitoring of each section's personnel, training, quality and timeliness of work performed, but also makes the laboratory eligible for federal grant funding. Due to the laboratories accreditation status, we have secured \$2,070,549.00 in federal funding (2005-2007) which has been crucial in allowing the laboratory to stay current with scientific advancements in technology. Without laboratory accreditation, all casework testing, testimony and laboratory credibility across Arkansas would be jeopardized.

We are requesting one new position - an Associate Medical Examiner. The State Crime Lab Medical Examiner's office is accredited by NAME (National Association of Medical Examiners). Under their guidelines each of our four Associate Medical Examiners can perform no more than 250 autopsies per calendar year. The Chief Medical Examiner is allowed to perform no more than 200 autopsies per calendar year, but must spend a significant portion of his time reviewing autopsy findings, coroner consultations and other administrative duties.

Approximately 30% of all autopsies performed in Arkansas are for homicide cases. These autopsies are more labor intensive and require more time than others. After each autopsy is performed the doctor must not only dictate notes but perform a series of technical and administrative reviews prior to release of the final autopsy report.

For the last 5 years we have performed over 1,100 autopsies each year and project 1,250 autopsies/cases by end of 2008. One additional Associate Medical Examiner position will help keep us in compliance with NAME.

Appropriation 498: State Operations

We are requesting unfunded appropriation in Capital Outlay to use in paying sales tax on new vehicles purchased by the state vehicle acquisition fund.

Appropriation 788: DNA Section Special

We are requesting to move 14 current positions from Appropriation 498: General Revenue to this appropriation. These positions work directly in the Combined DNA Index System (CODIS) and should be paid from the special revenue collected from fees of offenders required to pay for testing. We are also requesting professional fee appropriation to cover the costs of proficiency testing and capital outlay to purchase equipment needed to process the additional cases being analyzed by the DNA Section.

Appropriation 1ED: Federal Operations

We are requesting additional appropriation for Operating Expenses and Conference and Travel expenses. 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.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
STATE CRIME LABORATORY

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	52	60	112	92 %
Black Employees	0	9	9	7 %
Other Racial Minorities	1	0	1	1 %
Total Minorities			10	8 %
Total Employees			122	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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1ED Crime Lab-Federal	328,374	0	1,493,188	0	1,493,188	0	672,022	0	1,790,855	0	1,790,855	0	672,022	0	1,790,855	0	1,790,855	0
1VM Equipment	726,709	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	8,699,895	134	9,871,953	139	10,554,782	147	10,437,432	139	9,628,716	126	9,628,716	126	10,601,112	139	9,784,029	126	9,784,029	126
4HT Video Testify Treasury	49,297	0	165,115	0	210,692	0	165,115	0	165,115	0	165,115	0	165,115	0	165,115	0	165,115	0
788 DNA Special	718,709	1	733,862	1	733,361	1	736,671	1	2,026,054	15	2,026,054	15	737,690	1	2,039,663	15	2,039,663	15
Total	10,522,984	135	13,014,118	140	13,742,023	148	12,761,240	140	14,360,740	141	14,360,740	141	12,925,939	140	14,529,662	141	14,529,662	141

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	4,423,419	28.7	4,877,130	28.0	4,424,726	26.3	4,424,726	24.6	4,424,726	24.6	5,028,277	28.6	3,750,573	21.5	3,750,573	21.5
General Revenue	4000010	6,633,677	43.1	6,840,811	39.2	7,256,441	43.1	7,256,441	40.4	7,256,441	40.4	7,417,812	42.1	7,417,812	42.5	7,417,812	42.5
Federal Revenue	4000020	328,374	2.1	1,493,188	8.6	672,022	4.0	1,790,855	10.0	1,790,855	10.0	672,022	3.8	1,790,855	10.3	1,790,855	10.3
Special Revenue	4000030	3,429,790	22.3	3,605,000	20.7	3,897,188	23.2	3,897,188	21.7	3,897,188	21.7	3,904,736	22.2	3,904,736	22.4	3,904,736	22.4
Cash Fund	4000045	7,866	0.1	11,088	0.1	7,000	0.0	7,000	0.0	7,000	0.0	7,000	0.0	7,000	0.0	7,000	0.0
Merit Adjustment Fund	4000055	0	0.0	34,639	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	576,988	3.7	576,988	3.3	576,988	3.4	576,988	3.2	576,988	3.2	576,988	3.3	576,988	3.3	576,988	3.3
Total Funds		15,400,114	100.0	17,438,844	100.0	16,834,365	100.0	17,953,198	100.0	17,953,198	100.0	17,606,835	100.0	17,447,964	100.0	17,447,964	100.0
Excess Appropriation/(Funding)		(4,877,130)		(4,424,726)		(4,073,125)		(3,592,458)		(3,592,458)		(4,680,896)		(2,918,302)		(2,918,302)	
Grand Total		10,522,984		13,014,118		12,761,240		14,360,740		14,360,740		12,925,939		14,529,662		14,529,662	

Appropriation 788 - FY09 Budget amount for Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Appropriation 4HT - Original source of grant was a one-time award from the Science and Technology Authority. Revenue reflects interest earned on this award.

The difference of \$158,115 between FY10 ending fund balances and FY11 beginning fund balances is attributed to unfunded appropriation in Appropriation 4HT.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
149	118	19	137	12	20.81 %	148	125	12	137	11	15.54 %	148	122	18	140	8	17.57 %

Analysis of Budget Request

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

This federally funded appropriation provides for outsourcing backlog DNA casework. This allows our analysts to process current DNA cases which keeps our backlog at a minimum. This appropriation also provides funds to use for training purposes for each analyst as well as the medical examiners. This training is required for the Agency to maintain its accreditation status. It also provides overtime for analysts that work in screening evidence for biological fluids prior to the actual DNA testing.

The Agency's Change Level requests total \$1,118,833 each year and reflect the following:

- Operating Expenses increase in the amount of \$65,000 each year for the increased costs of laboratory supplies.
- Conference and Travel Expenses increase in the amount of \$53,833 each year for meals and lodging costs associated with Agency staff travel for training.
- Reallocation in the amount of \$21,161 from Operating Expenses to Conference and Travel Expenses to properly classify conference and seminar expenditures.
- Capital Outlay of \$1,000,000 each year 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	1,411	11,307	11,307	10,201	10,201	10,201	10,201	10,201	10,201
Overtime	5010006	16,824	54,493	54,493	54,493	54,493	54,493	54,493	54,493	54,493
Operating Expenses	5020002	22,134	111,161	111,161	111,161	155,000	155,000	111,161	155,000	155,000
Conference & Travel Expenses	5050009	85,967	96,167	96,167	96,167	171,161	171,161	96,167	171,161	171,161
Professional Fees	5060010	180,800	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	21,238	820,060	820,060	0	1,000,000	1,000,000	0	1,000,000	1,000,000
Total		328,374	1,493,188	1,493,188	672,022	1,790,855	1,790,855	672,022	1,790,855	1,790,855
Funding Sources										
Federal Revenue	4000020	328,374	1,493,188		672,022	1,790,855	1,790,855	672,022	1,790,855	1,790,855
Total Funding		328,374	1,493,188		672,022	1,790,855	1,790,855	672,022	1,790,855	1,790,855
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		328,374	1,493,188		672,022	1,790,855	1,790,855	672,022	1,790,855	1,790,855

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	672,022	0	672,022	100.0	672,022	0	672,022	100.0
C01	Existing Program	1,118,833	0	1,790,855	266.5	1,118,833	0	1,790,855	266.5
C04	Reallocation	0	0	1,790,855	266.5	0	0	1,790,855	266.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	672,022	0	672,022	100.0	672,022	0	672,022	100.0
C01	Existing Program	1,118,833	0	1,790,855	266.5	1,118,833	0	1,790,855	266.5
C04	Reallocation	0	0	1,790,855	266.5	0	0	1,790,855	266.5

Justification

C01	The Agency is requesting additional appropriation for Operating Expenses and Conference and Travel Expenses to provide for anticipated federal grant awards and new Capital Outlay appropriation to use for purchasing equipment. Funding will be made available through the United States Department of Justice.
C04	Reallocation of Resources in the amount of \$21,161 from Operating Expenses to Conference and Travel Expenses (Conference and Seminar Fees) to properly classify these expenditures.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Crime Lab Equip/Pur/Replace 5900046	726,709	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	726,709	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources									
Fund Balance 4000005	1,379,872	1,234,372		1,084,372	1,084,372	1,084,372	1,084,372	1,084,372	1,084,372
Special Revenue 4000030	581,209	600,000		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	1,961,081	1,834,372		1,834,372	1,834,372	1,834,372	1,834,372	1,834,372	1,834,372
Excess Appropriation/(Funding)	(1,234,372)	(1,084,372)		(1,084,372)	(1,084,372)	(1,084,372)	(1,084,372)	(1,084,372)	(1,084,372)
Grand Total	726,709	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) member 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 salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the transition of two unclassified positions to classified. Current unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member stipend payments and career service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level requests total (\$808,716) in FY10 and (\$817,083) in FY11 and reflect the following:

- Regular Salaries and Personal Services Matching decreases total \$600,447 in FY10 and \$608,814 in FY11. Of the 147 authorized positions for this appropriation, 8 were not budgeted in FY09 due to funding limitations, 14 positions are being requested to be transferred to the DNA Section - Special (Appropriation 788) and 1 new position, Crime Lab Associate Medical Examiner, is requested. The 14 positions transferred to the DNA Section - Special work directly in the Combined DNA Index System (CODIS) section and should be paid from the special revenue collected from fees of offenders required to pay for testing. The Crime Lab Associate Medical Examiner position is needed to handle the increasing number of autopsies performed annually by the Crime Lab and to remain accredited by the National Association of Medical Examiners.
- Operating Expenses decrease in the amount of \$218,269 each year through a Reallocation of Resources from this appropriation to DNA Section - Special (Appropriation 788) for rent of facilities.
- Conference and Travel Expenses decrease in the amount of \$15,000 each year through a Reallocation of Resources from this appropriation to DNA Section - Special (Appropriation 788) for meals and lodging.

- Reallocation of Resources in the amount of \$1,150 from Operating Expenses to Conference and Travel Expenses to properly classify Conference and Seminar Fees expenditures.
- Capital Outlay of \$25,000 each year in appropriation only to pay sales tax on new vehicles purchased for the Agency.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	5,538,762	6,223,895	6,424,565	6,568,049	6,120,805	6,120,805	6,705,602	6,251,217	6,251,217
#Positions		134	139	147	139	126	126	139	126	126
Personal Services Matching	5010003	1,629,740	1,693,648	1,925,807	1,914,973	1,761,770	1,761,770	1,941,100	1,786,671	1,786,671
Operating Expenses	5020002	1,447,794	1,820,095	1,820,095	1,820,095	1,600,676	1,600,676	1,820,095	1,600,676	1,600,676
Conference & Travel Expenses	5050009	11,822	70,600	70,600	70,600	56,750	56,750	70,600	56,750	56,750
Professional Fees	5060010	37,251	63,715	63,715	63,715	63,715	63,715	63,715	63,715	63,715
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	34,526	0	250,000	0	25,000	25,000	0	25,000	25,000
Total		8,699,895	9,871,953	10,554,782	10,437,432	9,628,716	9,628,716	10,601,112	9,784,029	9,784,029

Funding Sources										
Fund Balance	4000005	422,462	616,481		1,966	1,966	1,966	0	11,679	11,679
General Revenue	4000010	6,633,677	6,840,811		7,256,441	7,256,441	7,256,441	7,417,812	7,417,812	7,417,812
Special Revenue	4000030	1,683,249	1,805,000		1,805,000	1,805,000	1,805,000	1,805,000	1,805,000	1,805,000
Merit Adjustment Fund	4000055	0	34,639		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	576,988	576,988		576,988	576,988	576,988	576,988	576,988	576,988
Total Funding		9,316,376	9,873,919		9,640,395	9,640,395	9,640,395	9,799,800	9,811,479	9,811,479
Excess Appropriation/(Funding)		(616,481)	(1,966)		797,037	(11,679)	(11,679)	801,312	(27,450)	(27,450)
Grand Total		8,699,895	9,871,953		10,437,432	9,628,716	9,628,716	10,601,112	9,784,029	9,784,029

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	10,437,432	139	10,437,432	100.0	10,601,112	139	10,601,112	100.0
C01	Existing Program	180,668	1	10,618,100	101.7	184,887	1	10,785,999	101.7
C04	Reallocation	(233,269)	0	10,384,831	99.5	(233,269)	0	10,552,730	99.5
C05	Unfunded Appropriation	25,000	0	10,409,831	99.7	25,000	0	10,577,730	99.8
C07	Agency Transfer	(781,115)	(14)	9,628,716	92.3	(793,701)	(14)	9,784,029	92.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	10,437,432	139	10,437,432	100.0	10,601,112	139	10,601,112	100.0
C01	Existing Program	180,668	1	10,618,100	101.7	184,887	1	10,785,999	101.7
C04	Reallocation	(233,269)	0	10,384,831	99.5	(233,269)	0	10,552,730	99.5
C05	Unfunded Appropriation	25,000	0	10,409,831	99.7	25,000	0	10,577,730	99.8
C07	Agency Transfer	(781,115)	(14)	9,628,716	92.3	(793,701)	(14)	9,784,029	92.3

Justification

C01	The Agency is requesting one new position – an Associate Medical Examiner. There are currently one Chief Medical Examiner and four Associate Medical Examiners. The State Crime Lab Medical Examiner's office is accredited by NAME - National Association of Medical Examiners. Under NAME guidelines, each of our four Associate Medical Examiners can perform no more than 250 autopsies per calendar year. The Chief Medical Examiner is allowed to perform no more than 200 autopsies per calendar year in addition to spending a significant portion of his time reviewing autopsy findings, coroner consultations and performing other administrative duties. Approximately 38% of all autopsies performed at the Arkansas State Crime Laboratory are for homicides or unknown causes of death. These autopsies are more labor intensive and require more time than others. After each autopsy is performed, the doctor must dictate notes for a report to be issued. Once the report is typed, the pathologist of record and two additional pathologists review it and make any changes before the final autopsy report is issued. Over 1,100 autopsies have been performed in each of the last 5 years and 1,250 autopsies/cases are projected for the current year. One additional Associate Medical Examiner position will help keep the Medical Examiner's Office in compliance with NAME and help ensure that each autopsy receives the proper amount of time/attention.
C04	(1) Operating Expenses decrease in the amount of \$218,269 each year through a Reallocation of Resources from this appropriation to DNA Section - Special (Appropriation 788) for rent of facilities. (2) Conference and Travel Expenses decrease in the amount of \$15,000 each year through a Reallocation of Resources from this appropriation to DNA Section - Special (Appropriation 788) for meals and lodging. (3) Reallocation of Resources in the amount of \$1,150 from Operating Expenses to Conference and Travel Expenses to properly classify Conference and Seminar Fees expenditures.
C05	The Agency is requesting \$25,000 each year in unfunded capital appropriation. This is to be used for paying sales tax on new/replacement vehicles.
C07	Transfer 14 current positions from this Appropriation to the DNA Section - Special Appropriation. These positions work directly in the Combined DNA Index System (CODIS) and should be paid from the special revenue collected from fees of offenders required to pay for testing.

Analysis of Budget Request

Appropriation: 4HT - Video Testify Treasury

Funding Sources: NCL - Video Testifying - Cash in Treasury

In FY01, the Arkansas State Crime Laboratory received a one-time grant in the amount of \$351,000 from the Arkansas Science and Technology Authority. This grant was to be utilized for a remote video-testifying project. The goal is to minimize the time spent by Laboratory Forensic Examiners driving to courts in all areas of the state. Interest received on this fund balance is the only current revenue stream.

Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4HT - Video Testify Treasury
Funding Sources: NCL - Video Testifying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	49,297	165,115	210,692	165,115	165,115	165,115	165,115	165,115	165,115
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		49,297	165,115	210,692	165,115	165,115	165,115	165,115	165,115	165,115
Funding Sources										
Fund Balance	4000005	195,458	154,027		0	0	0	0	0	0
Cash Fund	4000045	7,866	11,088		7,000	7,000	7,000	7,000	7,000	7,000
Total Funding		203,324	165,115		7,000	7,000	7,000	7,000	7,000	7,000
Excess Appropriation/(Funding)		(154,027)	0		158,115	158,115	158,115	158,115	158,115	158,115
Grand Total		49,297	165,115		165,115	165,115	165,115	165,115	165,115	165,115

Original source of grant was a one-time award from the Science and Technology Authority. Revenue reflects interest earned on this award.

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 salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level requests total \$1,289,383 in FY10 and \$1,301,973 in FY11 and reflect the following:

- Regular Salaries and Personal Services Matching increases totaling \$781,114 in FY10 and \$793,704 in FY11 for 14 positions to be transferred to this appropriation from State Operations (Appropriation 498). These positions work directly in the CODIS Section and should be paid from the special revenue collected from fees of offenders required to pay for testing.
- Operating Expenses increase in the amount of \$217,769 each year through a Reallocation of Resources to this appropriation from State Operations (Appropriation 498) in the amount of \$218,269 for rent of facilities and from Operating Expenses to Conference & Travel in the amount of \$500 to properly classify expenses.
- Conference and Travel Expenses increase in the amount of \$15,500 each year through a Reallocation of Resources to this appropriation from State Operations (Appropriation 498) in the amount of \$15,000 for meals and lodging and from Operating Expenses to Conference & Travel in the amount of \$500 to properly classify expenses.
- Reallocation of Resources in the amount of \$500 from Operating Expenses to Conference and Travel Expenses (Conference and Seminar Fees) to properly classify these expenditures.
- Professional Fees increase in the amount of \$25,000 each year to cover the costs of proficiency testing for lab analysts.
- Capital Outlay in the amount of \$250,000 each year to purchase equipment needed to process the increasing number of cases being analyzed by the DNA section.

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		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	31,004	35,742	34,700	37,332	635,138	635,138	38,190	646,599	646,599
#Positions	1	1	1	1	15	15	1	15	15
Personal Services Matching 5010003	10,539	10,869	11,410	12,088	195,396	195,396	12,249	197,544	197,544
Operating Expenses 5020002	673,295	678,751	678,751	678,751	896,520	896,520	678,751	896,520	896,520
Conference & Travel Expenses 5050009	3,871	8,500	8,500	8,500	24,000	24,000	8,500	24,000	24,000
Professional Fees 5060010	0	0	0	0	25,000	25,000	0	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	250,000	250,000	0	250,000	250,000
Total	718,709	733,862	733,361	736,671	2,026,054	2,026,054	737,690	2,039,663	2,039,663
Funding Sources									
Fund Balance 4000005	2,425,627	2,872,250		3,338,388	3,338,388	3,338,388	3,943,905	2,654,522	2,654,522
Special Revenue 4000030	1,165,332	1,200,000		1,342,188	1,342,188	1,342,188	1,349,736	1,349,736	1,349,736
Total Funding	3,590,959	4,072,250		4,680,576	4,680,576	4,680,576	5,293,641	4,004,258	4,004,258
Excess Appropriation/(Funding)	(2,872,250)	(3,338,388)		(3,943,905)	(2,654,522)	(2,654,522)	(4,555,951)	(1,964,595)	(1,964,595)
Grand Total	718,709	733,862		736,671	2,026,054	2,026,054	737,690	2,039,663	2,039,663

FY09 Budget amount for Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 788 - DNA Special
Funding Sources: SDN - DNA Detection Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	736,671	1	736,671	100.0	737,690	1	737,690	100.0
C01	Existing Program	275,000	0	1,011,671	137.3	275,000	0	1,012,690	137.3
C04	Reallocation	233,269	0	1,244,940	169.0	233,269	0	1,245,959	168.9
C07	Agency Transfer	781,114	14	2,026,054	275.0	793,704	14	2,039,663	276.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	736,671	1	736,671	100.0	737,690	1	737,690	100.0
C01	Existing Program	275,000	0	1,011,671	137.3	275,000	0	1,012,690	137.3
C04	Reallocation	233,269	0	1,244,940	169.0	233,269	0	1,245,959	168.9
C07	Agency Transfer	781,114	14	2,026,054	275.0	793,704	14	2,039,663	276.5

Justification

C01	The Agency is requesting Professional Fees to cover the costs of proficiency testing and Capital Outlay to purchase equipment needed to process the additional cases being analyzed by the DNA Section.
C04	(1) Operating Expenses increase in the amount of \$218,269 each year through a Reallocation of Resources to this appropriation from State Operations (Appropriation 498) for rent of facilities. (2) Conference and Travel Expenses increase in the amount of \$15,000 each year through a Reallocation of Resources to this appropriation from State Operations (Appropriation 498) for meals and lodging. (3) Reallocation of Resources in the amount of \$500 from Operating Expenses to Conference and Travel Expenses to properly classify Conference and Seminar Fees expenses.
C07	The Agency is requesting to move 14 current positions from State Operations (Appropriation 498) to this appropriation. These positions work directly in the Combined DNA Index System (CODIS) and should be paid from the special revenue collected from fees of offenders required to pay for testing.

DFA - ABC ADMINISTRATION

Enabling Laws

Act 798 of 2007
A.C.A. §3-2-101 - §3-2-412

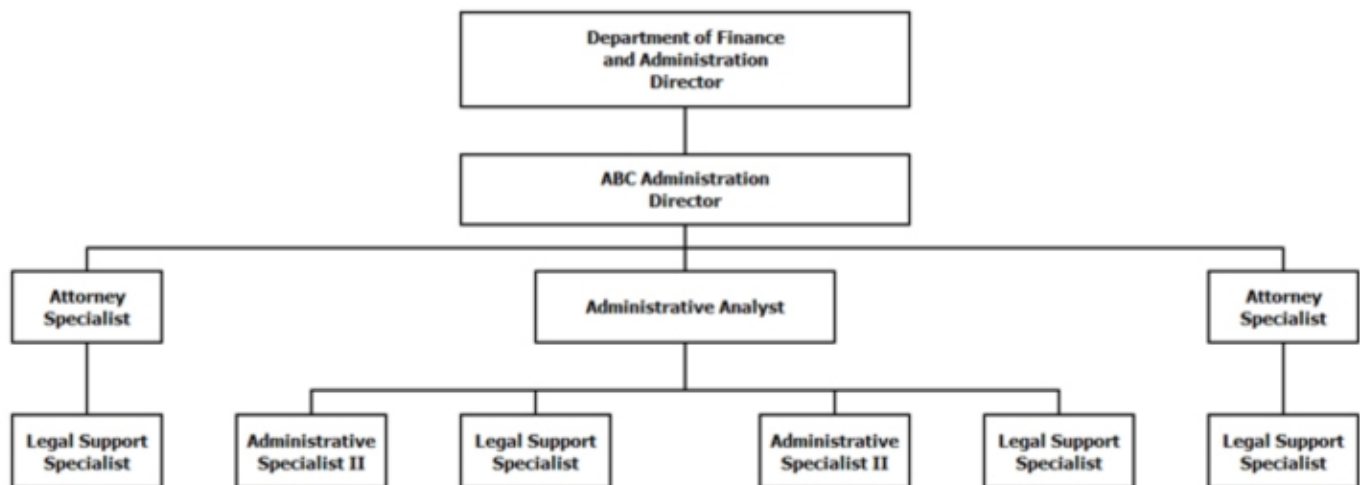
History and Organization

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 agency is requesting a change over base level in the amount of \$46,598 for FY10 and \$37,321 for FY11. Of this amount, \$10,000 is for Maintenance & Operation to purchase new office furniture and dictation/transcription equipment. The remaining amount is for an additional position, Legal Support Specialist, due to an increase in applications for permits.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
ALCOHOLIC BEVERAGE CONTROL – ADMINISTRATION DIVISION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	3	5	8	89 %
Black Employees	0	1	1	11 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	11 %
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		
ABC Rules and Regulations	None	N	N	600	To provide ABC Rules and Regulations information to customers with ABC permits.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	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	681,070	10	688,740	10	688,740	10	716,930	10	763,528	11	719,630	10	729,189	10	766,510	11	729,189	10
911 ABC Administration - Cash Operations	388	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0
Total	681,458	10	699,704	10	699,704	10	727,894	10	774,492	11	730,594	10	740,153	10	777,474	11	740,153	10

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	5,069	0.7	5,867	0.8			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue 4000010	681,070	99.1	688,740	98.4			716,930	98.5	763,528	98.6	719,630	98.5	729,189	98.5	766,510	98.6	729,189	98.5
Cash Fund 4000045	960	0.1	5,097	0.7			10,964	1.5	10,964	1.4	10,964	1.5	10,964	1.5	10,964	1.4	10,964	1.5
Interest 4000300	226	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	687,325	100.0	699,704	100.0			727,894	100.0	774,492	100.0	730,594	100.0	740,153	100.0	777,474	100.0	740,153	100.0
Excess Appropriation/(Funding)	(5,867)		0				0		0		0		0		0		0	
Grand Total	681,458		699,704				727,894		774,492		730,594		740,153		777,474		740,153	

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
10	10	0	10	0	0.00 %	10	9	1	10	0	10.00 %	10	9	1	10	0	10.00 %

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 87% of the Agency's budget is personnel related costs with the remaining 13% maintenance and operating expenses.

The FY09 budget amount of \$688,740 consists of Regular Salaries and Personal Services Matching for ten positions, Extra Help, Operating Expenses and Conference and Travel Expenses.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the ABC Director transition from an unclassified to a classified position. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting additional appropriation and general revenue funding over Base Level for the following:

- One (1) additional position, Legal Support Specialist and related Personal Services Matching, due to an increase in applications for permit and the added responsibility of criminal background checks on all applicants;
- Additional Maintenance & Operation in the amount of \$10,000 for FY2010;
 - \$2,700 is needed to purchase dictation and transcription equipment used in the ABC hearings;
 - \$1,400 to replace seven (7) secretarial chairs;
 - and the remaining \$5,900 to purchase new office furniture for the director's office

The Executive Recommendation provides for the Agency Request of additional appropriation and general revenue funding over Base Level in the amount of \$2,700 for the dictation & transcription equipment.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	474,596	467,660	457,468	479,493	506,024	479,493	489,819	516,960	489,819
#Positions		10	10	10	10	11	10	10	11	10
Extra Help	5010001	2,184	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	113,631	124,394	134,586	140,751	150,818	140,751	142,684	152,864	142,684
Operating Expenses	5020002	85,673	88,100	88,100	88,100	98,100	90,800	88,100	88,100	88,100
Conference & Travel Expenses	5050009	4,986	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		681,070	688,740	688,740	716,930	763,528	719,630	729,189	766,510	729,189
Funding Sources										
General Revenue	4000010	681,070	688,740		716,930	763,528	719,630	729,189	766,510	729,189
Total Funding		681,070	688,740		716,930	763,528	719,630	729,189	766,510	729,189
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		681,070	688,740		716,930	763,528	719,630	729,189	766,510	729,189

Actual and Budget amounts in Regular Salaries exceed authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	716,930	10	716,930	100.0	729,189	10	729,189	100.0
C01	Existing Program	46,598	1	763,528	106.5	37,321	1	766,510	105.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	716,930	10	716,930	100.0	729,189	10	729,189	100.0
C01	Existing Program	2,700	0	719,630	100.4	0	0	729,189	100.0

Justification

C01	The agency is requesting one (1) additional position, Legal Support Specialist, due to a significant increase in applications for permit, and the added responsibility of criminal background checks on all applicants. This additional position would help to distribute the workload more evenly. Additional Maintenance & Operation in the amount of \$10,000 is being requested for FY10. Approximately \$2,700 is needed to purchase dictation and transcription equipment used in the ABC hearings; \$1,400 to replace seven (7) secretarial chairs; and the remaining \$5,900 to purchase new office furniture for the director's office which would include a desk, credenza, conference table and chairs and 2 side chairs.
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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.

Base Level for this appropriation is \$10,964 each year and represents the Agency Request.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	388	10,964	10,964	10,964	10,964	10,964	10,964	10,964	10,964
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		388	10,964	10,964	10,964	10,964	10,964	10,964	10,964	10,964
Funding Sources										
Fund Balance	4000005	5,069	5,867		0	0	0	0	0	0
Cash Fund	4000045	960	5,097		10,964	10,964	10,964	10,964	10,964	10,964
Interest	4000300	226	0		0	0	0	0	0	0
Total Funding		6,255	10,964		10,964	10,964	10,964	10,964	10,964	10,964
Excess Appropriation/(Funding)		(5,867)	0		0	0	0	0	0	0
Grand Total		388	10,964		10,964	10,964	10,964	10,964	10,964	10,964

DFA - ABC ENFORCEMENT

Enabling Laws

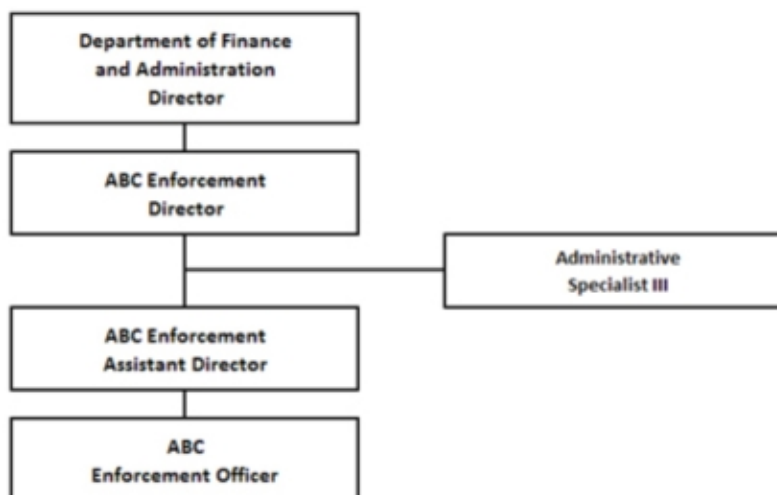
Act 579 of 2007
A.C.A. §3-2-101 - §3-2-412

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 current budget for ABC Enforcement is insufficient to cover the rising cost of fuel and vehicle maintenance. An increase of \$49,000 for FY10 and \$52,000 for FY11 is being requested for Maintenance & Operation to help cover these expenses. Capital Outlay in the amount of \$2,600 each fiscal year is requested to pay Sales & Use Tax for the replacement of 2 vehicles each year. The total request over Base Level is \$51,600 for FY10 and \$54,600 for FY11.

ABC Enforcement administers the federally funded program for Combating Underage Drinking. A reallocation of Overtime & related Personal Services Matching to Operating Expenses of \$48,100 each fiscal year is being requested to allow for sufficient appropriation for expenses in enforcement investigation, mileage and other investigative materials.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
ALCOHOLIC BEVERAGE CONTROL – ENFORCEMENT DIVISION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	12	1	13	72 %
Black Employees	3	1	4	22 %
Other Racial Minorities	0	1	1	6 %
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		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	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	282,598	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	1,014,525	20	1,129,794	20	1,129,794	20	1,143,030	20	1,194,630	20	1,194,630	20	1,165,200	20	1,219,800	20	1,219,800	20
Total	1,297,123	20	1,614,548	20	1,614,548	20	1,627,784	20	1,679,384	20	1,679,384	20	1,649,954	20	1,704,554	20	1,704,554	20

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue 4000010	1,000,700	77.1	1,129,794	70.0			1,143,030	70.2	1,194,630	71.1	1,143,030	70.2	1,165,200	70.6	1,219,800	71.6	1,165,200	70.6
Federal Revenue 4000020	282,598	21.8	484,754	30.0			484,754	29.8	484,754	28.9	484,754	29.8	484,754	29.4	484,754	28.4	484,754	29.4
DFA Motor Vehicle Acquisition 4000184	12,571	1.0	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	1,254	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,297,123	100.0	1,614,548	100.0			1,627,784	100.0	1,679,384	100.0	1,627,784	100.0	1,649,954	100.0	1,704,554	100.0	1,649,954	100.0
Excess Appropriation/(Funding)	0		0				0		0		51,600		0		0		54,600	
Grand Total	1,297,123		1,614,548				1,627,784		1,679,384		1,679,384		1,649,954		1,704,554		1,704,554	

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	17	2	19	1	15.00 %	20	20	0	20	0	0.00 %	20	18	2	20	0	10.00 %

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 Base Level for this appropriation is \$484,754 each year of the biennium.

The Agency is requesting a reallocation of Overtime & related Personal Services Matching in the amount of \$48,100 each year to Operating Expenses. Grant restrictions have limited the Overtime reimbursement but have adjusted the reimbursable amounts allowed for enforcement investigation, mileage and other investigative materials.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	0	8,100	8,100	8,100	0	0	8,100	0	0
Overtime	5010006	0	40,000	40,000	40,000	0	0	40,000	0	0
Operating Expenses	5020002	52,635	52,654	52,654	52,654	100,754	100,754	52,654	100,754	100,754
Conference & Travel Expenses	5050009	1,571	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	228,392	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		282,598	484,754	484,754	484,754	484,754	484,754	484,754	484,754	484,754
Funding Sources										
Federal Revenue	4000020	282,598	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Total Funding		282,598	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		282,598	484,754		484,754	484,754	484,754	484,754	484,754	484,754

Change Level by Appropriation

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	484,754	0	484,754	100.0	484,754	0	484,754	100.0
C04	Reallocation	0	0	484,754	100.0	0	0	484,754	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	484,754	0	484,754	100.0	484,754	0	484,754	100.0
C04	Reallocation	0	0	484,754	100.0	0	0	484,754	100.0

Justification

C01	A reallocation of Overtime & related Personal Services Matching to Operating Expenses of \$48,100 each fiscal year is being requested to allow for sufficient appropriation for expenses in enforcement investigation, mileage and other investigative materials.								
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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 91% of the Agency's budget is personnel related costs with the remaining 9% maintenance and operating expenses.

The FY09 budget amount of \$1,129,794 consists of Regular Salaries and Personal Services Matching for 20 positions, Operating Expenses and Capital Outlay.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the ABC Enforcement Director transition from an unclassified to a classified position. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting additional appropriation and general revenue funding over Base Level for the following:

- Additional Operating Expenses in the amount of \$49,000 for FY2010 and \$52,000 for FY2011;
 - \$7,000 each year is needed for rising costs of vehicle maintenance;
 - \$42,000 in FY2010 and \$45,000 in FY2011 for rising fuel costs;
- Additional Capital Outlay of \$2,600 each year to pay sales tax on (2) two replacement vehicles each year

The Executive Recommendation provides for the Agency Request of additional appropriation over Base Level of \$51,600 for FY2010 and \$54,600 for FY2011 without additional general revenue funding.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	680,833	783,028	783,028	793,320	793,320	793,320	811,996	811,996	811,996
#Positions		20	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	207,645	242,566	242,566	250,510	250,510	250,510	254,004	254,004	254,004
Operating Expenses	5020002	112,662	99,200	99,200	99,200	148,200	148,200	99,200	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	13,385	5,000	5,000	0	2,600	2,600	0	2,600	2,600
Total		1,014,525	1,129,794	1,129,794	1,143,030	1,194,630	1,194,630	1,165,200	1,219,800	1,219,800
Funding Sources										
General Revenue	4000010	1,000,700	1,129,794		1,143,030	1,194,630	1,143,030	1,165,200	1,219,800	1,165,200
DFA Motor Vehicle Acquisition	4000184	12,571	0		0	0	0	0	0	0
M & R Sales	4000340	1,254	0		0	0	0	0	0	0
Total Funding		1,014,525	1,129,794		1,143,030	1,194,630	1,143,030	1,165,200	1,219,800	1,165,200
Excess Appropriation/(Funding)		0	0		0	0	51,600	0	0	54,600
Grand Total		1,014,525	1,129,794		1,143,030	1,194,630	1,194,630	1,165,200	1,219,800	1,219,800

Operating Expenses include M&R expenditures in the amount of \$645.24.

FY08 Actual amount in Operating Expenses exceeds Authorized due to FY08 Authorized was \$114,200.

FY08 Actual amount in Capital Outlay exceeds authorized amount due to transfer of appropriation and funding from DFA Motor Vehicle Acquisition.

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,143,030	20	1,143,030	100.0	1,165,200	20	1,165,200	100.0
C01	Existing Program	51,600	0	1,194,630	104.5	54,600	0	1,219,800	104.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,143,030	20	1,143,030	100.0	1,165,200	20	1,165,200	100.0
C01	Existing Program	51,600	0	1,194,630	104.5	54,600	0	1,219,800	104.7

Justification

C01	Current budget for ABC Enforcement is insufficient to cover the rising costs of fuel and vehicle maintenance. An increase of \$49,000 for FY10 and \$52,000 for FY11 is being requested for Maintenance & Operation to help cover these expenses. Capital Outlay in the amount of \$2,600 each fiscal year is requested to pay Sales & Use Tax for the replacement of 2 vehicles each year.
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DFA - CHILD SUPPORT ENFORCEMENT

Enabling Laws

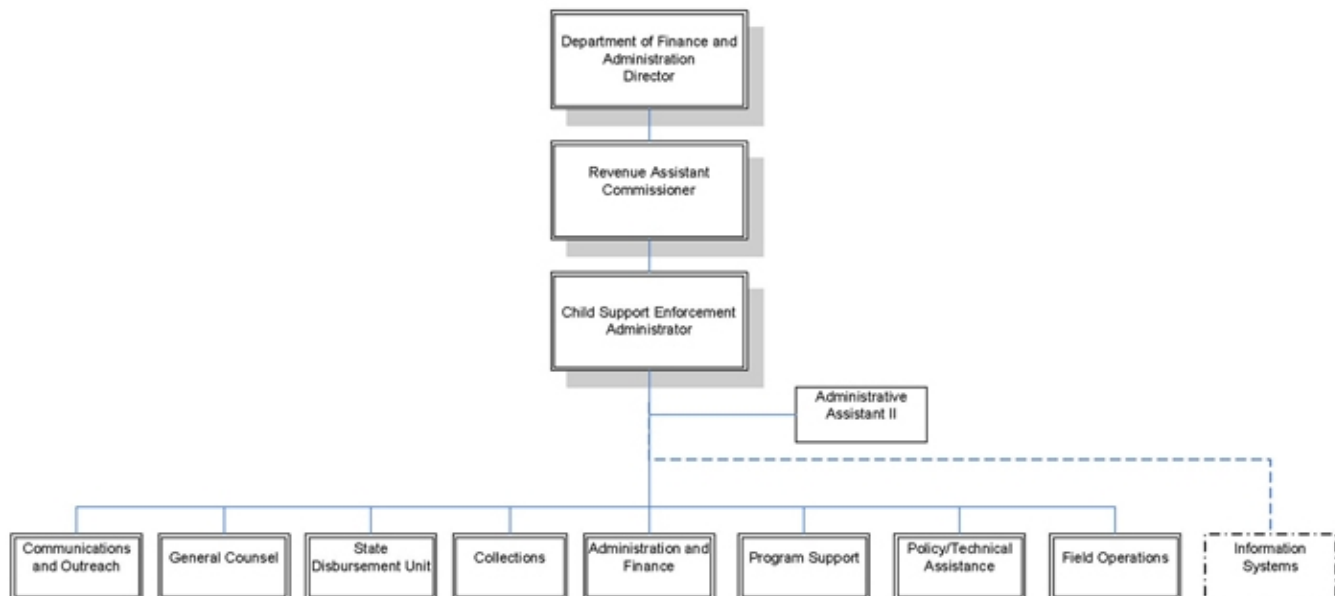
Act 527 of 2007
A.C.A. §25-8-107
A.C.A. §9-14-206 - 210

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 117,500 cases assigned. The cases originate in part from Transitional Employment Assistance (TEA), Medicaid and Foster Care cases referred by the Department of Health and 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 31,500 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.



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 requests restoration of 54 currently authorized positions to maintain normal operations. Severe shortages of positions throughout Child Support and hiring delays due to normal employee turnover would be the repercussions if positions were not restored. Current funding levels will sufficiently cover the restored appropriation of the 54 positions.

The Agency seeks to restore Capital Outlay of \$100,000 to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain and to reallocate \$500,000 from Professional Fees to Operating Expenses to properly classify expenses.

Current funding levels will sufficiently cover the restored Capital Outlay appropriation.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
OFFICE OF CHILD SUPPORT ENFORCEMENT

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	68	443	511	63 %
Black Employees	24	262	286	35 %
Other Racial Minorities	3	7	10	2 %
Total Minorities			296	37 %
Total Employees			807	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		
Direct Deposit Form and Instructions	N/A	N	N	5,000	Public information and convenience
Employers Guide to Child Support Laws	N/A	N	N	1	Keep employers informed as to state law requirements (available online)
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
Non-TEA Application Packet	N/A	N	N	15,000	Public information and convenience
OCSE Informational Business Card	N/A	N	N	5,000	Public information and convenience
OCSE Policy Manual	25-15-203	N	N	1	Staff training and public information (available online)
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
Voluntary Paternity Acknowledgement Program of AR	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

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
893	825	20	845	48	7.61 %	876	801	27	828	48	8.56 %	876	807	15	822	54	7.88 %

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%). Currently 55% of the Agency's budget is personnel related costs with the remaining 45% operating expenses.

The FY09 budget amount of \$58,413,111 consists of Regular Salaries and Personal Services Matching for 822 positions, 15 Extra Help positions, Operating Expenses, Conference & Travel Expenses, Professional Fees, Capital Outlay and Data Processing and Equipment Expenses.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the DFA OCSE Administrator transition from an unclassified to a classified position. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting over Base Level the following for each year of the biennium:

- Restoration of 54 currently authorized positions to maintain normal operations to ensure services continue at the current level without interruption and so hiring delays are not experienced throughout the Agency due to normal employee turnover;
- Reallocation of \$500,000 from Professional Fees to Operating Expenses due to changes in Procurement Regulations that certain professional services now considered technical contracts are expensed from Operating Expenses; and
- Restore \$100,000 in Capital Outlay to the current authorized level to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain.

Current funding levels will sufficiently cover the Agency Request.

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		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	22,409,423	23,923,389	24,128,987	25,895,626	27,191,997	27,191,997	26,489,262	27,815,430	27,815,430
#Positions		864	822	876	822	876	876	822	876	876
Extra Help	5010001	42,456	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		15	15	15	15	15	15	15	15	15
Personal Services Matching	5010003	8,332,237	7,855,585	8,997,038	9,047,567	9,565,652	9,565,652	9,158,700	9,682,352	9,682,352
Operating Expenses	5020002	12,535,958	14,035,654	14,035,654	14,035,654	14,535,654	14,535,654	14,035,654	14,535,654	14,535,654
Conference & Travel Expenses	5050009	18,017	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	199,078	1,000,000	1,000,000	1,000,000	500,000	500,000	1,000,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	56,593	100,000	100,000	0	100,000	100,000	0	100,000	100,000
Data Processing and Equipment E	5900046	10,855,400	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483
Total		54,449,162	58,413,111	59,760,162	61,477,330	63,391,786	63,391,786	62,182,099	64,131,919	64,131,919

Funding Sources										
Fund Balance	4000005	10,373,856	8,233,979		6,485,801	6,485,801	6,485,801	3,873,404	3,873,404	3,873,404
General Revenue	4000010	13,014,933	13,014,933		13,014,933	13,014,933	13,014,933	13,014,933	13,014,933	13,014,933
Federal Revenue	4000020	27,673,017	32,800,000		35,000,000	35,000,000	35,000,000	36,000,000	36,000,000	36,000,000
Non-Revenue Receipts	4000040	11,620,646	10,850,000		10,850,000	12,764,456	12,764,456	10,850,000	12,799,820	12,799,820
M & R Sales	4000340	639	0		0	0	0	0	0	0
Total Funding		62,683,091	64,898,912		65,350,734	67,265,190	67,265,190	63,738,337	65,688,157	65,688,157
Excess Appropriation/(Funding)		(8,233,929)	(6,485,801)		(3,873,404)	(3,873,404)	(3,873,404)	(1,556,238)	(1,556,238)	(1,556,238)
Grand Total		54,449,162	58,413,111		61,477,330	63,391,786	63,391,786	62,182,099	64,131,919	64,131,919

Special Language allows for carry forward of the Data Processing & Equipment Expenses line item from FY08 to FY09; \$493,082.93.

Change Level by Appropriation

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	61,477,330	822	61,477,330	100.0	62,182,099	822	62,182,099	100.0
C01	Existing Program	1,914,456	54	63,391,786	103.1	1,949,820	54	64,131,919	103.1
C04	Reallocation	0	0	63,391,786	103.1	0	0	64,131,919	103.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	61,477,330	822	61,477,330	100.0	62,182,099	822	62,182,099	100.0
C01	Existing Program	1,914,456	54	63,391,786	103.1	1,949,820	54	64,131,919	103.1
C04	Reallocation	0	0	63,391,786	103.1	0	0	64,131,919	103.1

Justification

C01	Restoration of 54 currently authorized positions and restoration of \$100,000 Capital Outlay. The 54 positions are currently authorized but not budgeted in FY09 due to Personnel Cap level restrictions, and are needed to maintain normal operations. Severe shortages of positions throughout Child Support and hiring delays due to normal employee turnover would be the repercussions if positions were not restored. Current funding levels will sufficiently cover the restored appropriation of the 54 positions. The Capital Outlay amount of \$100,000 is authorized in the current Biennium and is needed in each year of the upcoming Biennium to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain. Current funding levels will sufficiently cover the restored Capital Outlay appropriation.
C04	Due to the changes in the Procurement Regulation certain professional services contracts expensed from Professional Fees have been reclassified and are now considered technical contracts expensed from Operating Expenses. Reallocating \$500,000 from Professional Fees to Operating Expenses.

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: DFA Revenue Services Child Support Enforcement

Program: Child Support Enforcement - Operations

Act #: 527 of 2007 Section(s) #: 3 & 5

Estimated Carry Forward Amount \$ 483,000.00 Appropriation Funds

Funding Source: General, Fed & Non-Rev Receipts

Accounting Information:

Business Area: 0634 Funds Center: 120 Fund: MCE Functional Area: ADMN

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Data Processing and Equipment Expenses	5900046	483,000.00	493,082.93
Total		\$ 483,000.00	\$ 493,082.93

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

Hardware to scan Child Support Enforcement case files prior to electronic storage; software for archival of emails related to case operations; updates to current software; record retention requirements; and any additional development requirements.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward appropriation/funding:

Hardware to scan Child Support Enforcement case files prior to electronic storage; software for archival of emails related to case operations; updates to current software; record retention requirements; and any additional development requirements.

Richard A. Weiss
Director

08-18-2008
Date

DFA - DISBURSING OFFICER

Enabling Laws

Act 2298 of 2005
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 for deficient appropriations
- 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:

- For 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

- For 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
- For making reimbursements to counties all expenses incurred in holding and bringing to trial persons charged with escape from the Department of Correction
- For Emergency Medical Services programs and other programs funded by the Indigent Patients Fund
- To alleviate conditions arising in public emergencies by issuance of emergency proclamations by the Governor
- To provide both appropriation and funds for the acquisition of new and replacement vehicles for the Motor Vehicle Acquisition Program
- To provide additional funding to Arkansas Fire Departments in order to reduce homeowner insurance rates through the Fire Protection Program
- To collect uniform filing fees and court costs from City, Municipal, and County courts and distribute these funds to various State Agencies
- To 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:

- Increase the appropriation by the amount of \$1,024,718 each year to align the appropriation amounts disbursed from the Administration of Justice Fund with the current allocations in special language
- Increases in State's Contributions to various organizations funded by general revenue in the amount of \$64,442 for FY10 and \$93,497 for FY11
- Increase in the various Miscellaneous Grants and Expenses funded by general revenue in the amount of \$6,042 for FY10 and \$6,842 for FY11 for the National Conference on Uniform State Laws

The following appropriations are no longer needed by the Agency:

- Shared Benefit Holding Account
- Career Service Recognition Payments
- Supplemental County Aid
- Supplemental Municipal Aid

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
DISBURSING OFFICER

FOR THE YEAR ENDED JUNE 30, 2007

Findings Recommendations

None None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS CHILDREN'S HOSPITAL

FOR THE YEAR ENDED JUNE 30, 2007

Findings Recommendations

None 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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	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	98,773	0	102,723	0	102,723	0	102,723	0	106,833	0	106,833	0	102,723	0	111,106	0	111,106	0
020 National Conference of State Legislatures	128,202	0	139,076	0	139,076	0	139,076	0	145,311	0	145,311	0	139,076	0	150,985	0	150,985	0
022 National Assoc of State Budget Officers	14,700	0	15,171	0	15,171	0	15,171	0	15,600	0	15,600	0	15,171	0	16,100	0	16,100	0
023 Southern Growth Policies Board	26,834	0	28,175	0	28,175	0	28,175	0	28,175	0	28,175	0	28,175	0	28,175	0	28,175	0
024 National Governors Association	83,800	0	87,200	0	87,200	0	87,200	0	90,700	0	90,700	0	87,200	0	94,700	0	94,700	0
025 Overtime	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
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	6,750	0	6,750	0	6,750	0	7,030	0	7,030	0	6,750	0	7,315	0	7,315	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 & Relief Fund	34,619,019	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 Exp	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	17,687	0	42,313	0	60,000	0	60,000	0	60,000	0	60,000	0	0	0	0	0	0	0
066 Miscellaneous Federal Grants	0	0	150,000,000	0	150,000,000	0	150,000,000	0	150,000,000	0	150,000,000	0	150,000,000	0	150,000,000	0	150,000,000	0
067 Disaster Assistance Grants	4,483,704	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	6,004,243	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
071 Marketing and Redistribution	206,572	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	14,880	0	15,619	0	15,619	0	15,619	0	16,302	0	16,302	0	15,619	0	16,302	0	16,302	0
079 National Conference 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	38,727	0	40,858	0	40,858	0	40,858	0	46,900	0	46,900	0	40,858	0	47,700	0	47,700	0
081 Hospital Payments	0	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 Level Radioactive Waste Compact	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 Cor	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	64,542	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	3,760,171	0	39,319,132	0	39,319,132	0	39,319,132	0	40,343,850	0	40,343,850	0	39,319,132	0	40,343,850	0	40,343,850	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	351	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	0	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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	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	10,928	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 Southern Regional Education Board	187,900	0	193,550	0	193,550	0	193,550	0	210,000	0	210,000	0	193,550	0	210,000	0	210,000	0
1QZ Organ Donation Education Grants	16,996	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	111,304	0	111,332	0	111,332	0	111,332	0	115,785	0	115,785	0	111,332	0	115,785	0	115,785	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	226,748	0	240,699	0	240,699	0	240,699	0	248,938	0	248,938	0	240,699	0	260,261	0	260,261	0
1YB Federation of Tax Administrators	16,185	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 National Association of Attorneys General	30,269	0	30,937	0	30,937	0	30,937	0	33,000	0	33,000	0	30,937	0	34,000	0	34,000	0
1YD Association of Racing Commissioners	15,000	0	15,000	0	15,000	0	15,000	0	19,000	0	19,000	0	15,000	0	21,000	0	21,000	0
232 Intensive Care Nursery	0	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 Adjustments	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	22,813	0	26,000	0	26,000	0	26,000	0	40,000	0	40,000	0	26,000	0	40,000	0	40,000	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	0	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 Prog	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 County Public Emp Blanket Bond Prog	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 Bond Prog	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 School Emp Blanket Bond Prog	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	4,189	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	8,989,090	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	47,223	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	3,591,558	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0
2YN Public Legal Aid	342,104	0	342,104	0	342,104	0	342,104	0	342,104	0	342,104	0	342,104	0	342,104	0	342,104	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	114,016	0	147,000	0	147,000	0	147,000	0	147,000	0	147,000	0	147,000	0	147,000	0	147,000	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	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
33N Delta Regional Authority	159,524	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	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	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	85,000	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	156,394	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
54Za Innovation & Planning Development	0	0	0	0	0	0	0	0	0	0	450,000	0	0	0	0	0	450,000	0
578 Arkansas Sports Hall of Fame	75,000	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
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	230,390	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0
905 Purchase of Vehicles	1,380,287	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	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
A08 Cash Approp - Various Agencies	0	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	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
NOT REQUESTED FOR THE BIENNIUM																		
1RB Shared Benefit Holding	0	0	50,000,000	0	50,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0
36Y Supplemental County Aid	12,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36Z Supplemental Municipal Aid	12,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
906 Annual Career Service Recognition Payments	0	0	7,179,591	0	7,179,591	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	67,506,799	0	628,005,147	0	628,078,414	0	570,843,243	0	571,938,445	0	572,388,445	0	570,783,243	0	571,908,300	0	572,358,300	0

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	48,856,718	38.7	34,600,967	5.4			11,045,120	1.9	11,045,120	1.9	11,045,120	1.9	9,103,948	1.6	8,079,230	1.4	8,079,230	1.4
General Revenue	4000010	6,507,217	5.2	6,716,760	1.1			6,734,447	1.2	6,804,931	1.2	7,254,931	1.2	6,674,447	1.2	6,774,786	1.2	7,224,786	1.2
Federal Revenue	4000020	0	0.0	10,070,787	1.6			8,000,000	1.4	8,000,000	1.4	8,000,000	1.4	8,000,000	1.4	8,000,000	1.4	8,000,000	1.4
Special Revenue	4000030	59,266,570	47.0	66,083,175	10.3			71,034,908	12.2	71,034,908	12.2	71,034,908	12.2	71,127,449	12.3	71,127,449	12.3	71,127,449	12.3
Cash Fund	4000045	0	0.0	5,080,447	0.8			5,000,000	0.9	5,000,000	0.9	5,000,000	0.9	5,000,000	0.9	5,000,000	0.9	5,000,000	0.9
Trust Fund	4000050	9,407,030	7.5	5,969,169	0.9			16,250,000	2.8	16,250,000	2.8	16,250,000	2.8	16,250,000	2.8	16,250,000	2.8	16,250,000	2.8
Merit Adjustment Fund	4000055	0	0.0	3,433,315	0.5			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
ASP Retirement Fund	4000113	(2,786,105)	(2.2)	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	2,683,211	2.1	10,554,964	1.7			13,350,000	2.3	13,350,000	2.3	13,350,000	2.3	13,350,000	2.3	13,350,000	2.3	13,350,000	2.3
Cigarette Tax	4000140	156,600	0.1	184,412	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
County Aid Fund	4000169	12,000,000	9.5	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%		%		%	
Fire/Police Pens & Relief Fund	4000252	635,580	0.5	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	(635,580)	(0.5)	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	(1,920,070)	(1.5)	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	(1,188,040)	(0.9)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Improvement	4000265	0	0.0	4,896,130	0.8	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	133,623	0.1	132,745	0.0	132,745	0.0	132,745	0.0	132,745	0.0	132,745	0.0	132,745	0.0	132,745	0.0
Internet User Fees	4000310	276,174	0.2	250,000	0.0	250,000	0.0	250,000	0.0	250,000	0.0	250,000	0.0	250,000	0.0	250,000	0.0
Inter-agency Fund Transfer	4000316	(877,414)	(0.7)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Juv Detention Facilities Fund	4000325	30,014	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	1,018,860	0.8	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2
Municipal Aid Fund	4000357	12,000,000	9.5	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	1,044,261	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Police Supplement Fund	4000377	(764,400)	(0.6)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Special State Asset Forfeiture	4000465	105,957	0.1	3,999,412	0.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
State Administration of Justice	4000470	37,090,818	29.4	37,595,513	5.9	38,391,307	6.6	38,391,307	6.6	38,391,307	6.6	39,108,793	6.8	39,108,793	6.8	39,108,793	6.8
Transfer from DHS	4000510	0	0.0	300,000	0.0	300,000	0.1	300,000	0.1	300,000	0.1	300,000	0.1	300,000	0.1	300,000	0.1
Transfer from DHS-DYS	4000515	400,000	0.3	400,000	0.1	400,000	0.1	400,000	0.1	400,000	0.1	400,000	0.1	400,000	0.1	400,000	0.1
Transfer to DHS Grants Fund	4000615	(3,533,600)	(2.8)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to General Revenue	4000635	(7,937,847)	(6.3)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Insurance Dept	4000650	(300,012)	(0.2)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers Accounting Purposes	4000685	206,572	0.2	389,050,000	60.9	339,050,000	58.5	339,050,000	58.5	339,050,000	58.4	339,050,000	58.6	339,050,000	58.7	339,050,000	58.7
Transfers from Agencies	4000690	5,448,875	4.3	11,104,550	1.7	15,000,000	2.6	15,000,000	2.6	15,000,000	2.6	15,000,000	2.6	15,000,000	2.6	15,000,000	2.6
Transfers to Agencies	4000695	(50,172,985)	(39.8)	(2,816,340)	(0.4)	(5,763,896)	(1.0)	(5,763,896)	(1.0)	(5,763,896)	(1.0)	(6,046,216)	(1.0)	(6,046,216)	(1.0)	(6,046,216)	(1.0)
Unfunded Appropriation	4000715	0	0.0	14,400,000	2.3	24,574,810	4.2	24,574,810	4.2	24,574,810	4.2	24,574,810	4.2	24,574,810	4.3	24,574,810	4.3
Workforce 2000	4000740	0	0.0	35,000,000	5.5	35,000,000	6.0	35,000,000	6.0	35,000,000	6.0	35,000,000	6.1	35,000,000	6.1	35,000,000	6.1
Total Funds		126,107,766	100.0	639,050,267	100.0	579,947,191	100.0	580,017,675	100.0	580,467,675	100.0	578,473,726	100.0	577,549,347	100.0	577,999,347	100.0
Excess Appropriation/(Funding)		(34,600,967)		(11,045,120)		(9,103,948)		(8,079,230)		(8,079,230)		(7,690,483)		(5,641,047)		(5,641,047)	
Grand Total		67,506,799		628,005,147		570,843,243		571,938,445		572,388,445		570,783,243		571,908,300		572,358,300	

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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.

The Base Level of this appropriation is \$60,400,000 each year of the biennium and represents the Agency Request.

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		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	34,619,019	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		34,619,019	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	6,982,188	1,812,836		0	0	0	0	0	0
Special Revenue	4000030	44,681,709	44,187,164		46,000,000	46,000,000	46,000,000	46,000,000	46,000,000	46,000,000
ASP Retirement Fund	4000113	(2,786,105)	0		0	0	0	0	0	0
Fire Protection Prem Tax Fund	4000253	(635,580)	0		0	0	0	0	0	0
Fire/Police Future Supp Fund	4000254	(1,920,070)	0		0	0	0	0	0	0
Fire/Police Guarantee Fund	4000256	(1,188,040)	0		0	0	0	0	0	0
Police Supplement Fund	4000377	(764,400)	0		0	0	0	0	0	0
Transfer to General Revenue	4000635	(7,937,847)	0		0	0	0	0	0	0
Unfunded Appropriation	4000715	0	14,400,000		14,400,000	14,400,000	14,400,000	14,400,000	14,400,000	14,400,000
Total Funding		36,431,855	60,400,000		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Excess Appropriation/(Funding)		(1,812,836)	0		0	0	0	0	0	0
Grand Total		34,619,019	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 Base Level for this appropriation is \$13,250,000 for each year of the biennium and represents the Agency Request.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	4,483,704	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		4,483,704	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	4,595,529	2,795,036		0	0	0	0	0	0
Budget Stabilization Trust	4000130	2,683,211	10,454,964		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total Funding		7,278,740	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Excess Appropriation/(Funding)		(2,795,036)	0		0	0	0	0	0	0
Grand Total		4,483,704	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 Base Level for this appropriation is \$8,000,000 each year of the biennium and represents the Agency Request.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	6,004,243	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	6,004,243	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									
Fund Balance 4000005	5,891,128	5,357,248		0	0	0	0	0	0
Trust Fund 4000050	5,470,363	2,642,752		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding	11,361,491	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)	(5,357,248)	0		0	0	0	0	0	0
Grand Total	6,004,243	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: 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. The Base Level for this appropriation is \$4,500,000 each year of the biennium and represents the Agency Request.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Marketing & Redistribution Progr 5900025	206,572	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	206,572	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	206,572	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Funding	206,572	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	206,572	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 Base Level for this appropriation is \$363,767 for each year of the biennium and represents the Agency Request.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				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

Transfer from DHS is per Act 1290 of 2007, Section 80.

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 Base Level for this appropriation is \$274,400 each year of the biennium and represents the Agency Request.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				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.

Base Level for this appropriation is \$150,000 each year of the biennium and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Maintenance & Operations 5900046	64,542	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total	64,542	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources									
Fund Balance 4000005	608,953	820,585		920,585	920,585	920,585	1,020,585	1,020,585	1,020,585
Internet User Fees 4000310	276,174	250,000		250,000	250,000	250,000	250,000	250,000	250,000
Total Funding	885,127	1,070,585		1,170,585	1,170,585	1,170,585	1,270,585	1,270,585	1,270,585
Excess Appropriation/(Funding)	(820,585)	(920,585)		(1,020,585)	(1,020,585)	(1,020,585)	(1,120,585)	(1,120,585)	(1,120,585)
Grand Total	64,542	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 Base Level for this appropriation is \$39,319,132 for each year of the biennium. The Agency is requesting an increase in appropriation only of \$1,024,718 each year to bring the State Agencies Distribution line item in line with the total allocations listed in Act 1290 of 2007, Section 66.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,733,719	34,319,132	34,319,132	34,319,132	35,343,850	35,343,850	34,319,132	35,343,850	35,343,850
Refunds/Reimbursements	5110014	26,452	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		3,760,171	39,319,132	39,319,132	39,319,132	40,343,850	40,343,850	39,319,132	40,343,850	40,343,850
Funding Sources										
Fund Balance	4000005	11,654,532	9,988,062		9,753,240	9,753,240	9,753,240	7,712,068	6,687,350	6,687,350
Special Revenue	4000030	7,822,758	8,889,496		9,234,908	9,234,908	9,234,908	9,327,449	9,327,449	9,327,449
Interest	4000300	133,623	132,745		132,745	132,745	132,745	132,745	132,745	132,745
State Administration of Justice	4000470	36,373,714	36,878,409		37,674,203	37,674,203	37,674,203	38,391,689	38,391,689	38,391,689
Transfers to Agencies	4000695	(42,236,394)	(6,816,340)		(9,763,896)	(9,763,896)	(9,763,896)	(10,046,216)	(10,046,216)	(10,046,216)
Total Funding		13,748,233	49,072,372		47,031,200	47,031,200	47,031,200	45,517,735	44,493,017	44,493,017
Excess Appropriation/(Funding)		(9,988,062)	(9,753,240)		(7,712,068)	(6,687,350)	(6,687,350)	(6,198,603)	(4,149,167)	(4,149,167)
Grand Total		3,760,171	39,319,132		39,319,132	40,343,850	40,343,850	39,319,132	40,343,850	40,343,850

Transfers to Agencies reflect expenditures by fund transfer pursuant to the State Accounting and Budgetary Procedures Law (A.C.A. 19-4-710) to prevent the duplication in the recording of expenditures and revenues resulting from interagency transactions.

Change Level by Appropriation

Appropriation: 159 - Administration of Justice Fund
Funding Sources: TAJ - State Administration of Justice Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	39,319,132	0	39,319,132	100.0	39,319,132	0	39,319,132	100.0
C01	Existing Program	1,024,718	0	40,343,850	102.6	1,024,718	0	40,343,850	102.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	39,319,132	0	39,319,132	100.0	39,319,132	0	39,319,132	100.0
C01	Existing Program	1,024,718	0	40,343,850	102.6	1,024,718	0	40,343,850	102.6

Justification

C01	An increase in appropriation to bring the State Agencies Distribution line item in line with the total allocations listed in Act 1290 of 2007, Section 66.
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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 Base Level for this appropriation is \$375,000 for each year of the biennium and represents the Agency Request.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 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	216,579		216,579	216,579	216,579	216,579	216,579	216,579
State Administration of Justice 4000470	375,000	375,000		375,000	375,000	375,000	375,000	375,000	375,000
Total Funding	591,579	591,579		591,579	591,579	591,579	591,579	591,579	591,579
Excess Appropriation/(Funding)	(216,579)	(216,579)		(216,579)	(216,579)	(216,579)	(216,579)	(216,579)	(216,579)
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 subchapters 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 Base Level for this appropriation is \$5,000,000 for each year of the biennium and represents the Agency Request. 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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Drug Enforcement, Education, Tr 5900046	351	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	351	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	1,772,396	1,000,588		0	0	0	0	0	0
Inter-agency Fund Transfer 4000316	(877,414)	0		0	0	0	0	0	0
Special State Asset Forfeiture 4000465	105,957	3,999,412		0	0	0	0	0	0
Unfunded Appropriation 4000715	0	0		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	1,000,939	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	(1,000,588)	0		0	0	0	0	0	0
Grand Total	351	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Inter-agency transfers - Office of Prosecutor Coordinator \$58,192 (Act 574 of 2007, Sec 4); U of A Fund for Criminal Justice Institute \$300,000 (Act 1257 of 2007, Sec 19); Community Corrections \$370,930 (Act 1286 of 2007, Sec 9 & A.C.A. 5-64-505(l)); State Crime Lab \$88 (A.C.A. 19-5-106); and State Police \$148,204 (A.C.A.5-64-505(i)(4)(B)(ii)(a)).

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 Base Level for this appropriation is \$8,000,000 for each year of the biennium and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	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	0	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	0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding	0	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	0	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.

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 Base Level for this appropriation is \$2,000,000 for each year of the biennium and represents the Agency Request. 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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	10,928	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		10,928	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	23,201	19,298		0	0	0	0	0	0
Trust Fund	4000050	7,025	1,980,702		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		30,226	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(19,298)	0		0	0	0	0	0	0
Grand Total		10,928	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

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.

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 Base Level for this appropriation is \$200,000 for each year of the biennium and represents the Agency Request. 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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	16,996	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total	16,996	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources									
Fund Balance 4000005	1,220	1,566		0	0	0	0	0	0
Trust Fund 4000050	17,342	198,434		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding	18,562	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)	(1,566)	0		0	0	0	0	0	0
Grand Total	16,996	200,000		200,000	200,000	200,000	200,000	200,000	200,000

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 Base Level for this appropriation is \$100,000 for each year the biennium and represents the Agency Request.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 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 (Arkansas Code §14-284-401 et seq. and §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 Base Level for this appropriation is \$15,000,000 each year of the 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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	8,989,090	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		8,989,090	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	5,070,163	3,126,832		0	0	0	0	0	0
Special Revenue	4000030	6,410,179	11,873,168		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Fire/Police Pens & Relief Fund	4000252	635,580	0		0	0	0	0	0	0
Total Funding		12,115,922	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(3,126,832)	0		0	0	0	0	0	0
Grand Total		8,989,090	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

A.C.A. §26-51-441 (Act 471 of 1993) 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.

Base Level for this appropriation is \$50,000 each year of the biennium and represents the Agency Request. 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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	47,223	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	47,223	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources									
Fund Balance 4000005	45,633	394		0	0	0	0	0	0
Trust Fund 4000050	1,984	49,606		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding	47,617	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)	(394)	0		0	0	0	0	0	0
Grand Total	47,223	50,000		50,000	50,000	50,000	50,000	50,000	50,000

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.

The Base Level for this appropriation is \$6,000,000 each year of the biennium and represents the Agency Request.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,591,558	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total		3,591,558	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Funding Sources										
Fund Balance	4000005	4,583,567	4,902,325		0	0	0	0	0	0
Trust Fund	4000050	3,910,316	1,097,675		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total Funding		8,493,883	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Excess Appropriation/(Funding)		(4,902,325)	0		0	0	0	0	0	0
Grand Total		3,591,558	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000

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 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.

Base Level for this appropriation is \$342,104 each year of the biennium and represents the Agency Request. Expenditure of appropriation is contingent upon available funding.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	342,104	342,104	342,104	342,104	342,104	342,104	342,104	342,104	342,104
Total	342,104	342,104	342,104	342,104	342,104	342,104	342,104	342,104	342,104
Funding Sources									
State Administration of Justice 4000470	342,104	342,104		342,104	342,104	342,104	342,104	342,104	342,104
Total Funding	342,104	342,104		342,104	342,104	342,104	342,104	342,104	342,104
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	342,104	342,104		342,104	342,104	342,104	342,104	342,104	342,104

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 Base Level for this appropriation is \$4,000,000 for each year of the biennium and represents the Agency Request.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services-Merit Adjustme 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. Act 1052 of 1991 provided an increase in the corporate income tax to fund the restructuring of vocational education.

Base Level for this appropriation is \$30,000,000 each year for Technical Colleges Accreditation and \$5,000,000 each year for Vocational Technical Accreditation. Funds and appropriation are transferred from the Work Force 2000 Fund to the Technical Colleges and Technical Institutes.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	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 Department of Finance and Administration administers all grant awards and expenditures by the multi-jurisdictional drug crime task forces under applicable state and federal law and upon the recommendations of the Arkansas Alcohol and Drug Abuse Coordinating Council.

Multi-jurisdictional drug crime task force means an association consisting of a minimum of two law enforcement agencies and one prosecuting attorney acting by agreement to jointly investigate and prosecute drug crimes in a defined geographic area or judicial district. Any multi-jurisdictional drug crime task force receiving state grant funds pursuant to this act shall contribute local matching funds in an amount not less than twenty percent (20%) of the total grant amount awarded. The source of local matching funds shall come from county or municipal general revenue appropriations or authorized drug control fund disbursements of any participating drug crime task force member agency. The Department of Finance and Administration shall restrict distribution of any grant monies to a drug crime task force if it is determined said local matching funds are not appropriated or available.

The state funds awarded shall be used specifically for salaries, personal services matching, overtime, maintenance and general operations, evidentiary purchases of controlled substances or information, informant and witness compensation, rent, utilities, telecommunications, fuel, vehicle maintenance and repair, in-state training and travel expenses. Each Grant Award shall specifically provide for accounting and fiscal officer services. No state grant funds shall be used for capital outlay or equipment purchases that exceed the cost of one thousand five hundred dollars (\$1,500) per item.

Base Level for this appropriation is \$5.5 million each year of the biennium and represents the Agency Request. 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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 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	524	303,870		0	0	0	0	0	0
Special Revenue	4000030	303,346	300,000		500,000	500,000	500,000	500,000	500,000	500,000
General Improvement	4000265	0	4,896,130		0	0	0	0	0	0
Unfunded Appropriation	4000715	0	0		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		303,870	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Excess Appropriation/(Funding)		(303,870)	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

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 Base Level for this appropriation is \$300,000 for each year of the biennium and represents the Agency Request. Expenditure of appropriation is contingent upon available funding.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	85,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	85,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources									
Fund Balance 4000005	53,856	17,434		0	0	0	0	0	0
Special Revenue 4000030	48,578	282,566		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	102,434	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Excess Appropriation/(Funding)	(17,434)	0		0	0	0	0	0	0
Grand Total	85,000	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.

Base Level for this appropriation is \$197,750 each year of the biennium and represents the Agency Request. Expenditure of appropriation is contingent upon available funding.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	156,394	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Total		156,394	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Funding Sources										
Fund Balance	4000005	13,132	13,338		0	0	0	0	0	0
Cigarette Tax	4000140	156,600	184,412		197,750	197,750	197,750	197,750	197,750	197,750
Total Funding		169,732	197,750		197,750	197,750	197,750	197,750	197,750	197,750
Excess Appropriation/(Funding)		(13,338)	0		0	0	0	0	0	0
Grand Total		156,394	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 provides funding for this Department of Finance and Administration - Disbursing Officer appropriation for grants for operating expenses of fourteen local juvenile detention facilities.

The Base Level for this appropriation is \$400,000 each year of the biennium and represents the Agency Request.

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		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	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	124,702	154,716		154,716	154,716	154,716	154,716	154,716	154,716
Juv Detention Facilities Fund	4000325	30,014	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		554,716	554,716		554,716	554,716	554,716	554,716	554,716	554,716
Excess Appropriation/(Funding)		(154,716)	(154,716)		(154,716)	(154,716)	(154,716)	(154,716)	(154,716)	(154,716)
Grand Total		400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000

\$30,014 is an outlawed warrant/refund to expenditure.

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.

Base Level is \$174,810 each year of the biennium and represents the Agency Request. Expenditure of appropriation is contingent upon available funding.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	174,810	230,390	174,810	174,810	174,810	174,810	174,810	174,810
Total	0	174,810	230,390	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
Unfunded Appropriation 4000715	0	0		174,810	174,810	174,810	174,810	174,810	174,810
Total Funding	174,810	174,810		174,810	174,810	174,810	174,810	174,810	174,810
Excess Appropriation/(Funding)	(174,810)	0		0	0	0	0	0	0
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.

Base Level for this appropriation is \$15,000,000 each year and represents the Agency Request.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase of Vehicles	5900046	1,380,287	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		1,380,287	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	7,044,605	3,895,450		0	0	0	0	0	0
M & R Sales	4000340	1,018,860	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	5,148,863	10,104,550		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Transfers to Agencies	4000695	(7,936,591)	0		0	0	0	0	0	0
Total Funding		5,275,737	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(3,895,450)	0		0	0	0	0	0	0
Grand Total		1,380,287	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 Base Level for this appropriation is \$5,000,000 each year of the biennium and represents the Agency Request. Expenditure of appropriation is contingent upon available funding.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Various Expenses 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									
Cash Fund 4000045	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	0	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	0	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 Base Level for this appropriation is \$3,533,600 each year of the biennium and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Intensive Care Nursery 5100004	0	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	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Burn Center 5100004	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
Hospital Payments 5100004	0	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Total	0	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
Transfer to DHS Grants Fund 4000615	(3,533,600)	0		0	0	0	0	0	0
Total Funding	0	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	0	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600

Special Language authorizes transfer of funds to the Department of Health and Human Services Grants Fund Account.

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. 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 Base Level for each appropriation is \$250,000 each year of the biennium and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Public School Emp Blanket Bond f 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
State Emp Blanket Bond Prog 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
County Public Emp Blanket Bond 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Municipal Public Emp Blanket Bon 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	(300,012)	0		0	0	0	0	0	0
Transfers from Agencies 4000690	300,012	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 Base Level for this appropriation is \$250,000,000 for each year of the biennium and represents the Agency Request.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Miscellaneous Federal Grants 5100004	0	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Misc Workforce Investment Progr 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	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	250,000,000		250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
Total Funding	0	250,000,000		250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	250,000,000		250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000

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 Base Level represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	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 Employees 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	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Refund to Expenditures 5900045	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Personal Services - Payplan Adju 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
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

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 \$1,281,811 each year 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 increases in the amount of \$64,442 for FY10 and \$93,497 for FY11 for the following twelve organizations:

	<u>FY2010</u>	<u>FY2011</u>
National Association of Racing Commissioners	\$ 4,000	\$ 6,000
Council of State Government	\$ 4,110	\$ 8,383
Multi-State Tax Commission	\$ 8,239	\$ 19,562
National Association of Attorney's General	\$ 2,063	\$ 3,063
National Association of State Budget Officers	\$ 429	\$ 929
National Conference on State Legislatures	\$ 6,235	\$ 11,909
National Governor's Association	\$ 3,500	\$ 7,500
National Center for State Courts	\$ 4,453	\$ 4,453
Southern Governor's Association	\$ 14,000	\$ 14,000
Southern Regional Education Board	\$ 16,450	\$ 16,450
Interstate Mining Compact	\$ 683	\$ 683
State and Local Legal Center	\$ 280	\$ 565
	<u>\$ 64,442</u>	<u>\$ 93,497</u>

The Executive Recommendation provides for the Agency Request for additional appropriation and general revenue funding over Base Level in the amount of \$64,442 for FY10 and \$93,497 for FY11.

Appropriation Summary

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

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Nat'l Governors Association 5020002	83,800	87,200	87,200	87,200	90,700	90,700	87,200	94,700	94,700
Southern Governors Association 5020002	22,813	26,000	26,000	26,000	40,000	40,000	26,000	40,000	40,000
Nat'l Conf of Ins Legislators 5020002	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Nat'l Conf of State Legislatures 5020002	128,202	139,076	139,076	139,076	145,311	145,311	139,076	150,985	150,985
Southern Growth Policies Board 5020002	26,834	28,175	28,175	28,175	28,175	28,175	28,175	28,175	28,175
State and Local Legal Center 5020002	6,500	6,750	6,750	6,750	7,030	7,030	6,750	7,315	7,315
The Energy Council 5020002	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Southern Regional Educ Board 5020002	187,900	193,550	193,550	193,550	210,000	210,000	193,550	210,000	210,000
Southern States Energy Board 5020002	31,027	32,579	32,579	32,579	32,579	32,579	32,579	32,579	32,579
Nat'l Center for State Courts 5020002	111,304	111,332	111,332	111,332	115,785	115,785	111,332	115,785	115,785
Delta Regional Authority 5020002	159,524	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Federation of Tax Administrators 5020002	16,185	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Assoc of Racing Commissioners 5020002	15,000	15,000	15,000	15,000	19,000	19,000	15,000	21,000	21,000
Council of State Government 5020002	98,773	102,723	102,723	102,723	106,833	106,833	102,723	111,106	111,106
Interstate Mining Compact 5020002	14,880	15,619	15,619	15,619	16,302	16,302	15,619	16,302	16,302
Nat'l Assoc Attorneys General 5020002	30,269	30,937	30,937	30,937	33,000	33,000	30,937	34,000	34,000
Nat'l Assoc State Budget Officers 5020002	14,700	15,171	15,171	15,171	15,600	15,600	15,171	16,100	16,100
Low Lev Radio Waste Compact 5020002	5,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Multi-State Tax Commission 5020002	226,748	240,699	240,699	240,699	248,938	248,938	240,699	260,261	260,261
Total	1,221,459	1,281,811	1,281,811	1,281,811	1,346,253	1,346,253	1,281,811	1,375,308	1,375,308
Funding Sources									
General Revenue 4000010	1,221,459	1,281,811		1,281,811	1,346,253	1,346,253	1,281,811	1,375,308	1,375,308
Total Funding	1,221,459	1,281,811		1,281,811	1,346,253	1,346,253	1,281,811	1,375,308	1,375,308
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,221,459	1,281,811		1,281,811	1,346,253	1,346,253	1,281,811	1,375,308	1,375,308

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	102,723	0	102,723	100.0	102,723	0	102,723	100.0
C01	Existing Program	4,110	0	106,833	104.0	8,383	0	111,106	108.2

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	102,723	0	102,723	100.0	102,723	0	102,723	100.0
C01	Existing Program	4,110	0	106,833	104.0	8,383	0	111,106	108.2

Justification

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

Appropriation: 020 - National Conference of State Legislatures

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	139,076	0	139,076	100.0	139,076	0	139,076	100.0
C01	Existing Program	6,235	0	145,311	104.5	11,909	0	150,985	108.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	139,076	0	139,076	100.0	139,076	0	139,076	100.0
C01	Existing Program	6,235	0	145,311	104.5	11,909	0	150,985	108.6

Justification

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

Appropriation: 022 - National Association of State Budget Officers

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,171	0	15,171	100.0	15,171	0	15,171	100.0
C01	Existing Program	429	0	15,600	102.8	929	0	16,100	106.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,171	0	15,171	100.0	15,171	0	15,171	100.0
C01	Existing Program	429	0	15,600	102.8	929	0	16,100	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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	87,200	0	87,200	100.0	87,200	0	87,200	100.0
C01	Existing Program	3,500	0	90,700	104.0	7,500	0	94,700	108.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	87,200	0	87,200	100.0	87,200	0	87,200	100.0
C01	Existing Program	3,500	0	90,700	104.0	7,500	0	94,700	108.6

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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	6,750	0	6,750	100.0	6,750	0	6,750	100.0
C01	Existing Program	280	0	7,030	104.1	565	0	7,315	108.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	6,750	0	6,750	100.0	6,750	0	6,750	100.0
C01	Existing Program	280	0	7,030	104.1	565	0	7,315	108.4

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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,619	0	15,619	100.0	15,619	0	15,619	100.0
C01	Existing Program	683	0	16,302	104.4	683	0	16,302	104.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,619	0	15,619	100.0	15,619	0	15,619	100.0
C01	Existing Program	683	0	16,302	104.4	683	0	16,302	104.4

Justification

C01	Increase in yearly assessment from the organization.
-----	--

Change Level by Appropriation

Appropriation: 1NM - Southern Regional Education Board

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	193,550	0	193,550	100.0	193,550	0	193,550	100.0
C01	Existing Program	16,450	0	210,000	108.5	16,450	0	210,000	108.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	193,550	0	193,550	100.0	193,550	0	193,550	100.0
C01	Existing Program	16,450	0	210,000	108.5	16,450	0	210,000	108.5

Justification

C01	Increase in yearly assessment from the organization.
-----	--

Change Level by Appropriation

Appropriation: 1RC - National Center for State Courts

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	111,332	0	111,332	100.0	111,332	0	111,332	100.0
C01	Existing Program	4,453	0	115,785	104.0	4,453	0	115,785	104.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	111,332	0	111,332	100.0	111,332	0	111,332	100.0
C01	Existing Program	4,453	0	115,785	104.0	4,453	0	115,785	104.0

Justification

C01	Increase in yearly assessment from the organization.
-----	--

Change Level by Appropriation

Appropriation: 1YA - Multi-State Tax Commission
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	240,699	0	240,699	100.0	240,699	0	240,699	100.0
C01	Existing Program	8,239	0	248,938	103.4	19,562	0	260,261	108.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	240,699	0	240,699	100.0	240,699	0	240,699	100.0
C01	Existing Program	8,239	0	248,938	103.4	19,562	0	260,261	108.1

Justification

C01	Increase in yearly assessment from the organization.
-----	--

Change Level by Appropriation

Appropriation: 1YC - National Association of Attorneys General

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	30,937	0	30,937	100.0	30,937	0	30,937	100.0
C01	Existing Program	2,063	0	33,000	106.7	3,063	0	34,000	109.9

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	30,937	0	30,937	100.0	30,937	0	30,937	100.0
C01	Existing Program	2,063	0	33,000	106.7	3,063	0	34,000	109.9

Justification

C01	Increase in yearly assessment from the organization.
-----	--

Change Level by Appropriation

Appropriation: 1YD - Association of Racing Commissioners

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	4,000	0	19,000	126.7	6,000	0	21,000	140.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	4,000	0	19,000	126.7	6,000	0	21,000	140.0

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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	26,000	0	26,000	100.0	26,000	0	26,000	100.0
C01	Existing Program	14,000	0	40,000	153.8	14,000	0	40,000	153.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	26,000	0	26,000	100.0	26,000	0	26,000	100.0
C01	Existing Program	14,000	0	40,000	153.8	14,000	0	40,000	153.8

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 \$1,580,869 for FY10 and \$1,520,869 FY11. The Agency is requesting additional appropriation and general revenue funding in the amounts of \$6,042 for FY10 and \$6,842 for FY11 for National Conference on Uniform State Laws.

The Executive Recommendation provides for the Agency Request and additional general revenue funding in the amount of \$6,042 for FY10 and \$6,842 for FY11.

The Executive Recommendation also provides for a new appropriation for Innovation and Product Development and general revenue funding in the amount of \$450,000 each year within the Department of Finance and Administration Disbursing Officer for the Department of Information Systems. The following special language has also been recommended:

- The Department of Information Systems is a cost recovery agency subject to the requirements of the United States Office of Management and Budget Circular A-87 Cost Principles for State, Local and Indian Tribal Government (A-87) and Cost Principals for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government Implementation Guide for the Office of Management and Budget Circular A-87 (ASMBC-10). To comply with these federal rules, it is necessary to establish an Innovation and Product Development appropriation and general revenue fund account within the Department of Finance and Administration Disbursing Officer for the Department of Information Systems. This fund shall be used for state enterprise innovative projects that would enhance the technology operations of the State that cannot be cost allocated to federal programs. The Department of Information Systems will maintain documentation for projects billed for these purposes. Fund transfers may be made from the general revenue fund account, upon the approval of the Chief Fiscal Officer of the State, to reimburse the Department of Information Systems for the amounts billed.

Appropriation Summary

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Nat'l Conf Uniform State Laws 5020002	38,727	40,858	40,858	40,858	46,900	46,900	40,858	47,700	47,700
Criminal Det Committee Exp 5020002	4,189	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 Admin Consortium 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 Juv Offenders 5100004	114,016	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000
Planning & Development Grants 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 Prog Cert Exp 5100004	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Arkansas Sports Hall of Fame 5100004	75,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Akansas Wine Producers Council 5100004	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Innovation & Planning Dev 5900046	0	0	0	0	0	450,000	0	0	450,000
Fire Prevention Comm Grants 5900046	17,687	42,313	60,000	60,000	60,000	60,000	0	0	0
Total	1,413,991	1,563,182	1,580,869	1,580,869	1,586,911	2,036,911	1,520,869	1,527,711	1,977,711
Funding Sources									
General Revenue 4000010	1,413,991	1,563,182		1,580,869	1,586,911	2,036,911	1,520,869	1,527,711	1,977,711
Total Funding	1,413,991	1,563,182		1,580,869	1,586,911	2,036,911	1,520,869	1,527,711	1,977,711
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,413,991	1,563,182		1,580,869	1,586,911	2,036,911	1,520,869	1,527,711	1,977,711

Fire Prevention Commission Grants is a biennial appropriation. \$42,313 was carried forward for FY09.

Change Level by Appropriation

Appropriation: 080 - National Conference on Uniform State Laws

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	40,858	0	40,858	100.0	40,858	0	40,858	100.0
C01	Existing Program	6,042	0	46,900	114.8	6,842	0	47,700	116.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	40,858	0	40,858	100.0	40,858	0	40,858	100.0
C01	Existing Program	6,042	0	46,900	114.8	6,842	0	47,700	116.7

Justification

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

Appropriation: 54Za - Innovation & Planning Development

Funding Sources: HUA - Miscellaneous Agencies Fund

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C19	Executive Changes	450,000	0	450,000	100.0	450,000	0	450,000	100.0

Justification

C19	To comply with federal rules it is necessary to establish an Innovation and Product Development appropriation and general revenue fund account within the Department of Finance and Administration Disbursing Officer for the Department of Information Systems. This fund shall be used for state enterprise innovative projects that would enhance the technology operations of the State that cannot be cost allocated to federal programs.
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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 Base Level for this appropriation is \$50,000,000 each year for Cash Appropriation - Various Agencies and \$5,000,000 each year for Personal Services - Various Agencies and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Cash Approp - Various Agencies 5900033	0	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
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	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	55,000,000		55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000
Total Funding	0	55,000,000		55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	55,000,000		55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000

Appropriation Summary

Appropriation: 1RB - Shared Benefit Holding

Funding Sources: STP - Shared Benefit Payment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Shared Benefit Holding 5900046	0	50,000,000	50,000,000	0	0	0	0	0	0
Total	0	50,000,000	50,000,000	0	0	0	0	0	0
Funding Sources									
Transfers Accounting Purposes 4000685	0	50,000,000		0	0	0	0	0	0
Total Funding	0	50,000,000		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	50,000,000		0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

Appropriation Summary

Appropriation: 36Y - Supplemental County Aid

Funding Sources: MLC - County Aid Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	12,000,000	0	0	0	0	0	0	0	0
Total	12,000,000	0	0	0	0	0	0	0	0
Funding Sources									
County Aid Fund 4000169	12,000,000	0		0	0	0	0	0	0
Total Funding	12,000,000	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	12,000,000	0		0	0	0	0	0	0

Act 1100 of 2007 and Act 1093 of 2007

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

Appropriation Summary

Appropriation: 36Z - Supplemental Municipal Aid

Funding Sources: MLM - Municipal Aid Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	12,000,000	0	0	0	0	0	0	0	0
Total	12,000,000	0	0	0	0	0	0	0	0
Funding Sources									
Municipal Aid Fund 4000357	12,000,000	0		0	0	0	0	0	0
Total Funding	12,000,000	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	12,000,000	0		0	0	0	0	0	0

Act 1100 of 2007 and Act 1093 of 2007

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

Appropriation Summary

Appropriation: 906 - Annual Career Service Recognition Payments

Funding Sources: MMF - Merit Adjustment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Career Recognition Payments 5900046	0	7,179,591	7,179,591	0	0	0	0	0	0
Total	0	7,179,591	7,179,591	0	0	0	0	0	0
Funding Sources									
Federal Revenue 4000020	0	2,070,787		0	0	0	0	0	0
Special Revenue 4000030	0	550,781		0	0	0	0	0	0
Cash Fund 4000045	0	80,447		0	0	0	0	0	0
Merit Adjustment Fund 4000055	0	3,433,315		0	0	0	0	0	0
Other 4000370	0	1,044,261		0	0	0	0	0	0
Total Funding	0	7,179,591		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	7,179,591		0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

Career Service amounts are now included in each Agency's Budget Request.

DFA - MANAGEMENT SERVICES

Enabling Laws

Act 801 of 2007
Act 1182 of 2007
Act 367 of 2007
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, pro-active 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, 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 Quick Copy Center), applications development and maintenance, and operations and support (computer operations, and local area network and desktop support). OIS also administers the State Vehicle Management Information and Acquisition System.



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 the following for the 2009-2011 biennium:

Appropriation 1GA

- Reallocate Operating Expenses, Conference & Travel Fees and Professional Fees appropriation in the amount to Refunds/Reimbursements and additional appropriation to provide rebates back to State Agencies.

Appropriation 252

- Reallocate Data Processing to Operating Expenses to properly classify expenses.

Appropriation 272

- Restore two currently authorized clerical positions for unanticipated needs that may occur throughout the Management Services Division;
- A decrease of \$300,000 each year to discontinue the Data Processing line item;
- Transfer of 21 positions from Agency 0630 - DFA Revenue Services; and
- Move five positions from the State Technology Planning, which is funded from General Revenue (HUA).

Appropriation 278

- The Employee Benefits Division is requesting two additional Registered Nurses positions to continue the expansion of services to members and implement a series of member health education and learning programs.

Appropriation 34Z

- Restore appropriation and general revenue funding in the amount of \$359,196 each year for the required state match by the Department of Justice.

Appropriation 35Z

- Move five positions from the State Technology Planning, which is funded from General Revenue (HUA) to Appropriation 272 funded from State Central Services

Appropriation 584

- In conjunction with the implementation of the statewide pay plan study, the Agency is requesting to transfer the AASIS Administrator position currently contracted with the DIS into the DFA structure. This will allow for more efficient and effective management of the ASC by DFA management.

Appropriation 907

- Additional appropriation to provide rebates back to State Agencies for computer related purchases.

The Agency is also requesting to discontinue the appropriations for the Local Law Enforcement Block Grant (1RN) and the Comprehensive Annual Financial Report (583).

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
EMPLOYEE BENEFITS DIVISION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS TREASURER OF STATE
AUDITOR OF STATE
DEPARTMENT OF FINANCE AND ADMINISTRATION
FUND RECONCILIATION REPORT

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Performance Audit Findings

Employee Benefits Division (EBD) – Arkansas Department of Finance and Administration
(July 1, 2003 – June 30, 2005) - Issued 11-10-2006

Findings and Conclusions:

- In plan years 2004 and 2005, EBD paid \$4 million and \$12 million, respectively, from the Trust Fund to maintain employee premium costs.
- In fiscal years 2004 and 2005, penalties assessed to all health plan providers totaled \$35,000, with \$31,500 of the penalties assessed to QualChoice.
- EBD experienced a scope limitation related to health claims paid to Blue Cross Blue Shield (BCBS). BCBS does not provide EBD with physician contract information which is necessary for EBD to perform automated claims audits.
- 9 exceptions were noted in the testing of 2004 and 2005 mail order claims resulting in an error rate of 6.4% and 5.1% respectively. EBD stated the providers were notified and the claims were to be reprocessed.

Recommendations:

- EBD continue pursuit of a remedy to the scope limitation concerning BCBS claims audits to provide for the proper safeguarding of assets.

Findings and Conclusions:

- Blue Cross Blue Shield (BCBS) does not provide EBD with physician contract information which is necessary for EBD to perform automated claims audits. As an alternative, EBD stated in July 2007 they would begin using "Usual and Customary" charges provided by their actuary to electronically review all claims and identify extraordinary items for a more detailed review.
- The EBD staff turnover rate declined from 42.9% in 2005 to 20.5% in 2006.
- After continuous decline from \$41.4 million in fiscal year 2001, the Arkansas State Employees (ASE) Benefits Fund rebounded from less than \$20 million to \$23.2 million at June 30, 2006.

Note: As of June 30, 2008, EBD had not initiated the comparison of BCBS claims with "Usual and Customary" charges. Also, the ASE Benefits Fund again declined in 2007 to \$13 million as of June 30, 2007.

Recommendations:

N/A

Employment Summary

	Male	Female	Total	%
White Employees	104	186	290	77 %
Black Employees	19	58	77	20 %
Other Racial Minorities	5	5	10	3 %
	Total Minorities		87	23 %
	Total Employees		377	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.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
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	3,450	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	1	Federal legislation requires that employees have an annual open enrollment. The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.
Enrollment Guide for Arkansas State and Public School Retired Employees	None	N	N	1	Federal legislation requires that employees have an annual open enrollment. 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 Employees	None	N	N	1	Federal legislation requires that employees have an annual open enrollment. 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	1	The Department of Labor requires that a summary of the plan be provided 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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	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	6,622,846	6	12,718,944	6	12,718,944	6	12,716,448	6	12,716,448	6	12,716,448	6	12,722,300	6	12,722,300	6	12,722,300	6
1GA Purchase / Corporate Travel Card Program	769,786	0	1,600,000	0	1,600,000	0	1,600,000	0	2,000,000	0	2,000,000	0	1,600,000	0	2,000,000	0	2,000,000	0
251 Dept Justice Non-Victim Assist Grants-State	450,625	0	1,085,000	0	1,185,000	0	1,085,000	0	1,085,000	0	1,085,000	0	1,085,000	0	1,085,000	0	1,085,000	0
252 Dept Justice Non-Victim Assist Grants-Fed	3,132,738	6	9,836,867	5	9,836,867	5	9,848,029	5	9,848,029	5	9,848,029	5	9,852,629	5	9,852,629	5	9,852,629	5
272 DFA Management Services - Operations	16,453,124	275	18,445,779	283	18,445,779	285	19,375,691	283	20,689,980	311	20,689,980	311	19,684,990	283	21,027,579	311	21,027,579	311
274 Marketing and Redistribution	965,604	15	1,246,559	15	1,246,559	15	1,267,979	15	1,267,979	15	1,267,979	15	1,278,861	15	1,278,861	15	1,278,861	15
277 Quick Copy Service Center	108,995	2	428,836	2	504,697	2	439,029	2	439,029	2	439,029	2	440,907	2	440,907	2	440,907	2
278 Employee Benefits Division	2,591,471	35	2,953,217	35	2,953,217	35	3,005,286	35	3,104,142	37	3,104,142	37	3,041,130	35	3,142,023	37	3,142,023	37
279 Data Processing	19,222,443	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	107	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	0	0	359,196	0	0	0	359,196	0	359,196	0	0	0	359,196	0	359,196	0
35Z Information Technology Planning	366,686	4	522,671	5	522,671	5	504,319	5	0	0	0	0	510,040	5	0	0	0	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
584 AASIS - Operations	3,922,947	58	4,609,638	60	4,609,638	60	4,863,974	60	5,011,732	61	5,011,732	61	4,935,205	60	5,083,338	61	5,083,338	61
907 DFA Management Services - Misc Cash	805,052	14	1,784,197	14	1,695,701	14	1,797,071	14	2,297,071	14	2,297,071	14	1,808,004	14	2,308,004	14	2,308,004	14
NOT REQUESTED FOR THE BIENNIUM																		
1RN Local Law Enfrmcnt Block Grant	53,020	0	807,012	0	807,012	0	0	0	0	0	0	0	0	0	0	0	0	0
583 Comprehensive Annual Financial Report	0	0	0	0	250,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	55,412,424	415	2,185,263,988	425	2,186,767,561	427	2,186,535,106	425	2,188,850,886	451	2,188,850,886	451	2,186,991,346	425	2,189,332,117	451	2,189,332,117	451

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	1,902,803	3.3	2,152,081	0.1			1,340,431	0.1	1,340,431	0.1	1,340,431	0.1	825,381	0.0	825,381	0.0	825,381	0.0
General Revenue	4000010	850,612	1.5	1,607,671	0.1			1,589,319	0.1	1,444,196	0.1	1,444,196	0.1	1,595,040	0.1	1,444,196	0.1	1,444,196	0.1
Federal Revenue	4000020	9,825,543	17.1	23,362,823	1.1			22,564,477	1.0	22,564,477	1.0	22,564,477	1.0	22,574,929	1.0	22,574,929	1.0	22,574,929	1.0
State Central Services	4000035	42,054,412	73.0	56,040,914	2.6			57,277,231	2.6	58,838,134	2.7	58,838,134	2.7	57,693,605	2.6	59,285,220	2.7	59,285,220	2.7
Non-Revenue Receipts	4000040	3,804,491	6.6	2,997,942	0.1			3,339,029	0.2	3,739,029	0.2	3,739,029	0.2	3,340,907	0.2	3,740,907	0.2	3,740,907	0.2
Cash Fund	4000045	1,106,853	1.9	1,250,000	0.1			1,250,000	0.1	1,750,000	0.1	1,750,000	0.1	1,750,000	0.1	2,250,000	0.1	2,250,000	0.1
Agency Payroll Paying Accounts	4000085	0	0.0	2,100,000,000	96.0			2,100,000,000	96.0	2,100,000,000	95.9	2,100,000,000	95.9	2,100,000,000	96.0	2,100,000,000	95.9	2,100,000,000	95.9
DFA Motor Vehicle Acquisition	4000184	107,526	0.2	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Grant/SubGrant Refunds	4000273	7,202	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	65,358	0.1	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	(57,442)	(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	28,267	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	(2,078,100)	(3.6)	0	0.0												
						0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0.0	
Total Funds		57,617,525	100.0	2,187,411,431	100.0	2,187,360,487	100.0	2,189,676,267	100.0	2,189,676,267	100.0	2,187,779,862	100.0	2,190,120,633	100.0	2,190,120,633	100.0
Excess Appropriation/(Funding)		(2,152,081)		(1,340,431)		(825,381)		(825,381)		(825,381)		(788,516)		(788,516)		(788,516)	
Grand Total		55,412,424		2,186,071,000		2,186,535,106		2,188,850,886		2,188,850,886		2,186,991,346		2,189,332,117		2,189,332,117	

Budget amount exceeds authorized amount due to salary adjustments during the 2007-2009 biennium (907).

Actual number of positions exceed the Authorized number due to the flexibility inherent in the authorization of all positions through one salary section in the appropriation act (252).

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
395	358	35	393	2	9.37 %	427	375	50	425	2	12.18 %	427	377	48	425	2	11.71 %

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level for this appropriation represents the Agency Request.

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		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	189,599	219,704	219,704	215,937	215,937	215,937	220,866	220,866	220,866
#Positions		6	6	6	6	6	6	6	6	6
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	63,811	70,749	70,749	72,020	72,020	72,020	72,943	72,943	72,943
Overtime	5010006	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Operating Expenses	5020002	24,754	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	3,549	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	6,321,473	12,134,375	12,134,375	12,134,375	12,134,375	12,134,375	12,134,375	12,134,375	12,134,375
Refunds/Reimbursements	5110014	19,660	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
Total		6,622,846	12,718,944	12,718,944	12,716,448	12,716,448	12,716,448	12,722,300	12,722,300	12,722,300
Funding Sources										
Federal Revenue	4000020	6,622,846	12,718,944		12,716,448	12,716,448	12,716,448	12,722,300	12,722,300	12,722,300
Total Funding		6,622,846	12,718,944		12,716,448	12,716,448	12,716,448	12,722,300	12,722,300	12,722,300
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		6,622,846	12,718,944		12,716,448	12,716,448	12,716,448	12,722,300	12,722,300	12,722,300

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.

Cardholders 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 cardholder 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 for this appropriation is \$1,600,000 each year of the biennium. The Agency is requesting to reallocate Operating Expenses, Conference & Travel Fees and Professional Fees appropriation in the amount of \$600,000 to Refunds/Reimbursements and an additional \$400,000 to provide sufficient appropriation to provide rebates back to State Agencies.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	500,000	500,000	500,000	0	0	500,000	0	0
Conference & Travel Expenses	5050009	0	50,000	50,000	50,000	0	0	50,000	0	0
Professional Fees	5060010	0	50,000	50,000	50,000	0	0	50,000	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	769,786	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	1,000,000	2,000,000	2,000,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		769,786	1,600,000	1,600,000	1,600,000	2,000,000	2,000,000	1,600,000	2,000,000	2,000,000
Funding Sources										
Fund Balance	4000005	786	213,807		0	0	0	0	0	0
Non-Revenue Receipts	4000040	982,807	1,386,193		1,600,000	2,000,000	2,000,000	1,600,000	2,000,000	2,000,000
Total Funding		983,593	1,600,000		1,600,000	2,000,000	2,000,000	1,600,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(213,807)	0		0	0	0	0	0	0
Grand Total		769,786	1,600,000		1,600,000	2,000,000	2,000,000	1,600,000	2,000,000	2,000,000

Change Level by Appropriation

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,600,000	0	1,600,000	100.0	1,600,000	0	1,600,000	100.0
C01	Existing Program	400,000	0	2,000,000	125.0	400,000	0	2,000,000	125.0
C04	Reallocation	0	0	2,000,000	125.0	0	0	2,000,000	125.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,600,000	0	1,600,000	100.0	1,600,000	0	1,600,000	100.0
C01	Existing Program	400,000	0	2,000,000	125.0	400,000	0	2,000,000	125.0
C04	Reallocation	0	0	2,000,000	125.0	0	0	2,000,000	125.0

Justification

C01	Request is to provide for sufficient appropriation to provide rebates back to State Agencies.
C04	Reallocating currently authorized appropriation in Operating Expenses, Conference & Travel Expenses and Professional Fees to the Refund/Reimbursements line item to provide for sufficient appropriation to provide rebates back to State Agencies.

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.

The Base Level for this appropriation is \$1,085,000 each year of the biennium and represents the Agency Request.

A change in the appropriation title is requested due to the Federal granting agency combining programs. Formerly "Drug Law Enforcement Program - State".

The Executive Recommendation provides for the Agency Request.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	450,625	1,085,000	1,185,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000
Total		450,625	1,085,000	1,185,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000
Funding Sources										
General Revenue	4000010	483,926	1,085,000		1,085,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000
Grant/SubGrant Refunds	4000273	7,202	0		0	0	0	0	0	0
Inter-agency Fund Transfer	4000316	(40,503)	0		0	0	0	0	0	0
Total Funding		450,625	1,085,000		1,085,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		450,625	1,085,000		1,085,000	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000

* Change in Appropriation title requested due to Federal granting agency combining programs. Formerly "Drug Law Enforcement Program - State".

Inter-agency fund transfers: Community Corrections - \$8,095.36; Department of Corrections - \$32,407.63

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request is for Base Level and a reallocation of \$6,000 each year from Data Processing to Operating Expenses to properly classify network services expenditures.

A change in the appropriation title is also requested due to the Federal granting agency combining programs. Formerly "Drug Law Enforcement Program - Federal".

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		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	151,817	196,457	195,410	207,091	207,091	207,091	210,966	210,966	210,966
#Positions		6	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	45,690	63,781	64,828	64,309	64,309	64,309	65,034	65,034	65,034
Operating Expenses	5020002	23,003	162,129	162,129	162,129	168,129	168,129	162,129	168,129	168,129
Conference & Travel Expenses	5050009	2,425	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	6,000	6,000	6,000	0	0	6,000	0	0
Grants and Aid	5100004	2,841,535	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Refunds/Reimbursements	5110014	68,268	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
Total		3,132,738	9,836,867	9,836,867	9,848,029	9,848,029	9,848,029	9,852,629	9,852,629	9,852,629

Funding Sources										
Federal Revenue	4000020	3,149,677	9,836,867		9,848,029	9,848,029	9,848,029	9,852,629	9,852,629	9,852,629
Inter-agency Fund Transfer	4000316	(16,939)	0		0	0	0	0	0	0
Total Funding		3,132,738	9,836,867		9,848,029	9,848,029	9,848,029	9,852,629	9,852,629	9,852,629
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,132,738	9,836,867		9,848,029	9,848,029	9,848,029	9,852,629	9,852,629	9,852,629

* Change in Appropriation title requested due to Federal granting agency combining programs. Formerly "Drug Law Enforcement Program - Federal".

Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

Actual number of positions exceed the Authorized number due to the flexibility inherent in the authorization of all positions through one salary section in the appropriation act.

Inter-agency fund transfer: Department of Corrections - \$16,939.46

Change Level by Appropriation

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

Funding Sources: FIG - DFA Federal Funds

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	9,848,029	5	9,848,029	100.0	9,852,629	5	9,852,629	100.0
C04	Reallocation	0	0	9,848,029	100.0	0	0	9,852,629	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	9,848,029	5	9,848,029	100.0	9,852,629	5	9,852,629	100.0
C04	Reallocation	0	0	9,848,029	100.0	0	0	9,852,629	100.0

Justification

C04	Reallocating \$6,000 from Data Processing to Operating Expenses. Due to changes in Accounting Regulations for various Data Processing expenses, expenditures are now paid from Operating Expenses.
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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 salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for ten positions transitioning from unclassified to classified positions. Unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting an increase above Base Level of \$1,314,289 for FY10 and \$1,342,589 for FY11 as follows:

- Restore 2 currently authorized clerical positions for unanticipated needs that may occur throughout the Management Services Division; an increase of \$58,505 for FY10 and \$59,616 for FY11 for salaries and matching
- Agency transfer of 21 currently authorized positions from Agency 0630 - DFA Revenue Services to Agency 0610 DFA Management Services Division - Office of Information Systems to allow for consolidation of information technology positions into one office. These positions will assist in the support of the Integrated Revenue System and DFA's in-house scanning and indexing; \$1,051,465 for FY10 and \$1,072,933 for FY11
- Agency transfer of 5 currently authorized positions within the Management Services Division. This transfer will move the 5 positions from the Intergovernmental Services - State Information Technology Planning appropriation, which is funded from General Revenue; \$504,319 for FY10 and \$510,040 for FY11
- A decrease of \$300,000 each year to discontinue the Data Processing line item. This appropriation is no longer needed.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	11,555,774	12,777,221	12,544,653	13,269,712	14,508,966	14,508,966	13,529,817	14,792,902	14,792,902
#Positions		275	283	285	283	311	311	283	311	311
Extra Help	5010001	6,475	41,512	41,512	41,512	41,512	41,512	41,512	41,512	41,512
#Extra Help		3	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	3,333,720	3,492,401	3,724,969	3,929,822	4,304,857	4,304,857	3,979,016	4,358,520	4,358,520
Overtime	5010006	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	1,436,769	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645
Conference & Travel Expenses	5050009	30,127	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Professional Fees	5060010	3,656	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	86,603	300,000	300,000	300,000	0	0	300,000	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		16,453,124	18,445,779	18,445,779	19,375,691	20,689,980	20,689,980	19,684,990	21,027,579	21,027,579

Funding Sources										
State Central Services	4000035	16,448,446	18,445,779		19,375,691	20,689,980	20,689,980	19,684,990	21,027,579	21,027,579
M & R Sales	4000340	4,678	0		0	0	0	0	0	0
Total Funding		16,453,124	18,445,779		19,375,691	20,689,980	20,689,980	19,684,990	21,027,579	21,027,579
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		16,453,124	18,445,779		19,375,691	20,689,980	20,689,980	19,684,990	21,027,579	21,027,579

Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

Special language allowed for carry forward of Operating Expenses in the amount of \$572,489.64 from FY08 into FY09 (see page 178).

Change Level by Appropriation

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	19,375,691	283	19,375,691	100.0	19,684,990	283	19,684,990	100.0
C01	Existing Program	58,505	2	19,434,196	100.3	59,616	2	19,744,606	100.3
C03	Discontinue Program	(300,000)	0	19,134,196	98.8	(300,000)	0	19,444,606	98.8
C07	Agency Transfer	1,555,784	26	20,689,980	106.8	1,582,973	26	21,027,579	106.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	19,375,691	283	19,375,691	100.0	19,684,990	283	19,684,990	100.0
C01	Existing Program	58,505	2	19,434,196	100.3	59,616	2	19,744,606	100.3
C03	Discontinue Program	(300,000)	0	19,134,196	98.8	(300,000)	0	19,444,606	98.8
C07	Agency Transfer	1,555,784	26	20,689,980	106.8	1,582,973	26	21,027,579	106.8

Justification

C01	This request includes \$58,505 for FY10 and \$59,616 for FY11 for salaries and matching to restore 2 currently authorized clerical positions for unanticipated needs that may occur throughout the Management Services Division.
C03	Reduction of \$300,000 each year in the Data Processing line item is due to the appropriation no longer being needed.
C07	Transfer of 21 positions from Agency 0630 - DFA Revenue Services to Agency 0610 - DFA Management Services-Office of Information Systems (OIS). 14 positions are currently in the Office of Driver Services, 1 in Commercial Drivers License and 6 are for the Arkansas Integrated Revenue System. OIS supports the Integrated Revenue System and DFA's centralized in-house scanning and indexing. The transfer of positions will allow for consolidation of all information technology positions into one IT office. The remaining 5 positions are a transfer within DFA Management Services -Information Technology Planning from a General Revenue funded appropriation to a State Central Services funded appropriation.

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: DFA Management Services

Program: DFA Management Services - Operations

Act #: 801 of 2007 Section(s) #: 3 & 27

Estimated Carry Forward Amount \$ 552,326.00 Appropriation Funds

Funding Source: State Central Services

Accounting Information:

Business Area: 0610 Funds Center: 272 Fund: HSC Functional Area: ADMN

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Operating Expenses	5020002	250,000.00	572,489.64
Conference & Travel Expenses	5050009	82,585.00	0.00
Professional Fees	5060010	6,344.00	0.00
Data Processing	5090012	213,397.00	0.00
Total		\$ 552,326.00	\$ 572,489.64

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

Any savings in the Maintenance & Operations appropriation and funding will be carried forward and transferred to the Operating Expense line item to be used for the 2009-2011 budget preparation required for presentation to the Legislative Council or Joint Budget Committee.

Actual Funding Carry Forward Amount \$ 572,489.64

Current status of carry forward appropriation/funding:

Carryforward amount will be used for the 2009-2011 budget preparation required for presentation to the Legislative Council or Joint Budget Committee.

Richard A. Weiss
Director

08-18-2008
Date

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level for this appropriation represents the Agency Request.

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		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	398,007	439,185	436,121	448,448	448,448	448,448	457,613	457,613	457,613
#Positions	15	15	15	15	15	15	15	15	15
Extra Help 5010001	1,167	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	144,228	148,769	151,833	160,926	160,926	160,926	162,643	162,643	162,643
Operating Expenses 5020002	79,337	128,605	128,605	128,605	128,605	128,605	128,605	128,605	128,605
Conference & Travel Expenses 5050009	90	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
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
Special Maintenance 5120032	342,775	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Purchase Data Processing 5900044	0	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Total	965,604	1,246,559	1,246,559	1,267,979	1,267,979	1,267,979	1,278,861	1,278,861	1,278,861
Funding Sources									
Fund Balance 4000005	709,827	340,910		394,351	394,351	394,351	426,372	426,372	426,372
Non-Revenue Receipts 4000040	2,674,787	1,300,000		1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Transfer to DFA Disbursing 4000610	(2,078,100)	0		0	0	0	0	0	0
Total Funding	1,306,514	1,640,910		1,694,351	1,694,351	1,694,351	1,726,372	1,726,372	1,726,372
Excess Appropriation/(Funding)	(340,910)	(394,351)		(426,372)	(426,372)	(426,372)	(447,511)	(447,511)	(447,511)
Grand Total	965,604	1,246,559		1,267,979	1,267,979	1,267,979	1,278,861	1,278,861	1,278,861

Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level for this appropriation represents the Agency Request.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	61,096	63,235	118,492	70,285	70,285	70,285	71,866	71,866	71,866
#Positions		2	2	2	2	2	2	2	2	2
Extra Help	5010001	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help		0	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	20,858	21,001	41,605	24,144	24,144	24,144	24,441	24,441	24,441
Operating Expenses	5020002	27,041	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600
Conference & Travel Expenses	5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
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	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		108,995	428,836	504,697	439,029	439,029	439,029	440,907	440,907	440,907
Funding Sources										
Fund Balance	4000005	79,185	117,087		0	0	0	0	0	0
Non-Revenue Receipts	4000040	146,897	311,749		439,029	439,029	439,029	440,907	440,907	440,907
Total Funding		226,082	428,836		439,029	439,029	439,029	440,907	440,907	440,907
Excess Appropriation/(Funding)		(117,087)	0		0	0	0	0	0	0
Grand Total		108,995	428,836		439,029	439,029	439,029	440,907	440,907	440,907

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 salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for one position transitioning from unclassified to classified positions. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend Payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting an increase above Base Level of \$98,856 for FY10 and \$100,893 for FY11 as follows:

- Two additional Registered Nurse positions and related matching to continue the expansion of services to members and to implement a series of member health education and learning programs. One will take care of the increased participation in the Mommy 2 B Program and the other will work with the Health program dealing with diabetes wellness and heart health.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,225,484	1,374,070	1,347,345	1,392,003	1,466,667	1,466,667	1,422,190	1,498,570	1,498,570
#Positions		35	35	35	35	37	37	35	37	37
Personal Services Matching	5010003	399,806	407,336	427,956	441,472	465,664	465,664	447,129	471,642	471,642
Overtime	5010006	0	11,895	18,000	11,895	11,895	11,895	11,895	11,895	11,895
Operating Expenses	5020002	956,788	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	9,093	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Professional Fees	5060010	300	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		2,591,471	2,953,217	2,953,217	3,005,286	3,104,142	3,104,142	3,041,130	3,142,023	3,142,023
Funding Sources										
State Central Services	4000035	2,591,427	2,953,217		3,005,286	3,104,142	3,104,142	3,041,130	3,142,023	3,142,023
M & R Sales	4000340	44	0		0	0	0	0	0	0
Total Funding		2,591,471	2,953,217		3,005,286	3,104,142	3,104,142	3,041,130	3,142,023	3,142,023
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,591,471	2,953,217		3,005,286	3,104,142	3,104,142	3,041,130	3,142,023	3,142,023

Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,005,286	35	3,005,286	100.0	3,041,130	35	3,041,130	100.0
C01	Existing Program	98,856	2	3,104,142	103.3	100,893	2	3,142,023	103.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,005,286	35	3,005,286	100.0	3,041,130	35	3,041,130	100.0
C01	Existing Program	98,856	2	3,104,142	103.3	100,893	2	3,142,023	103.3

Justification

C01	This request includes \$98,856 for FY10 and \$100,893 for FY11 for salaries and matching for 2 additional Registered Nurses positions. EBD is continuing the expansion of services to members and is implementing a series of member health education and learning programs. These 2 additional nurses are needed to implement these programs. One will take care of the increased participation in the Mommy 2 B Program and the other nurse will work with the Health program dealing with diabetes wellness and heart health.
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Analysis of Budget Request

Appropriation: 279 - Data Processing

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 the amount the Department of Information Systems bills the Department of Finance and Administration for the AASIS Support Center.

The Base Level for this appropriation is \$30,000,000 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 279 - Data Processing

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Data Processing Services	5900044	16,526,106	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	2,696,337	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		19,222,443	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	19,091,485	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
DFA Motor Vehicle Acquisition	4000184	107,526	0		0	0	0	0	0	0
M & R Sales	4000340	23,432	0		0	0	0	0	0	0
Total Funding		19,222,443	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		19,222,443	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

Special language allowed for carry forward of the Data Processing Services line item; \$7,081,419.77 and the AASIS Billings line item; 3,803,662.83 from FY08 into FY09 (see page 188).

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: DFA Management Services

Program: Data Processing

Act #: 801 of 2007

Section(s) #: 18 & 28

Estimated Carry Forward Amount \$ 10,300,000.00

Appropriation

Funds

Funding Source: State Central Services

Accounting Information:

Business Area: 0610

Funds Center: 279

Fund: HSC

Functional Area: ADMN

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Data Processing Services	5900044	6,500,000.00	7,081,419.77
AASIS Billings	5900046	3,800,000.00	3,803,662.83
Total		\$ 10,300,000.00	\$ 10,885,082.60

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

Carry forward appropriation and funds are needed due to on-going initiatives and projects that cross fiscal years and any unforeseen technology needs. The major data processing initiatives and projects are : Disaster Recovery State Mandate, Real ID Federal Mandate, DFA department wide imaging, improvements to cash control and management processes, Streamline Sales Tax Mandate, record retention and email archiving, hardware and software replacement cycles for aging equipment, DIS services and hardware to support the State's enterprise resource planning system including the implementation of the business intelligence (BI) data warehouse and the updating of state budgeting system (PBAS).

Actual Funding Carry Forward Amount \$ 10,885,082.60

Current status of carry forward appropriation/funding:

Carry forward appropriation and funds are needed due to on-going initiatives and projects that cross fiscal years and any unforeseen technology needs. The major data processing initiatives and projects are : Disaster Recovery State Mandate, Real ID Federal Mandate, DFA department wide imaging, improvements to cash control and management processes, Streamline Sales Tax Mandate, record retention and email archiving, hardware and software replacement cycles for aging equipment, DIS services and hardware to support the State's enterprise resource planning system including the implementation of the business intelligence (BI) data warehouse and the updating of state budgeting system (PBAS).

Richard A. Weiss

Director

08-18-2008

Date

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.

Base Level of this appropriation is \$32,280 each year of the biennium and represents the Agency Request.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				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	107	27,329	27,329	27,329	27,329	27,329	27,329	27,329	27,329
Total	107	32,280	32,280	32,280	32,280	32,280	32,280	32,280	32,280
Funding Sources									
State Central Services 4000035	107	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Total Funding	107	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	107	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.

The Agency Request is for restoration of appropriation and general revenue funding in the amount of \$359,196 each year for the state match required by the Department of Justice.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	0	359,196	0	359,196	359,196	0	359,196	359,196
Total	0	0	359,196	0	359,196	359,196	0	359,196	359,196
Funding Sources									
General Revenue 4000010	0	0		0	359,196	359,196	0	359,196	359,196
Total Funding	0	0		0	359,196	359,196	0	359,196	359,196
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	0		0	359,196	359,196	0	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	2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C01 Existing Program	359,196	0	359,196	100.0	359,196	0	359,196	100.0

Executive Recommendation

Change Level	2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C01 Existing Program	359,196	0	359,196	100.0	359,196	0	359,196	100.0

Justification

C01	Requesting continuation of currently authorized appropriation and General Revenue funding. This appropriation provides for a required State match for the corresponding federal appropriation (1DF) also administered by DFA Management Services.							
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Analysis of Budget Request

Appropriation: 35Z - Information Technology Planning

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Technology Planning Office was originally established as a part of the Office of Information Technology (OIT). Five positions and the duties of the office were transferred to the Department of Finance and Administration when OIT was dissolved in the 2007-2009 biennium (Act 751 of 2007). This appropriation is funded by general revenue.

State Technology Planning (STP) tracks agency Information Technology (IT) Plans and significant IT projects, processes agency requests for IT Plan amendments and budget transfers, and assists agencies in information technology planning. The mission of STP is to guide agencies toward good stewardship of the state's IT resources by assisting agencies in reducing duplicated efforts in IT enterprise projects, encouraging agencies to pool funds for shared resources, and helping agencies comply with technology related laws and approved state IT architecture and standards.

IT planning is intended both to support an agency's decisions about technology investment and to support sound stewardship of the state's scarce technology resources. In addition, new policies, standards, and best practices are being developed that affect how agencies plan for, apply, and implement technology.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for one position transitioning from an unclassified to a classified position. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting to transfer the 5 currently authorized positions from this general revenue funded appropriation to the main operating appropriation for DFA Management Services funded by State Central Services (Appropriation 272). This Office is not unlike any of the offices funded from the main appropriation, it serves agencies as well as citizens; (\$504,319) for FY10 and (\$510,040) for FY11.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35Z - Information Technology Planning

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	306,643	415,669	415,669	403,251	0	0	408,068	0	0
#Positions	4	5	5	5	0	0	5	0	0
Personal Services Matching 5010003	60,043	107,002	107,002	101,068	0	0	101,972	0	0
Total	366,686	522,671	522,671	504,319	0	0	510,040	0	0
Funding Sources									
General Revenue 4000010	366,686	522,671		504,319	0	0	510,040	0	0
Total Funding	366,686	522,671		504,319	0	0	510,040	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	366,686	522,671		504,319	0	0	510,040	0	0

Positions transferred to Appropriation 272 - Management Services Operations funded by State Central Services.

Change Level by Appropriation

Appropriation: 35Z - Information Technology Planning

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	504,319	5	504,319	100.0	510,040	5	510,040	100.0
C07	Agency Transfer	(504,319)	(5)	0	0.0	(510,040)	(5)	0	0.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	504,319	5	504,319	100.0	510,040	5	510,040	100.0
C07	Agency Transfer	(504,319)	(5)	0	0.0	(510,040)	(5)	0	0.0

Justification

C07	This request of (\$504,319) for FY10 and (\$510,040) for FY11 will transfer 5 positions from the DFA-IGS- Information Technology Planning Office from a General Revenue funded appropriation to a State Central Services funded appropriation. Act 751 of 2007 dissolved and transferred the duties and responsibilities of the Office of Information Technology to the Department of Finance and Administration. This request will change the source of funding for these 5 positions from Miscellaneous Agencies Fund (HUA) to State Central Services (HSC).
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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.

Base Level for this appropriation is \$2,100,000,000 each year of the biennium and represents the Agency Request.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				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

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 in the salary related line items in each agency.

Analysis of Budget Request

Appropriation: 584 - AASIS - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides the necessary expenses for personal services and operating expenses of the Arkansas Administrative Statewide Information System (AASIS) Support Center.

The AASIS Support Center, an Office within the Department of Finance and Administration (DFA) - Management Services Division, is responsible for ensuring the AASIS and Planning Budgeting and Administrative System (PBAS) systems comply with and support policies and procedures promulgated by the DFA Office of Budget, Personnel Management, Accounting, State Procurement, and the Employee Benefits Division. The AASIS Support Center provides user support and training for approximately 30,000 state employees and over 200 state agencies, boards and commissions.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The AASIS Support Center (ASC) positions were created for implementation in the 2001-2003 biennium and an Administrator position was not requested at that time. Since July 1, 2003, DFA has contracted with DIS to oversee ASC functions and staff. In conjunction with the implementation of the statewide pay plan study, the Agency is requesting to transfer from DIS the Administrator position (State Application Division Director) into the DFA structure. This will allow for more efficient and effective management of the ASC by DFA management.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 584 - AASIS - 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,676,692	3,128,908	3,032,873	3,273,941	3,394,811	3,394,811	3,333,930	3,454,800	3,454,800
#Positions		58	60	60	60	61	61	60	61	61
Personal Services Matching	5010003	741,166	810,233	867,066	919,536	946,424	946,424	930,778	958,041	958,041
Operating Expenses	5020002	271,827	402,898	442,100	402,898	402,898	402,898	402,898	402,898	402,898
Conference & Travel Expenses	5050009	233,262	267,599	267,599	267,599	267,599	267,599	267,599	267,599	267,599
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		3,922,947	4,609,638	4,609,638	4,863,974	5,011,732	5,011,732	4,935,205	5,083,338	5,083,338
Funding Sources										
State Central Services	4000035	3,922,947	4,609,638		4,863,974	5,011,732	5,011,732	4,935,205	5,083,338	5,083,338
Total Funding		3,922,947	4,609,638		4,863,974	5,011,732	5,011,732	4,935,205	5,083,338	5,083,338
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,922,947	4,609,638		4,863,974	5,011,732	5,011,732	4,935,205	5,083,338	5,083,338

Change Level by Appropriation

Appropriation: 584 - AASIS - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,863,974	60	4,863,974	100.0	4,935,205	60	4,935,205	100.0
C07	Agency Transfer	147,758	1	5,011,732	103.0	148,133	1	5,083,338	103.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,863,974	60	4,863,974	100.0	4,935,205	60	4,935,205	100.0
C07	Agency Transfer	147,758	1	5,011,732	103.0	148,133	1	5,083,338	103.0

Justification

C07	Since July 1, 2003, the Department of Finance and Administration (DFA) has contracted with the Department of Information Systems to oversee the AASIS Support Center (ASC) functions and staff. In conjunction with the implementation of the statewide pay plan study, the Agency is requesting the transfer of Administrator position from DIS to DFA. This will allow for more efficient and effective management of the ASC by DFA management.
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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 salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting an increase above Base Level of \$500,000 each year to provide sufficient appropriation to provide rebates back to State agencies for computer based purchases. Rebate percentages are established in contractual agreements and are based upon a gross purchase amount from the supplier.

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

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	487,341	608,774	527,253	608,850	608,850	608,850	618,057	618,057	618,057
#Positions		14	14	14	14	14	14	14	14	14
Personal Services Matching	5010003	140,622	172,701	165,726	185,499	185,499	185,499	187,225	187,225	187,225
Operating Expenses	5020002	120,550	888,222	888,222	888,222	888,222	888,222	888,222	888,222	888,222
Conference & Travel Expenses	5050009	56,539	71,800	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Professional Fees	5060010	0	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	0	17,700	17,700	17,700	517,700	517,700	17,700	517,700	517,700
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		805,052	1,784,197	1,695,701	1,797,071	2,297,071	2,297,071	1,808,004	2,308,004	2,308,004

Funding Sources										
Fund Balance	4000005	1,113,005	1,480,277		946,080	946,080	946,080	399,009	399,009	399,009
Cash Fund	4000045	1,106,853	1,250,000		1,250,000	1,750,000	1,750,000	1,750,000	2,250,000	2,250,000
Interest	4000300	65,358	0		0	0	0	0	0	0
M & R Sales	4000340	113	0		0	0	0	0	0	0
Total Funding		2,285,329	2,730,277		2,196,080	2,696,080	2,696,080	2,149,009	2,649,009	2,649,009
Excess Appropriation/(Funding)		(1,480,277)	(946,080)		(399,009)	(399,009)	(399,009)	(341,005)	(341,005)	(341,005)
Grand Total		805,052	1,784,197		1,797,071	2,297,071	2,297,071	1,808,004	2,308,004	2,308,004

Budget amount in Regular Salaries and Personal Services Matching exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,797,071	14	1,797,071	100.0	1,808,004	14	1,808,004	100.0
C02	New Program	500,000	0	2,297,071	127.8	500,000	0	2,308,004	127.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,797,071	14	1,797,071	100.0	1,808,004	14	1,808,004	100.0
C02	New Program	500,000	0	2,297,071	127.8	500,000	0	2,308,004	127.7

Justification

C02	To allow sufficient appropriation to provide rebates back to the buying agency for computer based purchases. Rebate percentages are established in contractual agreements and are based upon a gross purchase amount from the supplier.
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Appropriation Summary

Appropriation: 1RN - Local Law Enfrcement Block Grant

Funding Sources: FIG - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	7,012	7,012	0	0	0	0	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
Grants and Aid	5100004	53,020	800,000	800,000	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		53,020	807,012	807,012	0	0	0	0	0	0
Funding Sources										
Federal Revenue	4000020	53,020	807,012		0	0	0	0	0	0
Total Funding		53,020	807,012		0	0	0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		53,020	807,012		0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

This Federal Program is now part of the Justice Assistance Grants - Appropriation 252.

Appropriation Summary

Appropriation: 583 - Comprehensive Annual Financial Report

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Comprehensive Annual Financial I 5900044	0	0	250,000	0	0	0	0	0	0
Total	0	0	250,000	0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: DFA Management Services

Program: CAFR

Act #: 801 of 2007 Section(s) #: 21 & 32

Estimated Carry Forward Amount \$ 250,000.00 Appropriation Funds

Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0610 Funds Center: 583 Fund: HUA Functional Area: ADMN

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Comprehensive Annual Financial Report	5900044	250,000.00	250,000.00
Total		\$ 250,000.00	\$ 250,000.00

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

This appropriation was not funded in FY08; no funding to carry forward into FY09. The appropriation will be carried forward and blocked in FY09.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward appropriation/funding:

The appropriation was carried forward and blocked in FY2009. There were no funds to carry forward.

Richard A. Weiss
Director

08-18-2008
Date

DFA - RACING COMMISSION

Enabling Laws

Act 528 of 2007

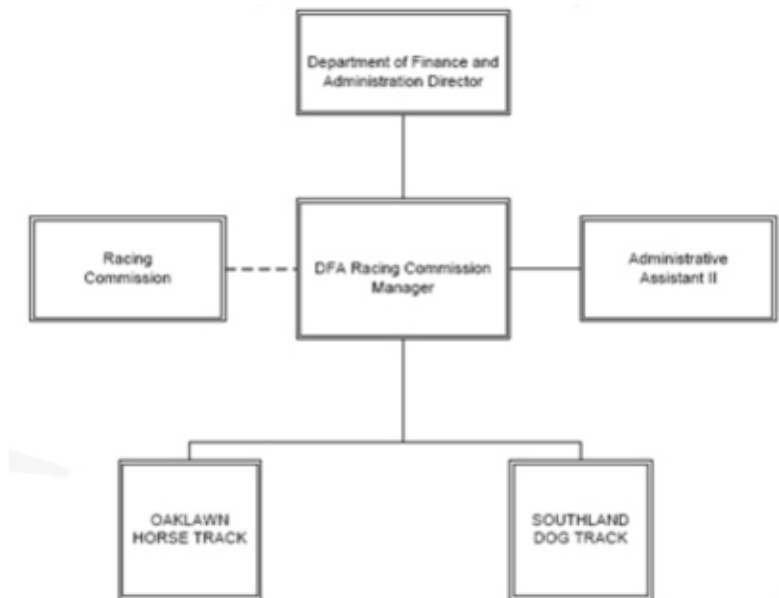
A.C.A. §23-110-101 - §23-110-415; A.C.A. §23-111-101 - §23-111-516; A.C.A. §23-113-101 - §23-113-604

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-mutual 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.



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.

Base Level is sufficient for the Racing Commission for the 2009-2011 biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
RACING DIVISION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	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	1,032,645	13	1,239,772	13	1,232,121	13	1,280,601	13	1,280,601	13	1,280,601	13	1,297,357	13	1,297,357	13	1,297,357	13
7WJ License Applications	8,754	0	105,000	0	105,000	0	105,000	0	105,000	0	105,000	0	105,000	0	105,000	0	105,000	0
Total	1,041,399	13	1,344,772	13	1,337,121	13	1,385,601	13	1,385,601	13	1,385,601	13	1,402,357	13	1,402,357	13	1,402,357	13

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	74,314	6.3	139,524	9.6			104,524	7.2	104,524	7.2	104,524	7.2	69,524	4.8	69,524	4.8	69,524	4.8
General Revenue 4000010	1,032,214	87.4	1,232,121	85.0			1,280,601	88.0	1,280,601	88.0	1,280,601	88.0	1,297,357	90.3	1,297,357	90.3	1,297,357	90.3
Cash Fund 4000045	69,450	5.9	70,000	4.8			70,000	4.8	70,000	4.8	70,000	4.8	70,000	4.9	70,000	4.9	70,000	4.9
Merit Adjustment Fund 4000055	0	0.0	7,651	0.5			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
EPO Testing 4000226	400	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest 4000300	4,514	0.4	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	31	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	1,180,923	100.0	1,449,296	100.0			1,455,125	100.0	1,455,125	100.0	1,455,125	100.0	1,436,881	100.0	1,436,881	100.0	1,436,881	100.0
Excess Appropriation/(Funding)	(139,524)		(104,524)				(69,524)		(69,524)		(69,524)		(34,524)		(34,524)		(34,524)	
Grand Total	1,041,399		1,344,772				1,385,601		1,385,601		1,385,601		1,402,357		1,402,357		1,402,357	

Budget exceeds Authorized in Appropriation 146 due to salary adjustments during the 2007-2009 biennium.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Total	Total			Total				
2	1	1	2	0	50.00 %	13	13	0	13	0	0.00 %	13	13	0	13	0	0.00 %

In the 2007-2009 Biennium 11 full time Extra Help Positions became Regular Positions; 10 at the dog track & 1 at the horse track.

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 Alcoholic Beverage Control Enforcement's operating budget. Currently 80% of the Agency's budget is personnel related costs with the remaining 20% maintenance and operating expenses.

The FY09 budget amount of \$1,239,772 consists of Regular Salaries and Personal Services Matching for 13 regular positions, 27 Extra Help positions (22 horse track and 5 dog track), Overtime, Operating Expenses, Conference and Travel Expenses, Capital Outlay and Professional Fees.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the Dog Racing Veterinarian transition from an unclassified to a classified position. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level of appropriation and general revenue funding represents the Agency Request.

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

Appropriation Summary

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	473,398	551,403	523,331	575,190	575,190	575,190	588,984	588,984	588,984
#Positions	13	13	13	13	13	13	13	13	13
Extra Help 5010001	145,115	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
#Extra Help	21	27	27	27	27	27	27	27	27
Personal Services Matching 5010003	202,016	200,122	204,344	217,164	217,164	217,164	220,126	220,126	220,126
Overtime 5010006	21,594	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Operating Expenses 5020002	174,536	223,496	223,496	223,496	223,496	223,496	223,496	223,496	223,496
Conference & Travel Expenses 5050009	2,627	5,950	5,950	5,950	5,950	5,950	5,950	5,950	5,950
Professional Fees 5060010	13,359	18,801	35,000	18,801	18,801	18,801	18,801	18,801	18,801
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	1,032,645	1,239,772	1,232,121	1,280,601	1,280,601	1,280,601	1,297,357	1,297,357	1,297,357
Funding Sources									
General Revenue 4000010	1,032,214	1,232,121		1,280,601	1,280,601	1,280,601	1,297,357	1,297,357	1,297,357
Merit Adjustment Fund 4000055	0	7,651		0	0	0	0	0	0
EPO Testing 4000226	400	0		0	0	0	0	0	0
M & R Sales 4000340	31	0		0	0	0	0	0	0
Total Funding	1,032,645	1,239,772		1,280,601	1,280,601	1,280,601	1,297,357	1,297,357	1,297,357
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,032,645	1,239,772		1,280,601	1,280,601	1,280,601	1,297,357	1,297,357	1,297,357

Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2007-2009 biennium.

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 Agency Request is to continue this cash funded appropriation at the current approved level.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	8,754	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
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
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		8,754	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Funding Sources										
Fund Balance	4000005	74,314	139,524		104,524	104,524	104,524	69,524	69,524	69,524
Cash Fund	4000045	69,450	70,000		70,000	70,000	70,000	70,000	70,000	70,000
Interest	4000300	4,514	0		0	0	0	0	0	0
Total Funding		148,278	209,524		174,524	174,524	174,524	139,524	139,524	139,524
Excess Appropriation/(Funding)		(139,524)	(104,524)		(69,524)	(69,524)	(69,524)	(34,524)	(34,524)	(34,524)
Grand Total		8,754	105,000		105,000	105,000	105,000	105,000	105,000	105,000

DFA - REVENUE SERVICES DIVISION

Enabling Laws

Act 800 of 2007
Act 1496 of 2007

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

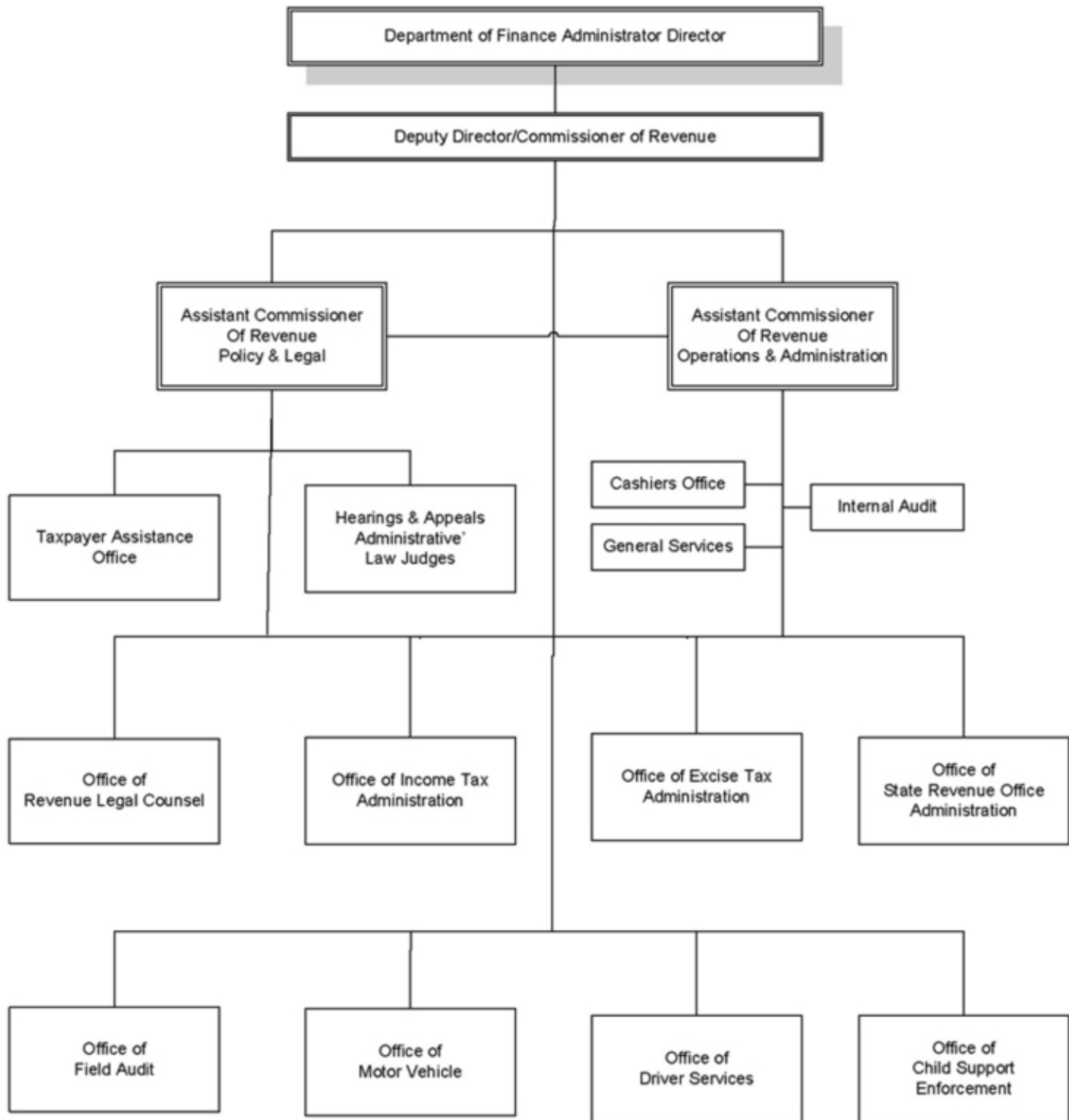
This Office consists of three sections; Office of the Assistant Commissioner, Cashier and General Services. The Cashier section prepares deposits of all monies for deposit with the State Treasurer. The General Services section is responsible for audits all State Revenue Offices, reconciles bank accounts 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

The Revenue Division seeks to restore 36 positions: 8 in the State Revenue Offices, 6 in the Office of Income Tax, 5 in the Office of Excise Tax, 7 in the Office of Motor Vehicles, 2 in the Office of Assistant Commissioner of Revenue for Operations and Administration, 3 in the Office of Driver Services, 4 in the Office of Field Audit, and 1 in Commercial Drivers License. These positions all support the collection of general and special revenue or in the regulation and licensing of drivers and motor vehicles. Severe 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.

The Division is requesting 30 additional positions; 16 for State Revenue Offices and 14 for the Office of Field Audit. The 16 positions for State Revenue Offices would allow for 11 Taxpayer Service Reps in the Northwest district and 5 Taxpayer Service Reps one to each remaining Revenue Office districts: Northeast, Central, Southwest and Southeast. The Revenue Offices are currently using a number of extra help positions to maintain services and the current staff is unable to meet the population growth demands and provide adequate and timely service without additional staff. The 14 for the Office of Field Audit would allow 4 positions for coverage of extra hours of operation in the Electronic gaming; 5 positions for increasing audits for the natural gas severance tax that was adopted by the legislature in Act 5 of the 1st Extraordinary Session of 2007, A.C.A. §26-58-101; 3 positions to allow placement in each district freeing auditors from routine clerical duties so they can spend more time on audits producing additional revenue; and 2 positions to insure timely collections are made regarding delinquent taxes and bad checks. A reduction in Extra Help appropriation assists in covering a portion of cost of addition positions.

The Revenue Division is also transferring 21 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). 14 Information Technology (IT) positions are currently in the Office of Driver Services, 6 in Arkansas Integrated Revenue System and 1 in Commercial Drivers License. OIS supports the Integrated Revenue System and DFA's centralized in-house scanning and indexing. The transfer of positions will allow for consolidation of all information technology positions into one IT office.

The Revenue Division requests \$2,639,680 in FY10 and \$2,646,984 in FY11 for Maintenance and Operations in the Operations Appropriation (281). The Operating Expenses include increases in postage, rent, fuel, mileage, photographic supplies for drivers' licenses and IDs, additional license plate costs due to an increase in replacement of current plates, and rising printing costs. Also included in Operating Expenses is a reallocation from Data Processing to properly classify contractual services. The Capital Outlay request is for replacement of 29 aging and high mileage vehicles, replacement phone equipment at two locations and replacement furniture in the Ragland building.

The Division is also requesting new Special Language to employ one or more certified law enforcement officers to provide security for Department buildings, grounds, property, employees and customers.

The Revenue Division also requests in the Commercial Drivers License Appropriation (1JN) a reallocation from Data Processing to Operating Expenses to properly classify expenditures for network services.

In conclusion, increases in appropriation only are requested in various of the tax refund appropriations to allow sufficient appropriation to process refunds.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF FINANCIAL AND MANAGEMENT SERVICES – CASHIER SECTION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF FIELD AUDIT – COLLECTION SECTION

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION - CORPORATION INCOME TAX SECTION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF DRIVER SERVICES

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – INDIVIDUAL INCOME TAX SECTION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF REVENUE LEGAL COUNSEL

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – MISCELLANEOUS TAX SECTION

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – MOTOR FUEL TAX SECTION

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF MOTOR VEHICLE

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
 EXPENDITURES

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
<p>Thirty pieces of equipment totaling \$75,521 were selected for observation, and 3 items valued at \$9,402 could not be located. The missing items were disposed of in previous years. The Agency performed an annual observation of equipment; however, controls to ensure that appropriate adjustments and corrections were made to the fixed asset records in a timely manner were not adequate.</p>	<p>Keep equipment records maintained on a current basis.</p>

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION – SALES AND USE TAX SECTION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
<p>None</p>	<p>None</p>

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS REVENUE DEPARTMENT BUILDING COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
<p>None</p>	<p>None</p>

Employment Summary

	Male	Female	Total	%
White Employees	203	754	957	69 %
Black Employees	49	370	419	30 %
Other Racial Minorities	5	12	17	1 %
Total Minorities			436	31 %
Total Employees			1,393	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
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

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
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
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

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
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

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
13N Commercial Drivers License Program	1,610,201	10	1,682,661	9	1,725,586	10	1,705,594	9	1,706,545	9	1,706,545	9	1,713,463	9	1,714,533	9	1,714,533	9
236 Individual Income Tax & Ad Valorem Property T	418,994,311	0	580,000,000	0	580,000,000	0	580,000,000	0	580,000,000	0	580,000,000	0	580,000,000	0	580,000,000	0	580,000,000	0
237 Corporate Income Tax	36,146,633	0	65,000,000	0	65,000,000	0	65,000,000	0	100,000,000	0	100,000,000	0	65,000,000	0	100,000,000	0	100,000,000	0
239 Gasoline Tax Refunds	9,069	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	10,830,033	0	12,000,000	0	12,000,000	0	12,000,000	0	20,000,000	0	20,000,000	0	12,000,000	0	20,000,000	0	20,000,000	0
241 Miscellaneous Tax Refunds	42,068,585	0	50,000,000	0	50,000,000	0	50,000,000	0	60,000,000	0	60,000,000	0	50,000,000	0	60,000,000	0	60,000,000	0
281 Revenue Services Division - Operations	78,807,317	1,480	84,731,204	1,446	85,060,417	1,480	90,230,641	1,446	94,066,284	1,490	94,066,284	1,490	91,504,319	1,446	95,372,101	1,490	95,372,101	1,490
34S Charitable Bingo & Raffles	250,458	6	556,992	6	582,795	7	529,357	6	563,069	7	563,069	7	537,543	6	571,910	7	571,910	7
Total	588,716,607	1,496	795,470,857	1,461	795,868,798	1,497	800,965,592	1,461	857,835,898	1,506	857,835,898	1,506	802,255,325	1,461	859,158,544	1,506	859,158,544	1,506

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	3,760,590	0.6	4,623,336	0.6			5,340,675	0.7	5,340,675	0.6	5,340,675	0.6	6,035,081	0.7	6,035,081	0.7
Special Revenue	4000030	2,472,947	0.4	2,400,000	0.3			2,400,000	0.3	2,400,951	0.3	2,400,951	0.3	2,400,000	0.3	2,401,070	0.3
State Central Services	4000035	79,057,775	13.3	85,288,196	10.7			90,759,998	11.2	94,629,353	11.0	94,629,353	11.0	92,041,862	11.4	95,944,011	11.1
Tax Refunds	4000485	508,048,631	85.6	708,500,000	88.5			708,500,000	87.8	761,500,000	88.1	761,500,000	88.1	708,500,000	87.6	761,500,000	87.9
Total Funds		593,339,943	100.0	800,811,532	100.0			807,000,673	100.0	863,870,979	100.0	863,870,979	100.0	808,976,943	100.0	865,880,162	100.0
Excess Appropriation/(Funding)		(4,623,336)		(5,340,675)				(6,035,081)		(6,035,081)		(6,035,081)		(6,721,618)		(6,721,618)	
Grand Total		588,716,607		795,470,857				800,965,592		857,835,898		857,835,898		802,255,325		859,158,544	

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
1,468	1381	42	1423	45	5.93 %	1,497	1408	47	1455	42	5.95 %	1,497	1393	68	1461	36	6.95 %

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting a net increase above Base Level of \$951 for FY10 and \$1,070 for FY11 as follows:

- Restoration of one currently authorized position to assist in the collection of special revenue in the Arkansas Commercial Driver License Program; \$30,766 FY10 and \$31,453 FY11
- Transfer of one currently authorized position to DFA Management Services - Office of Information Systems to allow for consolidation of information technology positions into one office. This position will assist in the support of the Integrated Revenue System and DFA's in-house scanning and indexing; (\$29,815) FY10 and (\$30,383) FY11
- Reallocating \$949,116 from Data Processing to Operating Expenses to properly classify expenditures for network services

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	277,013	249,556	275,454	258,510	259,310	259,310	265,127	266,027	266,027
#Positions		10	9	10	9	9	9	9	9	9
Personal Services Matching	5010003	91,439	80,753	97,780	94,732	94,883	94,883	95,984	96,154	96,154
Operating Expenses	5020002	292,633	403,236	403,236	403,236	1,352,352	1,352,352	403,236	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	949,116	949,116	949,116	949,116	0	0	949,116	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,610,201	1,682,661	1,725,586	1,705,594	1,706,545	1,706,545	1,713,463	1,714,533	1,714,533
Funding Sources										
Fund Balance	4000005	3,760,590	4,623,336		5,340,675	5,340,675	5,340,675	6,035,081	6,035,081	6,035,081
Special Revenue	4000030	2,472,947	2,400,000		2,400,000	2,400,951	2,400,951	2,400,000	2,401,070	2,401,070
Total Funding		6,233,537	7,023,336		7,740,675	7,741,626	7,741,626	8,435,081	8,436,151	8,436,151
Excess Appropriation/(Funding)		(4,623,336)	(5,340,675)		(6,035,081)	(6,035,081)	(6,035,081)	(6,721,618)	(6,721,618)	(6,721,618)
Grand Total		1,610,201	1,682,661		1,705,594	1,706,545	1,706,545	1,713,463	1,714,533	1,714,533

Change Level by Appropriation

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,705,594	9	1,705,594	100.0	1,713,463	9	1,713,463	100.0
C01	Existing Program	30,766	1	1,736,360	101.8	31,453	1	1,744,916	101.8
C04	Reallocation	0	0	1,736,360	101.8	0	0	1,744,916	101.8
C07	Agency Transfer	(29,815)	(1)	1,706,545	100.1	(30,383)	(1)	1,714,533	100.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,705,594	9	1,705,594	100.0	1,713,463	9	1,713,463	100.0
C01	Existing Program	30,766	1	1,736,360	101.8	31,453	1	1,744,916	101.8
C04	Reallocation	0	0	1,736,360	101.8	0	0	1,744,916	101.8
C07	Agency Transfer	(29,815)	(1)	1,706,545	100.1	(30,383)	(1)	1,714,533	100.1

Justification

C01	Restore one currently authorized position.
C04	Reallocating \$949,116 from Data Processing to Operating Expenses to properly classify expenditures for network services.
C07	Transfer one position to DFA Management Services - Office of Information Systems (OIS). OIS now supports the Integrated Revenue System and DFA's centralized in-house scanning and indexing. The transfer of this position will allow for consolidation of all information technology positions into one IT office.

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.

Base Level for the Individual Income Tax and Ad Valerom Property Tax Rebates appropriation is \$580,000,000 each year and represents the Agency Request.

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	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	418,994,311	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Total	418,994,311	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Funding Sources									
Tax Refunds 4000485	418,994,311	580,000,000		580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Total Funding	418,994,311	580,000,000		580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	418,994,311	580,000,000		580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000

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.

Base Level for the Corporate Income Tax appropriation is \$65 million each year and the Agency Request is to increase the appropriation \$35 million each year. The request for appropriation only is for the potential of increased refunds due to a downturn in the economy and the large refund requests from corporations adversely affected by the economy.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	36,146,633	65,000,000	65,000,000	65,000,000	100,000,000	100,000,000	65,000,000	100,000,000	100,000,000
Total	36,146,633	65,000,000	65,000,000	65,000,000	100,000,000	100,000,000	65,000,000	100,000,000	100,000,000
Funding Sources									
Tax Refunds 4000485	36,146,633	65,000,000		65,000,000	100,000,000	100,000,000	65,000,000	100,000,000	100,000,000
Total Funding	36,146,633	65,000,000		65,000,000	100,000,000	100,000,000	65,000,000	100,000,000	100,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	36,146,633	65,000,000		65,000,000	100,000,000	100,000,000	65,000,000	100,000,000	100,000,000

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	65,000,000	0	65,000,000	100.0	65,000,000	0	65,000,000	100.0
C01	Existing Program	35,000,000	0	100,000,000	153.8	35,000,000	0	100,000,000	153.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	65,000,000	0	65,000,000	100.0	65,000,000	0	65,000,000	100.0
C01	Existing Program	35,000,000	0	100,000,000	153.8	35,000,000	0	100,000,000	153.8

Justification

C01	Appropriation needs to be increased by \$35 million to a total of \$100 million to fund against a downturn in the economy and potential large refund requests from corporations adversely affected by the economy.
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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.

Base Level for the Gasoline Tax Refunds appropriation is \$1,500,000 each year and represents the Agency Request.

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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	9,069	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	9,069	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	9,069	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	9,069	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	9,069	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.

Base Level for the Interstate Motor Fuel Tax Refunds appropriation is \$12 million and the Agency Request is to increase the appropriation \$8 million each year. The increase in appropriation only is due to an increase in interstate truck traffic nationwide. These refunds have shown a steady growth over the past 5 years and are expected to continue the same trend.

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	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	10,830,033	12,000,000	12,000,000	12,000,000	20,000,000	20,000,000	12,000,000	20,000,000	20,000,000
Total	10,830,033	12,000,000	12,000,000	12,000,000	20,000,000	20,000,000	12,000,000	20,000,000	20,000,000
Funding Sources									
Tax Refunds 4000485	10,830,033	12,000,000		12,000,000	20,000,000	20,000,000	12,000,000	20,000,000	20,000,000
Total Funding	10,830,033	12,000,000		12,000,000	20,000,000	20,000,000	12,000,000	20,000,000	20,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	10,830,033	12,000,000		12,000,000	20,000,000	20,000,000	12,000,000	20,000,000	20,000,000

Change Level by Appropriation

Appropriation: 240 - Interstate Motor Fuel Tax Refunds
Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	12,000,000	0	12,000,000	100.0	12,000,000	0	12,000,000	100.0
C01	Existing Program	8,000,000	0	20,000,000	166.7	8,000,000	0	20,000,000	166.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	12,000,000	0	12,000,000	100.0	12,000,000	0	12,000,000	100.0
C01	Existing Program	8,000,000	0	20,000,000	166.7	8,000,000	0	20,000,000	166.7

Justification

C01	Due to an increase in interstate truck traffic nationwide these refunds have show a general steady growth over the past 5 years. This trend is expected to remain the same for the foreseeable future.
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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

Base Level for the Miscellaneous Tax Refunds appropriation is \$40 million each year and the Agency Request is to increase the appropriation \$10 million each year. The increase in appropriation only will allow for the rising trend in the processing of refunds for taxes paid from various sources.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	42,068,585	50,000,000	50,000,000	50,000,000	60,000,000	60,000,000	50,000,000	60,000,000	60,000,000
Total		42,068,585	50,000,000	50,000,000	50,000,000	60,000,000	60,000,000	50,000,000	60,000,000	60,000,000
Funding Sources										
Tax Refunds	4000485	42,068,585	50,000,000		50,000,000	60,000,000	60,000,000	50,000,000	60,000,000	60,000,000
Total Funding		42,068,585	50,000,000		50,000,000	60,000,000	60,000,000	50,000,000	60,000,000	60,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		42,068,585	50,000,000		50,000,000	60,000,000	60,000,000	50,000,000	60,000,000	60,000,000

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	50,000,000	0	50,000,000	100.0	50,000,000	0	50,000,000	100.0
C01	Existing Program	10,000,000	0	60,000,000	120.0	10,000,000	0	60,000,000	120.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	50,000,000	0	50,000,000	100.0	50,000,000	0	50,000,000	100.0
C01	Existing Program	10,000,000	0	60,000,000	120.0	10,000,000	0	60,000,000	120.0

Justification

C01	Increase in appropriation will allow for rising trend in processing of refunds for taxes paid from various sources.
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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 salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for nine positions transitioning from unclassified to classified positions. Salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting a net increase above Base Level of \$3,835,643 for FY10 and \$3,867,782 for FY11 as follows:

- Restoration of 34 currently authorized positions and related matching of which all support the collection of general revenue or in the regulation and licensing of drivers and motor vehicles. Severe 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; \$1,251,583 FY10 and \$1,276,165 FY11.
- Transfer of 20 currently authorized positions and related matching to DFA Management Services - Office of Information Systems to allow for consolidation of information technology positions into one office. These positions will assist in the support of the Integrated Revenue System and DFA's in-house scanning and indexing; (\$1,022,841) FY10 and (\$1,043,767) FY11.
- 30 new positions and related matching; 16 for State Revenue Offices and 14 for the Office of Field Audit; \$1,075,101 FY10 and \$1,096,280 FY11:
 - The 16 positions for State Revenue Offices would allow for 11 Taxpayer Service Reps in the Northwest district and 5 Taxpayer Service Reps one to each remaining Revenue Office districts. Currently Extra Help positions are used to maintain services but with constant turnover in the Extra Help positions current staff is unable to meet the population growth demands and provide adequate and timely service.

- The 14 positions for the Office of Field Audit would allow 4 positions for coverage of extra hours of operation in the Electronic gaming; 5 positions for increasing audits for the natural gas severance tax that was adopted by the legislature in Act 5 of the 1st Extraordinary Session of 2007, A.C.A. §26-58-101; 3 positions to allow placement in each district freeing auditors from routine clerical duties so they can spend more time on audits producing additional revenue; and 2 positions to insure timely collections are made regarding delinquent taxes and bad checks.
- A reduction in Extra Help and related matching to assist in offsetting a portion of the cost for additional positions; (\$107,880) FY10 & FY11.
- Reallocating \$430,000 each year from Data Processing to Operating Expenses to properly classify contractual services.
- Increases in Operating Expenses for an anticipated 1% minimum postage rate increase, 4% anticipated rent increase for various Revenue offices, rising fuel charges, mileage reimbursements, wireless cards and connectivity for laptops used by Field Auditors, photographic supplies for drivers' licenses and IDs, additional license plate costs due to an increase in replacement of current plates, and rising printing costs; \$1,985,370 FY10 and \$2,037,620.
- The Capital Outlay request is for replacement of 29 vehicles that are five years old and have approximately 90,000 to 100,000 miles; replacement phone equipment at two locations (Pine Bluff and Nashville); and replacement of broken furniture in the Ragland building; \$654,310 FY10 and \$609,364 FY11.

The Agency is also requesting new Special Language to authorize having one or more certified law enforcement officers to provide security for Department buildings, grounds, property, employees and customers.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010 Base Level	2009-2010 Agency	2009-2010 Executive	2010-2011 Base Level	2010-2011 Agency	2010-2011 Executive
Regular Salaries	5010000	41,666,482	44,562,622	44,076,122	48,328,807	49,236,736	49,236,736	49,400,113	50,328,938	50,328,938
#Positions		1,480	1,446	1,480	1,446	1,490	1,490	1,446	1,490	1,490
Extra Help	5010001	468,422	664,466	664,466	664,466	564,466	564,466	664,466	564,466	564,466
#Extra Help		71	221	221	221	221	221	221	221	221
Personal Services Matching	5010003	13,902,153	14,369,627	15,185,340	16,579,879	16,967,913	16,967,913	16,782,251	17,174,224	17,174,224
Overtime	5010006	207	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Operating Expenses	5020002	21,503,019	22,843,832	22,843,832	22,843,832	25,259,202	25,259,202	22,843,832	25,311,452	25,311,452
Conference & Travel Expenses	5050009	62,878	115,450	115,450	115,450	115,450	115,450	115,450	115,450	115,450
Professional Fees	5060010	671,228	893,207	893,207	893,207	893,207	893,207	893,207	893,207	893,207
Data Processing	5090012	6,692	430,000	430,000	430,000	0	0	430,000	0	0
Refunds/Reimbursements	5110014	8,964	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capital Outlay	5120011	517,272	477,000	477,000	0	654,310	654,310	0	609,364	609,364
Total		78,807,317	84,731,204	85,060,417	90,230,641	94,066,284	94,066,284	91,504,319	95,372,101	95,372,101
Funding Sources										
State Central Services	4000035	78,807,317	84,731,204		90,230,641	94,066,284	94,066,284	91,504,319	95,372,101	95,372,101
Total Funding		78,807,317	84,731,204		90,230,641	94,066,284	94,066,284	91,504,319	95,372,101	95,372,101
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		78,807,317	84,731,204		90,230,641	94,066,284	94,066,284	91,504,319	95,372,101	95,372,101

Budget amount in Regular Salaries exceeds Authorized amount due to salary adjustments during the 2007-2009 biennium.

FY2008 Actual amount in Capital Outlay exceeds FY2009 Authorized amount due to a higher authorized appropriation in FY2008.

Change Level by Appropriation

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	90,230,641	1,446	90,230,641	100.0	91,504,319	1,446	91,504,319	100.0
C01	Existing Program	4,915,364	64	95,146,005	105.4	4,953,679	64	96,457,998	105.4
C03	Discontinue Program	(107,880)	0	95,038,125	105.3	(107,880)	0	96,350,118	105.3
C04	Reallocation	0	0	95,038,125	105.3	0	0	96,350,118	105.3
C07	Agency Transfer	(1,022,841)	(20)	94,015,284	104.2	(1,043,767)	(20)	95,306,351	104.2
C08	Technology	51,000	0	94,066,284	104.3	65,750	0	95,372,101	104.2

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	90,230,641	1,446	90,230,641	100.0	91,504,319	1,446	91,504,319	100.0
C01	Existing Program	4,915,364	64	95,146,005	105.4	4,953,679	64	96,457,998	105.4
C03	Discontinue Program	(107,880)	0	95,038,125	105.3	(107,880)	0	96,350,118	105.3
C04	Reallocation	0	0	95,038,125	105.3	0	0	96,350,118	105.3
C07	Agency Transfer	(1,022,841)	(20)	94,015,284	104.2	(1,043,767)	(20)	95,306,351	104.2
C08	Technology	51,000	0	94,066,284	104.3	65,750	0	95,372,101	104.2

Justification

C01	Restoration of 34 currently authorized positions and requesting 30 new positions. Additional increases are for anticipated 1% to 2% postage rates; printing costs for on demand decals for better security of decals which will eliminate the need for auditing and easier for law enforcement to detect fraudulent decals; 4% increase in rent in various revenue offices; mileage rate increase for field auditors of 37 cents to 42 cents; rising fuel charges; photographic supplies & material costs for drivers licenses and IDs due to rebid of contract and costs rising from \$ 1.79 to approximately \$2.40 each; license plates costs - the number of mandatory replacements have increased, citizens are liking the new plates and all plates are now on a 8yr replacement plan including personalized plates; replacement of 2 telephone systems - Pine Bluff & Nashville; and replacement of vehicles that are 5yrs old and range from 90,000 - 100,000 miles.
C03	Reduction in Extra Help and related Personal Services Matching to help offset costs of transitioning some current full-time revenue office's Extra Help into new regular positions.
C04	Reallocating \$430,000 from Data Processing to Operating Expenses to properly classify contractual services.
C07	Transfer of 20 positions to Agency 0610 - DFA Management Services - Office of Information Systems (OIS). 14 Information Technology (IT) positions are currently in the Office of Driver Services and 6 are in Arkansas Integrated Revenue System. OIS supports the Integrated Revenue System and DFA's centralized in-house scanning and indexing. The transfer of positions will allow for consolidation of all information technology positions into one IT office.
C08	Wireless cards and monthly connectivity charges for field auditor's and supervisor's laptops. This will increase work productivity in allowing connection to the network to download and/or upload encrypted data for audits. IT Plan TAB: Operations/IT Support Costs/Telephone/IT Services/Other

Analysis of Budget Request

Appropriation: 34S - Charitable Bingo & Raffles

Funding Sources: HSC - State Central Services

Act 388 of 2007 (A.C.A. §23-114-101 et seq.) provides for Charitable Bingo and Raffles in the State of Arkansas by an "authorized organization". This means an organization eligible for a license to conduct games of bingo and raffles that is a nonprofit tax exempt organization that has been in continuing existence as a nonprofit tax exempt organization in the State for a period of not less than five years immediately prior to conducting the game of bingo or raffles.

The Department of Finance and Administration - Revenue Services Division administers this program under the provisions of the Arkansas Tax Procedure Act, § 26-18-101 et seq., and has broad authority and exercises strict control and close supervision over all games of bingo and raffles conducted in the State so that bingo and raffles are fairly conducted and the proceeds derived from bingo and raffles are used only for an authorized purpose. This State Central Services funded appropriation provides for the administration of this program.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries are adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting an increase above Base Level of \$33,712 for FY10 and \$34,367 for FY11 for restoration of one currently authorized position to assist in the administration of this program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 34S - Charitable Bingo & Raffles

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	178,734	318,212	344,015	302,681	326,746	326,746	309,566	334,184	334,184
#Positions	6	6	7	6	7	7	6	7	7
Personal Services Matching 5010003	24,972	79,880	79,880	87,776	97,423	97,423	89,077	98,826	98,826
Operating Expenses 5020002	16,974	138,900	138,900	138,900	138,900	138,900	138,900	138,900	138,900
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	29,778	20,000	20,000	0	0	0	0	0	0
Total	250,458	556,992	582,795	529,357	563,069	563,069	537,543	571,910	571,910
Funding Sources									
State Central Services 4000035	250,458	556,992		529,357	563,069	563,069	537,543	571,910	571,910
Total Funding	250,458	556,992		529,357	563,069	563,069	537,543	571,910	571,910
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	250,458	556,992		529,357	563,069	563,069	537,543	571,910	571,910

Change Level by Appropriation

Appropriation: 34S - Charitable Bingo & Raffles

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	529,357	6	529,357	100.0	537,543	6	537,543	100.0
C01	Existing Program	33,712	1	563,069	106.4	34,367	1	571,910	106.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	529,357	6	529,357	100.0	537,543	6	537,543	100.0
C01	Existing Program	33,712	1	563,069	106.4	34,367	1	571,910	106.4

Justification

C01	Restoration of one currently authorized position.
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ARKANSAS GEOLOGICAL SURVEY

Enabling Laws

Act 1215 of 2007

A.C.A. §15-5-201, et seq.

A.C.A. §15-55-208, et seq.

History and Organization

The first geologic surveys made from State-appropriated funds go back to 1857-60. A second survey was made from 1871-74. In 1881, the Geological Survey of Arkansas was established under the direction of Dr. John C. Branner and lasted until 1893. During this period, Herbert Clark Hoover, who later became President of the United States, assisted Dr. Branner. For the next 30 years, the Department of Geology conducted a few geologic surveys at the University of Arkansas. In 1923 the Geological Survey of Arkansas was once again established by Act 573 of 1923 under the direction of George C. Branner, the son of John Branner. In 1945, reorganization changed the agency name to the Arkansas Resources and Development Commission, Division of Geology, under the direction of Harold B. Foxhall. From 1951 to 1995 Norman F. Williams was Director and State Geologist. Reorganization in 1955 established the agency as the Arkansas Geological and Conservation Commission. Act 16 of 1963 changed the name of the organization to the Arkansas Geological Commission. In 1995, William V. Bush became Director and State Geologist. In 2003, Mac B. Woodward was appointed Director and State Geologist. In January 2005 Bekki White was appointed Director and State Geologist. Act 129 of 2007 changed the agency name back to Arkansas Geological Survey.

The Arkansas Geological Survey (AGS) is organized into three sections: Administrative Services, Information Services, and Geological Services, all of which are under the direct supervision of the State Geologist. The mission of the Arkansas Geological Survey is to increase the knowledge of the geology of the State, to stimulate the orderly development and utilization of the State's mineral, water, and fossil fuel resources, while protecting the environment.

The Administrative Services Section consists of fiscal services, human resources and support personnel services. This section provides all the administrative support for the agency.

The Information Services Section's primary function is the distribution of information prepared and maintained by the Geological Services Section. This is accomplished through three offices: Map and Publication Sales, Geological Library, and Network & Computer Services.

The Geological Services Section is composed of the geologic staff and technical support personnel. Its primary responsibilities are: 1) to search for and provide information on the State's mineral, fossil-fuel (coal, oil and gas), and water resources; 2) to encourage the orderly development of these resources; 3) to maintain current geologic map coverage of the State; and 4) to study and report on the geologic factors affecting the State's environment.

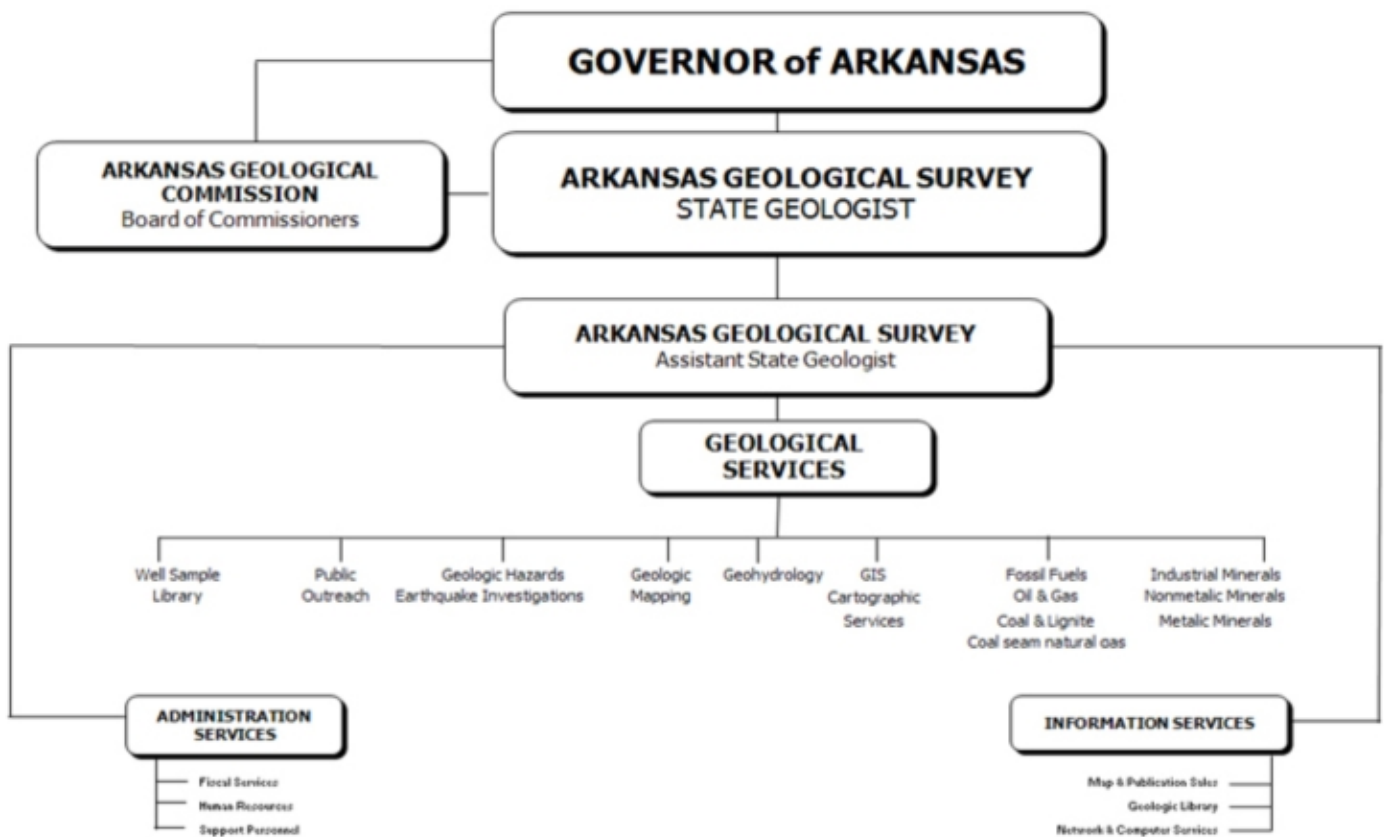
Geological Services is divided into six major activities: Fossil Fuels (oil & gas, lignites & coals); Geohazards (earthquakes, landslides, karst); Minerals (Industrial, metallic, non-metallic); Hydrology; Geologic Mapping (surface, subsurface); and Public Outreach (Outreach efforts such as the Geology

Learning Center fall under this Section but is not an official office).

The Geological Support Group consists of GIS/Cartographic Services and Well Sample Library and Core Repository.

In addition to the major activities in the Geological Services Section, the Agency has several cooperative projects with the US Geological Survey (USGS). The AGS has three cooperative programs with the Water Resources Division of the USGS: Groundwater Survey Program, Stream Gauging Program (surface water), and Water Quality Program. Each of these is a 50-50 cooperative program in which the costs are split, but with the majority of the work being done by USGS personnel using their equipment and facilities. These programs provide base-line water data to the public and other users of water data needed in management and protection activities. The selection of sample sites is coordinated with other government agencies that collect water data, in order to eliminate duplication and establish site selection priorities in strategic areas for the public welfare.

In May 2008 a donation by the State Farm Insurance Group enabled the formation of an Earthquake Education and Outreach Program which enhances our geohazards section. This program will conduct a series of town hall meetings across the state to present "Earthquake 101"; an educational program designed for the citizen/layman.



Agency Commentary

The Arkansas Geological Survey (AGS) was created by Act 16 of 1963. Agency activities are divided into three major sections: 1) Administrative Services, 2) Geology Services, and 3) Information Services. The activities are primarily supported by General Revenue Funds, except Map and Publication Sales which operate on a revolving cash fund, the Geology Learning Center, which is funded by donations. There are several federally grant funded programs which include the State Geological Mapping Program

(STATEMAP) and National Coal Resources Data System (NCRDS) which operate under miscellaneous federal grants. In May 2008 a donation by the State Farm Insurance Group enabled the formation of an Earthquake Education and Outreach Program. This program will conduct a series of town hall meetings across the state to present "Earthquake 101"; an educational program designed for the citizen/layman. The Arkansas Geological Survey participates in cooperative (matching at 50/50) water programs with the United States Geological Survey.

The Administrative Services Section supports the AGS with fiscal services, human resources and personnel services. This section provides all the administrative support for the agency as well as physical plant and vehicle maintenance.

A reallocation from Professional Services to Maintenance and Operations is requested. Professional services in the amount of \$7,500 are no longer needed for IT services. This amount will be used to offset increases in electricity, office supplies and janitorial expenses.

The Technical Services Section is composed of the geologic staff and technical support personnel. Its primary responsibilities are: 1) to search for and provide information on the State's mineral, fossil-fuel, and water resources; 2) to encourage the orderly development of these resources; 3) to maintain current geologic map coverage of the State; and 4) to study and report on the geologic factors affecting the State's environment.

Geological Services is divided into six major activities: Fossil Fuels (oil & gas, lignites & coals); Geohazards (earthquakes, landslides, karst); Minerals (Industrial, metallic, non-metallic); Hydrology; Geologic Mapping (surface, subsurface); and Public Outreach (Outreach efforts such as the Geology Learning Center fall under this Section but is not an official program).

Current geologic map coverage of the State is maintained and other geologic studies are conducted as needed. The geologic information compiled and maintained for these investigations is necessary for exploration, development, planning and protection for the mineral resources base of Arkansas and as the framework for numerous environmental studies. A technical support group assists the geologic staff in collecting, evaluating and preparing geologic data.

A GIS Analyst is needed to keep up with the public's increasing demand for geologic information pertaining to such issues as geohazards (earthquakes and landslides); oil and gas (conventional and unconventional, such as Fayetteville Shale); alternative fuel sources (lignites and coals) and water and mineral resources. Currently the AGS has a large volume of geologic data that is under utilized and waiting to be developed into GIS-derived geologic mapping and modeled products that better locate and delineate potential resources for development. Therefore, the Arkansas Geological Survey requests the position of GIS Analyst, salary of \$43,217 and applicable matching.

The Arkansas Education Department mandating the inclusion of Earth Science in the curriculum for K-12 has prompted an increased demand from the Arkansas educational community for AGS geological information resources. The AGS would like to request funding to operate an Earth Science Educational Outreach Program designed for K-12 students and other groups (civic, scouts, etc.).

Some of the educational outreach activities that are requested by the citizens and educators include:

- Numerous educational presentations to school and civic groups across the state;
- Participating in events such as the Arkansas Curriculum Conference (formerly Arkansas Teacher's Conference)

- Providing booths at various venues for Earth Science Week, Earth Day, GIS Day and other special events;
- Teacher requests for earth science classroom sets and rock packets;
- Request for AGS to provide teacher workshops during the summer months for various Educational Cooperatives and school districts in the state. The workshops follow the K-12 Earth Science Educational Curriculum with a lab manual prepared by the geologist in the requested position;
- Participation in the Arkansas Supporting Teachers Research Involvement for Vital Education (STRIVE) Program.

There is a strong need for a staff geologist to perform services and oversee a program targeted to the educational needs of our K-12 citizens. Therefore, the Arkansas Geological Survey requests the position of Professional Geologist. The requested salary is \$39,199 and applicable matching. Also requested for both years of the biennium is \$11,635 to cover program costs. Those include: production of Teacher Training Workshop lab manuals; STRIVE program costs; and Educational Outreach Program products costs.

The Information Services Section's primary functions are preparation, storage and distribution of data, reports, and maps prepared and maintained by the Geological Services Section. This is accomplished through the Map and Publication Sales Office, Geological Library, and Network and Computer Services. With the increasing demand for maps in digital format, we are, in an orderly fashion, digitizing the geology of Arkansas.

The Arkansas Geological Survey is the repository of geologic and mineral information collected for more than 150 years. Most of this information is in a paper format. A data archival system needs to be established to provide for the storage, preservation, and archival of subsurface and surface geological data, samples and publications. This information would then provide a "catalogue" of AGS information that would be easily accessible. The purpose of this program is to insure that this data is preserved for future generations of Arkansas citizens. The position of AGS Specialist is requested to provide this service. The requested Salary of \$26,531 and applicable matching.

Information Technology - The following requests are made to enable the agency to continue to provide geologic and natural resource information to the public and other government agencies in an electronic format. The scheduled replacement of four computers per year (allows a minimum of five years life expectancy per computer) requires an increase of \$10,000 for each year of the biennium. A request for \$14,800 is made to upgrade Office software to a more current version. Also critical is the replacement of a 2003 server with an estimated cost of \$6,200. A capital request is made for this replacement. A request in the amount of \$8,100 is also made for computers and printers, \$3,300 software for the three requested positions along with \$1,200 in FY10 and \$800 in FY11 for regularly scheduled maintenance on the computer systems. These increases will be required in Maintenance and Operations. These requests are part of the technology needs based on the agency Information Technology Plan.

The AGS has three **Cooperative Programs with the U.S. Geological Survey** (USGS) Water Resources Division. These cooperative programs with the U.S. Geological Survey's Water Resources Division include 1) Stream Gauging Program (surface water), 2) Water Quality Program, and 3) Ground Water Survey. These programs provide for collection, evaluation and development of data relating to the State's surface and ground water resources. Information from these programs is important to the development and protection of the State's water supply and is critical to the agencies that regulate and manage the State's water resources. Specifically, these funds are used to collect and analyze surface and

ground water samples (Water Quality Program); installation and monitoring of continuous-record stream gauging stations (Stream Gauging Program); and research in subsurface geology relating to ground water (Ground Water Survey). The Ground Water Survey will include regular water-level measurements of wells in the critical Sparta Aquifer in south Arkansas and the Quaternary Aquifer in east Arkansas. An increase in the amount of \$6,373 is requested to restore appropriation and funding to the Ground Water Program. This amount was blocked in FY09 to cover salary increases.

Map Resale - The Map Resale appropriation provides for the authorization to operate from a revolving cash fund, using a portion of the money collected from the sale of maps, publications and reproduction charges. There is no request for appropriation beyond base level.

STATEMAP - State Geologic Mapping Program-The funds for STATEMAP (State Geologic Mapping Program) are federal funds (USGS) which pay for the salary of one field geologist and an extra help position to conduct geologic field studies and mapping in Arkansas. The program involves the geologic mapping of areas of the state selected by the Commission. This is a cooperative effort between the AGS and the USGS and is part of the National Geologic Mapping effort to standardize the quality of geologic mapping in the United States. This project will aid in the development and management of the mineral resources of the area and greatly expand the knowledge of the geology of the State. An increase to \$168,000 for each year is requested due to expectations based on FY2009 grant award.

The National Coal Resources Data Program Grant with the USGS will continue through both years of the biennium. We request an increase of \$35,000 for both years of the biennium

DOI-US Geological Survey-National Geological & Geophysical Data Preservation Program is expected during the biennium as a grant award for \$78,000 for each year. This request includes a position of AGS Specialist. The Arkansas Geological Survey presently stores more than 15 million feet of core and well cuttings representing more than 5,100 wells from within the state of Arkansas at the Norman F. Williams Well Sample Library (referred from this point forward as the NFW Repository). The purpose of this project is to inventory the NFW Repository and create a database compatible with the National Catalogue. This is the only public repository for well core and cuttings samples in the state. Recent analyses of well cuttings and core from this repository have been instrumental in activities surrounding the Fayetteville Shale gas play, and ground water studies in the northern portion of the state. Currently, well cuttings and core are being examined for co-operative studies with private industry for the south and west-central regions of the state for the possibility of further development of fossil fuel resources. An up-to-date inventory, a compatible database with unique metadata and sample location map would further aid and expedite research activities.

The National Park Service (NPS) grant provides funds for geologic mapping of three parks in Arkansas (Hot Springs National Park, Buffalo National River, and Arkansas Post National Memorial). This grant will produce a digital geologic map, defined as a map that depicts the geographic distribution at the Earth's surface of bedrock and/or surficial geologic materials and structures, on a published base map showing topography, hydrography, culture, cadastral, and other base information. Appropriation in the amount of \$230,000 for each year of the biennium is requested. This amount includes a request for a Professional Geologist.

State Farm Grant Program- State Farm Insurance Group has granted AGS \$36,000 to start up the Earthquake Research and Outreach Program. This program will provide the residents of Arkansas with pertinent information about earthquakes and the risks associated with the New Madrid Seismic Zone.

Museum Expenses (Geology Learning Center) - Cash

This appropriation provides for the authorization to spend money donated to the AGS Geology Learning Center (GLC). The GLC is part of the educational arm of the agency with the purpose of giving student and citizens of all ages' exposure to rocks, minerals, fossils, and fossil fuels. The GLC has 5 display areas and receives funding and exhibit material from donations. There are no priority requests for this appropriation above base level.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS GEOLOGICAL COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	14	9	23	92 %
Black Employees	0	1	1	4 %
Other Racial Minorities	1	0	1	4 %
Total Minorities			2	8 %
Total Employees			25	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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
166 State Operations	1,661,155	24	1,717,739	24	1,716,297	24	1,795,333	24	2,003,313	27	2,003,313	27	1,824,259	24	2,003,060	27	2,003,060	27
169 Map Resale	31,013	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
210 State Geologic Mapping Program	84,248	1	91,101	1	65,719	1	82,854	1	1,110,854	3	1,110,854	3	84,066	1	1,112,066	3	1,112,066	3
54U State Farm Grant	1,097	0	36,000	0	0	0	0	0	36,000	0	36,000	0	0	0	36,000	0	36,000	0
873 Geology Museum	0	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0
Total	1,777,513	25	1,953,865	25	1,891,041	25	1,987,212	25	3,259,192	30	3,259,192	30	2,017,350	25	3,260,151	30	3,260,151	30

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	46,075	2.5	62,930	3.1	62,930	3.1	62,930	1.9	62,930	1.9	62,930	3.0	62,930	1.9	62,930	1.9
General Revenue	4000010	1,661,155	90.3	1,706,518	84.6	1,795,333	87.6	2,003,313	60.3	2,003,313	60.3	1,824,259	87.7	2,003,060	60.3	2,003,060	60.3
Federal Revenue	4000020	84,248	4.6	91,101	4.5	82,854	4.0	610,854	18.4	610,854	18.4	84,066	4.0	612,066	18.4	612,066	18.4
Non-Revenue Receipts	4000040	38,892	2.1	100,000	5.0	100,000	4.9	100,000	3.0	100,000	3.0	100,000	4.8	100,000	3.0	100,000	3.0
Cash Fund	4000045	10,041	0.5	45,025	2.2	9,025	0.4	45,025	1.4	45,025	1.4	9,025	0.4	45,025	1.4	45,025	1.4
Merit Adjustment Fund	4000055	0	0.0	11,221	0.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest Income / Royalties	4000307	32	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Unfunded Appropriation	4000715	0	0.0	0	0.0	0	0.0	500,000	15.1	500,000	15.1	0	0.0	500,000	15.0	500,000	15.0
Total Funds		1,840,443	100.0	2,016,795	100.0	2,050,142	100.0	3,322,122	100.0	3,322,122	100.0	2,080,280	100.0	3,323,081	100.0	3,323,081	100.0
Excess Appropriation/(Funding)		(62,930)		(62,930)		(62,930)		(62,930)		(62,930)		(62,930)		(62,930)		(62,930)	
Grand Total		1,777,513		1,953,865		1,987,212		3,259,192		3,259,192		2,017,350		3,260,151		3,260,151	

The Budget amount exceeds the Authorized amount in Fund Center 166 due to salary and matching rate adjustments during the 2007-2009 biennium.

Actual and Budget amounts exceed Authorized amounts in Fund Center 210 due to the establishment of a Miscellaneous Federal Grant.

Actual and Budget amounts exceed Authorized Appropriation in Fund Center 54U due to a transfer from the Cash Fund Holding Account.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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 %	25	25	0	25	0	0.00 %	25	25	0	25	0	0.00 %

Analysis of Budget Request

Appropriation: 166 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Geological Survey's (AGS) appropriation for State Operations is funded entirely by general revenue. In this program, data is accumulated, analyzed, and disseminated to provide knowledge of the geology and hydrogeology of the State to stimulate orderly development and encourage effective management and utilization of the State's mineral, fossil fuel, and water resources in an environmentally responsible manner.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level request for the Agency's State Operations is \$1,795,333 for FY10 and \$1,824,259 in FY11. The Agency requests a \$207,980 increase over Base Level in FY10 and a \$178,801 increase in FY11. The increase includes:

- a new Educational Outreach Program- The program will allow more interaction between AGS and the Department of Education to improve the quality of earth science education throughout the State. A Professional Geologist position with a salary of \$39,199 in FY10 and \$40,100 in FY11 along with corresponding matching is included in this request. The costs to provide teacher manuals, STRIVE program costs include a teacher stipend of \$2,400 along with educational materials and fuel in the amount of \$9,235.
- a Geographic Information Systems (GIS) Analyst- Due to the increase in activity in and around the Fayetteville shale along with New Madrid fault concerns and alternative fuel research, AGS is dealing with more public demand for geologic information. This new position will allow the Agency to better serve the citizens of the State through disseminating large quantities of information much more quickly. The salary for this position is \$43,217 in FY10 and \$44,210 in FY11 along with corresponding matching.
- various Information Technology (IT) requests (all included in the Agency's IT Plan)- A replacement for a 6 year old server (\$6,200 in FY10), software updates for the entire Agency including new positions (\$18,700 in FY10), replacement of 4 workstations per year (\$10,000 in FY10 and FY11), 3 new workstations and printers for requested positions (\$6,900 in FY10), and scheduled maintenance on computers (\$1,200 in FY10 and \$800 in FY11).
- an AGS Specialist is requested to assist in the AGS Data Preservation Program. This position involves a salary of \$26,531 in FY10 and \$27,141 in FY11 along with corresponding matching.
- a restoration of appropriation and funding in the amount of \$6,373 is requested to fully fund the Ground Water Survey Program.
- a \$7,500 reallocation from Professional Fees into Operating Expenses. The acquisition of a full time IT employee eliminated the need for external IT services. This appropriation will be used to provide for increases in electricity, office supply, and janitorial expenses.

The Executive Recommendation provides for the Agency Request with General Revenue funding.

Appropriation Summary

Appropriation: 166 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,041,523	1,075,373	1,073,028	1,121,796	1,233,143	1,233,143	1,145,763	1,259,614	1,259,614
#Positions		24	24	24	24	27	27	24	27	27
Extra Help	5010001	11,169	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		4	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	298,914	324,372	318,902	355,543	393,568	393,568	360,502	399,044	399,044
Operating Expenses	5020002	149,837	150,256	150,256	150,256	203,791	203,791	150,256	177,791	177,791
Conference & Travel Expenses	5050009	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	7,500	7,500	7,500	7,500	0	0	7,500	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	6,200	6,200	0	0	0
Water Quality Program	5900046	31,855	31,855	31,855	31,855	31,855	31,855	31,855	31,855	31,855
Stream Gauging	5900047	38,300	38,300	38,300	38,300	38,300	38,300	38,300	38,300	38,300
Ground Water Survey	5900048	54,456	48,083	54,456	48,083	54,456	54,456	48,083	54,456	54,456
Mineral Exploration	5900050	23,601	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Total		1,661,155	1,717,739	1,716,297	1,795,333	2,003,313	2,003,313	1,824,259	2,003,060	2,003,060
Funding Sources										
General Revenue	4000010	1,661,155	1,706,518		1,795,333	2,003,313	2,003,313	1,824,259	2,003,060	2,003,060
Merit Adjustment Fund	4000055	0	11,221		0	0	0	0	0	0
Total Funding		1,661,155	1,717,739		1,795,333	2,003,313	2,003,313	1,824,259	2,003,060	2,003,060
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,661,155	1,717,739		1,795,333	2,003,313	2,003,313	1,824,259	2,003,060	2,003,060

The Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 166 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,795,333	24	1,795,333	100.0	1,824,259	24	1,824,259	100.0
C01	Existing Program	6,373	0	1,801,706	100.4	6,373	0	1,830,632	100.3
C02	New Program	158,607	3	1,960,313	109.2	161,628	3	1,992,260	109.2
C04	Reallocation	0	0	1,960,313	109.2	0	0	1,992,260	109.2
C08	Technology	43,000	0	2,003,313	111.6	10,800	0	2,003,060	109.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,795,333	24	1,795,333	100.0	1,824,259	24	1,824,259	100.0
C01	Existing Program	6,373	0	1,801,706	100.4	6,373	0	1,830,632	100.3
C02	New Program	158,607	3	1,960,313	109.2	161,628	3	1,992,260	109.2
C04	Reallocation	0	0	1,960,313	109.2	0	0	1,992,260	109.2
C08	Technology	43,000	0	2,003,313	111.6	10,800	0	2,003,060	109.8

Justification

C01	Agency requests \$6,373 to restore appropriation and funding to the Ground Water Survey Program. This funding was blocked in FY09 to pay for salary increases.
C02	Educational Outreach Program expenses include salary and matching for a Professional Geologist, \$2,400 stipend for a teacher with the Supporting Teachers Research Involvement for Vital Education (STRIVE) Program and \$9,235 in educational materials and fuel. Arkansas Geological Survey (AGS) Data Preservation Program expense includes salary and matching for an AGS Specialist; the Information Services Section requires the personal services and matching for a Geographic Information Systems (GIS) Analyst. Proportionate increases for salary amounts constitute the change in the second year.
C04	The addition of a full-time Information Technology (IT) person has eliminated the need for outside professional services for IT. The full amount of \$7,500 has been reallocated to cover increases in electricity, office supplies and janitorial expenses is requested.
C08	In accordance with the IT Plan: Amounts requested are for FY10 are the replacement of a 2003 server, replacement of 4 workstations per year, upgrade Microsoft Office for agency, 3 workstations and software for requested positions. Amounts requested for FY11 are a replacement of 4 workstations and maintenance for software acquired in FY10 (IT Support/Hardware and Software).

Analysis of Budget Request

Appropriation: 169 - Map Resale

Funding Sources: MWA - Geology Map Resale Revolving Fund

Funding for the Arkansas Geological Survey's Map Resale appropriation is obtained from the sale of geological and topographical maps to the general public. These proceeds are deposited into the Agency's revolving fund, as authorized in A.C.A. §19-4-1804.

The Agency finds the Base Level continuation of \$100,000 for this program to be sufficient to achieve the mission of this program for the 2009-11 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 169 - Map Resale

Funding Sources: MWA - Geology Map Resale Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Resale Revolving Fund 5900046	31,013	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	31,013	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Fund Balance 4000005	45,155	53,034		53,034	53,034	53,034	53,034	53,034	53,034
Non-Revenue Receipts 4000040	38,892	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	84,047	153,034		153,034	153,034	153,034	153,034	153,034	153,034
Excess Appropriation/(Funding)	(53,034)	(53,034)		(53,034)	(53,034)	(53,034)	(53,034)	(53,034)	(53,034)
Grand Total	31,013	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 210 - State Geologic Mapping Program

Funding Sources: FAL - Geology Federal

In the 2007-09 biennium the Arkansas Geological Survey (AGS) made great strides in obtaining new federal grants and increasing its participation in current federal programs which benefit the State and its citizens. The Fayetteville Shale play has greatly amplified the amount of federal research opportunities and interest in the geologic make up of the State. This appropriation is funded solely through federal revenue. AGS is requesting appropriation to fully participate in four federal programs; two of which are new and two are current program expansions.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Base Level request is \$82,854 in FY10 and \$84,066 in FY11. The Agency is requesting a \$1,028,000 increase in appropriation in each year of the biennium. \$500,000 in each year is unfunded appropriation requested to allow for new federal programs as they become available to the Agency. The remaining \$528,000 of the request is allocated as follows:

The State Geologic Mapping Program- The primary functions of this program are to coordinate collection of data and formulation of maps displaying the location and quantity of minerals in specific areas of the State. The increase requested for this appropriation is \$112,096 in each year of the biennium and will allow expansion of this program as federal funds become available. Additionally an amount of \$5,060 in Extra Help is requested to restore a currently authorized amount approved by a Miscellaneous Federal Grant.

National Coal Resources Data System (NCRDS)- This program provides a means to collect, interpret, correlate, evaluate coal and other energy through the development and maintenance of a system of databases. The Agency requests an increase of \$35,000 in appropriation due to expectation of grant award growth. Another restoration of Extra Help is requested in this program in the amount of \$8,922 to restore a currently authorized amount approved by a Miscellaneous Federal Grant.

Geologic Data Preservation Program- This new grant is provided through the United States Geological Service (USGS) for the purpose of developing an inventory database of core and well samples collected and currently stored in Arkansas. This database will be compatible with the USGS's National Catalogue. The ready availability of this information will aid the ongoing research regarding the Fayetteville Shale and ground water studies throughout the State. The appropriation requested for this new program is \$78,000 in each year of the biennium. This request includes an AGS Specialist position with a salary of \$26,531 in FY10 and \$27,141 in FY11 along with associated matching.

National Parks Service (NPS) Grant- This new grant award is for the amount of \$230,000 each year of the biennium. It includes a request for a Professional Geologist position with a salary of \$39,199 in FY10 and \$40,100 in FY11 along with corresponding matching amounts. The purpose of this grant is to develop a detailed, digital geologic map of three Arkansas National Parks.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 210 - State Geologic Mapping Program

Funding Sources: FAL - Geology Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	38,721	43,057	34,681	43,702	109,432	109,432	44,707	111,948	111,948
#Positions		1	1	1	1	3	3	1	3	3
Extra Help	5010001	13,889	14,970	6,835	6,835	20,030	20,030	6,835	20,030	20,030
#Extra Help		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	14,867	15,560	11,749	14,803	39,881	39,881	15,010	40,399	40,399
Operating Expenses	5020002	16,771	17,514	12,454	17,514	941,511	941,511	17,514	939,689	939,689
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		84,248	91,101	65,719	82,854	1,110,854	1,110,854	84,066	1,112,066	1,112,066
Funding Sources										
Federal Revenue	4000020	84,248	91,101		82,854	610,854	610,854	84,066	612,066	612,066
Unfunded Appropriation	4000715	0	0		0	500,000	500,000	0	500,000	500,000
Total Funding		84,248	91,101		82,854	1,110,854	1,110,854	84,066	1,112,066	1,112,066
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		84,248	91,101		82,854	1,110,854	1,110,854	84,066	1,112,066	1,112,066

Actual and Budget amounts exceed Authorized amounts due to the establishment of a Miscellaneous Federal Grant.

Change Level by Appropriation

Appropriation: 210 - State Geologic Mapping Program

Funding Sources: FAL - Geology Federal

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	82,854	1	82,854	100.0	84,066	1	84,066	100.0
C01	Existing Program	102,036	0	184,890	223.2	102,161	0	186,227	221.5
C02	New Program	364,910	2	549,800	663.6	366,997	2	553,224	658.1
C05	Unfunded Appropriation	500,000	0	1,049,800	1,267.0	500,000	0	1,053,224	1,252.9
C06	Restore Position/Approp	14,472	0	1,064,272	1,284.5	14,472	0	1,067,696	1,270.1
C08	Technology	46,582	0	1,110,854	1,340.7	44,370	0	1,112,066	1,322.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	82,854	1	82,854	100.0	84,066	1	84,066	100.0
C01	Existing Program	102,036	0	184,890	223.2	102,161	0	186,227	221.5
C02	New Program	364,910	2	549,800	663.6	366,997	2	553,224	658.1
C05	Unfunded Appropriation	500,000	0	1,049,800	1,267.0	500,000	0	1,053,224	1,252.9
C06	Restore Position/Approp	14,472	0	1,064,272	1,284.5	14,472	0	1,067,696	1,270.1
C08	Technology	46,582	0	1,110,854	1,340.7	44,370	0	1,112,066	1,322.8

Justification

C01	State Map Grant requests an increase in appropriation based on expected growth of grant award amount. A request is also made for the National Coal Resources Data System (NCRDS) grant for additional appropriation based on expected continuation and increase in award amount.
C02	Two new grant programs are included in this request. Requests for appropriation for anticipated grants include one from the Department of Interior (DOI)-United States Geological Service (USGS) for Geologic Data Preservation Program. This program includes a new AGS Specialist position and operating funds of \$106,879 for FY10 and \$107,144 for FY11. The second new program is from the DOI-National Parks Service for Geologic Resource Evaluation. This request is for \$230,000 in both years of the biennium. This program includes a request for a Registered Professional Geologist.
C05	Agency requests \$500,000 of unfunded appropriation due to the possibility of unforeseen federal grant increases and new federal programs.
C06	This is due to an adjustment in appropriation from a Miscellaneous Federal Grant. 2 Extra Help positions are being restored, one in the Coal Data Program (\$8,135) with associated matching (\$787) and the other in the State Map Grant Program (\$5,060).
C08	In accordance with the Information Technology (IT) Plan, the following appropriations for expenses are requested: State Map Grant and NCRDS grant request increases for software licenses (IT Support/Software) and data processing supplies (IT Support/Other). In anticipation of receiving grants from National Parks and USGS, requests are made for rental of data processing equipment, software and data processing supplies (IT Support/Hardware, Software, and Other).

Analysis of Budget Request

Appropriation: 54U - State Farm Grant

Funding Sources: NGC - Geology Private Grants

The State Farm Grant is a privately funded grant donated by State Farm in order to increase earthquake awareness throughout the State. The appropriation provides outreach to the citizens of the State in the form of town hall meetings. In these meetings a geologist will give a presentation on earthquake basics and preparedness techniques. This appropriation was established in FY09 through a transfer from the Cash Holding Account.

The Agency is requesting \$36,000 in cash appropriation.

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

Appropriation Summary

Appropriation: 54U - State Farm Grant

Funding Sources: NGC - Geology Private Grants

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	1,097	36,000	0	0	36,000	36,000	0	36,000	36,000
Total	1,097	36,000	0	0	36,000	36,000	0	36,000	36,000
Funding Sources									
Fund Balance 4000005	0	8,935		8,935	8,935	8,935	8,935	8,935	8,935
Cash Fund 4000045	10,000	36,000		0	36,000	36,000	0	36,000	36,000
Interest Income / Royalties 4000307	32	0		0	0	0	0	0	0
Total Funding	10,032	44,935		8,935	44,935	44,935	8,935	44,935	44,935
Excess Appropriation/(Funding)	(8,935)	(8,935)		(8,935)	(8,935)	(8,935)	(8,935)	(8,935)	(8,935)
Grand Total	1,097	36,000		0	36,000	36,000	0	36,000	36,000

Actual and Budget amounts exceed Authorized Appropriation due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 54U - State Farm Grant
Funding Sources: NGC - Geology Private Grants

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	36,000	0	36,000	100.0	36,000	0	36,000	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	36,000	0	36,000	100.0	36,000	0	36,000	100.0

Justification

C01	Agency requests cash appropriation to continue the Earthquake Research & Outreach Program funded through private grants.
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Analysis of Budget Request

Appropriation: 873 - Geology Museum

Funding Sources: NGC - Geology Cash

The Geology Museum and Learning Center (GLC) is funded by proceeds of donations collected by the Agency. The GLC is part of the educational arm of the Agency with the purpose of giving students and citizens exposure to rocks, minerals, fossils, and fossil fuels through its five (5) display areas.

The Base Level for this program is \$9,025 each year and represents the Agency Request.

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

Appropriation Summary

Appropriation: 873 - Geology Museum

Funding Sources: NGC - Geology Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Museum Expenses 5900046	0	9,025	9,025	9,025	9,025	9,025	9,025	9,025	9,025
Total	0	9,025	9,025	9,025	9,025	9,025	9,025	9,025	9,025
Funding Sources									
Fund Balance 4000005	920	961		961	961	961	961	961	961
Cash Fund 4000045	41	9,025		9,025	9,025	9,025	9,025	9,025	9,025
Total Funding	961	9,986		9,986	9,986	9,986	9,986	9,986	9,986
Excess Appropriation/(Funding)	(961)	(961)		(961)	(961)	(961)	(961)	(961)	(961)
Grand Total	0	9,025		9,025	9,025	9,025	9,025	9,025	9,025

LAW ENFORCEMENT STANDARDS & TRAINING

Enabling Laws

Act 401 of 2007
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.

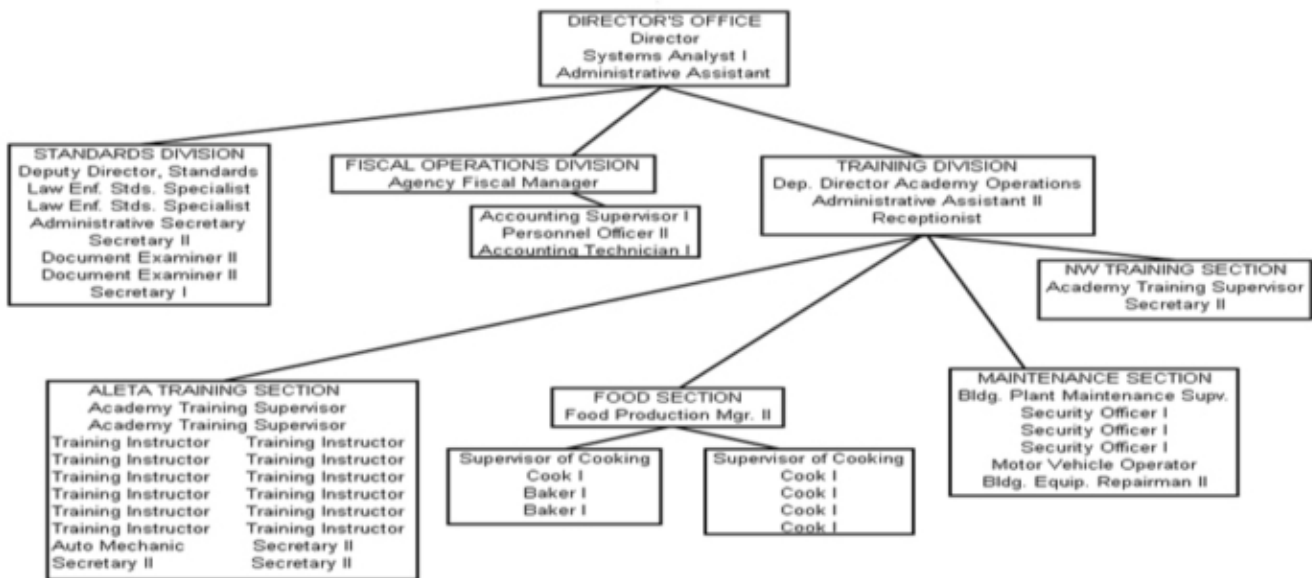
In the early 1970's it was realized the existing facilities were inadequate. Plans were made and approved for the construction of new facilities valued at 1.3 million dollars. This project was completed in March, 1976.

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

Due to the need to complete current projects, accomplish our mission, and meet the statutory requirements set forth in A.C.A. §12-9-107 for the Commission on Law Enforcement Standards and Training, it is imperative that the State of Arkansas make a commitment to the law enforcement community. Properly funding the ongoing projects and maintaining the physical plant at the East Camden facility will accomplish this commitment.

The increased Maintenance and Operation appropriation and funds are essential for continuing our mission and statutory requirements of providing training and assistance to every city and county law enforcement agency, as well as several state agencies. In a world continuing to evolve around the computer industry, law enforcement responsibilities in this area are ever increasing. Our Information Technology needs are extremely important to our operation and to the public throughout the state.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS COMMISSION ON LAW ENFORCEMENT STANDARDS AND TRAINING

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
The Agency's purpose as defined in Arkansas Code Annotated § 12-9-107 is to establish and conduct instruction and training programs for law enforcement officers of the State of Arkansas at no cost to the local political subdivision. A pursuit driver training class, conducted at the Arkansas Law Enforcement Training Academy in East Camden during May 2007, included attendees from Texarkana Police Departments of both Arkansas and Texas. Although the police departments provided course instructors, the Agency billed and collected \$3,119 from the Texarkana Arkansas Police Department for costs related to conducting this training.	Seek a determination whether State resources can be used for any purpose other than to provide training of State of Arkansas law enforcement officers.

Employment Summary

	Male	Female	Total	%
White Employees	25	26	51	94 %
Black Employees	2	1	3	6 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	6 %
Total Employees			54	100 %

Cash Fund Balance Description as of June 30, 2008

Fund Account	Balance	Type	Location
1080200	\$363,591	Checking	Farmers Bank & Trust, Camden

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.

Fund Balance Utilization:

Funds are being used for purchase of uniforms and food for students. Also to pay tuition to SAU Tech for a 28 credit hour program to all students that complete basic police training at Arkansas Law Enforcement Training Academy at Camden or Springdale.

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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	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	2,858,908	54	2,918,781	54	2,971,702	54	3,148,367	54	3,300,727	54	3,160,867	54	3,197,301	54	3,349,661	54	3,209,801	54
2NH Drug Detection Training-Federal	0	0	0	0	46,273	0	0	0	46,273	0	46,273	0	0	0	46,273	0	46,273	0
D48 Special Training-Cash	306,961	0	400,000	0	400,000	0	368,675	0	400,000	0	400,000	0	368,675	0	400,000	0	400,000	0
Total	3,165,869	54	3,318,781	54	3,417,975	54	3,517,042	54	3,747,000	54	3,607,140	54	3,565,976	54	3,795,934	54	3,656,074	54

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	336,677	9.5	363,591	10.1		293,591	7.8	293,591	7.4	293,591	7.6	243,591	6.5	243,591	6.1	243,591	6.3
General Revenue	4000010	2,848,388	80.7	2,899,202	80.3		3,148,367	83.7	3,300,727	82.7	3,148,367	82.0	3,197,301	85.0	3,349,661	84.0	3,197,301	83.3
Federal Revenue	4000020	0	0.0	0	0.0		0	0.0	46,273	1.2	46,273	1.2	0	0.0	46,273	1.2	46,273	1.2
Cash Fund	4000045	333,875	9.5	330,000	9.1		318,675	8.5	350,000	8.8	350,000	9.1	318,675	8.5	350,000	8.8	350,000	9.1
Merit Adjustment Fund	4000055	0	0.0	19,579	0.5		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	10,520	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		3,529,460	100.0	3,612,372	100.0		3,760,633	100.0	3,990,591	100.0	3,838,231	100.0	3,759,567	100.0	3,989,525	100.0	3,837,165	100.0
Excess Appropriation/(Funding)		(363,591)		(293,591)			(243,591)		(243,591)		(231,091)		(193,591)		(193,591)		(181,091)	
Grand Total		3,165,869		3,318,781			3,517,042		3,747,000		3,607,140		3,565,976		3,795,934		3,656,074	

The difference of \$12,500 between FY10 ending fund balances and FY11 beginning fund balances is attributed to unfunded appropriation in Appropriation 172.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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 %	54	54	0	54	0	0.00 %	54	54	0	54	0	0.00 %

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level requests total \$152,360 each year and reflect the following:

- Operating Expenses increase in the amount of \$77,000 each year for fuel, ammunition, food, utilities and driving training vehicle maintenance costs. The Agency reduced telecommunications, network services, and water & sewage to more accurately reflect anticipated expenditures.
- Professional Fees increase in the amount of \$62,860 each year for the Department of Information Systems to design, implement and maintain a database system for certified police officers. The Agency reduced legal fees to more accurately reflect anticipated expenditures.
- Capital Outlay in the amount of \$12,500 each year for replacement and/or purchase of equipment for building and grounds maintenance and for sales tax on new vehicle purchases.

The Executive Recommendation provides for Base Level and unfunded appropriation in the amount of \$12,500 each year in Capital Outlay.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,519,426	1,612,615	1,576,966	1,754,520	1,754,520	1,754,520	1,795,739	1,795,739	1,795,739
#Positions		54	54	54	54	54	54	54	54	54
Personal Services Matching	5010003	510,830	509,917	547,350	603,848	603,848	603,848	611,563	611,563	611,563
Overtime	5010006	0	0	6,000	0	0	0	0	0	0
Operating Expenses	5020002	784,388	777,859	816,746	777,859	854,859	777,859	777,859	854,859	777,859
Conference & Travel Expenses	5050009	2,649	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	1,983	7,140	7,140	7,140	70,000	7,140	7,140	70,000	7,140
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	39,632	6,250	12,500	0	12,500	12,500	0	12,500	12,500
Total		2,858,908	2,918,781	2,971,702	3,148,367	3,300,727	3,160,867	3,197,301	3,349,661	3,209,801
Funding Sources										
General Revenue	4000010	2,848,388	2,899,202		3,148,367	3,300,727	3,148,367	3,197,301	3,349,661	3,197,301
Merit Adjustment Fund	4000055	0	19,579		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	10,520	0		0	0	0	0	0	0
Total Funding		2,858,908	2,918,781		3,148,367	3,300,727	3,148,367	3,197,301	3,349,661	3,197,301
Excess Appropriation/(Funding)		0	0		0	0	12,500	0	0	12,500
Grand Total		2,858,908	2,918,781		3,148,367	3,300,727	3,160,867	3,197,301	3,349,661	3,209,801

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The FY08 Authorized amount for Capital Outlay was \$30,000; Actual expenditures exceeded this amount due to a transfer of appropriation and funding from DFA-Motor Vehicle Acquisition Fund for a vehicle purchase.

Special Language provides for the carry forward of appropriation in Capital Outlay from the first year of the biennium to the second year of the biennium. The actual amount that carried forward from FY2008 to FY2009 was \$888.23.

Change Level by Appropriation

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,148,367	54	3,148,367	100.0	3,197,301	54	3,197,301	100.0
C01	Existing Program	117,800	0	3,266,167	103.7	117,800	0	3,315,101	103.7
C03	Discontinue Program	(30,440)	0	3,235,727	102.8	(30,440)	0	3,284,661	102.7
C08	Technology	65,000	0	3,300,727	104.8	65,000	0	3,349,661	104.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,148,367	54	3,148,367	100.0	3,197,301	54	3,197,301	100.0
C01	Existing Program	12,500	0	3,160,867	100.4	12,500	0	3,209,801	100.4
C03	Discontinue Program	0	0	3,160,867	100.4	0	0	3,209,801	100.4
C08	Technology	0	0	3,160,867	100.4	0	0	3,209,801	100.4

Justification

C01	Operating Expenses increase in the amount of \$77,000 each year for fuel, ammunition, food, utilities and driving training vehicle maintenance costs. Change level of \$12,500 is needed for replacement of capital equipment, and cost of sales tax on new vehicles for each year of the biennium in Commitment Item 512:00:11.
C03	Operating Expenses reduced in telecommunications, network services, and water & sewage to more accurately reflect anticipated expenditures. Professional Fees reduced in legal fees to more accurately reflect anticipated expenditures.
C08	Professional Fees increase in the amount of \$62,860 each year for the Department of Information Systems to design, implement and maintain a database system for certified police officers. IT Plan: Projects Tab.

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: Law Enforcement Standards & Training Commission

Program: Law Enforcement Standards-Operations

Act #: 401 of 2007 Section(s) #: 2 & 5

Estimated Carry Forward Amount \$ 595.00 Appropriation Funds

Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0950 Funds Center: 172 Fund: HUA Functional Area: SFTY

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Capital Outlay	5120011	595.00	888.23
Total		\$ 595.00	\$ 888.23

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

Appropriation and funding needed for sale tax of new vehicles and equipment purchases.

Actual Funding Carry Forward Amount \$ 888.23

Current status of carry forward appropriation/funding:

Agency has submitted request for new vehicles. Agency anticipates notification of approval around December 2008. Agency anticipates purchase and delivery of vehicle sometime in April/May 2009.

Terry Bolton
Director

08-06-2008
Date

Analysis of Budget Request

Appropriation: 2NH - Drug Detection Training-Federal

Funding Sources: FES - Law Enforcement Standards and Training

The Commission on Law Enforcement Standards and Training provides street level and advanced training to police officers/investigators in the field of drug investigation. Federal Grant funds are received from the United States Department of Justice for this program and are administered by the Department of Finance and Administration - Office of Intergovernmental Services.

The Agency has not received federal funding for this program during the 2007-2009 biennium. However, the Agency is requesting appropriation for the FY2009-2011 biennium in the event funding is received from the United States Department of Justice.

The Agency's Change Level requests total \$46,273 each year and reflect the following:

- Operating Expenses increase in the amount of \$45,773 each year for costs associated with conducting training classes.
- Conference and Travel Expenses increase in the amount of \$500 each year for costs associated with conducting training classes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2NH - Drug Detection Training-Federal

Funding Sources: FES - Law Enforcement Standards and Training

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	0	45,773	0	45,773	45,773	0	45,773	45,773
Conference & Travel Expenses 5050009	0	0	500	0	500	500	0	500	500
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	0	0	46,273	0	46,273	46,273	0	46,273	46,273
Funding Sources									
Federal Revenue 4000020	0	0		0	46,273	46,273	0	46,273	46,273
Total Funding	0	0		0	46,273	46,273	0	46,273	46,273
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	0		0	46,273	46,273	0	46,273	46,273

Change Level by Appropriation

Appropriation: 2NH - Drug Detection Training-Federal
Funding Sources: FES - Law Enforcement Standards and Training

Agency Request

Change Level	2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C01 Existing Program	46,273	0	46,273	100.0	46,273	0	46,273	100.0

Executive Recommendation

Change Level	2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C01 Existing Program	46,273	0	46,273	100.0	46,273	0	46,273	100.0

Justification

C01	\$46,273 is needed each year of the biennium for Drug Detection Training.							
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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. Base Level is \$368,675 each year of the biennium.

The Agency's Change Level requests total \$31,325 each year and reflect the following:

- Capital Outlay increase in the amount of \$31,325 each year to replace and/or purchase kitchen equipment and grounds maintenance equipment.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	306,961	368,675	368,675	368,675	368,675	368,675	368,675	368,675	368,675
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	31,325	31,325	0	31,325	31,325	0	31,325	31,325
Total		306,961	400,000	400,000	368,675	400,000	400,000	368,675	400,000	400,000
Funding Sources										
Fund Balance	4000005	336,677	363,591		293,591	293,591	293,591	243,591	243,591	243,591
Cash Fund	4000045	333,875	330,000		318,675	350,000	350,000	318,675	350,000	350,000
Total Funding		670,552	693,591		612,266	643,591	643,591	562,266	593,591	593,591
Excess Appropriation/(Funding)		(363,591)	(293,591)		(243,591)	(243,591)	(243,591)	(193,591)	(193,591)	(193,591)
Grand Total		306,961	400,000		368,675	400,000	400,000	368,675	400,000	400,000

Change Level by Appropriation

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 - Law Enforcement Standards and Training - Cash

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	368,675	0	368,675	100.0	368,675	0	368,675	100.0
C01	Existing Program	31,325	0	400,000	108.5	31,325	0	400,000	108.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	368,675	0	368,675	100.0	368,675	0	368,675	100.0
C01	Existing Program	31,325	0	400,000	108.5	31,325	0	400,000	108.5

Justification

C01	Capital Outlay of \$31,325 is requested for equipment that needs to be replaced due to age or malfunction.
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MARTIN LUTHER KING, JR COMMISSION

Enabling Laws

Act 523 of 2007
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.

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.

The Martin Luther King, Jr. Commission is requesting Base Level for the 2009-2011 biennium, and is not requesting additional appropriation at this time. Base Level for FY10 is \$226,082 and FY11 is \$227,740. The appropriation is used to further the organization’s efforts to enhance the awareness of peace and harmonious living among all Arkansans.

The Martin Luther King, Jr. Commission is requesting Base Level for the Cash Appropriation for 2009-2011. The funding for this appropriation was moved from a local bank to the State Treasury during FY08. This will stabilize fiscal operations and enable staff to more effectively monitor budgetary activity.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
MARTIN LUTHER KING, JR. COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
Management was unable to provide adequate supporting documentation for some purchases made with Agency credit cards. Support documentation provides evidence of the appropriate business purpose of disbursements. Credit card purchases totaling \$5,337 were reviewed, but the business purpose of \$485 of those purchases could not be verified.	Obtain and retain adequate documentation in support of expenditures.

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	25 %
Black Employees	1	1	2	50 %
Other Racial Minorities	0	1	1	25 %
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	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	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	176,882	3	231,870	4	276,469	4	227,819	4	227,819	4	227,819	4	229,477	4	229,477	4	229,477	4
54S Martin Luther King - Treasury Cash	118,965	0	61,040	0	61,522	0	61,050	0	61,050	0	61,050	0	61,050	0	61,050	0	61,050	0
Total	295,847	3	292,910	4	337,991	4	288,869	4	288,869	4	288,869	4	290,527	4	290,527	4	290,527	4

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	4,583	1.5	8,637	2.7	32,622	9.3	32,622	9.3	32,622	9.3	61,572	16.2	61,572	16.2	61,572	16.2
General Revenue	4000010	176,381	57.9	216,183	66.4	212,844	60.7	212,844	60.7	212,844	60.7	214,502	56.3	214,502	56.3	214,502	56.3
Cash Fund	4000045	123,019	40.4	100,000	30.7	104,975	30.0	104,975	30.0	104,975	30.0	104,975	27.5	104,975	27.5	104,975	27.5
Merit Adjustment Fund	4000055	0	0.0	712	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	501	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		304,484	100.0	325,532	100.0	350,441	100.0	350,441	100.0	350,441	100.0	381,049	100.0	381,049	100.0	381,049	100.0
Excess Appropriation/(Funding)		(8,637)		(32,622)		(61,572)		(61,572)		(61,572)		(90,522)		(90,522)		(90,522)	
Grand Total		295,847		292,910		288,869		288,869		288,869		290,527		290,527		290,527	

Appropriation 54S Cash in Treasury replaced a Cash-in-Bank appropriation and moved to the State Treasury in FY08.
Actuals in Treasury Cash [54S] exceeds Authorized due to a transfer from the Cash Fund Holding Account.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	2	2	4	0	50.00 %	4	2	2	4	0	50.00 %	4	4	0	4	0	0.00 %

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 twenty-six (26) members: four (4) members between the ages of sixteen (16) and nineteen (19) from the general public; thirteen (13) members of the general public who represent various geographical areas of the State, and various civic, religious, educational, labor, business, and artistic organizations committed to resolving conflict and upholding the humanitarian philosophy of Dr. King; four (4) members of the House of Representatives; and a representative of the Governor's Office.

The responsibility of the Commission is to 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. Cash funds complement general revenue for the Commission to carry out its responsibilities under A.C.A. §25-24-102.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total state match per budgeted employee of \$425.

The Agency requests Base Level appropriation for the 2009-2011 biennium.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	86,665	145,108	165,545	138,589	138,589	138,589	139,986	139,986	139,986
#Positions	3	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	35,133	43,877	55,239	46,345	46,345	46,345	46,606	46,606	46,606
Operating Expenses 5020002	55,044	42,585	55,385	42,585	42,585	42,585	42,585	42,585	42,585
Conference & Travel Expenses 5050009	40	300	300	300	300	300	300	300	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	176,882	231,870	276,469	227,819	227,819	227,819	229,477	229,477	229,477
Funding Sources									
General Revenue 4000010	176,381	216,183		212,844	212,844	212,844	214,502	214,502	214,502
Cash Fund 4000045	0	14,975		14,975	14,975	14,975	14,975	14,975	14,975
Merit Adjustment Fund 4000055	0	712		0	0	0	0	0	0
M & R Sales 4000340	501	0		0	0	0	0	0	0
Total Funding	176,882	231,870		227,819	227,819	227,819	229,477	229,477	229,477
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	176,882	231,870		227,819	227,819	227,819	229,477	229,477	229,477

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 moved cash funds to the State Treasury in FY08 to stabilize fiscal operations to enable staff to monitor budgetary activity more effectively.

Base Level is \$61,050 for each year of the biennium and represents the Agency's Request.

Executive Recommendation provides for Agency Request. Expenditure of 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	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Extra Help 5010001	11,746	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
#Extra Help	2	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	1,184	1,216	1,698	1,226	1,226	1,226	1,226	1,226	1,226
Operating Expenses 5020002	100,690	38,924	38,924	38,924	38,924	38,924	38,924	38,924	38,924
Conference & Travel Expenses 5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees 5060010	5,345	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
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	118,965	61,040	61,522	61,050	61,050	61,050	61,050	61,050	61,050
Funding Sources									
Fund Balance 4000005	4,583	8,637		32,622	32,622	32,622	61,572	61,572	61,572
Cash Fund 4000045	123,019	85,025		90,000	90,000	90,000	90,000	90,000	90,000
Total Funding	127,602	93,662		122,622	122,622	122,622	151,572	151,572	151,572
Excess Appropriation/(Funding)	(8,637)	(32,622)		(61,572)	(61,572)	(61,572)	(90,522)	(90,522)	(90,522)
Grand Total	118,965	61,040		61,050	61,050	61,050	61,050	61,050	61,050

Appropriation 54S Cash in Treasury replaced a Cash-in-Bank appropriation and moved to the State Treasury in FY08.

FY08 Actual expenditures for Operating Expenses and Professional Fees exceeds the authorized amounts due to a transfer from the Cash Fund Holding Account.

ARKANSAS STATE BOARD OF NURSING

Enabling Laws

Act 396 of 2007
A.C.A. §17-87-203 & 205

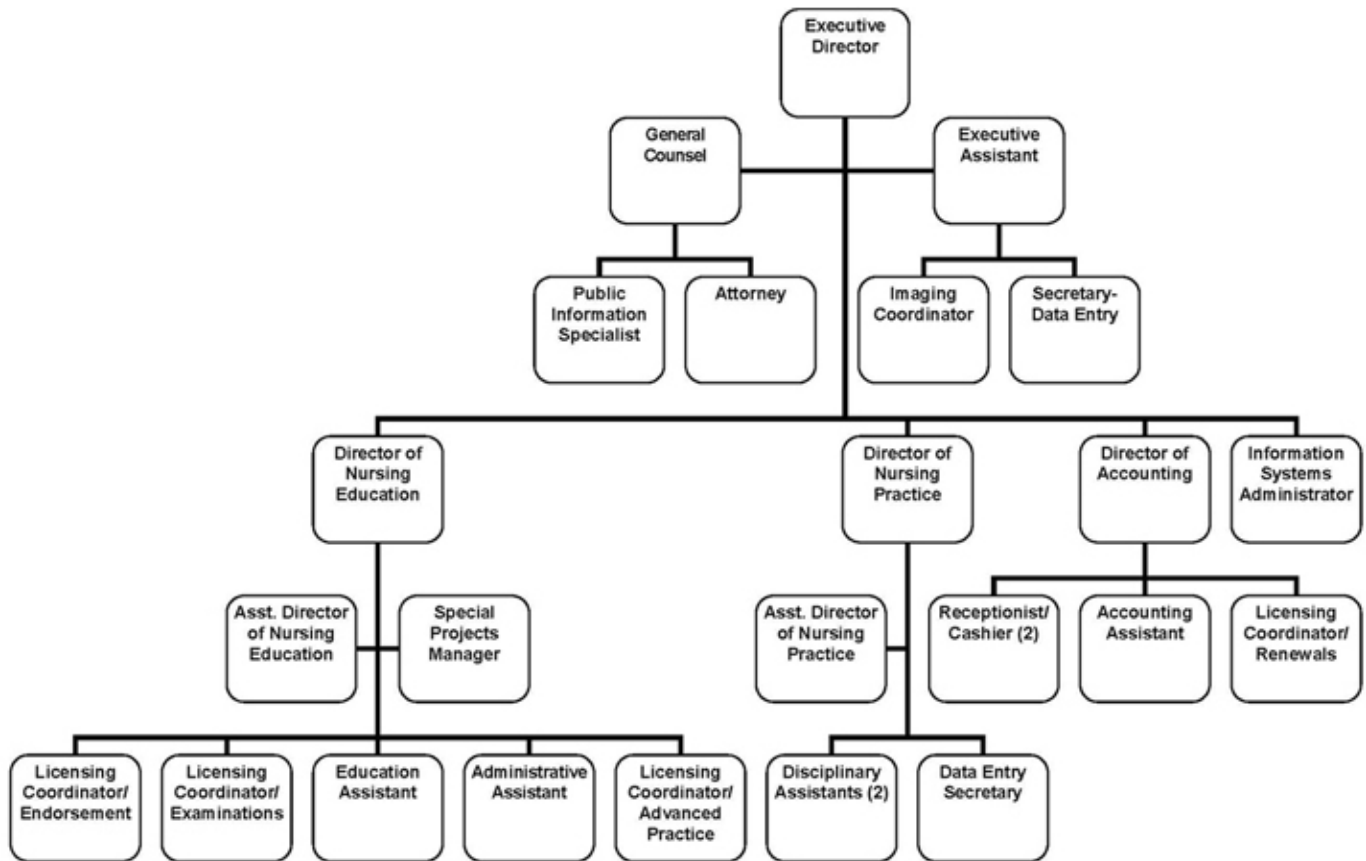
History and Organization

The "State Board of Nurse Examiners" was created by Act 128 of 1913. The Board is composed of thirteen members, appointed by the Governor, subject to confirmation by the Senate. The mission of the Arkansas State Board of Nursing is to protect the public and act as their advocate by effectively regulating the practice of nursing.

Statutory Responsibility & Primary Activities: Pursuant to A.C.A. §17-87-203, the Board of Nursing carries out the following responsibilities in the interest of public protection: (1) Cause the prosecution of persons violating the nurse practice act; (2) Employ personnel necessary for carrying out its functions; (3) Study, review, develop and recommend role levels of technical classes of nursing service and practice to state and federal health agencies and to public and private administrative bodies; (4) Prescribe minimum standards and approve curricula for educational programs preparing persons for licensure as registered nurses, advanced practice nurses, registered nurse practitioners, licensed practical nurses, licensed psychiatric technician nurses and preparing persons for certification as medication assistants; (5) Provide for surveys of such programs at such times as it deems necessary, or at the request of the schools; (6) Approve programs that meet the requirements of the law; (7) Deny or withdraw approval from educational programs for failure to meet prescribed standards; (8) Examine, certify, and renew the certifications of qualified applicants for medication assistants; (9) Examine, license and renew the licenses of duly qualified applicants for professional nursing, practical nursing, and psychiatric technician nursing; (10) License and renew the licenses of qualified applicants for registered nurse practitioner and advanced practice nursing; (11) Grant certificates of prescriptive authority to qualified advanced practice nurses; (12) Convene an advisory committee as provided for in the law to assist with oversight of prescriptive authority and medication assistants; and (13) Conduct disciplinary proceedings as provided for in the law. There are currently 45,000 licenses issued by the Board.

Advisory Board or Commission: A.C.A. §17-87-205 created a Prescriptive Authority Advisory Committee to assist the Board in implementing the provisions for prescriptive authority, which was authorized by Act 409 of 1995. This is a five (5) member multidisciplinary committee, which meets as needed to deal with prescriptive issues. A.C.A. §17-87-710 created a Medication Assistive Persons Advisory Committee to assist the Board in implementing the provisions of the medication assistant legislation passed in 2005.

In addition, the Board has an advisory group comprised of directors of each nursing education program in the State. The Nurse Administrators of Nursing Education Programs is a fifty-four (54) member advisory group, which advises the Board on nursing educational issues in the State.



Agency Commentary

Receipts from license fees finance the Board of Nursing's operations. The Board is responsible for licensing, examination, endorsement, education and discipline of over 45,000 nurses and has sufficient revenue and fund balance to accommodate the requests described herein. In order to execute the Board's responsibilities and fulfill the public protection mission, the following change requests are imperative.

The Board of Nursing requests Base Level for the 2009-2011 biennium plus the following Change Level requests:

- The Board of Nursing has received three supplemental positions since the last biennium. All three positions have been filled. The functions of these positions primarily are to serve as project manager for implementation of document imaging, be in charge of the actual imaging of all licensure, educational, disciplinary and other agency documents, as well as conversion of the current microfilm system to digital images, open disciplinary cases, issue subpoenas, gather documents and related services for investigations on examinations and endorsement applicants with positive criminal background checks, and assist with initial applications. The Board requests these positions become permanent positions of the Arkansas State Board of Nursing.

- The Board is requesting additional operating expenses of \$31,900 in FY10 and \$31,500 in FY11. New personnel were added in the last biennium and appropriation for equipment, and supplies are needed to enable the new staff to operate more effectively. Additional postage is requested to address the rising cost of mailing application packets, licenses, certifications and other required communications.
- IT related Capital Outlay of \$40,000 in each year of the biennium is requested by the Board to upgrade and customize the current software and to cover expenses of equipment malfunction and replacement. The software upgrade request includes the licensure database, paperless board meeting and Microsoft Office. The software uses are to maintain licensure, disciplinary, and education information for the nurses licensed by the Board. The IT equipment request is to replace the licensing printer and the renewals scanner equipment that is beyond repair, or too expensive to maintain. Operating expenses in the amount of \$30,000 in FY10 and \$14,400 in FY11 are requested to replace 20 laptop computers for paperless board meetings and 9 aging desktop computers. The software and hardware items are included in the Board's IT Plan. These purchases would assist the agency to maintain efficient operations.
- A reallocation of \$24,000 from Data Processing to Operating Expenses is being requested. The Board has used a portion of this to pay the Dept. of Information Systems a monthly fee to provide support for their licensure database(GL Suites). This expense should be paid from the Operating Expenses line item.
- In 1999 the legislature passed a law (ACA 17-87-312) requiring criminal background checks as a prerequisite to issuing a nursing license. The burden on the healthcare facilities due to the delay in licensing was attempted to be relieved by issuing temporary nursing licenses. Before the implementation of online criminal background checks, the state background check was usually received within a month, but federal results often exceeded the six month temporary license. Daily complaints of processing delays due to the long wait time for background checks were received until the Board implemented the online criminal background check available to agencies through the Arkansas State Police and the Information Network of Arkansas (INA). Since the original approval of this cash appropriation in October 2007, the current online criminal background check and processing fee of \$22 paid by the applicant has been deposited by the Nursing Board into the "NNB0100 Background Ck-Cash in Treasury" Fund. INA bills the Nursing Board \$22 for each criminal background check conducted online. Since we have had the ability to complete the state background checks online, we now receive the state information immediately and the federal within five to seven business days, or six weeks during high volume periods. The Board of Nursing processes about 3,900 state background check results annually and is requesting \$85,800 in each year of the biennium to reimburse INA for the criminal background check services and pass through these funds to the Arkansas State Police. Establishment of this account has enabled quicker receipt of background results and resolved the processing delay. The Board has been granted a cash increase letter for the past 2 years, and respectfully requests the continuance of this account for the next biennium.
- The Nursing Education Workshop appropriation is used to provide continuing education workshops as mandated by A.C.A. §17-87-207. Additional professional fees in the amount of \$3,000 each year is requested for development of online courses for nurses. Funding for this increase will be supported by registration fees.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS STATE BOARD OF NURSING
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	3	17	20	77 %
Black Employees	0	5	5	19 %
Other Racial Minorities	0	1	1	4 %
Total Minorities			6	23 %
Total Employees			26	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	17-87-203(4)	Y	N	200	Statutory requirement and public information for workforce data

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1PZ Scholar Loans	0	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0
286 Board of Nursing-Operations	2,107,503	24	2,359,255	26	2,365,769	23	2,259,678	23	2,502,555	26	2,502,555	26	2,294,018	23	2,523,783	26	2,523,783	26
2MA Nursing Education Workshops	16,331	0	32,000	0	32,000	0	32,000	0	35,000	0	35,000	0	32,000	0	35,000	0	35,000	0
56K Background Check Fee	45,254	0	85,800	0	0	0	0	0	85,800	0	85,800	0	0	0	85,800	0	85,800	0
Total	2,169,088	24	2,522,055	26	2,442,769	23	2,336,678	23	2,668,355	26	2,668,355	26	2,371,018	23	2,689,583	26	2,689,583	26

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	2,906,051	55.5	3,065,939	56.9	2,868,356	59.0	2,868,356	55.2	2,868,356	55.2	2,556,125	56.0	2,556,125	52.4	2,556,125	52.4
Special Revenue	4000030	2,258,443	43.1	2,216,622	41.1	1,973,745	40.6	2,216,622	42.7	2,216,622	42.7	1,986,857	43.6	2,216,622	45.4	2,216,622	45.4
Cash Fund	4000045	70,533	1.3	107,850	2.0	19,050	0.4	107,850	2.1	107,850	2.1	19,050	0.4	107,850	2.2	107,850	2.2
Total Funds		5,235,027	100.0	5,390,411	100.0	4,861,151	100.0	5,192,828	100.0	5,192,828	100.0	4,562,032	100.0	4,880,597	100.0	4,880,597	100.0
Excess Appropriation/(Funding)		(3,065,939)		(2,868,356)		(2,524,473)		(2,524,473)		(2,524,473)		(2,191,014)		(2,191,014)		(2,191,014)	
Grand Total		2,169,088		2,522,055		2,336,678		2,668,355		2,668,355		2,371,018		2,689,583		2,689,583	

Appropriation for the Background Check Fee was received from the DFA Cash Holding Account during the current biennium. The difference in fund balances between FY10 and FY11 is due to unfunded appropriation of \$31,652 in the Scholar Loans Program (1PZ).

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Total	Total			Total				
23	23	0	23	0	0.00 %	23	24	0	24	-1	-4.35 %	23	26	0	26	-3	-13.04 %

During the 2007-09 biennium, the agency received supplemental positions, resulting in filled positions being greater than the number of positions authorized in Act 396 of 07. Continuation of these positions is included in the 2009-11 biennial budget request.

Analysis of Budget Request

Appropriation: 1PZ - Scholar Loans

Funding Sources: MBP - Nursing Student Loan Revolving Fund

The State Board of Nursing Student Loan Revolving Fund consist of funds appropriated for the Nursing Student Loan Program, federal funds, gifts, grants, bequests, devises, donations, and general revenues, there to be used by the Arkansas State Board of Nursing for making loans for nursing scholarship, as authorized by A.C.A. §6-81-1401.

The Agency is requesting continuation of the appropriation at the current level of \$45,000 each year of the biennium. No loans were awarded in FY08.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 1PZ - Scholar Loans
Funding Sources: MBP - Nursing Student Loan Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Loans 5120029	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Total	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Funding Sources									
Fund Balance 4000005	43,730	47,730		8,039	8,039	8,039	0	0	0
Special Revenue 4000030	4,000	5,309		5,309	5,309	5,309	5,309	5,309	5,309
Total Funding	47,730	53,039		13,348	13,348	13,348	5,309	5,309	5,309
Excess Appropriation/(Funding)	(47,730)	(8,039)		31,652	31,652	31,652	39,691	39,691	39,691
Grand Total	0	45,000		45,000	45,000	45,000	45,000	45,000	45,000

Analysis of Budget Request

Appropriation: 286 - Board of Nursing-Operations

Funding Sources: SBN - State Board of Nursing Fund

The State Board of Nursing is funded from the receipt of fees charged by the Agency, as authorized by Arkansas Code Annotated §17-87-306. The mission of the Board is to protect the public and act as their advocate by effectively regulating the practice of nursing.

Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. The classification of the Nursing Board Executive Director remained unclassified with a salary increase of 5% in FY10. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

This is the operation's appropriation for the Board of Nursing and supports 23 full-time positions as well as maintenance and operation expenses totaling \$2,259,678 in FY10 and \$2,294,018 in FY11. Additional requests are \$242,877 in FY10 and \$229,765 in FY11. Included in the request is continuation of three supplemental positions received during the currently biennium. These positions are being used to implement the document imaging project as well as assist with the online criminal background checking for the Board. Total cost for the positions is \$140,977 in FY10 and \$143,865 in FY11. Operating Expenses required to support the additional positions are requested at \$31,900 in FY10 and \$31,500 in FY11.

Technology requests include Operating Expenses of \$30,000 in FY10 and \$14,400 in FY11 to replace laptops used for board meetings and aging desktop computers. Capital Outlay of \$40,000 each year is requested for equipment replacement as well as software upgrades.

A reallocation of \$24,000 each year from Data Processing to Operating Expenses is being requested to properly classify these expenses in the State's accounting system.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 286 - Board of Nursing-Operations

Funding Sources: SBN - State Board of Nursing Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,159,705	1,223,897	1,217,697	1,255,900	1,361,760	1,361,760	1,284,824	1,393,118	1,393,118
#Positions		23	23	23	23	26	26	23	26	26
Personal Services Matching	5010003	325,244	350,298	340,538	350,078	385,195	385,195	355,494	391,065	391,065
Supplemental Emerg Positions	5010007	5,738	105,860	0	0	0	0	0	0	0
Operating Expenses	5020002	554,452	562,175	690,509	562,175	648,075	648,075	562,175	632,075	632,075
Conference & Travel Expenses	5050009	23,621	29,048	29,048	29,048	29,048	29,048	29,048	29,048	29,048
Professional Fees	5060010	13,801	37,477	37,477	37,477	37,477	37,477	37,477	37,477	37,477
Data Processing	5090012	1,514	24,000	24,000	24,000	0	0	24,000	0	0
Refunds/Reimbursements	5110014	232	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Capital Outlay	5120011	23,196	25,500	25,500	0	40,000	40,000	0	40,000	40,000
Total		2,107,503	2,359,255	2,365,769	2,259,678	2,502,555	2,502,555	2,294,018	2,523,783	2,523,783
Funding Sources										
Fund Balance	4000005	2,815,524	2,962,464		2,814,522	2,814,522	2,814,522	2,523,280	2,523,280	2,523,280
Special Revenue	4000030	2,254,443	2,211,313		1,968,436	2,211,313	2,211,313	1,981,548	2,211,313	2,211,313
Total Funding		5,069,967	5,173,777		4,782,958	5,025,835	5,025,835	4,504,828	4,734,593	4,734,593
Excess Appropriation/(Funding)		(2,962,464)	(2,814,522)		(2,523,280)	(2,523,280)	(2,523,280)	(2,210,810)	(2,210,810)	(2,210,810)
Grand Total		2,107,503	2,359,255		2,259,678	2,502,555	2,502,555	2,294,018	2,523,783	2,523,783

Budget amounts in Regular Salaries exceed authorized amount due to salary adjustments during the 2007-2009 biennium.

The Agency received supplemental positions during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 286 - Board of Nursing-Operations

Funding Sources: SBN - State Board of Nursing Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,259,678	23	2,259,678	100.0	2,294,018	23	2,294,018	100.0
C01	Existing Program	31,900	0	2,291,578	101.4	31,500	0	2,325,518	101.4
C04	Reallocation	0	0	2,291,578	101.4	0	0	2,325,518	101.4
C06	Restore Position/Approp	140,977	3	2,432,555	107.7	143,865	3	2,469,383	107.6
C08	Technology	70,000	0	2,502,555	110.7	54,400	0	2,523,783	110.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,259,678	23	2,259,678	100.0	2,294,018	23	2,294,018	100.0
C01	Existing Program	31,900	0	2,291,578	101.4	31,500	0	2,325,518	101.4
C04	Reallocation	0	0	2,291,578	101.4	0	0	2,325,518	101.4
C06	Restore Position/Approp	140,977	3	2,432,555	107.7	143,865	3	2,469,383	107.6
C08	Technology	70,000	0	2,502,555	110.7	54,400	0	2,523,783	110.0

Justification

C01	The Board is requesting additional operating appropriation of \$31,900 in FY10 and \$31,500 in FY11. Additional postage is requested to address the rising cost of mailing application packets, licenses, certifications and other required communications. Equipment and supplies are needed to enable the new staff added during the current biennium to operate more effectively.
C04	This board pays the Dept. of Information Systems a fee to provide support for their licensure database(GL Suites). This expense should be paid from the Operating Expenses line item not Data Processing.
C06	The Board of Nursing has added three supplemental positions since the last biennium. All three positions have been filled. The functions of these positions primarily are to serve as project manager for implementation of document imaging, be in charge of the actual imaging of all licensure, educational, disciplinary and other agency documents, as well as conversion of the current microfilm system to digital images, open disciplinary cases, issue subpoenas, gather documents and related services for investigations on examinations and endorsement applicants with positive criminal background checks, and assist with initial applications. The Board requests these positions remain as permanent positions of the Arkansas State Board of Nursing.
C08	IT related Capital Outlay of \$40,000 in each year of the biennium is requested by the Board to upgrade and customize the current software and to cover expenses of equipment malfunction and replacement. The software upgrade request includes the licensure database, paperless board meeting and Microsoft Office. The software uses are to maintain licensure, disciplinary, and education information for the nurses licensed by the Board. The software items above can be found in the Major Application-GL Suite, Review Paperless Board Meeting, and Microsoft Office Tab of the IT Plan. The IT equipment request is to replace the licensing printer and the renewals scanner equipment that is beyond repair, or too expensive to maintain. IT related operating appropriation of \$30,000 is requested in FY10 to replace 20 laptop computers for paperless board meetings and \$14,400 is requested in FY11 to replace 9 aging desktop computers. These purchases would assist the agency to maintain efficient operations. The hardware items above can be found in the IT Support Costs-Hardware Tab of the IT Plan.

Analysis of Budget Request

Appropriation: 2MA - Nursing Education Workshops

Funding Sources: NNB - Cash in Treasury

The Board conducts Continuing Education Workshops as mandated by A.C.A. §17-87-207.

In addition to Base Level, the Board is requesting \$3,000 each year in Professional Fees to be used to develop additional online courses. Currently, the Board is conducting onsite workshops as well as online courses for nurses. Funding for this increase will be supported by registration fees.

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

Appropriation Summary

Appropriation: 2MA - Nursing Education Workshops

Funding Sources: NNB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	11,331	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	5,000	2,000	2,000	2,000	5,000	5,000	2,000	5,000	5,000
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		16,331	32,000	32,000	32,000	35,000	35,000	32,000	35,000	35,000
Funding Sources										
Fund Balance	4000005	46,797	50,037		40,087	40,087	40,087	27,137	27,137	27,137
Cash Fund	4000045	19,571	22,050		19,050	22,050	22,050	19,050	22,050	22,050
Total Funding		66,368	72,087		59,137	62,137	62,137	46,187	49,187	49,187
Excess Appropriation/(Funding)		(50,037)	(40,087)		(27,137)	(27,137)	(27,137)	(14,187)	(14,187)	(14,187)
Grand Total		16,331	32,000		32,000	35,000	35,000	32,000	35,000	35,000

Professional Fees were authorized for \$5,000 in FY08 and the Board expensed the entire amount for development of online courses.

Change Level by Appropriation

Appropriation: 2MA - Nursing Education Workshops

Funding Sources: NNB - Cash in Treasury

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	32,000	0	32,000	100.0	32,000	0	32,000	100.0
C01	Existing Program	3,000	0	35,000	109.4	3,000	0	35,000	109.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	32,000	0	32,000	100.0	32,000	0	32,000	100.0
C01	Existing Program	3,000	0	35,000	109.4	3,000	0	35,000	109.4

Justification

C01	Additional Professional Fees are requested to develop online continuing education course for nurses. Continuing Education is required for re-licensure and the board is required by ACA 17-87-207(b) to "make every effort to ensure that the CE programs are offered and convenient to the nurses".
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Analysis of Budget Request

Appropriation: 56K - Background Check Fee

Funding Sources: NNB - Cash in Treasury

The Board requests continuation of Operating Expenses received during the current biennium from the DFA Cash Holding Account in the amount of \$85,800 each year of the biennium. This increase will be used to continue online criminal background check services provided by Information Network of Arkansas (INA). The INA bills the Board \$22 for each criminal background check conducted online. This appropriation will allow the Board to process 3,900 requests each year.

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

Appropriation Summary

Appropriation: 56K - Background Check Fee

Funding Sources: NNB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	45,254	85,800	0	0	85,800	85,800	0	85,800	85,800
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	45,254	85,800	0	0	85,800	85,800	0	85,800	85,800
Funding Sources									
Fund Balance 4000005	0	5,708		5,708	5,708	5,708	5,708	5,708	5,708
Cash Fund 4000045	50,962	85,800		0	85,800	85,800	0	85,800	85,800
Total Funding	50,962	91,508		5,708	91,508	91,508	5,708	91,508	91,508
Excess Appropriation/(Funding)	(5,708)	(5,708)		(5,708)	(5,708)	(5,708)	(5,708)	(5,708)	(5,708)
Grand Total	45,254	85,800		0	85,800	85,800	0	85,800	85,800

Appropriation for the Background Check Fee was received from the DFA Cash Holding Account during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 56K - Background Check Fee

Funding Sources: NNB - Cash in Treasury

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	85,800	0	85,800	100.0	85,800	0	85,800	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	85,800	0	85,800	100.0	85,800	0	85,800	100.0

Justification

C01	In 1999 the legislature passed a law (ACA 17-87-312) requiring criminal background checks as a prerequisite to issuing a nursing license. The time to receive results from a "paper" federal background check often exceeded the six month temporary license by the Nursing Board. Daily complaints due to background check delays have been eliminated since we have had the ability to complete the state background checks online. State results are now immediate and the federal within five to seven business days, or six weeks during high volume periods. The Board has been granted a cash increase letter for the past two years. In order to continue to process applications online, we are requesting this become a permanent account with \$85,800 in each year of the biennium.
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ARKANSAS PUBLIC DEFENDER COMMISSION

Enabling Laws

Act 1223 of 2007

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.

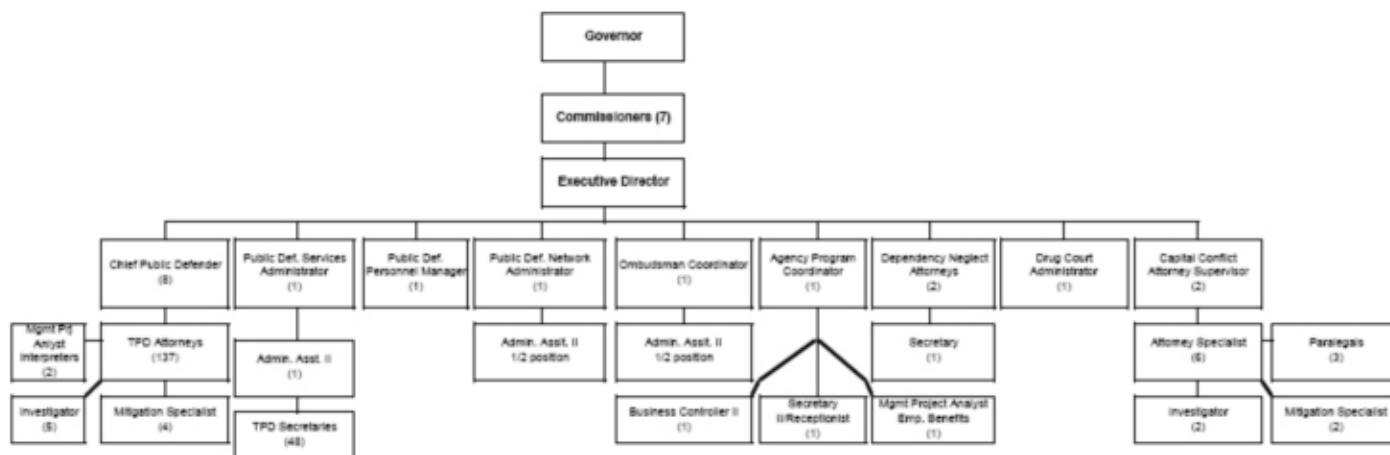
During the 2007 Session, the Commission was generously provided an additional 20 positions. These much-needed positions included: 2 interpreters, 2 mitigation specialists, 1 CCA attorney, 1 CCA paralegal, and 11 trial public defender attorneys. Also because the Legislature determined that Dependent Neglect 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 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 DHHS 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, 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 caseloads 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 85 - 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 caseloads or inadequate funding, justice is compromised for all parties.

Trial Public Defender

Personnel

The Commission is requesting twenty-one (21) positions: three (3) Mitigation Specialist and fifteen (15) additional Trial Public Defender attorney positions. The Dependent Neglect Division is requesting one (1) Public Defender I position, one (1) Legal Service Specialist and one (1) Legal Support Specialist.

Public Defender Attorney I, II and III - The Public Defender Attorney I works under the administrative direction and supervision of the Chief Public Defender in his or her district as well as immediate supervisors designated by the Chief Public Defender. Public defenders represent all persons at risk of loss of liberty. This includes defendants in criminal cases charged with offenses from shoplifting to capital murder. It also includes juveniles in delinquency, families in need of supervision, truancy cases, adult protective services cases, alcohol, drug and mental commitment cases, child support contempt cases and any other in which someone's liberty might be at stake.

Public defenders represent our clients from the inception of the case through direct appeal. The representation includes researching, drafting and filing all relevant motions; investigating; visiting clients in jail and prison and appearing in any and all appropriate courts.

The Commission anticipates each level of public defender starting at fifteen percent higher than the previous level. Additionally, level II and III public defenders who are appellate attorneys, supervisory attorneys, capital attorneys death-qualified as lead or co-counsel, or attorneys who have specific obligations of mentoring and training new lawyers should be paid between fifteen and twenty percent more than Public Defender III level co-workers who do not have similar responsibilities, training or expertise.

Mitigation Specialist - We are requesting an additional three (3) mitigation specialist positions. Although we received mitigation specialist positions during the last Legislative Session, it has become painfully apparent that these additional positions were insufficient to meet the needs of the office and to comply with *Wiggins v. Smith*, 539 U.S. 510, 123 S.Ct. 2527 (2003). In *Wiggins* the United States Supreme Court held that in all death cases, a mitigation specialist must thoroughly and exhaustively research the capital defendant's social history. The court opined that strategic defense decisions must not, and cannot, be made absent such an investigation. Indeed, *Wiggins* stands for the proposition that a defendant in a capital case who does not have the services of a mitigation specialist has received ineffective assistance of counsel and is entitled to a new trial. Thus, in no uncertain terms, *Wiggins* dictates that a mitigation specialist be appointed to each and every death penalty case.

At this time, we are unable to provide a staff mitigation specialist in every case. Because of the nature of death penalty defense and the exhaustive work required to prepare for the penalty phase, our mitigation specialists are stretched to the breaking point. Further, several of our capital cases have multiple defendants and each defendant must have his own mitigation specialist. If we cannot provide a staff mitigation specialist to each capital defendant, we are required to hire a private mitigation specialist at costs ranging from \$45 to \$75 an hour. Clearly, paying a person's salary at the rate of \$20.01 an hour is more cost effective, especially when contemplating the thousands of hours expended in the preparation

of the penalty phase of a death case. Payment records reveal that in Fiscal Year 04/05 we spent \$89,737 on private Mitigation Specialists and in Fiscal Year 06/07 that cost rose to \$171,791. Because the number of capital cases filed has drastically increased over the past several years, we anticipate that this cost will once again rise significantly.

Further, merely finding private mitigation specialists in this state is becoming exceedingly difficult. Indeed, there are very few private mitigation specialists available for hire. While we have attempted to address this problem by conducting trainings for mitigation specialists, we have still been unable to keep up with the numbers we need. Thus, in some instances we have had to go out of state to find a mitigation specialist, clearly causing our costs to rise. Finally, with respect to this request, the number of Hispanic clients facing the death penalty mandates that we make every effort to hire a bilingual mitigation specialist.

For the foregoing reasons, we are requesting the addition of three (3) mitigation specialist positions, at least one of whom should be bilingual.

During the almost 12 months that the public defender Dependent Neglect Appellate Division has been operational, 91 dependency-neglect cases have had notices of appeals filed with a total number of 96 clients seeking relief from the Court of Appeals.

The Supreme Court has adopted stringent timelines for brief preparation. From the time the Arkansas Public Defender Commission (APDC) receives the trial record, we have 20 days to abstract, research, and complete the brief; with only one 7-day extension possible. The resulting briefing schedules can be very difficult. Because the APDC has no control over when Notice Of Appeals are filed, the APDC cannot stagger due dates for appellate briefs. For instance we had 6 briefs due in an 8-day time period. Clearly this is a tremendous and nearly impossible burden, but unfortunately it is not unusual. We have only one paralegal that is responsible for abstracting every record for the two attorneys. In addition to abstracting, the same paralegal coordinates and reviews the appeals; types and puts together the abstract and brief and sees that everything is filed in a timely manner. Many of the cases we receive have some sort of error which we must address prior to even beginning the appellate process.

In an effort to address such issues, the APDC has offered four CLE (Certified Legal Education) training sessions to trial parent counsel and one training session to county circuit clerks. The level of participation by clerks at the one event was phenomenal, with an attendance rate of over 69%. The total level of participation by trial counsel at the four combined events was approximately 37%. Again, this is time consuming and adds work to our already overburdened staff but the APDC firmly believes that the training is critically important.

Additional staff is absolutely essential given the enormous number of appeals, the strict and extremely short scheduling and the fact that our current staff, of 2 attorneys and one paralegal, is working no less than 65 to 80 hours a week. We are requesting one additional Attorney II position and two support staff positions - one Legal Service Specialist and one Legal Support Specialist.

M & O Request

We are requesting this small increase to allow for the necessary start up equipment for the Dependent Neglect Appellate employees requested in this same budget. We will need office furniture, supplies, membership fees, subscription dues, and computers to open up the offices for three new employees.

Professional Fees

The Commission is requesting additional appropriation and funds in our Professional Fee line item. This line item is used to pay our Conflict Attorneys, Expert Witnesses, additional Mitigation Specialists, Investigators and medical/psychological examiners. These line items have not had an increase in many years and for the past few years we have spent the entire amount. However, this year the accumulated effects of the increasing case load, conflicts and mitigation expenses have increased enormously.

Disbursement Appropriation Request

The 2005 session saw the passage of Act 1956, which added an additional ten-dollar fee to Act 1778's Bail Bond fee. These fees, paid quarterly, are also designated to help defray the cost of the public defender system, statewide and in each individual county. Of the additional ten dollars, three dollars (\$3.00) goes to the Counties to defray the cost of the local offices.

The Commission would like to request additional appropriation in the Bail Bond County Public Defender Program line item to accommodate this disbursement to the Counties on a quarterly basis.

Public Defender State Operations

Professional Fees

The Commission is requesting additional appropriation and funds in our Professional Fee line item. This line item is used to pay our Conflict Attorneys, Expert Witnesses, additional Mitigation Specialists, Investigators and medical/psychological examiners. These line items have not had an increase in many years and for the past few years we have spent the entire amount. However, this year the accumulated effects of the increasing case load, conflicts and mitigation expenses have increased enormously.

Ombudsman

Personnel

The Commission is seeking to transfer one position from the Ombudsman Program to the Trial Public Defender Office to facilitate better internal control. This position is currently paid out of the Trial Public Defender Office but the money must be transferred to the Ombudsman Program at the first of each year to fund the position.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS PUBLIC DEFENDER COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	143	131	274	93 %
Black Employees	9	10	19	7 %
Other Racial Minorities	0	1	1	0 %
Total Minorities			20	7 %
Total Employees			294	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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1VA Ombudsman Program	145,852	2	143,722	2	145,227	2	171,519	2	86,165	1	86,165	1	175,213	2	88,013	1	88,013	1
337 Public Defender-Operations	1,662,899	17	1,619,911	17	1,609,350	17	1,706,946	17	1,935,946	17	1,935,946	17	1,735,077	17	1,964,077	17	1,964,077	17
530 Public Defender -Trial Office	17,315,339	214	17,771,462	214	17,831,086	214	18,528,580	214	20,823,276	236	19,105,542	219	18,882,009	214	21,205,132	236	19,465,934	219
Total	19,124,090	233	19,535,095	233	19,585,663	233	20,407,045	233	22,845,387	254	21,127,653	237	20,792,299	233	23,257,222	254	21,518,024	237

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	2,705,520	12.8	1,957,055	9.0			2,139,994	10.5	2,139,994	9.4	2,139,994	10.1	0	0.0	0	0.0	0	0.0
State Central Services 4000035	8,944,529	42.4	10,830,802	50.0			8,987,505	44.2	11,511,201	50.4	9,793,467	46.4	11,159,059	53.9	13,711,182	59.0	11,971,984	55.6
Bail Bond Fees 4000115	1,465,896	7.0	1,150,959	5.3			1,200,000	5.9	1,200,000	5.3	1,200,000	5.7	1,500,000	7.2	1,500,000	6.4	1,500,000	7.0
State Administration of Justice 4000470	6,908,027	32.8	6,908,027	31.9			6,908,027	34.0	6,908,027	30.2	6,908,027	32.7	6,908,027	33.4	6,908,027	29.7	6,908,027	32.1
Transfer from DHS-DYS 4000515	52,211	0.2	73,379	0.3			86,165	0.4	86,165	0.4	86,165	0.4	88,013	0.4	88,013	0.4	88,013	0.4
User / Attorney Fees 4000725	1,004,962	4.8	754,867	3.5			1,000,000	4.9	1,000,000	4.4	1,000,000	4.7	1,050,000	5.1	1,050,000	4.5	1,050,000	4.9
Total Funds	21,081,145	100.0	21,675,089	100.0			20,321,691	100.0	22,845,387	100.0	21,127,653	100.0	20,705,099	100.0	23,257,222	100.0	21,518,024	100.0
Excess Appropriation/(Funding)	(1,957,055)		(2,139,994)				85,354		0		0		87,200		0		0	
Grand Total	19,124,090		19,535,095				20,407,045		22,845,387		21,127,653		20,792,299		23,257,222		21,518,024	

The FY08 Actual amount exceeds the Authorized amount due to a higher Authorized appropriation in FY08.
 The FY09 Budget amount exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
216	211	2	213	3	2.31 %	233	232	1	233	0	0.43 %	233	231	2	233	0	0.86 %

Employment Summary Report reflects higher number of total employees (294) than authorized on this report (233) for FY2009 due to 61 job share positions.

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. There is also a transfer of funds from the Public Defender's Trial Public Defender appropriation.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is transferring one position to appropriation 530 - Trial Public Defender, to facilitate better internal control. The position is currently paid with a transfer from Trial Public Defender fund. This move will eliminate the need to transfer funding. A negative Change Level request of \$85,354 in FY2010 and \$87,200 in FY2011 is reflected.

Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	114,316	114,042	113,785	135,883	68,283	68,283	138,993	69,839	69,839
#Positions		2	2	2	2	1	1	2	1	1
Personal Services Matching	5010003	31,536	29,680	31,442	35,636	17,882	17,882	36,220	18,174	18,174
Total		145,852	143,722	145,227	171,519	86,165	86,165	175,213	88,013	88,013
Funding Sources										
Fund Balance	4000005	47,097	14,926		0	0	0	0	0	0
Bail Bond Fees	4000115	61,470	55,417		0	0	0	0	0	0
Transfer from DHS-DYS	4000515	52,211	73,379		86,165	86,165	86,165	88,013	88,013	88,013
Total Funding		160,778	143,722		86,165	86,165	86,165	88,013	88,013	88,013
Excess Appropriation/(Funding)		(14,926)	0		85,354	0	0	87,200	0	0
Grand Total		145,852	143,722		171,519	86,165	86,165	175,213	88,013	88,013

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	171,519	2	171,519	100.0	175,213	2	175,213	100.0
C07	Agency Transfer	(85,354)	(1)	86,165	50.2	(87,200)	(1)	88,013	50.2

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	171,519	2	171,519	100.0	175,213	2	175,213	100.0
C07	Agency Transfer	(85,354)	(1)	86,165	50.2	(87,200)	(1)	88,013	50.2

Justification

C07	The Commission is seeking to transfer one position from the Ombudsman Program to the Trial Public Defender Office to facilitate better internal control. This position is currently paid out of the Trial Public Defender Office but the money must be transferred to the Ombudsman Program at the first of each year to fund the position. This would eliminate the need for funds to be transferred and put the position in the proper fund in which it is being paid.
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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 salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. Also reflected are changes from unclassified to classified positions. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level Request is \$1,706,946 in FY10 and \$1,735,077 in FY11.

The Agency requests an additional \$229,000 each year for Professional Fees due to an increase in the number of capital cases. The Commission has increased the number of appointed conflict attorneys which lends to additional cost for hiring expert witnesses, mitigation specialist, investigators, and medical/psychological examiners.

The Executive Recommendation provides for Agency 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	999,589	1,012,526	990,350	1,072,432	1,072,432	1,072,432	1,096,130	1,096,130	1,096,130
#Positions		17	17	17	17	17	17	17	17	17
Extra Help	5010001	11,698	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		3	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	263,519	261,257	272,872	288,386	288,386	288,386	292,819	292,819	292,819
Operating Expenses	5020002	272,403	218,438	218,438	218,438	218,438	218,438	218,438	218,438	218,438
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	96,000	96,000	96,000	96,000	325,000	325,000	96,000	325,000	325,000
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		1,662,899	1,619,911	1,609,350	1,706,946	1,935,946	1,935,946	1,735,077	1,964,077	1,964,077
Funding Sources										
State Central Services	4000035	1,662,899	1,619,911		1,706,946	1,935,946	1,935,946	1,735,077	1,964,077	1,964,077
Total Funding		1,662,899	1,619,911		1,706,946	1,935,946	1,935,946	1,735,077	1,964,077	1,964,077
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,662,899	1,619,911		1,706,946	1,935,946	1,935,946	1,735,077	1,964,077	1,964,077

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The FY08 Actual amount for Operating Expenses exceeds the Authorized amount due to a higher Authorized appropriation in FY08.

Change Level by Appropriation

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,706,946	17	1,706,946	100.0	1,735,077	17	1,735,077	100.0
C01	Existing Program	229,000	0	1,935,946	113.4	229,000	0	1,964,077	113.2

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,706,946	17	1,706,946	100.0	1,735,077	17	1,735,077	100.0
C01	Existing Program	229,000	0	1,935,946	113.4	229,000	0	1,964,077	113.2

Justification

C01	Due to the increase of capital cases, the Commission has increased the number of appointed conflict attorneys. The cost of hiring expert witnesses, mitigation specialist, investigators and medical/psychological examiners has risen substantially.
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Analysis of Budget Request

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HCS - 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 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 salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. Also reflected are changes from unclassified to classified positions. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Special Language authorized in Act 1637 of 2001 restricted funding support for certain levels of Personal Services, Maintenance and Operation, and Extra Help costs to the extent that fees generated through the provisions of Arkansas Code §5-4-303(g) and §16-87-213 (User & Attorney Fees) are available.

The Base Level Request is \$18,528,580 in FY10 and \$18,882,009 in FY11.

During the last biennium, the Commission received three Dependency Neglect positions. The number of appeals filed is more than the current staff can handle. The need for three additional Dependency Neglect Appeal positions and Operating Expenses to support these positions is being requested. Fifteen new Public Defender positions are needed in order to meet the rising number of caseloads. Pursuant to *Wiggins v. Smith*, 539 U.S. 510, 123 S. Ct. 2527, 156 L.Ed.2d471, (2003), the United States Supreme Court has said that in any and all death cases, one must have a mitigation specialist to thoroughly and exhaustively research the capital defendant's social history. Thus the request for three Mitigation Specialist is needed. Having more staff will more than pay for itself in the long run.

The Change Level Requests submitted are \$2,294,696 in FY10 and \$2,323,123 in FY11 and are summarized as follows:

- Requesting a total of 21 new positions - three (3) Mitigation Specialist, five (5) Public Defenders Attorney I, five (5) Public Defender II, five (5) Public Defender III, one (1) Legal Support Specialist, and one (1) Legal Specialist, one (1) Public Defender I with Regular Salaries, Personal Service Matching and Operating Expenses totaling \$1,559,342 and \$1,585,923.

- Requesting to move one position from Ombudsman program to the Trial Public Defender program. This will facilitate better internal accounting control. The position's funding is currently transferred from this appropriation. This would eliminate the need for a transfer of funding of \$85,354 in FY10 and \$87,200 in FY11.
- Requesting a \$500,000 increase each year in Professional Fees due to an increase of capital and felony cases. The cost of hiring expert witnesses, mitigation specialist, investigators and medical/psychological examiners has risen substantially.
- Arkansas Code §17-19-301 (e) gives the Commission an additional ten dollars collected by the Bail Bond Commission to help defray the cost of the Public Defender system. The Commission pays the counties three dollars of the ten dollars collected to defray the cost of the county public defender's offices. The Commission is requesting an increase for the Bail Bond County Public Defender line item of \$150,000 in appropriation specifically for the quarterly payments to the seventy-five counties.

The Executive Recommendation provides for the Base Level for both years of the biennium; with the following increases:

1. Four additional positions:
 - (a.) One (1) Legal Support Specialist
 - (b.) Three (3) Public Defender III
2. Operating Expenses of \$18,883 for FY10 and \$17,050 for FY11
3. Transfer of one position form the Ombudsman Program to the Trial Public Defender Program
4. \$150,000 each year to assist with quarterly payments to county public defender's offices

Appropriation Summary

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HCS - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	12,149,573	12,574,847	12,455,989	13,043,988	14,287,120	13,366,242	13,341,689	14,613,397	13,671,351
#Positions		214	214	214	214	236	219	214	236	219
Extra Help	5010001	13,295	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	3,272,312	3,246,415	3,424,897	3,534,392	3,879,306	3,620,217	3,590,120	3,940,385	3,677,333
Operating Expenses	5020002	216,189	262,700	262,700	262,700	319,350	281,583	262,700	313,850	279,750
Conference & Travel Expenses	5050009	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Professional Fees	5060010	750,000	750,000	750,000	750,000	1,250,000	750,000	750,000	1,250,000	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	700,981	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000
Bail Bond Co. Public Def. Prgm.	5900047	210,489	150,000	150,000	150,000	300,000	300,000	150,000	300,000	300,000
Total		17,315,339	17,771,462	17,831,086	18,528,580	20,823,276	19,105,542	18,882,009	21,205,132	19,465,934
Funding Sources										
Fund Balance	4000005	2,658,423	1,942,129		2,139,994	2,139,994	2,139,994	0	0	0
State Central Services	4000035	7,281,630	9,210,891		7,280,559	9,575,255	7,857,521	9,423,982	11,747,105	10,007,907
Bail Bond Fees	4000115	1,404,426	1,095,542		1,200,000	1,200,000	1,200,000	1,500,000	1,500,000	1,500,000
State Administration of Justice	4000470	6,908,027	6,908,027		6,908,027	6,908,027	6,908,027	6,908,027	6,908,027	6,908,027
User / Attorney Fees	4000725	1,004,962	754,867		1,000,000	1,000,000	1,000,000	1,050,000	1,050,000	1,050,000
Total Funding		19,257,468	19,911,456		18,528,580	20,823,276	19,105,542	18,882,009	21,205,132	19,465,934
Excess Appropriation/(Funding)		(1,942,129)	(2,139,994)		0	0	0	0	0	0
Grand Total		17,315,339	17,771,462		18,528,580	20,823,276	19,105,542	18,882,009	21,205,132	19,465,934

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Actual Expenditures for FY08 for the Bail Bond County Public Defender line item exceeds Authorized due to special language which provides Appropriation Transfer authority.

Change Level by Appropriation

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HCS - State Central Services

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	18,528,580	214	18,528,580	100.0	18,882,009	214	18,882,009	100.0
C01	Existing Program	2,203,842	21	20,732,422	111.9	2,235,923	21	21,117,932	111.8
C07	Agency Transfer	85,354	1	20,817,776	112.4	87,200	1	21,205,132	112.3
C08	Technology	5,500	0	20,823,276	112.4	0	0	21,205,132	112.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	18,528,580	214	18,528,580	100.0	18,882,009	214	18,882,009	100.0
C01	Existing Program	489,775	4	19,018,355	102.6	496,725	4	19,378,734	102.6
C07	Agency Transfer	85,354	1	19,103,709	103.1	87,200	1	19,465,934	103.1
C08	Technology	1,833	0	19,105,542	103.1	0	0	19,465,934	103.1

Justification

C01	This Change Level request includes Salary and Personnel Service Match for a total of twenty-one (21) new positions. The twenty-one (21) positions include three (3) new Dependency Neglect Appeals positions, fifteen (15) additional Public Defender positions and three (3) Mitigation Specialist positions. The Operating Expense of \$51,150 in both FY10 and FY11 is for additional rent, office furniture, office supplies, membership fees, subscription and dues and printing cost associated with the three new Dependency Neglect Appeals positions. Currently public defenders carry a higher client caseloads than recommended by the national caseload standards, thus the need for fifteen (15) additional Public Defender positions. Pursuant to Wiggins v. Smith, 539 U.S. 510, 123 S. Ct. 2527, 156 L.Ed.2d471, (2003), the United States Supreme Court has said that in any and all death cases, one must have a mitigation specialist, thus the request for three (3) Mitigation Specialist is needed. Additional Professional Fees of \$500,000 each year of the biennium is requested. Due to the increase of capital and felony cases the Commission has increased the number of appointed conflict attorneys. The cost of hiring expert witnesses, mitigation specialist, investigators and medical/psychological examiners has risen substantially. Additional appropriation for the Bail Bond County Public line item of \$150,000 is requested to accommodate the increase in collections, to be disbursed to the Counties, on a quarterly basis. The 2005 session saw the passage of Act 1956, which added an additional ten-dollar fee to Act 1778's Bail Bond fee. These fees, paid quarterly, are also designated to help defray the cost of the public defender system, statewide and in each individual county. Of the additional ten dollars, three dollars (\$3.00) goes to the Counties to defray the cost of the local offices.
C07	The Commission is seeking to transfer one position from the Ombudsman Program to the Trial Public Defender Office to facilitate better internal control. This position is currently paid out of the Trial Public Defender Office but the money must be transferred to the Ombudsman Program at the first of each year to fund the position. This would eliminate the need for funds to be transferred and put the position in the proper fund that it is being paid.
C08	C08 – Technology Related Items – The three new positions for the Dependency Neglect Appeals Division, in FY10, will require a computer, software, and connection to the internet. The estimate for this is request is \$5,500. This request will not be needed if 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.

ARKANSAS SENTENCING COMMISSION

Enabling Laws

Act 400 of 2007

A.C.A. §16-90-801 - 16-90-804

History and Organization

"The purpose of the Arkansas Sentencing Commission is to establish a sentencing standard and to monitor and assess impact of practice on policy and existing laws on the correctional resources of the State."

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;
- Gather 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;
- 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.

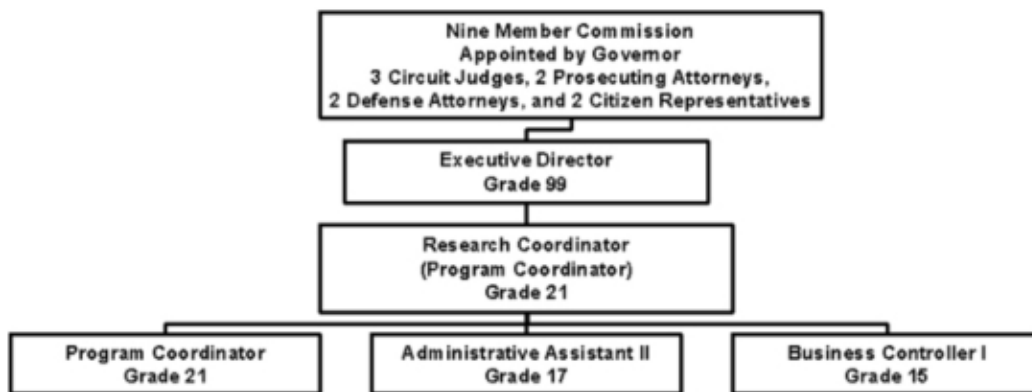
The Commission is composed of nine voting members: three circuit judges, two prosecuting attorneys, two defense attorneys, and two members of the general public. There are two advisory members appointed by the respective chairs of the Senate and House Judiciary Committees. The Commission currently has five full time staff positions. The Executive Director is responsible for compiling the work of the Commission and drafting suggested legislation. The Research Coordinator and Program Coordinator are responsible for monitoring, data entry, data transference and analysis, impact studies and research on various sentencing practices. The Research Coordinator also serves as the Agency Fiscal Officer. The Program Coordinator is also responsible for educational efforts, legal research and some special projects. The Administrative Assistant provides administrative, secretarial, and accounting support to the staff and commission. The grade 15 Business Controller position conducts data collection from judicial districts throughout the State and, under the direction of the Research Coordinator, conducts legal research on special projects.

The Commission has adopted the sentencing grid and the seriousness reference table, and established transfer eligibility for all offenses. The Commission has provided prison population projections and impact assessments for proposed legislation for the General Assembly.

Data collection and analysis continues to be of great importance to the Commission. The lack of any standard form of reporting requires Commission staff to manually collect data by researching criminal case files in each of the State's seventy-five counties. The Sentencing Commission continues to work with the Departments of Correction and Community Correction in developing a continuum of sanctions which will make the most efficient use of the correctional resources of the State.

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.

The Commission provides monthly training for court personnel, clerks and administrative personnel in the prosecuting attorneys' offices who collect and distribute data. The Commission also provides continuing legal education training for lawyers practicing in the criminal field. This training emphasizes all segments of the criminal justice system and the correctional resources of the State. It also helps improve the accuracy of court data which is used by several different criminal justice agencies in the State. This training also helps the Commission carry out its legislative mandate to work with the Board of Corrections in making the best use of the correctional resources of the State. One of the training sessions includes segments on programs available at the Department of Correction (DOC), understanding the time computations on sentences and transfer eligibility, Parole Board procedures, and a tour of the local Department of Community Correction facility with an emphasis on the therapeutic community treatment model available for offenders with substance abuse behavior. Increased knowledge and understanding of the available alternative sanctions help divert nonviolent offenders from the more costly prison beds. This training is certified by the Arkansas Supreme Court for Continuing Legal Education credit.



Agency Commentary

The Arkansas Sentencing Commission has submitted two Change Level requests for the up-coming biennium. Change Level C01 includes a \$3,000 increase for fiscal year 2010 and \$1,000 for fiscal year 2011. These increases over the Base Level are for printing costs of publishing the sentencing guidelines bench book that is furnished to judges, prosecuting attorneys, and defense attorneys throughout the state. This book is updated each biennium to include changes made to criminal laws during the previous legislative session. The majority of the costs are incurred during the first year of the biennium. Other publishing costs include training materials for sentencing seminars for courtroom practitioners. This training includes information on sentencing issues, and on the correctional resources available, including programs from both the Department of Correction and the Department of Community Correction. This

training is certified by the Supreme Court for continuing legal education credit. It is also an important objective in the agency's strategic plan.

Another part of the strategic plan and part of the agency's legislative mandate is to gather and evaluate data relative to sentencing laws, policies and practices in the State and to study their impact on the correctional resources of the State. The increase in publication expenses is necessary due to the increased cost of updating the Arkansas Code Annotate books. It also includes research material on various criminal justice issues needed to facilitate the production of impact assessments on proposed legislation. As the State of Arkansas struggles with crime issues such as child sex offenders and various computer crimes, keeping abreast of national research issues is also important in completing this mandate. Increases in conference and seminar expenses have been included to cover the cost of continued employee training. This training includes employee development and cross-training for disaster recovery purposes.

Change Level C08 covers information technology improvements for the agency and is for \$8,025 in fiscal year 2010 and \$12,700 in fiscal year 2011. This includes replacement of obsolete computers which will be six years old by the end of the biennium. Also included are costs for updating the agency's Internet website. The current site uses programming language that is incompatible with current technology.

The Commission is mandated to monitor the uses of the correctional resources of the State. One of the methods used to accomplish this task is to provide prison population projections on sentencing practices and impact assessments on proposed legislation. The current projection model includes the population for the prison, probation and parole population, and the Department of Community Correction technical violator facility. The increase requested in professional fees is due to the fact that the current professional services contract will need to be re-bid during fiscal year 2011.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SENTENCING COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	0	4	4	80 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	1	1	20 %
Total Minorities			1	20 %
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 attorney and judges on correctional resources of the State
ASC Administration Training Manual	N/A	N	N	300	Train criminal justice practitioners on justice system
Commission Biennial Report	ACA §16-90-802 (e)(2)(A)	N	Y	50	Legislative mandate and for information on commission activities and findings.
Departure Report Form	ACA §16-90-804	N	N	2,000	Court use when departing from the sentencing standards
Sentencing Standards Grid, Offenses Seriousness Rankings, and Related Material	ACA §16-90-802 et seq	N	N	1,250	Policy manual for sentencing standards used by criminal justice practitioners in criminal proceedings (also available on the Internet.)

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
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 A.C.A. § 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 primary operating appropriation of the Commission and is funded entirely by General Revenue.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level Request is \$371,391 in FY10 and \$377,130 in FY11.

The Change Level Requests submitted are \$11,025 in FY10 and \$13,700 in FY11 and are summarized as follows:

1. Operating Expenses of \$2,000 in FY10 for increases in printing sentencing and bench book guidelines. This manual is updated each biennium to include changes made to criminal laws during the previous legislative session.
2. Information Technology needs in Operating Expenses of \$8,025 in FY10 and \$10,700 in FY11. This includes replacement of outdated desktop computers and the latest Microsoft Office and anti-virus software. Agency access to a legal research service with an on line subscription to Loislaw, and Department of Information System file storage as a backup system.
3. Conference Fees & Travel of \$1,000 each year respectively to attend training seminars and the National Association of Sentencing Commissions, the National Criminal Justice Association, and the Justice Research and Statistics Association Conferences.
4. Professional Fees and Services of \$2,000 in FY11 for cost associated with The Institute of Crime, Justice and Correction contract. The contract is up for renewal in FY11.

The Executive Recommendation provides for a 7% reduction in Base Level in General Revenue Funding and Appropriation in the amount of \$24,687 each year.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	192,994	202,574	196,041	212,949	212,949	201,793	217,784	217,784	206,628
#Positions		5	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	59,750	58,688	60,571	65,252	65,252	63,172	66,156	66,156	64,076
Operating Expenses	5020002	78,510	72,640	75,510	72,640	82,665	62,189	72,640	83,340	62,189
Conference & Travel Expenses	5050009	3,283	3,550	3,550	3,550	4,550	3,550	3,550	4,550	3,550
Professional Fees	5060010	16,000	17,000	17,000	17,000	17,000	16,000	17,000	19,000	16,000
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		350,537	354,452	352,672	371,391	382,416	346,704	377,130	390,830	352,443
Funding Sources										
General Revenue	4000010	350,537	352,672		371,391	382,416	346,704	377,130	390,830	352,443
Merit Adjustment Fund	4000055	0	1,780		0	0	0	0	0	0
Total Funding		350,537	354,452		371,391	382,416	346,704	377,130	390,830	352,443
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		350,537	354,452		371,391	382,416	346,704	377,130	390,830	352,443

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The Actual Operating Expense exceeds Authorized due to a higher Authorized appropriation in FY08.

Change Level by Appropriation

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	371,391	5	371,391	100.0	377,130	5	377,130	100.0
C01	Existing Program	3,000	0	374,391	100.8	1,000	0	378,130	100.3
C08	Technology	8,025	0	382,416	103.0	12,700	0	390,830	103.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	371,391	5	371,391	100.0	377,130	5	377,130	100.0
C01	Existing Program	0	0	371,391	100.0	0	0	377,130	100.0
C08	Technology	0	0	371,391	100.0	0	0	377,130	100.0
C19	Executive Changes	(24,687)	0	346,704	93.4	(24,687)	0	352,443	93.5

Justification

C01	This change level request is to cover the cost of producing the sentencing guidelines manual which is furnished to courtroom practitioners throughout the State. This manual is updated each biennium to include changes made to criminal laws during the previous legislative session. The majority of the costs are incurred during the first year of the biennium. Increases in conference and seminar expenses have been included to cover the cost of continued employee training. This training includes employee development and cross-training in statistical software for disaster recover purposes.
C08	This change request covers replacement of obsolete desktop computers which will be six years old by the end of the biennium. Also included are costs for updating and maintaining the agency Internet website. The current site uses programming language that is obsolete and incompatible with current technology. The increase in subscription and publication expenses is necessary due to the cost of an Internet subscription to LOISLAW legal research service. Access to current laws, court opinions and materials on various criminal justice issues are needed to assist the agency in the production of impact assessments on proposed legislation. Increases in professional services will cover the costs of producing prison, probation and parole population projections and impact assessments on proposed criminal justice legislation. The current professional services contract will need to be rebid during fiscal year 2011. This is necessary to complete the commission's mandate to work with the Department of Correction and the Department of Community Correction to make the best use of the correctional resources of the State. These items are include in the Agency's IT Plan in the IT Support Cost in sections Future Hardware for the computers, and Major Application Information for the subscription to LOISLAW, and Contracted Services for their website design.

ARKANSAS SPINAL CORD COMMISSION

Enabling Laws

Act 790 of 2007
A.C.A. §20-8-201 et seq.

History and Organization

The mission of the Arkansas Spinal Cord Commission is to administer a statewide service program to identify and meet the unique and lifelong needs of Arkansans with spinal cord disabilities.

The Arkansas Legislature established the Arkansas Spinal Cord Commission (ASCC) in 1975. An innovative concept, it was the first in the nation, dedicated to the complex, lifelong needs of citizens with spinal cord disabilities. In 1977, the Arkansas Spinal Cord Disability Registry was established to track, identify and monitor new cases. Over 5,700 cases have been added to the registry since its inception. The Commission is governed by a five (5) member board, appointed by the Governor and confirmed by the Senate from the state at large for terms of ten (10) years, as provided by law. The members must have a spinal cord disability themselves, be member of the immediate family of one with spinal cord disabilities, or be persons with special knowledge of and experience with spinal cord disabilities. The Commission has 25 budgeted positions. Of those, 21 have direct client responsibilities, though all staff is trained to take referrals and provide information.

The Agency serves an integral role in promoting and preserving the independent functioning of Arkansans with spinal cord disabilities, allowing them to contribute to our State rather than drain its resources. In FY08, the Commission served 2,571 Arkansans with spinal cord disabilities and accepted 231 new cases. The primary activities of the Commission are those described in our enabling legislative mandates. Over 85% of our budget provides direct services to our clients with spinal cord disabilities. The remainder funds the legislatively mandated Arkansas Spinal Cord Disability Registry, administration and fiscal services. Fifteen Case Managers provide legislatively mandated services to individuals with spinal cord disabilities, including assessing needs, developing individual independent living plans which include lifelong follow-up and assisting the individual through the maze of state and federal programs to obtain needed coverage. In addition, Case Managers provide counseling and guidance, coordinate medical treatment, provide technical assistance, working closely with providers to establish a network of information and communication to prevent gaps or duplication in services. The Commission staff serves as a bridge to fill the gaps in services to this very vulnerable population. ASCC Case Managers made 5,755 client contacts in FY08, in client homes, hospitals and rehabilitation centers in all 75 Arkansas counties.

Another major Commission service is the purchase of services and medical equipment for clients. These purchases made for clients who meet our financial criteria include: wheelchairs, modifications and ramping to make individuals' homes wheelchair accessible, medical supplies, braces, outpatient therapy, emergency medical supplies and medications and personal care services. Our Long Term Attendant Care program provides funding for consumer directed personal care assistance needed to maintain 25 individuals with quadriplegia in their own homes, preventing institutionalization.

Our Arkansas Spinal Cord Disability Registry, one of the oldest legislatively mandated registries in the nation, is maintained on a database which includes in depth surveillance of the causes and effects of

surveillance system monitors the cause of injury location, level of disability, age, insurance carrier, and other information on over 5,700 open and closed cases to assist in recognizing trends, predicting future needs and allocating resources

The Commission serves an integral role in providing education and training to individuals with spinal cord disabilities and their care providers through workshops and training sessions, educational conferences and the McCluer Education and Resource Center on Spinal Cord Injury. In addition, through our research program, data is obtained and disseminated to allow us to develop strategies and treatments to prevent the incidence of medical complications and secondary conditions. Finally, the Commission promotes prevention of spinal cord disabilities through public information and prevention education presentations on high school and college campuses and to other targeted groups.



Agency Commentary

The Arkansas Spinal Cord Commission (ASCC) is mandated to identify and meet the needs of individuals with spinal cord disabilities in Arkansas. On July 1, 2008, the Commission was serving 2,571 clients, including 231 new cases added in FY08. This reflects an increase of 50% over FY06 new referrals. Based on this trend, by the end of the new biennium, in June of 2011 we will be serving about 2,750 severely disabled Arkansans. The Commission provides a broad range of services to these individuals to assist them in living the most independent life possible, including lifelong follow up. Only 5% of Arkansans with spinal cord disabilities live in nursing homes or institutions (compared with 11% nationally).

Our legislative mandate requires that all spinal cord disabilities be reported to the Arkansas Spinal Cord Disability Registry within 15 days of identification. These cases are assessed and those meeting medical criteria are added to the caseload and receive lifelong services. Due to improved medical care, our clients are living longer, are aging and requiring additional services. This has resulted in larger caseloads, with more complex needs. Many newly injured clients are in need of our mandated services due to lack of or gaps in insurance coverage and the long wait for Medicare coverage (2 years). Providing assistance to these individuals immediately after injury allows them to return home and to work when possible and decreases costly hospitalizations for secondary conditions and nursing home placements. Clients who also meet financial criteria qualify to receive purchased services. In addition, the Commission provides information and referrals, disseminates educational and resource materials, conducts research and provides advocacy on disability related issues. Our goal is to prevent our clients from 'falling through the cracks' in the complex system of healthcare and community based services.

ASCC Commission members and staff have made every attempt to reallocate resources to optimize state funding. Even with our best cost saving strategies in place, we are unable to maintain our previous level of services. Our funding level for spinal treatment funds in FY09 is less than 50% of our appropriation level. At appropriation level we were barely able to maintain our basic level of services, at this level, we are not. We are making cuts in services, just at a time when other services are also being cut. This biennium budget request is submitted in keeping with the Governor's directive, but mindful of our clients' needs.

MAINTAINING OUR CLIENT SERVICE PROGRAM is essential to meeting our legislative mandates. To accomplish this, we have three significant needs. First we request a 25% increase in funding for our spinal treatment funds. Our average per client service expenditure in FY06 was \$84, in FY09 it is \$63, a 25% decrease in services. Our client service funding level is at the lowest level since 1995. We request an increase of 25% above 2009 appropriation level to \$781,000 in each year of the biennium. This request reflects a 250% increase over 2009 base level funding and an increase in funding of \$472,000. Without a restoration in funding, our spinal treatment services will continue to be cut. This request will assist us in restoring our purchased services funding to FY07 level as well as meet increased costs. These include significant price increases for durable medical equipment and building material purchases, an increase of \$6,200 in the actual cost of the MedCamps Spina Bifida Camp for children, replenishing emergency supplies of wheelchairs and therapeutic equipment in our 10 regional loan closets (10 RLCs @ \$5,000 each year) and providing updated educational materials (manuals, DVDs, guides) for newly injured clients.

Second, we request funding to meet the increased costs of providing our Long Term Attendant Care program, due to mandated increases in the federal minimum wage in July, 2009. These clients are deemed most needy and at greatest risk for institutionalization, as many do not qualify for Medicaid waiver personal care programs. These services prevent costly hospitalizations and institutionalization. The cost to provide present level of services under the new requirements will be \$245,610 in each fiscal year. This will require \$3,670 in additional appropriation, but \$37,610 in additional funding above FY09 budgeted levels. We were able to meet the 2008 federal minimum wage increase with present funding, but without additional funding in FY10, we will be required to cut services.

Finally, we request funding to maintain our Case Management services. In FY08, ASCC Case Managers made 5,755 visits to clients in all 75 counties, traveling over 120,000 total miles in their personal vehicles. Travel to make home and hospital visits is integral to our services. State mileage reimbursement has increased six cents (.06) per mile since the end of the last biennium and is anticipated to increase.

Business travel funding increase of 14% above base level is requested for Case Management travel (\$7,420 in each year of the biennium). In order to optimize Case Managers' time and resources as well as protect their safety, we request funding for cellular telephone access for our 15 Case Managers (\$7,200 in each year of biennium).

MAINTAIN AGENCY INFORMATION SYSTEM Additional funding is needed to maintain our e-government capabilities. This request is consistent with the agency Information Technology Plan submitted to Department of Information Services. In order to meet our IT plan to replace functionally obsolete machines every 4 years funding will be required in FY10 and FY11 for hardware replacement. Our present computers were purchased in 2005 and 2006. In accordance with our IT plan, we need funding to replace 9 desktop and 16 laptop computers for staff and 3 server/support computers (\$29,900), nine desktop laser printers (\$1,900) and two network laser printers (\$1,200) and one auto feed scanner (\$600). We request \$16,800 in FY10 and \$16,800 in FY11 to meet these hardware expenses. In addition, we request an additional \$1,000 added to base in each year of the biennium to meet software needs for antivirus and operations licenses for staff in administrative and 10 field offices. Finally, we request funding for a contract (\$10,000 in each year of the biennium) to outsource some of our IT system maintenance and support services, which are rapidly exceeding the time and expertise of our Research and Statistics Manager who has been supporting them. This contract would provide computer hardware maintenance and trouble shooting as well as email server support, back up server support, development, programming, maintenance and troubleshooting for our legislatively mandated Arkansas Spinal Cord Disability Registry and for our Case Manager Client tracker systems. This contract will be the most cost effective method to manage these needs, without adding staff. After our spinal treatment needs, this is our second priority.

MEET MAINTENANCE AND OPERATIONS INCREASES TO ACCOMPLISH MISSION. We have been able to reallocate funds, make some cuts and utilize cost savings measures to stretch our operations funds. But costs in several areas have increased significantly over the past two years.

The cost of our professional services contract for 5% FTE for our Medical Director (Associate Professor Thomas Kiser, MD of UAMS) has increased and we request an increase of \$1,000 in each year of the biennium to meet this cost. Additional maintenance and operation funds are requested in each year of the biennium to meet bona fide shortfalls in the following integral areas: postage \$1,000, office space lease agreements \$4,000, office maintenance increases in Magnolia office, \$1,040, Commission Member travel, meals and lodging \$500, vehicle maintenance and fuel for our agency van \$1,000, increase in property liability insurance premiums, \$650. In addition, we need to replace two copiers (both purchased in 2002) for our Administrative and Little Rock Case Management offices at \$3,500 each, one in each year of the biennium.

Our remaining change level requests will remove one unused position in our federal program, add appropriation to make capital outlay purchases in both Cash (864) and Federal (187) fund accounts, should funding be available and make minor revisions to meet anticipated needs. These requests are consistent with our present Base Level.

This proposal reflects careful evaluation by Commission Members and staff. They represent our best assessment of the most basic needs of our agency in order to allow us to support our mission and provide quality services to our consumers, some of our state's most severely disabled citizens and their families.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SPINAL CORD COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	6	10	16	70 %
Black Employees	2	5	7	30 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			7	30 %
Total Employees			23	100 %

Cash Fund Balance Description as of June 30, 2008

Fund Account	Balance	Type	Location
3020200	\$83,471	Checking, CD	Bank of America, Little Rock; Delta Bank & Trust, Little Rock; State Treasury

Statutory/Other Restrictions on use:

N/A

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Variable based on donations, private grants, and conference sponsorships and receipts

Fund Balance Utilization:

(1) Emergency purchases of client equipment and rehabilitation payments; (2) purchase of books and media for Education & Resource Library and client educational packets; and (3) expenses of conducting educational conferences and workshops

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Agency Brochure	None	N	N	1,000	Client, family, & public education
Annual Report	A.C.A. 20-8-201	Y	N	250	Legislative mandate, public information
Spinal Courier Newsletter	None	N	N	10,000	Client, family & health care provider education

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
096 State Operations	2,077,466	25	2,043,508	25	2,407,642	25	2,131,878	25	2,706,300	25	2,706,300	25	2,159,540	25	2,733,962	25	2,733,962	25
187 Federal Operations	23,391	0	34,000	0	124,476	1	34,000	0	34,500	0	34,500	0	34,000	0	34,500	0	34,500	0
864 Cash Operations	2,996	0	35,000	0	50,000	0	30,000	0	35,000	0	35,000	0	30,000	0	35,000	0	35,000	0
Total	2,103,853	25	2,112,508	25	2,582,118	26	2,195,878	25	2,775,800	25	2,775,800	25	2,223,540	25	2,803,462	25	2,803,462	25

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	79,335	3.6	83,471	3.8	70,471	3.1	70,471	2.5	70,471	3.1	53,471	2.4	53,471	1.9	53,471	2.3	
General Revenue	4000010	1,975,124	90.3	1,929,249	88.4	2,025,873	90.1	2,600,295	91.9	2,075,873	90.1	2,053,535	91.2	2,627,957	92.8	2,103,535	91.2	
Federal Revenue	4000020	125,212	5.7	140,005	6.4	140,005	6.2	140,505	5.0	140,505	6.1	131,005	5.8	131,505	4.6	131,505	5.7	
Non-Revenue Receipts	4000040	174	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Cash Fund	4000045	7,132	0.3	22,000	1.0	13,000	0.6	18,000	0.6	18,000	0.8	13,000	0.6	18,000	0.6	18,000	0.8	
Merit Adjustment Fund	4000055	0	0.0	8,254	0.4	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
M & R Sales	4000340	347	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		2,187,324	100.0	2,182,979	100.0	2,249,349	100.0	2,829,271	100.0	2,304,849	100.0	2,251,011	100.0	2,830,933	100.0	2,306,511	100.0	
Excess Appropriation/(Funding)		(83,471)		(70,471)		(53,471)		(53,471)		470,951		(27,471)		(27,471)		496,951		
Grand Total		2,103,853		2,112,508		2,195,878		2,775,800		2,775,800		2,223,540		2,803,462		2,803,462		

The Actual amount exceeds Budget amount due to a reallocation of Miscellaneous Agency Funds in FY08 along with salary and matching adjustments in the 2007-09 biennium.

FY10 ending fund balance does not equal FY11 beginning fund balance in the Executive column due to unfunded appropriation in Appropriation 096.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
25	24	1	25	0	4.00 %	26	25	0	25	1	3.85 %	26	23	2	25	1	11.54 %

The Authorized Positions increased from FY07 to FY08 by one position due to the addition of a federally funded position in the 2007-09 biennium. This federal position has since been discontinued and is not requested for the 2009-11 biennium.

Analysis of Budget Request

Appropriation: 096 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Spinal Cord Commission was created in 1975 for the establishment and integration of a statewide system of treatment, rehabilitation, counseling, and social services for persons with spinal cord injuries or spina bifida. The Commission serves an integral role in promoting and preserving the independent functioning of Arkansans with spinal cord disabilities, allowing them to contribute to our state. State General Revenue provides approximately 95% of the total funding for this appropriation. While a small portion of this appropriation is supported with Federal Social Services Block Grant funds allocated through the Department of Human Services, general revenue funding comprises the bulk of the revenue source.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency has a Base Level of \$2,131,878 for FY10 and \$2,159,540 for FY11 and is requesting additional appropriation and general revenue funding of \$574,422 in each year of the 2009-2011 biennium.

The Agency request consists of the following:

- \$472,702 each year for the Spinal Treatment Program to allow the Agency to provide for a growing number of clients and increased basic services such as wheelchairs, therapeutic devices, and minor home modifications for financially eligible individuals with spinal cord injuries.
- \$37,610 for each year for Grants and Aid to support the Long Term Care program.
- Professional Fees of \$20,000 in each year due to restructuring of the categorization of the Medical Director's contract, with \$9,000 of this amount being a reallocation from Grants and Aid. An additional \$1,000 to accommodate an increase in the Medical Director's fee and the remaining \$10,000 to provide for Information Technology support through contracted support.
- \$44,110 for each year in Operating Expenses to provide for increased costs related to travel of Case Managers' home visits throughout the State, replacement of dated equipment and furniture, and cellular phones to increase the safety of Case Managers as they travel.

The Executive Recommendation provides for the Agency Request for appropriation in the amount of \$574,422 each year and additional general revenue funding of \$50,000 each year. \$472,702 of the increase is for the Spinal Treatment Program line item should funds become available.

Appropriation Summary

Appropriation: 096 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010 Base Level	2009-2010 Agency	2009-2010 Executive	2010-2011 Base Level	2010-2011 Agency	2010-2011 Executive
Regular Salaries	5010000	911,839	960,223	927,473	1,010,382	1,010,382	1,010,382	1,033,441	1,033,441	1,033,441
#Positions		25	25	25	25	25	25	25	25	25
Personal Services Matching	5010003	290,041	290,859	320,451	329,070	329,070	329,070	333,673	333,673	333,673
Operating Expenses	5020002	205,765	204,608	212,258	204,608	248,718	248,718	204,608	248,718	248,718
Conference & Travel Expenses	5050009	9,967	10,520	10,520	10,520	10,520	10,520	10,520	10,520	10,520
Professional Fees	5060010	70,000	70,000	70,000	70,000	90,000	90,000	70,000	90,000	90,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	193,391	208,000	241,940	208,000	245,610	245,610	208,000	245,610	245,610
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Spinal Treatment Program	5900046	396,463	299,298	625,000	299,298	772,000	772,000	299,298	772,000	772,000
Total		2,077,466	2,043,508	2,407,642	2,131,878	2,706,300	2,706,300	2,159,540	2,733,962	2,733,962

Funding Sources										
General Revenue	4000010	1,975,124	1,929,249		2,025,873	2,600,295	2,075,873	2,053,535	2,627,957	2,103,535
Federal Revenue	4000020	101,821	106,005		106,005	106,005	106,005	106,005	106,005	106,005
Non-Revenue Receipts	4000040	174	0		0	0	0	0	0	0
Merit Adjustment Fund	4000055	0	8,254		0	0	0	0	0	0
M & R Sales	4000340	347	0		0	0	0	0	0	0
Total Funding		2,077,466	2,043,508		2,131,878	2,706,300	2,181,878	2,159,540	2,733,962	2,209,540
Excess Appropriation/(Funding)		0	0		0	0	524,422	0	0	524,422
Grand Total		2,077,466	2,043,508		2,131,878	2,706,300	2,706,300	2,159,540	2,733,962	2,733,962

The Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The Actual amount exceeds Budget amount the Spinal Treatment Program and Operating Expenses due to a reallocation of Miscellaneous Agency Funds in FY08.

Change Level by Appropriation

Appropriation: 096 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,131,878	25	2,131,878	100.0	2,159,540	25	2,159,540	100.0
C01	Existing Program	546,622	0	2,678,500	125.6	546,622	0	2,706,162	125.3
C04	Reallocation	0	0	2,678,500	125.6	0	0	2,706,162	125.3
C08	Technology	27,800	0	2,706,300	126.9	27,800	0	2,733,962	126.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,131,878	25	2,131,878	100.0	2,159,540	25	2,159,540	100.0
C01	Existing Program	546,622	0	2,678,500	125.6	546,622	0	2,706,162	125.3
C04	Reallocation	0	0	2,678,500	125.6	0	0	2,706,162	125.3
C08	Technology	27,800	0	2,706,300	126.9	27,800	0	2,733,962	126.6

Justification

C01	Additional maintenance and operation funds are requested in each year of the biennium to meet shortfalls, replace equipment and meet cost increases in order to support agency mission and client services. The change levels include a 25% increase in appropriation and funding for spinal treatment funds, an increase in Long Term Attendant Care to meet minimum wage increase, a 14% cost increase in business travel for Case Managers to visits clients in homes and hospitals and an increase to provide cellular phones to optimize Case Managers' time and resources as well as protect their safety. \$1,000 is requested in Professional Fees and Services to provide for an increase in the Medical Director's contract.
C04	\$9,000 is being reallocated from Grants and Aid into Professional Fees & Services to move the Medical Director's contract into the correct classification.
C08	\$17,800 is needed to replace functionally obsolete computers, and to provide appropriate printers and software in accordance with our Information Technology (IT) Plan (IT Support Costs/Hardware & Licenses). \$10,000 is necessary to enter into an IT contract to provide maintenance, support, development, programming, and troubleshooting for computer hardware and custom programs needed to provide client services and support registry (IT Support Costs/Contracts).

Analysis of Budget Request

Appropriation: 187 - Federal Operations

Funding Sources: FSK - Federal Funds

The Spinal Cord Commission's Federal Operations appropriation is utilized for various Research and Prevention Programs. This appropriation is 100% federally funded.

The Base Level appropriation amount is reduced significantly from the 2007-2009 biennium due to discontinuation of a federal grant previously authorized in this appropriation. The grant included an administrative position which the agency is not requesting to continue in the biennium.

The Agency is requesting a Base Level of \$34,000 for both years of the 2009-11 biennium. In addition, the Agency Change Level request for this appropriation is \$500 in Capital Outlay for each year. A \$9,500 reallocation of appropriation from Professional Fees to Capital Outlay is also requested. This increase would allow the Agency to make capital purchases for unforeseen needs when federal funds become available.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 187 - Federal Operations

Funding Sources: FSK - Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	26,637	0	0	0	0	0	0
#Positions	0	0	1	0	0	0	0	0	0
Personal Services Matching 5010003	0	0	10,388	0	0	0	0	0	0
Operating Expenses 5020002	14,219	16,500	47,051	16,500	16,500	16,500	16,500	16,500	16,500
Conference & Travel Expenses 5050009	0	3,000	6,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees 5060010	9,172	14,500	24,400	14,500	5,000	5,000	14,500	5,000	5,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	10,000	0	10,000	10,000	0	10,000	10,000
Total	23,391	34,000	124,476	34,000	34,500	34,500	34,000	34,500	34,500
Funding Sources									
Federal Revenue 4000020	23,391	34,000		34,000	34,500	34,500	25,000	25,500	25,500
Total Funding	23,391	34,000		34,000	34,500	34,500	25,000	25,500	25,500
Excess Appropriation/(Funding)	0	0		0	0	0	9,000	9,000	9,000
Grand Total	23,391	34,000		34,000	34,500	34,500	34,000	34,500	34,500

Change Level by Appropriation

Appropriation: 187 - Federal Operations

Funding Sources: FSK - Federal Funds

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	34,000	0	34,000	100.0	34,000	0	34,000	100.0
C01	Existing Program	500	0	34,500	101.5	500	0	34,500	101.5
C04	Reallocation	0	0	34,500	101.5	0	0	34,500	101.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	34,000	0	34,000	100.0	34,000	0	34,000	100.0
C01	Existing Program	10,000	0	44,000	129.4	10,000	0	44,000	129.4
C04	Reallocation	(9,500)	0	34,500	101.5	(9,500)	0	34,500	101.5

Justification

C01	Capital Outlay is requested in the amount of \$500 to provide for unforeseen capital expenses.
C04	The request reflects a reallocation of Professional Fees to Capital Outlay. In the event that funds come available, the Commission will use the appropriation to fill any unanticipated capital equipment needs.

Analysis of Budget Request

Appropriation: 864 - Cash Operations

Funding Sources: NSC - Cash in Treasury

The Spinal Cord Commission's cash appropriation is utilized for contingency, miscellaneous, or emergency purchases and educational activities, which include conducting an annual conference. The funding sources of this cash appropriation include private donations, proceeds from educational activities, and grants.

The Agency Base Level request is \$30,000 each year consisting of \$25,000 in Operating Expenses and \$5,000 in Professional Fees. An increase of \$5,000 is requested to increase the amount available to provide honoraria for educational conference speakers. In addition, a \$5,000 reallocation from Operating Expenses to Capital Outlay in each year of the biennium is requested. The change would allow the Agency to make capital purchases for unforeseen needs when funds are available.

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

Appropriation Summary

Appropriation: 864 - Cash Operations
Funding Sources: NSC - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	2,996	25,000	30,000	25,000	20,000	20,000	25,000	20,000	20,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	5,000	10,000	5,000	10,000	10,000	5,000	10,000	10,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	5,000	10,000	0	5,000	5,000	0	5,000	5,000
Total	2,996	35,000	50,000	30,000	35,000	35,000	30,000	35,000	35,000
Funding Sources									
Fund Balance 4000005	79,335	83,471		70,471	70,471	70,471	53,471	53,471	53,471
Cash Fund 4000045	7,132	22,000		13,000	18,000	18,000	13,000	18,000	18,000
Total Funding	86,467	105,471		83,471	88,471	88,471	66,471	71,471	71,471
Excess Appropriation/(Funding)	(83,471)	(70,471)		(53,471)	(53,471)	(53,471)	(36,471)	(36,471)	(36,471)
Grand Total	2,996	35,000		30,000	35,000	35,000	30,000	35,000	35,000

Change Level by Appropriation

Appropriation: 864 - Cash Operations
Funding Sources: NSC - Cash in Treasury

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	30,000	0	30,000	100.0	30,000	0	30,000	100.0
C01	Existing Program	5,000	0	35,000	116.7	5,000	0	35,000	116.7
C04	Reallocation	0	0	35,000	116.7	0	0	35,000	116.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	30,000	0	30,000	100.0	30,000	0	30,000	100.0
C01	Existing Program	5,000	0	35,000	116.7	5,000	0	35,000	116.7
C04	Reallocation	0	0	35,000	116.7	0	0	35,000	116.7

Justification

C01	This amount will increase the honoraria available for educational conference speakers in Professional Fees.
C04	The \$5,000 is reallocated from other expenses into Capital Outlay for unexpected capital needs.

ARKANSAS STATE POLICE

Enabling Laws

Act 1288 of 2007
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.

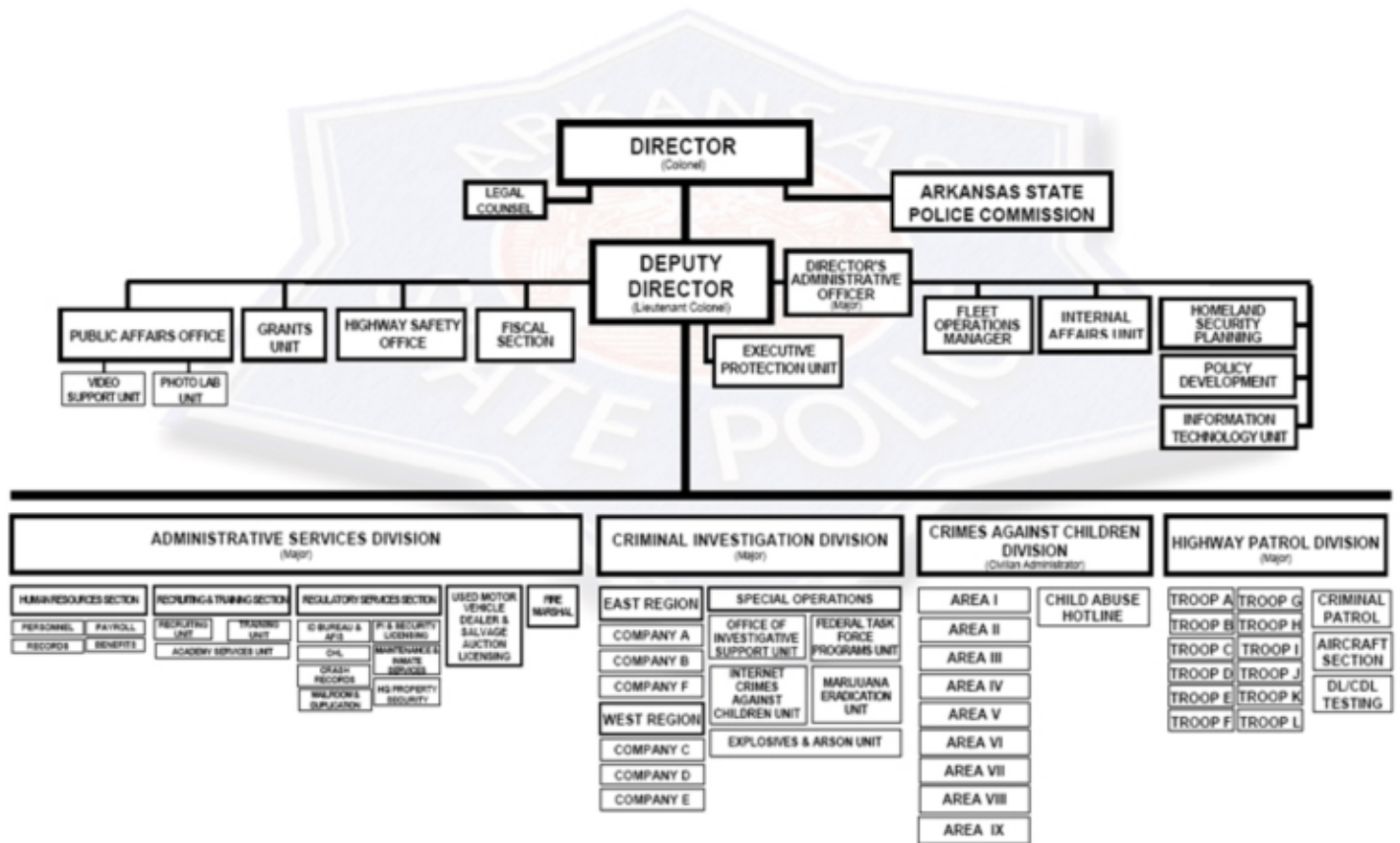
The statutory responsibilities of the Department of Arkansas State Police are described in A.C.A. §12-8-101 et seq. Stated simply, the Department of Arkansas State Police is responsible for enforcement of the traffic laws, criminal laws, investigation of motor vehicular crashes, cases of child abuse, 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).

The ASP is organized into five (5) distinct areas of operational responsibilities as follows:

- Director's Office
- Administrative Services Division
- Highway Patrol Division
- Crimes Against Children Division
- Criminal Investigation Division



Agency Commentary

The Director's Office provides overall administration of the Agency and directly manages Arkansas' Highway Safety Office, Executive Protection for the Governor and Lieutenant Governor, Fiscal Management, Legal Services, Grants Management, Fleet Management, Information Technology, and Internal Affairs. The Director, in conjunction with the Lieutenant Colonel, oversees the daily operations of the Agency.

The Department of Arkansas State Police (ASP) is organized into four (4) divisions: the Highway Patrol Division; the Administrative Services Division; the Crimes Against Children Division; and the Criminal Investigation Division.

The Highway Patrol Division (HPD) operates twelve (12) troop headquarters located around the state. HPD is responsible for patrolling the Arkansas highway system, responding to calls from the public for service, and investigating motor vehicle crashes. Included within the troops are personnel assigned to Interstate Criminal Patrol teams. These teams place a special focus on identifying criminal organizations, fugitives and persons using Arkansas highways to transport illegal drugs, weapons, persons associated with terrorism, or perpetrating other types of crimes. 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. ASP's 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, and all personnel transactions. ASD ensures compliance with a past federal court consent decree involving hiring and promotions of employees. ASD conducts all trooper applicant testing and competitive promotional testing. ASD administers the uniformed officers' health insurance plan and monitors the ASP Retirement System. ASD also maintains all personnel, medical and training records. ASD coordinates and provides training throughout the Agency, including troop school and several in-service training courses for employees. ASD is responsible for regulatory administration concerning used motor vehicles dealer licensing, concealed handgun permits, licensing of private investigators, security guards and alarm technician licensing, and the issuance of fireworks licenses and permits. The Director's designee as State Fire Marshall is assigned to ASD. ASD is responsible for the state repository of crash records. Arkansas' Automated Fingerprint Identification System (AFIS) and Identification Bureau (ID) operates within the ASD and is responsible for collection of all arrest records for the state as well as all non-criminal justice related background checks. ASD is responsible for the maintenance of ASP properties in Little Rock as well as maintenance at communications tower sites across the entire state.

The Crimes Against Children Division (CACD) is responsible for the receipt and investigation of reports involving sexual abuse and severe physical maltreatment of children. The Division 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 is staffed by a team of specially trained personnel that receive over 4,000 calls per month. The hotline begins the documentation process and will launch investigations of 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 CACD Investigation Section is comprised of nine (9) areas throughout Arkansas and is staffed with investigators responsible for conducting investigations of severe maltreatment as well as working with law enforcement to prosecute crimes against children.

The Criminal Investigation Division (CID) operates statewide and is divided into two (2) regions with six (6) companies located throughout Arkansas. CID provides investigative support to local and county law enforcement agencies as well as local drug task forces. Services vary according to local law enforcement capabilities and availability of crime scene investigative technology and equipment. CID also manages a special operations section providing investigative support, staff of the "Morgan Nick" Critical Incident Command Center and operating the statewide missing child alert plan. CID also coordinates the SWAT team, Crisis Negotiation Team, Bomb/Arson Unit, Marijuana Eradication Unit, and Internet Crimes Against Children Unit and has members assigned to the Joint Terrorism Task Force, the Drug Enforcement Administration Task Force, and Office of Investigative Support. CID investigates white collar crimes and cases of public corruption via referrals from the Division of Legislative Audit through various Prosecuting Attorneys.

A total of 1,108 fulltime personnel positions and 20 Extra Help positions are requested for the biennium.

ASP has identified the following priorities:

1. Arkansas State Police (ASP) requests funding and appropriation for the restoration of 126 positions, 71 of which were eliminated during the FY09 budget process. These positions are needed to staff essential job duties within the Department's divisions. Requested restorations are:

- 16 positions in Crimes Against Children Division
 - 4 positions in Criminal Investigation Division
 - 88 positions in Director's Office (72 Commissioned)
 - 5 positions in Highway Patrol Division (Telecomm Operators)
 - 13 positions in Administrative Services Division
2. ASP requests funding and appropriation of \$144,478 in FY10 and \$147,413 in FY11 to hire four (4) new Fire Marshall Inspector (Grade C113) positions to moderately staff the State Fire Marshall's Office as required in A.C.A. 12-13-105.
 3. ASP requests funding and appropriation of \$711,134 in FY10 and \$1,619,504 in FY11 to conduct a troop school each year of the biennium. The Agency request the restoration of (thirty) 30 Trooper positions (requested above), allowing for fifteen (15) Troopers each year of the biennium. This will increase the Agency's ability to perform statutory duties in a timely manner which includes responding to calls for services, regulatory and administrative duties.
 4. ASP requests funding and appropriation of \$80,000 in FY10 and \$84,000 in FY11 to establish a Tier II Drop Program for 291 commissioned personnel. ASP Tier II retirement system is one of two systems in the state without a deferred retirement option plan. Tier II members perform the same job duties as Tier I members and request equitable benefits.
 5. ASP requests appropriation only of \$328,250 each year of the biennium to support increased overtime programs approved by the Agency Director. These are various state and federal programs that enhance the opportunity for enforcement of federal and state statutory laws as well as EMAC agreements.
 6. ASP requests appropriation only of \$216,300 in FY10 and \$222,600 in FY11 for mobile data transmission in ASP vehicles. Funding will come from existing Special Revenue. This will allow the efficient and timely transmission of data from the Arkansas Crime Information Center (ACIC) or other Intel resources to ASP patrol vehicles. In addition, this will reduce radio traffic tremendously throughout the state and provide more accurate data to the officer by alleviating repeat transmissions and criminal impersonation opportunities.
 7. ASP requests funding and appropriation of \$173,200 in FY10 and \$368,850 in FY11 for increased utility costs. On average, ASP utility costs have increased 9% over the past 5 years.
 8. ASP requests funding and appropriation of \$133,147 each year of the biennium for recurring operating costs for the State Fusion Center. State Fusion Center will aide in assessing and analyzing all crimes, as well as providing vital information from analysts to law enforcement personnel. It will provide a central location for the sharing and collaboration of criminal/statistical information. It will also provide office space for participating federal, state and local law enforcement or federal Department of Homeland Security agency personnel.
 9. ASP requests funding and appropriation of \$244,700 in FY10 and \$129,600 in FY11 for increased information technology at ASP troop headquarters. This will include upgrading to T-1 lines and installation of network switches. As more data is sent and received from the Troops, more bandwidth is required for transmitting and receiving information.

10. ASP requests funding and appropriation of \$5,250,000 for FY10 for upcoming and agreed upon legal settlements.
 - Negotiated settlement of \$250,000 from a \$3.5 million claim from a pursuit accident resulting in a wrongful death claim.
 - Pending lawsuit of \$5,000,000 regarding retirement benefits.
11. ASP requests funding and appropriation of \$762,560 in FY10 and \$716,000 in FY11 for technology needs. This includes Traffic and Criminal Software (TraCS) operating costs, increased maintenance contracts and increased license agreements.
12. ASP requests funding and appropriation of \$1,446,834 in FY10 and \$2,069,737 in FY11 for increased fuel costs. Uncertainty of future fuel costs require increased budgetary consideration. Fuel is the essential part of our operations enabling us to perform our statutory responsibilities. Fuel is budgeted at \$5.50 per gallon in FY10 and \$6.00 per gallon in FY11.
13. ASP requests funding and appropriation of \$443,005 in FY10 and \$510,883 in FY11 for increased Conference & Travel Expenses. Requests will include mandated training (state and federal) for all aspects of ASP operations.
14. ASP requests funding and appropriation of \$220,000 in FY10 and \$280,000 in FY11 for Professional Fees for recruit testing and contracting vendors for in-house training.
15. ASP requests funding and appropriation of \$25,000 each year of the biennium for covert operations. This request will restore funding eliminated in FY09 budget process. With decreases in federal funding to local drug task forces, we anticipate local police agencies to seek assistance from ASP in combating drugs.
16. ASP requests funding and appropriation of \$101,239 in FY10 and \$116,798 in FY11 for records retention. This request will restore required funding (Act 918 of 2005), which was eliminated in FY09 budget process.
17. ASP requests funding and appropriation of \$78,330 in FY10 and \$55,708 in FY11 for data encryption. This request will restore required funding eliminated in FY09 budget process.
18. ASP requests general revenue funding and appropriation of \$557,324 in FY10 and \$212,500 in FY11 for Capital Outlay for and HVAC system for State Police Headquarters and various technology needs outlined in the next section.
19. ASP requests appropriation only of \$5,311,000 each year of the biennium for capital outlay to be funded with special revenue:
 - \$4,600,000 to purchase vehicles for the ASP Fleet Rotation Plan to be funded from a special revenue fee increase in Motor Vehicle Title Fees 27-14-602(b)(1-2) and Replacement Fees 27-14-705(c).
 - \$711,000 is to equip and maintain agency vehicles.

Appropriation 519 - State Police Operations

This is the primary operating appropriation for the Department of Arkansas State Police. Change Level requests are:

Personnel, Regular Salaries

Arkansas State Police is requesting 4 new Fire Marshall Inspector positions, grade C113. This will allow the Agency to moderately staff the State Fire Marshall Office. Cost is \$106,124 in FY10 and \$108,564 in FY11.

ASP is also requesting 126 positions be restored, which will include positions for Troop School, Fusion Center, Records Retention, Data Encryption, and provide flexibility for Agency needs throughout the biennium. Costs for FY10 are \$4,662,761 and FY11 are \$4,768,866.

This request is for appropriation and general revenue funding.

Total Change Level request for commitment item 00 is \$4,768,885 in FY10.

Total Change Level request for commitment item 00 is \$4,877,430 in FY11.

Extra Help

Arkansas State Police is requesting additional appropriation and general revenue funding for Troop School and Records Retention.

Total Change Level request for commitment item 01 is \$31,260 in FY10.

Total Change Level request for commitment item 01 is \$32,060 in FY11.

Personal Services Matching

ASP is requesting \$38,354 in FY10 and \$38,849 in FY11 for 4 new positions.

ASP is requesting \$2,453,456 in FY10 and \$2,602,372 in FY11 for 126 restored positions, which will include positions for Troop School, Fusion Center, Records Retention, Data Encryption, and flexibility for agency needs throughout the biennium.

Additionally, ASP is requesting \$80,000 in FY10 and \$84,000 in FY11 for the implementation of a DROP for Tier II employees.

This request is for appropriation and general revenue funding.

Total Change Level request in commitment item 03 is \$2,571,810 in FY10.

Total Change Level request in commitment item 03 is \$2,725,221 in FY11.

Overtime

ASP is requesting \$250,000 in each year of the biennium to support increased overtime programs.

Total Change Level request for appropriation only in commitment item 06 is \$250,000 each year of the biennium.

Operating Expenses

Arkansas State Police is requesting an increase for the 2009 - 2011 Biennium for Operating Expenses to

include the following items:

Appropriation Only

1. \$216,300 for ACIC transactions in FY10 and \$222,600 for FY11. This will allow transmission of data from ACIC or other Intel resources to ASP patrol vehicles.

Appropriation and General Revenue Funding

2. \$171,125 each year of the biennium for Troop School.
3. \$173,200 for increase in utility costs for FY10 and \$368,850 for FY11.
4. \$19,840 for Fusion Center operating expenses.
5. \$195,700 in FY10 and \$129,600 in FY11 for information technology expansion at each of the 12 Troop Headquarters.
6. \$708,500 each year of the biennium for information technology needs
7. \$1,446,834 in FY10 and \$2,069,737 in FY11 for increase fuel costs.
Estimated fuel at \$5.50 per gallon for FY10 and \$6.00 per gallon for FY11.
8. \$30,850 in FY10 and \$43,000 in FY11 for records retention operating needs.
9. \$3,254 in FY10 \$2,654 in FY11 for data encryption operating needs.

Total Change Level request for commitment item 02 is \$2,965,603 for FY10.

Total Change Level request for commitment item 02 is \$3,735,906 for FY11.

Conference and Travel Expenses

Arkansas State Police is requesting a change level increase of \$520,265 in FY10 and \$534,083 in FY11 in Conference & Travel Expenses. Because of the diversity of agency operations and statutory requirements, training is essential to enhance/update personnel skills and mitigate potential agency liability.

This request is for appropriation and general revenue funding.

Total Change Level request for commitment item 09 is \$520,265 in FY10.

Total Change Level request for commitment item 09 is \$534,083 in FY11.

Professional Fees

Arkansas State Police requests \$250,000 in FY10 and \$310,000 in FY11 for increased costs in recruit testing, promotional testing and vendor contracting for in-house training.

This request is for appropriation and general revenue funding.

Total Change Level Request for commitment item 10 is \$250,000 in FY10.

Total Change Level Request for commitment item 10 is \$310,000 in FY11.

Capital Outlay

Arkansas State Police requests appropriation of \$5,868,324 for FY10 and \$5,523,500 for FY11 and general revenue funding of \$557,324 in FY10 and \$212,500 in FY11.

In FY10, general revenue of \$557,324 is requested for the following items:

- \$335,324 Proxy Card System for ASP Headquarters.
- \$100,000 Driving Simulator for ASP Training.
- \$50,000 Radius Server for IT Section.

- \$49,000 Network Switch for Troops (14 @ \$3,500).
- \$20,000 Server for Data Encryption for IT Section.
- \$3,000 Computer for Data Encryption for IT Section.

Special revenue of \$5,311,000 will fund the following items:

- \$205,000 In-Car Cameras (50 @ \$4,100) for Highway Patrol Division.
- \$224,000 TraCS In-Car Computers (80 @ \$2,800) for Highway Patrol Division.
- \$180,000 Radars (50 @ \$3,600) for Highway Patrol Division.
- \$30,000 In Car K-9 Kennels (10 @ \$3,000) for Highway Patrol Division.
- \$72,000 AWIN Radios (20 @ \$3,600) for Highway Patrol Division.
- \$4,600,000 ASP Fleet Rotation Plan.

In FY11, general revenue of \$212,500 is requested for the following items:

- \$175,000 HVAC at ASP Headquarters.
- \$30,000 Portable Thermal Imaging Device for Criminal Investigation Division.
- \$7,500 Server for 2008 License (3 @ \$2,500) for IT Section.

Special revenue of \$5,311,000 will fund the following items:

- \$205,000 In-Car Cameras (50 @ \$4,100) for Highway Patrol Division.
- \$224,000 TraCS In-Car Computers (80 @ \$2,800) for Highway Patrol Division.
- \$180,000 Radars (50 @ \$3,600) for Highway Patrol Division.
- \$30,000 In Car K-9 Kennels (10 @ \$3,000) for Highway Patrol Division.
- \$72,000 AWIN Radios (20 @ \$3,600) for Highway Patrol Division.
- \$4,600,000 ASP Fleet Rotation Plan.

Total Change Level request in commitment item 11 is \$5,868,324 in FY10.

Total Change Level request in commitment item 11 is \$5,523,500 in FY11.

Data Processing

No change is requested in this line item for the 2009 - 2011 Biennium.

Claims

ASP is requesting general revenue funding and appropriation of \$5,250,000 in FY10 for legal settlements.

Total Change Level request in commitment item 15 is \$5,250,000 in FY10.

Covert Operations

ASP requests general revenue funding and appropriation of \$25,000 each year of the biennium for covert operations.

Total Change Level request in commitment item 47 is \$25,000 in FY10.

Total Change Level request in commitment item 47 is \$25,000 in FY11.

519 Summary

Total Appropriation Change Level request in FY10 is \$22,501,147.

Total New General Revenue request in FY10 is \$16,723,847.

Total Appropriation Change Level request in FY11 is \$18,013,200.

Total New General Revenue request in FY11 is \$12,229,600.

Appropriation 345 - AFIS Operations, Maintenance & Equipment

This appropriation is for operation and maintenance of the Automated Fingerprint Identification System (AFIS). 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 livescan stations located across the state.

ASP is requesting a total of \$2,126,360 appropriation (Base Level of \$905,000 and Change Level requests are \$1,221,350) each year of the biennium.

The Change Level requests for this appropriation are:

- \$1,000,000 in Capital Outlay for Mobile Quick Identification System.
- \$229,250 increased Operating Expenses for data processing equipment maintenance.
- (\$7,900) decrease in Conference and Travel Expenses.

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 is requesting a total of \$1,178,769 each year (Base Level of \$487,985 and Change Level requests of \$690,784) each year of the biennium.

We anticipate receiving federal funding for Marijuana Eradication, Internet Crimes Against Children, Forensic Network and CID Wireless. Change level requests are:

- \$2,430 in Personal Services Matching.
- \$7,757 in Overtime Expenses.
- \$239,587 in Operating Expenses.
- \$87,785 in Conference and Travel Expenses.
- \$353,225 in Capital Outlay, which includes 41 laptop computers, 8 FRED units, optical disc processing station, magnetic disk processing station, 5 ton AC unit, EnCase lab addition, fixed satellite equipment and mobile satellite equipment.

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.

The Agency is requesting Base Level of \$3,000,000 for each year of the biennium.

Appropriation 526 - Criminal Background Checks

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. No state general revenues are allocated for this appropriation. This appropriation is funded from special revenues collected from the fees for Criminal History Background Checks and the federal charges for FBI background checks.

The Agency requests appropriation of \$2,491,201 in FY10 and \$2,503,974 in FY11 (Base Level of \$2,111,851 in FY10 and \$2,124,624 in FY11 and Change Level requests are \$379,350 each year of the biennium). The Change Level requests include:

- \$283,650 each year of the biennium for Operating Expenses.
- \$100,000 in Capital Outlay, which is for advanced data storage.
- (\$4,300) decrease in Conference and Travel Expenses.

Appropriation 1AJ - ASP Methamphetamine Federal Grant (MIG)

This appropriation is utilized by ASP to support the operations of federal methamphetamine grants. This appropriation is only used for federal expenditures authorized through grant awards.

The Agency request appropriation of \$533,144 each year of the biennium (Base Level of \$65,981 and Change Level request of \$467,163) which includes:

- \$60,246 in Overtime.
- \$18,875 in Personal Services Matching.
- \$303,445 in Operating Expenses.
- \$29,320 in Conference and Travel Expenses.
- \$55,277 in Professional Fees.

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. No state general revenues are allocated for this appropriation. This appropriation is funded from special revenues collected through the Child Passenger Protection Fund.

The Agency requests appropriation of \$303,247 in FY10 and \$305,800 in FY11 (Base Level of \$302,147 in FY10 and \$304,700 in FY11 and Change Level request of \$1,100 each year of the biennium) for increased Operating Expenses.

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). No state general revenue is allocated to this appropriation.

The Agency requests appropriation of \$36,285,280 in FY10 and \$36,309,485 in FY11 (Base Level of \$31,020,624 in FY10 and \$31,046,900 in FY11 and Change Level requests of \$5,264,656 in FY10 and \$5,262,585 in FY11).

Appropriation 2EG - AWIN (Federal)

This appropriation is utilized for the Department of Homeland Security grants. This appropriation is funded 100% with federal funds. No state general revenues are allocated for this appropriation.

The Agency requests appropriation of \$1,378,500 in each year of the biennium (Base Level of \$335,952 and Change Level request of \$1,042,548) which includes:

- \$602,748 in Operating Expenses.
- \$24,900 in Conference and Travel Expenses.
- \$414,900 in Capital Outlay, which includes a bomb mitigation system and tactical vehicle.

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.

The Agency requests appropriation and general revenue funding of \$13,233,336 in FY10 and \$9,225,455 in FY11 (Base Level of \$4,641,725 each year of the biennium and Change Level requests of \$8,591,611 in FY10 and \$4,583,730 in FY11). Change Level requests include:

- \$2,653,611 in FY10 and \$2,995,730 in FY11 for Operating Expenses.
- \$60,000 each year of the biennium for Conference and Travel Expenses.
- \$750,000 in FY10 and \$500,000 in FY11 for Professional Fees.
- \$28,000 each year of the biennium for Data Processing.
- \$5,100,000 in FY10 for Capital Outlay to purchase a 3rd SmartZone Controller. \$1,000,000 in FY11 for Capital Outlay for building and tower replacement.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE POLICE

FOR THE YEAR ENDED JUNE 30, 2006

Findings

The Agency is still unable to maintain **fixed asset records** in accordance with State accounting procedures and their own internal policies and procedures manual. Not all of the current year acquisitions and deletions of equipment were recorded in the Arkansas Administrative Statewide Information System (AASIS) in a timely manner, and the coding of the equipment in the system was not reliable so as to compile a complete and accurate listing of the equipment owned by the Agency. This condition has existed for several years, and the Agency has responded to previous audit findings by beginning to conduct their own inventory observations of equipment throughout the State. Accurate accounting records are essential for proper financial reporting and to prevent the misappropriation or misuse of fixed assets.

Recommendations

Continue to work towards completing a full observation of its equipment and make entries and corrections to the fixed asset listing as needed.

The Agency maintains unused **leave records** in both the Arkansas Administrative Statewide Information System (AASIS) and a manual record system. A review of the leave systems revealed discrepancies for six of thirty employees selected for testing. These differences were caused by incorrect posting of annual and sick leave usage, worker's compensation adjustments and clerical errors. Also, the Agency could not provide evidence that a review of Troop/Company time and leave administrative records had been conducted. The Agency's policies and procedures manual for Commissioned employees require that such a review be performed at least annually.

Strengthen efforts to effectively train timekeepers and review time and leave records in accordance with the Agency's policies and procedures manual.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE POLICE RETIREMENT SYSTEM

FOR THE YEAR ENDED JUNE 30, 2007

Findings

None

Recommendations

None

Performance Audit Findings

Arkansas State Police – Challenges Facing Selected Programs
(July 1, 2000 – June 30, 2005) - Issued 07-14-2006

Findings and Conclusions:

- Arkansas State Police (ASP) starting salary for commissioned officers is below that of surrounding states and selected local law enforcement agencies.
- Stand alone radios provide additional safety; but due to additional cost, are not available to ASP personnel.
- Methamphetamine (Meth) related arrests decreased in fiscal years 2004 and 2005 while Meth related cases have continued to increase since fiscal year 2001.
- ASP has met its responsibility to effectively monitor and initially investigate allegations of child abuse.
- ASP does not specifically track Licensing Program expenditures through AASIS coding.

Recommendations:

- ASP increase the frequency of recruit training schools and consider methods to provide financial incentives for commissioned officers with academic credits to maintain an elite state police force.
- Review the reasons for the decline in Meth arrests and consider the need to redirect current resources to combat the Meth epidemic.
- Code driver licensing program expenditures in the State’s accounting system in order to have the necessary information to more effectively manage the Licensing Program.

Employment Summary

	Male	Female	Total	%
White Employees	553	236	789	83 %
Black Employees	86	71	157	16 %
Other Racial Minorities	8	2	10	1 %
	Total Minorities		167	17 %
	Total Employees		956	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 1288 of 2007	Y	Y	1	Required by Statute

Change in Fee Schedule

REPLACEMENT PAGES

CURRENT FEE STRUCTURE				PROPOSED CHANGE			
Description	Fee Amount	Estimated Receipts 2008-2009	Authorizing Act or AR Code	Fee Amount	Estimated Receipts		Reason for Change
					2009-2010	2010-2011	
Registration Application	\$4.00	\$0	27-14-705(c)	\$8.00	\$3,450,000	\$3,450,000	Fleet Rotation Plan.
Title and Replacement Fees	\$1.00	\$0	27-14-602(b)	\$2.00	\$1,150,000	\$1,150,000	Create revenue stream for ASP Fleet Rotation Plan by increasing items 1 and 2 of 27-14-602 (b).

REPLACEMENT PAGES

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation												
	2007-2008		2008-2009		2008-2009		2009-2010			2010-2011									
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	
1AJ Methamphetamine Investigation - Federal	169,242	0	80,501	0	598,736	0	65,981	0	533,144	0	533,144	0	65,981	0	533,144	0	533,144	0	
1FD Highway Safety Program - State	260,137	1	300,098	1	269,967	1	302,147	1	303,247	1	303,247	1	304,700	1	305,800	1	305,800	1	
1FJ Highway Safety Program - Federal	16,275,275	14	31,077,677	14	48,192,807	14	31,020,624	14	36,285,280	13	36,285,280	13	31,046,900	14	36,309,485	13	36,309,485	13	
2EG Homeland Security-Federal *	392,278	0	863,336	0	16,701,441	0	335,952	0	1,378,500	0	1,378,500	0	335,952	0	1,378,500	0	1,378,500	0	
345 Automated Fingerprint Identification System (AFIS)	837,373	0	1,355,000	0	1,387,000	0	905,000	0	2,126,350	0	2,126,350	0	905,000	0	2,126,350	0	2,126,350	0	
519 ASP-Operations	73,898,612	1,006	73,601,580	954	81,485,966	1,080	76,581,753	954	99,082,900	1,085	83,355,641	989	78,664,063	954	96,677,263	1,085	86,166,693	989	
521 Various Federal Programs	1,174,649	0	655,228	0	3,178,944	0	487,985	0	1,178,769	0	1,178,769	0	487,985	0	1,178,769	0	1,178,769	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	1,746,629	10	2,117,273	9	2,282,572	9	2,111,851	9	2,491,201	9	2,491,201	9	2,124,624	9	2,503,974	9	2,503,974	9	
9KA AR Wireless Information Network (AWIN)	7,877,110	0	4,641,725	0	8,611,735	0	4,641,725	0	13,233,336	0	6,088,994	0	4,641,725	0	9,225,455	0	6,088,994	0	
NOT REQUESTED FOR THE BIENNIIUM																			
35G Estate of Erin Hamley	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	102,631,305	1,031	117,692,418	978	165,709,168	1,104	119,453,018	978	159,612,727	1,108	136,741,126	1,012	121,576,930	978	153,238,740	1,108	139,591,709	1,012	

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	6,009,644	5.4	9,089,942	7.2			8,514,329	6.8	8,514,329	5.1	8,514,329	5.8	6,313,840	5.0	6,063,840	3.9	6,063,840	4.1
General Revenue	4000010	61,839,817	55.4	59,104,009	46.8			61,309,220	48.7	86,624,678	52.3	66,620,549	45.7	62,850,048	50.0	79,663,378	50.8	69,780,206	47.5
Federal Revenue	4000020	18,011,444	16.1	32,754,742	26.0			32,326,912	25.7	39,792,063	24.0	39,792,063	27.3	32,353,188	25.7	39,816,268	25.4	39,816,268	27.1
Special Revenue	4000030	17,970,690	16.1	18,093,446	14.3			16,472,225	13.1	23,601,325	14.2	23,601,325	16.2	17,017,525	13.5	24,152,925	15.4	24,152,925	16.4
DFA Motor Vehicle Acquisition	4000184	3,666,494	3.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	1,955,055	1.7	1,421,063	1.1			1,345,756	1.1	1,345,756	0.8	1,345,756	0.9	1,329,756	1.1	1,329,756	0.8	1,329,756	0.9
Special State Asset Forfeiture	4000465	0	0.0	3,000,000	2.4			3,000,000	2.4	3,000,000	1.8	3,000,000	2.1	3,000,000	2.4	3,000,000	1.9	3,000,000	2.0
Transfer from DHS	4000510	2,268,103	2.0	2,743,545	2.2			2,798,416	2.2	2,798,416	1.7	2,798,416	1.9	2,854,384	2.3	2,854,384	1.8	2,854,384	1.9
Total Funds		111,721,247	100.0	126,206,747	100.0			125,766,858	100.0	165,676,567	100.0	145,672,438	100.0	125,718,741	100.0	156,880,551	100.0	146,997,379	100.0
Excess Appropriation/(Funding)		(9,089,942)		(8,514,329)				(6,313,840)		(6,063,840)		(8,931,312)		(4,141,811)		(3,641,811)		(7,405,670)	
Grand Total		102,631,305		117,692,418				119,453,018		159,612,727		136,741,126		121,576,930		153,238,740		139,591,709	

Variations in funds balances are due to unfunded appropriation (Appropriation 519).

*This appropriation was initially established to utilize federal funds for operating the AWIN System (Arkansas Wireless Information Network) for the State of Arkansas. The Agency no longer receives federal funds for the AWIN program. The Agency requests that this appropriation be renamed "Homeland Security - Federal" and utilized for Department of Homeland Security Grants.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
1,020	960	23	983	37	5.88 %	1,104	972	52	1024	80	11.96 %	1,104	956	22	978	126	13.41 %

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 Change Level requests total \$467,163 each year and reflect the following:

- Overtime and Personal Services Matching increases of \$79,121 each year for meth lab investigations and clean-up.
- Operating Expenses increase in the amount of \$303,445 each year for for health, laboratory and data processing supplies.
- Conference and Travel Expenses increase in the amount of \$29,320 each year for training required as a condition of receiving federal grants.
- Professional Fees increase of \$55,277 each year for physical examinations of officers to be certified for meth lab clean-up.

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	6,204	5,494	38,199	5,499	24,374	24,374	5,499	24,374	24,374
Overtime	5010006	30,182	17,552	125,000	17,552	77,798	77,798	17,552	77,798	77,798
Operating Expenses	5020002	107,591	11,896	250,000	11,896	315,341	315,341	11,896	315,341	315,341
Conference & Travel Expenses	5050009	6,819	20,108	20,537	20,108	49,428	49,428	20,108	49,428	49,428
Professional Fees	5060010	18,446	10,926	35,000	10,926	66,203	66,203	10,926	66,203	66,203
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	14,525	130,000	0	0	0	0	0	0
Total		169,242	80,501	598,736	65,981	533,144	533,144	65,981	533,144	533,144
Funding Sources										
Federal Revenue	4000020	169,242	80,501		65,981	533,144	533,144	65,981	533,144	533,144
Total Funding		169,242	80,501		65,981	533,144	533,144	65,981	533,144	533,144
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		169,242	80,501		65,981	533,144	533,144	65,981	533,144	533,144

Change Level by Appropriation

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	65,981	0	65,981	100.0	65,981	0	65,981	100.0
C01	Existing Program	467,163	0	533,144	808.0	467,163	0	533,144	808.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	65,981	0	65,981	100.0	65,981	0	65,981	100.0
C01	Existing Program	467,163	0	533,144	808.0	467,163	0	533,144	808.0

Justification

C01	To purchase meth supplies for training purposes. To allow officers overtime to work meth lab cleanup. To pay for physical examinations for officers to become certified for meth lab cleanup.
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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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$108 increase in the monthly contribution for employee's health insurance in FY10 and a \$888 increase for FY11.

The Agency's Change Level request of \$1,100 each year in Operating Expenses provides for increased costs for leased office equipment and additional software licenses as referenced in the Department's IT Plan.

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		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	47,792	54,564	34,435	56,021	56,021	56,021	57,233	57,233	57,233
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	14,681	24,547	14,545	25,139	25,139	25,139	26,480	26,480	26,480
Operating Expenses	5020002	5,102	10,000	10,000	10,000	11,100	11,100	10,000	11,100	11,100
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	192,562	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		260,137	300,098	269,967	302,147	303,247	303,247	304,700	305,800	305,800
Funding Sources										
Fund Balance	4000005	432,948	449,272		449,174	449,174	449,174	445,927	445,927	445,927
Special Revenue	4000030	276,461	300,000		298,900	300,000	300,000	298,900	300,000	300,000
Total Funding		709,409	749,272		748,074	749,174	749,174	744,827	745,927	745,927
Excess Appropriation/(Funding)		(449,272)	(449,174)		(445,927)	(445,927)	(445,927)	(440,127)	(440,127)	(440,127)
Grand Total		260,137	300,098		302,147	303,247	303,247	304,700	305,800	305,800

The FY09 Budgeted amounts in Regular Salaries and Personal Services Matching exceed the Authorized amounts due to salary and matching rate adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	302,147	1	302,147	100.0	304,700	1	304,700	100.0
C01	Existing Program	600	0	302,747	100.2	600	0	305,300	100.2
C08	Technology	500	0	303,247	100.4	500	0	305,800	100.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	302,147	1	302,147	100.0	304,700	1	304,700	100.0
C01	Existing Program	600	0	302,747	100.2	600	0	305,300	100.2
C08	Technology	500	0	303,247	100.4	500	0	305,800	100.4

Justification

C01	Request for increased copier cost.
C08	Request for additional software license. IT Plan: Agency Desktop Software.

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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$108 increase in the monthly contribution for employee's health insurance in FY10 and a \$888 increase for FY11.

The Agency's Change Level requests total \$5,264,656 in FY10 and \$5,262,585 in FY11 and reflect the following:

- Regular Salaries and Personal Services Matching decrease in the amount of (\$57,098) in FY10 and (\$59,169) in FY11 due to the transfer of one position to the Department's Operations appropriation.
- Extra Help and Personal Services Matching increase in the amount of \$88,273 each year for anticipated increases in federal grants.
- Operating Expenses decrease in the amount of (\$292,075) each year due to the discontinuation of federal funding for the Traffic and Criminal Software ("TraCS") program.
- Conference and Travel Expenses decrease in the amount of (\$3,864) each year due to the discontinuation of federal funding for the TraCS program.
- Professional Fees increase in the amount of \$1,134,876 each year for anticipated increases in federal grants including a new federal program for a primary seatbelt law.
- Grants and Aid increase in the amount of \$4,394,544 each year for anticipated increases in federal grants including a new federal program for a primary seatbelt law.

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		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	405,847	506,622	551,566	522,539	483,340	483,340	533,136	493,036	493,036
#Positions	12	14	14	14	13	13	14	13	13
Extra Help 5010001	2,945	0	90,370	0	82,000	82,000	0	82,000	82,000
#Extra Help	2	2	2	2	2	2	2	2	2
Personal Services Matching 5010003	248,985	356,655	494,864	363,396	351,770	351,770	379,075	366,279	366,279
Overtime 5010006	443,841	326,621	717,500	326,621	326,621	326,621	326,621	326,621	326,621
Operating Expenses 5020002	451,869	1,933,723	3,988,182	1,933,723	1,641,648	1,641,648	1,933,723	1,641,648	1,641,648
Conference & Travel Expenses 5050009	23,339	57,138	72,106	57,138	53,274	53,274	57,138	53,274	53,274
Professional Fees 5060010	1,936,606	2,199,007	5,570,250	2,199,007	3,333,883	3,333,883	2,199,007	3,333,883	3,333,883
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	12,264,618	25,618,200	36,337,969	25,618,200	30,012,744	30,012,744	25,618,200	30,012,744	30,012,744
Capital Outlay 5120011	497,225	79,711	370,000	0	0	0	0	0	0
Total	16,275,275	31,077,677	48,192,807	31,020,624	36,285,280	36,285,280	31,046,900	36,309,485	36,309,485
Funding Sources									
Federal Revenue 4000020	16,275,275	31,077,677		31,020,624	36,285,280	36,285,280	31,046,900	36,309,485	36,309,485
Total Funding	16,275,275	31,077,677		31,020,624	36,285,280	36,285,280	31,046,900	36,309,485	36,309,485
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	16,275,275	31,077,677		31,020,624	36,285,280	36,285,280	31,046,900	36,309,485	36,309,485

FY08 Capital Outlay expenditures exceed Authorized amount by authority of Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	31,020,624	14	31,020,624	100.0	31,046,900	14	31,046,900	100.0
C01	Existing Program	522,081	0	31,542,705	101.7	522,081	0	31,568,981	101.7
C02	New Program	4,750,000	0	36,292,705	117.0	4,750,000	0	36,318,981	117.0
C03	Discontinue Program	(353,459)	0	35,939,246	115.9	(353,459)	0	35,965,522	115.8
C04	Reallocation	0	0	35,939,246	115.9	0	0	35,965,522	115.8
C07	Agency Transfer	(58,477)	(1)	35,880,769	115.7	(60,548)	(1)	35,904,974	115.6
C08	Technology	404,511	0	36,285,280	117.0	404,511	0	36,309,485	117.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	31,020,624	14	31,020,624	100.0	31,046,900	14	31,046,900	100.0
C01	Existing Program	522,081	0	31,542,705	101.7	522,081	0	31,568,981	101.7
C02	New Program	4,750,000	0	36,292,705	117.0	4,750,000	0	36,318,981	117.0
C03	Discontinue Program	(353,459)	0	35,939,246	115.9	(353,459)	0	35,965,522	115.8
C04	Reallocation	0	0	35,939,246	115.9	0	0	35,965,522	115.8
C07	Agency Transfer	(58,477)	(1)	35,880,769	115.7	(60,548)	(1)	35,904,974	115.6
C08	Technology	404,511	0	36,285,280	117.0	404,511	0	36,309,485	117.0

Justification

C01	Anticipated increases in federal funding for Grants and Aid and Professional Fees.
C02	Anticipation of new federal program for primary seatbelt law . Expenditures will include professional service contracts and Grants and Aid.
C03	Discontinuation of federal funding for TraCS program and CDL 05 grant.
C04	Reallocation to properly classify expenditures.
C07	Change level request to transfer position from Appropriation 1FJ to Appropriation 519.
C08	CDL grant (IT Plan: Project: FMCSA-CDL Outrun) to purchase portable CDL testing equipment.

Analysis of Budget Request

Appropriation: 2EG - Homeland Security-Federal *

Funding Sources: FLA - ASP Federal

This appropriation was initially established to utilize federal funds for operating the AWIN System (Arkansas Wireless Information Network) for the State of Arkansas. The Agency no longer receives federal funds for the AWIN program. The Agency requests that this appropriation be renamed "**Homeland Security-Federal**" and utilized for Department of Homeland Security Grants. This appropriation will continue to be funded 100% with federal funds.

The Agency's Change Level requests total \$1,042,548 each year and reflect the following:

- Operating Expenses increase in the amount of \$602,748 each year for increased costs associated with anticipated federal grant programs.
- Conference and Travel Expenses increase in the amount of \$24,900 each year for training required as a condition of receiving federal grants.
- Capital Outlay in the amount of \$414,900 each year for equipment purchases including a bomb mitigation system and a tactical vehicle.

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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	1,411	335,952	2,550,000	335,952	938,700	938,700	335,952	938,700	938,700
Conference & Travel Expenses	5050009	2,872	37,000	0	0	24,900	24,900	0	24,900	24,900
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Construction	5090005	0	0	1,500,000	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	387,995	490,384	12,651,441	0	414,900	414,900	0	414,900	414,900
Total		392,278	863,336	16,701,441	335,952	1,378,500	1,378,500	335,952	1,378,500	1,378,500
Funding Sources										
Federal Revenue	4000020	392,278	863,336		335,952	1,378,500	1,378,500	335,952	1,378,500	1,378,500
Total Funding		392,278	863,336		335,952	1,378,500	1,378,500	335,952	1,378,500	1,378,500
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		392,278	863,336		335,952	1,378,500	1,378,500	335,952	1,378,500	1,378,500

*This appropriation was initially established to utilize federal funds for operating the AWIN System (Arkansas Wireless Information Network) for the State of Arkansas. The Agency no longer receives federal funds for the AWIN program. The Agency requests that this appropriation be renamed "Homeland Security - Federal" and utilized for Department of Homeland Security Grants.

FY09 Budget amount in Conference and Travel Expenses exceeds Authorized amount 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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	335,952	0	335,952	100.0	335,952	0	335,952	100.0
C04	Reallocation	0	0	335,952	100.0	0	0	335,952	100.0
C08	Technology	1,042,548	0	1,378,500	410.3	1,042,548	0	1,378,500	410.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	335,952	0	335,952	100.0	335,952	0	335,952	100.0
C04	Reallocation	0	0	335,952	100.0	0	0	335,952	100.0
C08	Technology	1,042,548	0	1,378,500	410.3	1,042,548	0	1,378,500	410.3

Justification

C04	Change level reallocation resulted from re-aligning expenses to the correct general ledger accounts.
C08	Change level is due to anticipation of Homeland Security grants (IT Plan: Project: Fusion Center; Mobile Command Post Phase II). Expenditures will include Operating Expenses, Conference and Travel Expenses, and Capital Outlay. Capital Outlay will include a bomb robot and tactical vehicle (IT Plan: Project: Homeland Security Bomb & Tactical Vehicle).

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 \$1,221,350 each year and reflect the following:

- Operating Expenses increase in the amount of \$229,250 each year for increases in the costs of data processing system maintenance and Information Network of Arkansas (INA) transaction fees.
- Conference and Travel Expenses decrease in the amount of (\$7,900) each year.
- Capital Outlay of \$1,000,000 each year for the purchase of a Mobile Quick Identification System which would allow troopers to process fingerprints in the field and transfer data from their patrol vehicles.

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	729,779	886,000	886,000	886,000	1,115,250	1,115,250	886,000	1,115,250	1,115,250
Conference & Travel Expenses	5050009	2,472	19,000	19,000	19,000	11,100	11,100	19,000	11,100	11,100
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	32,000	0	0	0	0	0	0
Capital Outlay	5120011	105,122	450,000	450,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000
Total		837,373	1,355,000	1,387,000	905,000	2,126,350	2,126,350	905,000	2,126,350	2,126,350
Funding Sources										
Fund Balance	4000005	755,959	1,883,717		2,633,394	2,633,394	2,633,394	2,707,044	2,707,044	2,707,044
Special Revenue	4000030	1,965,131	2,104,677		978,650	2,200,000	2,200,000	978,650	2,200,000	2,200,000
Total Funding		2,721,090	3,988,394		3,612,044	4,833,394	4,833,394	3,685,694	4,907,044	4,907,044
Excess Appropriation/(Funding)		(1,883,717)	(2,633,394)		(2,707,044)	(2,707,044)	(2,707,044)	(2,780,694)	(2,780,694)	(2,780,694)
Grand Total		837,373	1,355,000		905,000	2,126,350	2,126,350	905,000	2,126,350	2,126,350

Special Revenue - Criminal History Background Check fees.

Change Level by Appropriation

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	905,000	0	905,000	100.0	905,000	0	905,000	100.0
C01	Existing Program	221,350	0	1,126,350	124.5	221,350	0	1,126,350	124.5
C04	Reallocation	0	0	1,126,350	124.5	0	0	1,126,350	124.5
C08	Technology	1,000,000	0	2,126,350	235.0	1,000,000	0	2,126,350	235.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	905,000	0	905,000	100.0	905,000	0	905,000	100.0
C01	Existing Program	221,350	0	1,126,350	124.5	221,350	0	1,126,350	124.5
C04	Reallocation	0	0	1,126,350	124.5	0	0	1,126,350	124.5
C08	Technology	1,000,000	0	2,126,350	235.0	1,000,000	0	2,126,350	235.0

Justification

C01	Change level due to increased operational costs in data processing equipment maintenance and other expenses.
C04	Change level reallocation resulted from re-aligning expenses to the correct general ledger accounts.
C08	Change level requested to purchase mobile quick identification for AFIS (IT Plan: Major Application: AFIS).

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 71% of the total funding comes from general revenue. The remaining 29% 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 licensure fees.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$108 increase in the monthly contribution for employee's health insurance in FY10 and an \$888 increase for FY11.

The Agency's Change Level requests total \$22,501,147 in FY10 and \$18,013,200 in FY11 and reflects the following:

- Regular Salaries and Personal Services Matching of \$7,338,304 in FY10 and \$7,600,198 in FY11 for restoration of 16 positions in Crimes Against Children Division, 4 positions in Criminal Investigation Division, 88 positions in Director's Office (72 Commissioned Officers), 5 positions in Highway Patrol Division (Telecomm Operators) and 13 positions in Administrative Services Division, the addition of four (4) new positions, Fire Marshall Inspector to staff the State Fire Marshall's Office for compliance with A.C.A. § 12-13-105, and the transfer of one position from the Agency's Highway Safety Program-Federal appropriation. As a part of this request, the Agency is also asking for \$80,000 in FY10 and \$84,000 in FY11 to establish a Tier II Drop Program for 291 commissioned personnel.
- Extra Help and Personal Services Matching of \$33,651 in FY10 and \$34,513 in FY11 for Troop Schools and the Agency's Records Retention Program.
- Overtime and Personal Services Matching in the amount of \$328,325 each year in APPROPRIATION ONLY to support increased overtime programs approved by the Agency Director that enhance the opportunity for enforcement of federal and state laws.
- Operating Expenses increase in the amount of \$2,965,603 in FY10 and \$3,735,906 in FY11 for the following items:
 1. One Troop School each year;
 2. Connectivity fees which will allow transmission of data from Arkansas Crime Information Center or other resources to patrol vehicles reduce radio traffic throughout the state and provide more accurate data to the officer by alleviating repeat transmissions and criminal impersonation;
 3. Increases in utility costs;

4. Fusion Center operating expenses. The State Fusion Center will aide in assessing and analyzing all crimes as well as providing vital information from analysts to law enforcement personnel, provide a central location for the sharing and collaboration of criminal/statistical information, and provide office space for participating federal, state and local law enforcement or homeland security agency personnel;
 5. Information technology expansion at each of the 12 Troop Headquarters, including upgrading to T-1 lines and installation of network switches to create more bandwidth for transmitting and receiving information;
 6. Information technology needs including TraCS operating costs, increased maintenance contracts and increased license agreements;
 7. Increases in fuel costs;
 8. Records Retention Program operating expenses; and
 9. Data Encryption Program operating expenses.
- Conference and Travel Expenses increase in the amount of \$520,265 in FY10 and \$534,083 in FY11 for training (state and federal) for all aspects of ASP operations.
 - Professional Fees increase in the amount of \$250,000 in FY10 and \$310,000 in FY11 for increased costs in recruit testing, promotional testing and vendor contracting for in-house training.
 - Claims in the amount of \$5,250,000 for FY10 for pending legal settlements:
 1. Negotiated settlement of \$250,000 from a \$3.5 million claim from a pursuit accident resulting in a wrongful death claim.
 2. Pending lawsuit of \$5,000,000 regarding retirement benefits.
 - Capital Outlay in the amount of \$5,868,324 in FY10 and \$5,523,500 in FY11 to include the following:

In FY10, the following items are requested:

- ◆ \$335,324 Proxy Card System, ASP Headquarters
- ◆ \$100,000 Driving Simulator, ASP Training
- ◆ \$50,000 Radius Server, IT Section
- ◆ \$49,000 Network Switch for Troops (14 @ \$3,500)
- ◆ \$20,000 Server for Data Encryption, IT Section
- ◆ \$3,000 Computer for Data Encryption, IT Section

In FY11, the following items are requested:

- ◆ \$175,000 HVAC, ASP Headquarters
- ◆ \$30,000 Portable Thermal Imaging Device, Criminal Investigation Division
- ◆ \$7,500 Server for 2008 License (3 @ \$2,500), IT Section

For both years, the following items are requested:

- ◆ \$205,000 In-Car Cameras (50 @ \$4,100), Highway Patrol Division
- ◆ \$224,000 TraCS In-Car Computers (80 @ \$2,800), Highway Patrol Division
- ◆ \$180,000 Radars (50 @ \$3,600), Highway Patrol Division
- ◆ \$30,000 In Car K-9 Kennels (10 @ \$3,000), Highway Patrol Division
- ◆ \$72,000 AWIN Radios (20 @ \$3,600), Highway Patrol Division
- ◆ \$4,600,000 ASP Fleet Rotation Plan

- Covert Ops in the amount of \$25,000 each year to increase the Agency's assistance to local police agencies in combating drugs.

The Executive Recommendation provides for Base Level, with additional appropriation totaling \$6,773,888 in FY10 and \$7,502,630 in FY11, and additional general revenue funding totaling \$3,864,060 in FY10 and \$5,482,899 in FY11, to support the following:

- Regular Salaries and Personal Services Matching appropriation of \$2,189,374 with general revenue funding of \$819,406 in FY10 and appropriation of \$2,265,511 with general revenue funding of \$1,745,370 in FY11 for the restoration of 30 positions for Troop schools, 2 positions for the Fusion Center, 1 position for the Data Encryption Program, 1 position for the Records Retention Program, the transfer of 1 position from the Highway Safety Program - Federal appropriation, and corresponding matching for the Agency's Overtime increase request.
- Extra Help and Personal Services Matching of \$33,651 in FY10 and \$34,513 in FY11 for Troop schools and the Records Retention Program.
- Unfunded Overtime appropriation of \$250,000 each year.
- Operating Expenses appropriation of \$2,965,603 with general revenue funding of \$2,386,743 in FY10 and appropriation of \$3,735,906 with general revenue funding of \$3,197,306 in FY11 for utilities, Troop schools, information technology expansions and needs at the Agency's Troop headquarters around the state, as well as the Fusion Center and the Data Encryption and Records Retention programs.
- Conference and Travel Expenses of \$277,260 in FY10 and \$223,200 in FY11 for training for all aspects of ASP operations.
- Professional Fees of \$250,000 each year for Troop schools, recruit testing, promotional testing and vendor contracting for in-house training.
- Capital Outlay appropriation of \$783,000 with general revenue funding of \$72,000 in FY10 and appropriation of \$718,500 with general revenue funding of \$7,500 in FY11 for equipment purchases for various Agency programs and technology upgrades.
- Covert Operations of \$25,000 each year to increase the Agency's assistance to local police agencies in combating illegal drug trafficking.
- Funding for a Proxy Card system (\$335,324) at Agency headquarters, a driving simulator (\$100,000) and a HVAC system (\$175,000) at Agency headquarters will be addressed through the General Improvement Fund.

Appropriation Summary

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	38,659,376	40,035,561	43,160,744	41,683,542	46,452,427	43,043,219	42,624,042	47,501,472	44,014,971
#Positions		1,006	954	1,080	954	1,085	989	954	1,085	989
Extra Help	5010001	69,487	65,287	116,560	65,287	96,547	96,547	65,287	97,347	97,347
#Extra Help		12	18	18	18	18	18	18	18	18
Personal Services Matching	5010003	19,302,903	21,433,743	23,838,839	22,765,935	25,337,745	23,598,023	23,907,745	26,632,966	24,784,780
Overtime	5010006	122,879	91,258	250,000	91,258	341,258	341,258	91,258	341,258	341,258
Operating Expenses	5020002	10,388,440	11,651,131	13,032,323	11,651,131	14,616,734	14,616,734	11,651,131	15,387,037	15,387,037
Conference & Travel Expenses	5050009	160,050	50,000	435,500	50,000	570,265	327,260	50,000	584,083	273,200
Professional Fees	5060010	68,865	154,600	298,500	154,600	404,600	404,600	154,600	464,600	404,600
Data Processing	5090012	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Claims	5110015	0	0	0	0	5,250,000	0	0	0	0
Capital Outlay	5120011	4,981,612	0	208,500	0	5,868,324	783,000	0	5,523,500	718,500
Covert Ops	5900047	125,000	100,000	125,000	100,000	125,000	125,000	100,000	125,000	125,000
Total		73,898,612	73,601,580	81,485,966	76,581,753	99,082,900	83,355,641	78,664,063	96,677,263	86,166,693

Funding Sources										
Fund Balance	4000005	1,624,778	3,799,542		3,127,564	3,127,564	3,127,564	1,847,873	1,597,873	1,597,873
General Revenue	4000010	53,962,707	54,462,284		56,667,495	73,391,342	60,531,555	58,208,323	70,437,923	63,691,212
Federal Revenue	4000020	0	78,000		416,370	416,370	416,370	416,370	416,370	416,370
Special Revenue	4000030	14,221,017	14,224,710		14,074,025	19,601,325	19,601,325	14,619,325	20,152,925	20,152,925
DFA Motor Vehicle Acquisition	4000184	3,666,494	0		0	0	0	0	0	0
Other	4000370	1,955,055	1,421,063		1,345,756	1,345,756	1,345,756	1,329,756	1,329,756	1,329,756
Transfer from DHS	4000510	2,268,103	2,743,545		2,798,416	2,798,416	2,798,416	2,854,384	2,854,384	2,854,384
Total Funding		77,698,154	76,729,144		78,429,626	100,680,773	87,820,986	79,276,031	96,789,231	90,042,520
Excess Appropriation/(Funding)		(3,799,542)	(3,127,564)		(1,847,873)	(1,597,873)	(4,465,345)	(611,968)	(111,968)	(3,875,827)
Grand Total		73,898,612	73,601,580		76,581,753	99,082,900	83,355,641	78,664,063	96,677,263	86,166,693

FY08 Actual expenses in Capital Outlay exceed the Authorized amount due to transfers from the DFA Motor Vehicle Acquisition Fund, the Court Awards Fund, and by authority of Budget Classification Transfers.

The FY09 Budgeted number of Extra Help positions exceeds the Authorized number due to the flexibility inherent in the authorization of Extra Help positions through one section in the appropriation act.

Variance in fund balance is due to unfunded appropriation.

Change Level by Appropriation

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	76,581,753	954	76,581,753	100.0	78,664,063	954	78,664,063	100.0
C01	Existing Program	20,026,702	130	96,608,455	126.2	15,929,758	130	94,593,821	120.3
C07	Agency Transfer	58,477	1	96,666,932	126.2	60,548	1	94,654,369	120.3
C08	Technology	2,415,968	0	99,082,900	129.4	2,022,894	0	96,677,263	122.9

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	76,581,753	954	76,581,753	100.0	78,664,063	954	78,664,063	100.0
C01	Existing Program	4,784,767	34	81,366,520	106.2	5,624,188	34	84,288,251	107.1
C07	Agency Transfer	58,477	1	81,424,997	106.3	60,548	1	84,348,799	107.2
C08	Technology	1,930,644	0	83,355,641	108.8	1,817,894	0	86,166,693	109.5

Justification

C01	Change level requests to restore 126 positions, add 4 new positions, cover increases in Agency Operating Expenses, Conference and Travel (training) needs, Professional Fees for testing and training needs, and equipment/facilities needs.
C07	Change level request to transfer position from Appropriation 1FJ to Appropriation 519.
C08	Change level request to purchase items for data encryption (IT Plan: Project: ASP Data Encryption), records retention (IT Plan: Project: ASP Records Retention), proxy card system (IT Plan: Project: Proxy Card System), driving simulator (IT Plan: Project: Driving Simulator), and TraCS (Major Application: TraCS) equipment for ASP Vehicles.

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 and the Drug Enforcement Administration. The Agency anticipates receiving federal funding for Internet Crimes Against Children, Marijuana Eradication, Forensic Network and Criminal Investigation Division Wireless.

The Agency's Change Level requests total \$690,784 each year and reflect the following:

- Overtime and Personal Service Matching increases totaling \$10,187 each year for Investigation personnel.
- Operating Expenses increase in the amount of \$239,857 each year for increases in wireless telecommunications, fuel, public safety supplies, subscriptions and data processing supplies for the Internet Crimes Against Children, CID Wireless and Forensic Network grants.
- Conference and Travel Expenses increase in the amount of \$87,785 each year for training required as a condition of receiving federal grants.
- Capital Outlay of \$353,225 each year for the purchase of 4 FRED (Forensic Recovery of Evidence Device) units, 2 FREDDIE units, 1 FRED-L unit, optical disc processing station, a magnetic disk processing station, a 5-ton a/c unit, a FRED-C unit, an EnCase lab edition, and fixed and mobile satellite equipment.

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		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	7,372	21,048	68,028	21,069	23,499	23,499	21,069	23,499	23,499
Overtime	5010006	43,677	67,243	222,602	67,243	75,000	75,000	67,243	75,000	75,000
Operating Expenses	5020002	298,327	282,377	961,546	282,377	521,964	521,964	282,377	521,964	521,964
Conference & Travel Expenses	5050009	26,643	85,467	54,926	54,296	142,081	142,081	54,296	142,081	142,081
Professional Fees	5060010	0	0	3,000	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	1,234	199,093	63,000	63,000	63,000	63,000	63,000	63,000	63,000
Capital Outlay	5120011	797,396	0	1,805,842	0	353,225	353,225	0	353,225	353,225
Total		1,174,649	655,228	3,178,944	487,985	1,178,769	1,178,769	487,985	1,178,769	1,178,769
Funding Sources										
Federal Revenue	4000020	1,174,649	655,228		487,985	1,178,769	1,178,769	487,985	1,178,769	1,178,769
Total Funding		1,174,649	655,228		487,985	1,178,769	1,178,769	487,985	1,178,769	1,178,769
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,174,649	655,228		487,985	1,178,769	1,178,769	487,985	1,178,769	1,178,769

FY09 Budget amounts in Capital Outlay and Conference and Travel Expenses exceed Authorized amount due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 521 - Various Federal Programs

Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	487,985	0	487,985	100.0	487,985	0	487,985	100.0
C01	Existing Program	36,568	0	524,553	107.5	36,568	0	524,553	107.5
C08	Technology	654,216	0	1,178,769	241.6	654,216	0	1,178,769	241.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	487,985	0	487,985	100.0	487,985	0	487,985	100.0
C01	Existing Program	36,568	0	524,553	107.5	36,568	0	524,553	107.5
C08	Technology	654,216	0	1,178,769	241.6	654,216	0	1,178,769	241.6

Justification

C01	Change level request to allow increases for satellite, fuel, public safety supplies, subscriptions and data processing supplies for the Internet Crimes Against Children grant.
C08	In anticipation of the CID Wireless grant (IT Plan: Project: CID Wireless Technology Project), expenditures will include Operating Expenses and Capital Outlay of 41 laptop computers. In anticipation of the Forensic Network grant (IT Plan: Project: Forensic Network Grant), expenses will include operating costs, training, and Capital Outlay. Capital Outlay will include 4 FRED units, 2 FREDDIE units, 1 FRED-L unit, optical disc processing station, magnetic disk processing station, 5-ton a/c unit, FRED-C unit, EnCase lab edition, fixed satellite equipment, and mobile satellite equipment.

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 Request provides 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			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 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 salaries for classified positions reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$108 increase in the monthly contribution for employee's health insurance in FY10 and a \$888 increase for FY11.

The Agency's Change Level requests total \$379,350 each year and reflect the following:

- Operating Expenses increase in the amount of \$283,650 each year for increases in requests for background checks.
- Conference and Travel Expenses decrease in the amount of (\$4,300) each year.
- Capital Outlay of \$100,000 each year for advanced data storage (addition/replacement of database computer servers).

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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	178,154	209,658	311,076	212,356	212,356	212,356	215,996	215,996	215,996
#Positions		10	9	9	9	9	9	9	9	9
Personal Services Matching	5010003	84,313	127,615	191,496	129,495	129,495	129,495	138,628	138,628	138,628
Operating Expenses	5020002	1,481,950	1,750,000	1,750,000	1,750,000	2,033,650	2,033,650	1,750,000	2,033,650	2,033,650
Conference & Travel Expenses	5050009	2,212	20,000	20,000	20,000	15,700	15,700	20,000	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	0	10,000	10,000	0	100,000	100,000	0	100,000	100,000
Total		1,746,629	2,117,273	2,282,572	2,111,851	2,491,201	2,491,201	2,124,624	2,503,974	2,503,974
Funding Sources										
Fund Balance	4000005	3,195,959	2,957,411		2,304,197	2,304,197	2,304,197	1,312,996	1,312,996	1,312,996
Special Revenue	4000030	1,508,081	1,464,059		1,120,650	1,500,000	1,500,000	1,120,650	1,500,000	1,500,000
Total Funding		4,704,040	4,421,470		3,424,847	3,804,197	3,804,197	2,433,646	2,812,996	2,812,996
Excess Appropriation/(Funding)		(2,957,411)	(2,304,197)		(1,312,996)	(1,312,996)	(1,312,996)	(309,022)	(309,022)	(309,022)
Grand Total		1,746,629	2,117,273		2,111,851	2,491,201	2,491,201	2,124,624	2,503,974	2,503,974

Change Level by Appropriation

Appropriation: 526 - Criminal Background Checks

Funding Sources: SEF - State Poice Equipment Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,111,851	9	2,111,851	100.0	2,124,624	9	2,124,624	100.0
C01	Existing Program	279,350	0	2,391,201	113.2	279,350	0	2,403,974	113.1
C04	Reallocation	0	0	2,391,201	113.2	0	0	2,403,974	113.1
C08	Technology	100,000	0	2,491,201	118.0	100,000	0	2,503,974	117.9

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	2,111,851	9	2,111,851	100.0	2,124,624	9	2,124,624	100.0
C01	Existing Program	279,350	0	2,391,201	113.2	279,350	0	2,403,974	113.1
C04	Reallocation	0	0	2,391,201	113.2	0	0	2,403,974	113.1
C08	Technology	100,000	0	2,491,201	118.0	100,000	0	2,503,974	117.9

Justification

C01	To handle increased background checks processed through FBI.
C04	Change level reallocation resulted from re-aligning expenses to the correct general ledger accounts.
C08	To provide advanced data storage (IT Plan: Major Application: AFIS).

Analysis of Budget Request

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: ASP - AWIN General Revenue

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 \$8,591,611 in FY10 and \$4,583,730 in FY11 and reflect the following:

- Operating Expenses increase in the amount of \$2,653,611 in FY10 and \$2,995,730 to support expenses incurred in the provision of communications services to State first responder personnel, emergency repairs and increased utility expenses necessary to prevent an interruption of services to State agencies.
- Conference and Travel Expenses increase in the amount of \$60,000 each year for training costs.
- Professional Fees increase in the amount of \$750,000 in FY10 and \$500,000 in FY11 for third party consulting contracts.
- Data Processing increase in the amount of \$28,000 each year for lease of data processing equipment.
- Capital Outlay of \$4,100,000 in FY10 for the purchase of a SmartZone Controller and \$1,000,000 each year for building and tower replacement.

The Executive Recommendation provides for Base Level, with additional appropriation and general revenue funding to support the following:

Operating Expense totaling \$1,419,269 each year.

Data Processing Expenses totaling \$28,000 each year.

Funding for the purchase of a SmartZone Controller (\$4,100,000) and building and tower replacement (\$1,000,000 each year) will be addressed through the General Improvement Fund.

REPLACEMENT PAGES

Appropriation Summary

Appropriation: 9KA - AR Wireless Information Network (AWIN)
Funding Sources: ASP - AWIN General Revenue

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	7,118,839	4,641,725	7,139,500	4,641,725	7,295,336	6,060,994	4,641,725	7,637,455	6,060,994
Conference & Travel Expenses 5050009	30,036	0	60,000	0	60,000	0	0	60,000	0
Professional Fees 5060010	138,235	0	138,235	0	750,000	0	0	500,000	0
Data Processing 5090012	140,000	0	124,000	0	28,000	28,000	0	28,000	28,000
Capital Outlay 5120011	450,000	0	1,150,000	0	5,100,000	0	0	1,000,000	0
Total	7,877,110	4,641,725	8,611,735	4,641,725	13,233,336	6,088,994	4,641,725	9,225,455	6,088,994
Funding Sources									
General Revenue 4000010	7,877,110	4,641,725		4,641,725	13,233,336	6,088,994	4,641,725	9,225,455	6,088,994
Total Funding	7,877,110	4,641,725		4,641,725	13,233,336	6,088,994	4,641,725	9,225,455	6,088,994
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	7,877,110	4,641,725		4,641,725	13,233,336	6,088,994	4,641,725	9,225,455	6,088,994

Change Level by Appropriation

REPLACEMENT PAGES

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: ASP - AWIN General Revenue

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,641,725	0	4,641,725	100.0	4,641,725	0	4,641,725	100.0
C08	Technology	8,591,611	0	13,233,336	285.1	4,583,730	0	9,225,455	198.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,641,725	0	4,641,725	100.0	4,641,725	0	4,641,725	100.0
C08	Technology	1,447,269	0	6,088,994	131.2	1,447,269	0	6,088,994	131.2

Justification

C08	To continue the appropriation for supporting operating expenses incurred in the provision of communications services to the state first responder personnel, emergency repairs, or due to uncontrollable increases in payments to public utilities necessary to prevent an interruption of services to state agencies (IT Plan: Major Applications: AWIN).
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Appropriation Summary

Appropriation: 35G - Estate of Erin Hamley
Funding Sources: GAD - General Revenue Allotment Reserve Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE NEW BIENNIUM.

WAR MEMORIAL STADIUM COMMISSION

Enabling Laws

Act 323 of 2007
A.C.A. § 22-3-1001

History and Organization

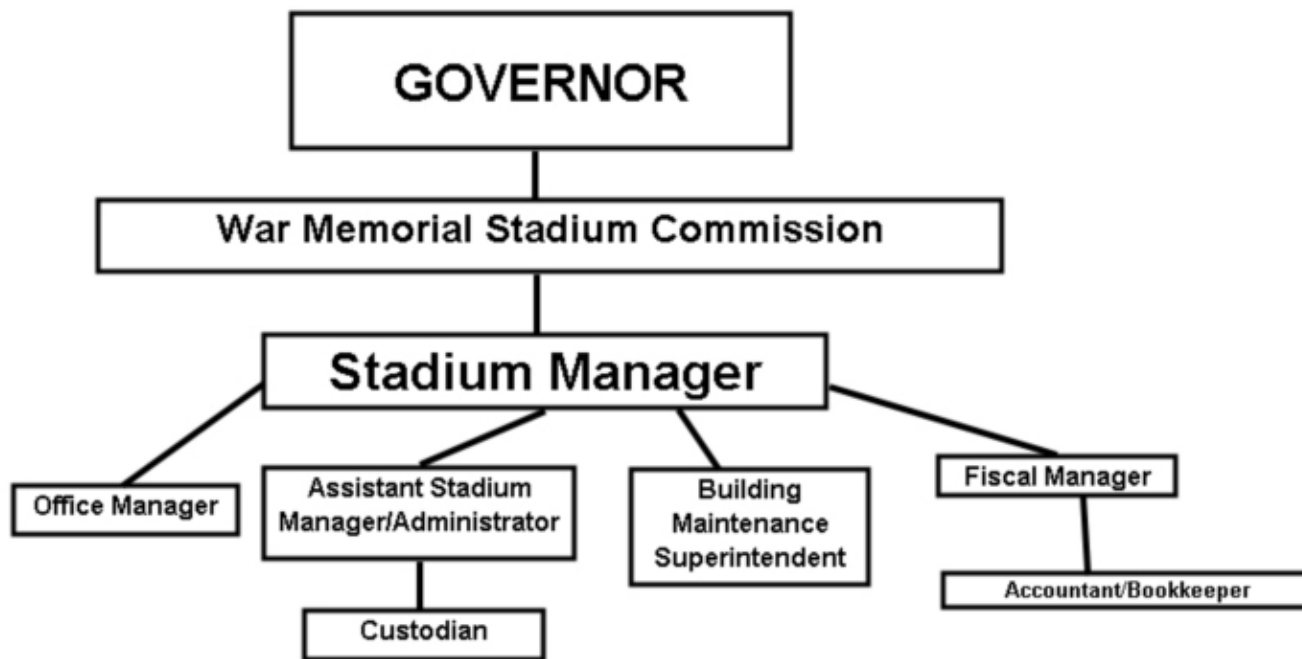
War Memorial Stadium's mission is to provide safe and adequate facilities for open-air events for schools, colleges, and universities of the State of Arkansas. In addition, the Stadium is available for use by other institutional and commercial organizations for various activities requiring a large open-air facility. The Stadium also allows various non-profit organizations to utilize the facilities for fund raising events as a community service. Beginning in Fiscal Year 2006, funding for the operation and upkeep of the Stadium came from stabilized General Revenue in the Miscellaneous Agencies Fund so that cash revenue could be used to do some much needed and long over do major renovations to the Stadium. The War Memorial Stadium Commission wishes to continue to receive general revenue funding for Fiscal Years 2010 and 2011 and so on. The cash revenues are generated by the use of the Stadium through rentals and profits from concession/novelty sales and are being used for operations not covered by general revenue and for major ongoing renovations to the Stadium.

The Stadium Commission consists of eight (8) members appointed by the Governor with the advice and consent of the Senate. Each Congressional District in the State is represented by membership on this commission along with four (4) members from the State at large. This commission has exclusive jurisdiction over the operation of War Memorial Stadium.

Since its inception, the Stadium Commission has overseen a steady increase in the use of the Stadium. In the last biennium the Stadium was used over fifty times; four times by the University of Arkansas at Fayetteville, two times by Arkansas State University in Jonesboro, two times by the University of Central Arkansas in Conway, two times by the University of Arkansas in Pine Bluff, several special events including Burlsworth football camps, Life Champs football camps, Battle of the Bands, High School Marching Band Competitions, "Get Wild" in Arkansas watch parties and wild game cook-offs. In addition, fifteen to twenty additional high school football games are played in the stadium including home games for Little Rock Catholic High School, the Arkansas Activities Associations State Championship games for all divisions of high school football & Salt Bowl (Bryant vs. Benton) games. It is estimated that during the last biennium over 500,000 citizens of the State of Arkansas and guests from other states have used the facility during these events. The Stadium Commission and its staff will continue to seek events to maximize the use of the facility. During the past year, we have had approximately 10 inquires regarding the use of the Stadium for football events and events other than football.

Current renovations to the Stadium include new concession stands and restrooms in the south concourse and end zone, new visiting dressing rooms, and signage updates. War Memorial Stadium Commission is hoping the upgrade of the facility will continue in the upcoming years including renovating the outdated press box. Renovation of the press box would provide for additional revenue to be made for the stadium. The stadium has at least 3 more major renovation projects in the works to have a fully updated facility for the citizens of Arkansas to be proud of and have the convenience they need and require at the Stadium that has served our State so well for over 50 years. On September 6th, 2008, War Memorial

Stadium will celebrate its 60th anniversary. The Stadium will be rededicated to the veterans who have served as well as dedicating a newly constructed sculpture to those who served. The Sculpture project was created by the War Memorial Stadium Improvement Trust. Funding for the \$500,000 project was provided by the Roy and Christine Sturgis Charitable and Educational Trust. The sculpture will be located at the main entrance to the stadium's west side, on the corner of Fair Park and Stadium Drive. It will sit on a granite circle that is 40 feet in diameter. In the center will be five columns from which five granite stars - each representing a branch of the military -- are hoisted into the air. The area surrounding the sculpture will be landscaped to form a plaza-like area that will be called Veteran's Plaza. The sculpture will be lit at night, establishing a patriotic entrance into the stadium area.



Agency Commentary

Act 282 of 1967 amended Sections 1, 2, and 5 of Act 249 of 1947 to create a Stadium Commission consisting of eight (8) members appointed by the Governor with the advice and consent of the Senate. Each Congressional District in the State is represented by membership of this Commission along with four (4) members from the State at large. This Commission has exclusive jurisdiction over the operation of War Memorial Stadium. The Stadium facilities are available for use by schools, colleges and universities of the State. In addition it is available for use by other institutional and commercial organizations for various activities requiring a large open-air facility. The Stadium also allows the use of its facilities to non-profit organizations for fund raising events. Funding for the operation and upkeep of the Stadium is from stabilized General Revenue in the Miscellaneous Agencies Fund and cash revenues that are generated by the use of the Stadium through rentals and profits from concession/novelty sales.

The 2009 - 2011 Biennial Budget request seeks to provide for the maintenance and operations of the Stadium funded by general revenue, and for the cost of providing concessions and novelties for the events held at the Stadium funded by cash generated by the Stadium.

In the cash appropriation, War Memorial Stadium Commission requests an increase of \$200,000 each year for the cost of providing resale items for concessions and novelty sales. Cash generated by the Stadium will be used to help cover the cost for major construction projects including renovating the outdated press box.

The Commission requests an increase in general revenue appropriation of \$215,000 in Operating Expense each year for maintenance and utilities cost increases. General maintenance of the stadium, concession stands, concourse area, parking lot, lighting, field turf, scoreboards, elevator, replay booth, as well as electrical and plumbing maintenance will need to be preformed. An increase in utility cost of electricity, water, sewage and gas is requested.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS WAR MEMORIAL STADIUM COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	2	2	4	80 %
Black Employees	1	0	1	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	20 %
Total Employees			5	100 %

Cash Fund Balance Description as of June 30, 2008

Fund Account	Balance	Type	Location
3260000	\$345,059	Checking, CD	Bank of America

Statutory/Other Restrictions on use:

A.C.A. § 22-3-1007 Collateral/Payment of Bonds/Interest

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. § 22-3-1002(6) Fix the amount of admissions, fees, commissions, concessions, rents, and other charges to be collected by the commission for the use of the stadium for athletic or other events

Revenue Receipts Cycle:

Revenue is deposited per event. Excess cash is invested in CD's. Interest is deposited monthly.

Fund Balance Utilization:

Used for operations, investment purposes, change for concession stands for football games and other events.

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	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
2VZ State Operations	812,166	6	868,082	6	908,167	6	875,066	6	1,090,066	6	875,066	6	882,837	6	1,097,837	6	882,837	6
A24 War Memorial Operations	1,002,719	0	5,576,453	1	5,397,213	1	5,356,624	1	5,556,624	1	5,556,624	1	5,356,624	1	5,556,624	1	5,556,624	1
Total	1,814,885	6	6,444,535	7	6,305,380	7	6,231,690	7	6,646,690	7	6,431,690	7	6,239,461	7	6,654,461	7	6,439,461	7

Funding Sources		%		%		%		%		%		%		%		%		
Fund Balance 4000005	899,847	41.7	345,059	4.8			712,360	9.7	712,360	9.2	712,360	9.5	1,099,490	14.2	1,099,490	13.5	1,099,490	13.9
General Revenue 4000010	812,166	37.6	865,234	12.1			875,066	11.9	1,090,066	14.1	875,066	11.6	882,837	11.4	1,097,837	13.5	882,837	11.1
Cash Fund 4000045	447,931	20.7	1,943,754	27.2			1,743,754	23.8	1,943,754	25.1	1,943,754	25.8	1,743,754	22.6	1,943,754	23.9	1,943,754	24.5
Merit Adjustment Fund 4000055	0	0.0	2,848	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Contribution / Bonds 4000165	0	0.0	4,000,000	55.9			4,000,000	54.6	4,000,000	51.6	4,000,000	53.1	4,000,000	51.8	4,000,000	49.1	4,000,000	50.5
Total Funds	2,159,944	100.0	7,156,895	100.0			7,331,180	100.0	7,746,180	100.0	7,531,180	100.0	7,726,081	100.0	8,141,081	100.0	7,926,081	100.0
Excess Appropriation/(Funding)	(345,059)		(712,360)				(1,099,490)		(1,099,490)		(1,099,490)		(1,486,620)		(1,486,620)		(1,486,620)	
Grand Total	1,814,885		6,444,535				6,231,690		6,646,690		6,431,690		6,239,461		6,654,461		6,439,461	

Budget for appropriation A24 exceeds Authorized due to a transfer from the Cash Fund Holding Account.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
7	6	1	7	0	14.29 %	7	5	2	7	0	28.57 %	7	5	2	7	0	28.57 %

Analysis of Budget Request

Appropriation: 2VZ - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Operations appropriation funded by general revenue provides for operations and maintenance of War Memorial Stadium. This appropriation in part replaced the general revenue the Stadium was receiving through the City and County Tourist Meeting and Entertainment Facilities Assistance Law, A.C.A. §14-171-215, from fiscal years 1996 to 2004.

Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting additional appropriation and general revenue funding for Operating Expenses of \$215,000 for both FY10 and FY11. Of this amount, \$200,000 covers increase cost for routine general maintenance to the Stadium, concession stands, concourse areas as well as upkeep of the parking lots, and landscaping the grounds. Maintenance to the Stadium includes waterproofing and re-sealing the concrete, painting of field walls and service for 30 air units, as well as lighting and plumbing needs. The remaining request of \$15,000 for FY10 and FY11 would cover the increase cost for utilities.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 2VZ - 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	289,540	325,126	322,726	326,276	326,276	326,276	332,821	332,821	332,821
#Positions		6	6	6	6	6	6	6	6	6
Extra Help	5010001	39,893	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help		113	113	113	113	113	113	113	113	113
Personal Services Matching	5010003	82,176	89,209	93,941	95,043	95,043	95,043	96,269	96,269	96,269
Overtime	5010006	567	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Operating Expenses	5020002	399,990	412,247	450,000	412,247	627,247	412,247	412,247	627,247	412,247
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		812,166	868,082	908,167	875,066	1,090,066	875,066	882,837	1,097,837	882,837
Funding Sources										
General Revenue	4000010	812,166	865,234		875,066	1,090,066	875,066	882,837	1,097,837	882,837
Merit Adjustment Fund	4000055	0	2,848		0	0	0	0	0	0
Total Funding		812,166	868,082		875,066	1,090,066	875,066	882,837	1,097,837	882,837
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		812,166	868,082		875,066	1,090,066	875,066	882,837	1,097,837	882,837

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 2VZ - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	875,066	6	875,066	100.0	882,837	6	882,837	100.0
C01	Existing Program	215,000	0	1,090,066	124.6	215,000	0	1,097,837	124.4

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	875,066	6	875,066	100.0	882,837	6	882,837	100.0
C01	Existing Program	0	0	875,066	100.0	0	0	882,837	100.0

Justification

C01	A change level request of \$200,000 in Operations & Maintenance each fiscal year is requested for an increase for general parking lot, landscaping and stadium maintenance. There will be maintenance and upkeep needs for lighting, field turf, scoreboards, elevator, signage and replay booth. General maintenance and upkeep on the concession stands and concourse areas will also become more expensive as they age as well as electrical and plumbing maintenance will need to be performed. The Change Level request also includes \$15,000 for Electricity, Water & Sewage, & Gas.
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Analysis of Budget Request

Appropriation: A24 - War Memorial Operations

Funding Sources: 326 - War Memorial Stadium - Cash

Created by Act 232 of 1967, the War Memorial Stadium Commission strives to keep the facility in the best possible condition for athletics, entertainment, events and community service events, which are all for the enjoyment of the citizens and visitors of our State. Funding for the cash operations of the Stadium is generated from rental of the Stadium and profits from concession/novelty sales charged pursuant to Arkansas Code Annotated §22-3-1002.

Base Level position was changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employee. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting an increase of \$200,000 each year for the cost of providing resale items for concessions and novelties sold during events held at the Stadium. Each year of the 2007-2009 Biennium, the Commission received additional appropriation from the Cash Fund Holding Account for the same purpose.

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

Appropriation Summary

Appropriation: A24 - War Memorial Operations
Funding Sources: 326 - War Memorial Stadium - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	38,344	38,344	29,251	29,251	29,251	29,251	29,251	29,251
#Positions	0	1	1	1	1	1	1	1	1
Extra Help 5010001	64,720	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
#Extra Help	37	37	37	37	37	37	37	37	37
Personal Services Matching 5010003	9,482	17,633	18,393	16,897	16,897	16,897	16,897	16,897	16,897
Overtime 5010006	1,166	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Operating Expenses 5020002	331,914	572,555	572,555	572,555	572,555	572,555	572,555	572,555	572,555
Conference & Travel Expenses 5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees 5060010	43,399	54,538	54,538	54,538	54,538	54,538	54,538	54,538	54,538
Construction 5090005	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
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	552,038	629,383	449,383	449,383	649,383	649,383	449,383	649,383	649,383
Refunds/Reimbursements 5110014	0	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Capital Outlay 5120011	0	30,000	30,000	0	0	0	0	0	0
Contingency 5130018	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total	1,002,719	5,576,453	5,397,213	5,356,624	5,556,624	5,556,624	5,356,624	5,556,624	5,556,624
Funding Sources									
Fund Balance 4000005	899,847	345,059		712,360	712,360	712,360	1,099,490	1,099,490	1,099,490
Cash Fund 4000045	447,931	1,943,754		1,743,754	1,943,754	1,943,754	1,743,754	1,943,754	1,943,754
Contribution / Bonds 4000165	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	1,347,778	6,288,813		6,456,114	6,656,114	6,656,114	6,843,244	7,043,244	7,043,244
Excess Appropriation/(Funding)	(345,059)	(712,360)		(1,099,490)	(1,099,490)	(1,099,490)	(1,486,620)	(1,486,620)	(1,486,620)
Grand Total	1,002,719	5,576,453		5,356,624	5,556,624	5,556,624	5,356,624	5,556,624	5,556,624

Actual / Budget exceed Authorized in the Resale line item due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: A24 - War Memorial Operations
Funding Sources: 326 - War Memorial Stadium - Cash

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	5,356,624	1	5,356,624	100.0	5,356,624	1	5,356,624	100.0
C01	Existing Program	200,000	0	5,556,624	103.7	200,000	0	5,556,624	103.7

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	5,356,624	1	5,356,624	100.0	5,356,624	1	5,356,624	100.0
C01	Existing Program	200,000	0	5,556,624	103.7	200,000	0	5,556,624	103.7

Justification

C01	A change level request of \$200,000 for Purchase Resale line item each fiscal year is requested for the purpose of an increase in concession sales due to good weather and increased attendance. Also during the FY07 game season, drinks were changed over from selling ice & cups to bottled drinks. The change did create a better profit for the Stadium, but the bottles cost more to sell. Each year a cash appropriation increase has been requested and granted.
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WORKERS' COMPENSATION COMMISSION

Enabling Laws

Act 405 of 2007
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. All 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 thirteen (13) Administrative Law Judges (ALJs), each of which has one (1) Administrative Assistant as support staff. Ten (10) 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.

Data Processing

The Data Processing 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 over 250,000 reported claims, 78,000 employers, 480 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 joint petition hearings; 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; and monitors insurance carriers via Report Cards (under Rule 29) for the timeliness of forms filing and first benefit payments. The Compliance section is the investigative arm of the Commission, making certain all employers under the law have secured payment of compensation, and receives and maintains Arkansas Identification cards (AR-I) coverage filings. 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

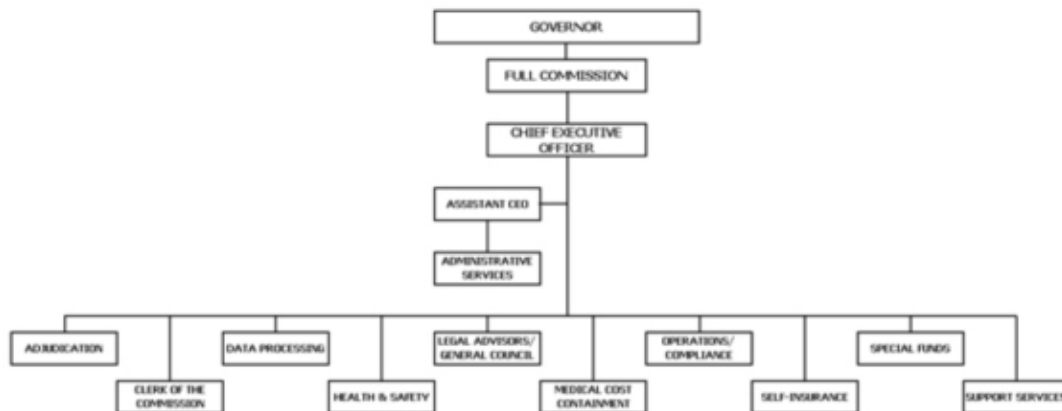
as a Third-Party Administrator. The Division also collects the workers' compensation premium tax from the self-insurers and group self-insurers. The Division also administers Rule 099.39 (report card monitoring) for the insurance companies, self-insurers and TPA's.

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

The prime focus of this Division is to provide information to the public concerning workers' compensation in Arkansas and to provide support to the full Commission, Administration, and all divisions of the agency. Support Services coordinates the distribution of the "Laws and Rules, Advisories and Forms for the Commission", coordinates the annual educational conference along with assisting in form seminars, health and safety seminars, special projects and programs for the Commission. Support Services compiles and prepares the agency biennial report. This Division is responsible for maintaining and operating all mailroom activities for the Commission and supporting the District offices. Support Services oversees the Commission's security and maintenance of its buildings.



Agency Commentary

The Arkansas Workers' Compensation Commission operates with five appropriations. These are:

- Appropriation 866 - Seminar
- Appropriation 113 - Annuities
- 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 113- Annuities

The Commission is requesting only the continuation of Base Level for each year of the biennium. This appropriation is in place so that the Commission may purchase annuities for the Death & Permanent Total Disability claims in certain circumstances and cases.

Appropriation 203 - Death and Permanent Total Disability Claims

This appropriation contains three parts:

Refund of Taxes - To address premium tax overpayments in the event we receive them.

- Claims - The Commission is requesting an additional \$2,000,000.00 in appropriation to adequately fund Death and Total Disabled claimant payments.
- Investments - The Commission is requesting \$142,000,000.00 in appropriation to invest 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 155 positions each year. The change level requests include the following:

- Operating Expenses- \$63,700 is requested as a change level increase for utilities, maintenance, and fuel costs.
- Capital Outlay - \$20,000 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 - \$353,500 is requested for each year of the biennium, this is a change level increase of \$250,500. -This request is in accordance with the Commission's information technology plan.
- Investments - The Commission is requesting \$15,000,000.00 in appropriation to invest in the Money Market Management Fund at the Office of the Treasurer.

Appropriation 356 - Second Injury Claims

This appropriation contains two parts:

- Refund of Taxes - To refund premium tax overpayments in the event we receive them.
- Claims - The Commission is not requesting any additional funding.

Audit Findings

REPLACEMENT PAGES

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
WORKERS' COMPENSATION COMMISSION

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	36	61	97	76 %
Black Employees	6	23	29	23 %
Other Racial Minorities	0	1	1	1 %
Total Minorities			30	24 %
Total Employees			127	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 other interested parties.

REPLACEMENT PAGES

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation											
	2007-2008		2008-2009		2008-2009		2009-2010				2010-2011							
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
113 Purchase Annuities	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
203 Refunds and Claims	12,852,088	0	19,750,000	0	19,750,000	0	19,750,000	0	163,750,000	0	163,750,000	0	19,750,000	0	163,750,000	0	163,750,000	0
355 Administration	9,939,202	142	12,184,720	153	12,373,549	153	12,657,239	153	27,991,439	153	27,927,739	153	12,822,078	153	28,156,278	153	28,092,578	153
356 Second Injury Claims	2,551,761	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0
866 Seminar-Cash in Treasury	60,040	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
Total	25,403,091	142	45,324,720	153	45,513,549	153	45,797,239	153	205,131,439	153	205,067,739	153	45,962,078	153	205,296,278	153	205,232,578	153

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	154,323,972	83.9	158,506,801	75.8	163,746,652	76.7	163,746,652	76.6	163,746,652	76.6	172,415,213	77.4	13,415,213	6.1	13,478,913	6.1
Cash Fund	4000045	79,831	0.0	50,000	0.0	50,000	0.0	50,000	0.0	50,000	0.0	50,000	0.0	50,000	0.0	50,000	0.0
Trust Fund	4000050	29,506,089	16.0	46,514,571	22.2	45,665,800	21.4	46,000,000	21.5	46,000,000	21.5	46,165,800	20.7	46,500,000	21.0	46,500,000	21.0
Annuity Purchases Contingency	4000095	0	0.0	4,000,000	1.9	4,000,000	1.9	4,000,000	1.9	4,000,000	1.9	4,000,000	1.8	4,000,000	1.8	4,000,000	1.8
Investments	4000315	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	157,000,000	71.1	157,000,000	71.0
Total Funds		183,909,892	100.0	209,071,372	100.0	213,462,452	100.0	213,796,652	100.0	213,796,652	100.0	222,631,013	100.0	220,965,213	100.0	221,028,913	100.0
Excess Appropriation/(Funding)		(158,506,801)		(163,746,652)		(167,665,213)		(8,665,213)		(8,728,913)		(176,668,935)		(15,668,935)		(15,796,335)	
Grand Total		25,403,091		45,324,720		45,797,239		205,131,439		205,067,739		45,962,078		205,296,278		205,232,578	

Investments provides appropriation authority to reinvest Commission fund balances in both years of the biennium in Appropriations 203 and 355.

FY10 ending fund balances do not equal FY11 beginning fund balances due to unfunded appropriation for Claims in Appropriation 356.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
153	135	18	153	0	11.76 %	153	130	23	153	0	15.03 %	153	127	26	153	0	16.99 %

Analysis of Budget Request

Appropriation: 113 - Purchase Annuities

Funding Sources: TDP - Death & Permanent Total Disability Trust

Arkansas Code §11-9-210 authorized the Workers' Compensation Commission to fund financial obligations of the Death and Permanent Disability Trust Fund through the purchase of structured annuity contracts from insurance companies. These annuity contracts can be purchased for the benefit payments of claimants or beneficiaries.

The Commission requests Base Level for each year of the 2009-11 biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 113 - Purchase Annuities

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase Annuities 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									
Fund Balance 4000005	4,000,000	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Annuity Purchases Contingency 4000095	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	4,000,000	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)	(4,000,000)	(4,000,000)		(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
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: 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 Commission's Change Level requests total \$144,000,000 each year and reflect the following:

Claims increase of \$2,000,000 each year to adequately fund Death and Total Disabled claimant payments.

Investments in the amount of \$142,000,000 each year to invest in the Money Market Management Fund at the Office of the Treasurer.

The Executive Recommendation provides for 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		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	10,160	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Claims	5110015	12,841,928	19,000,000	19,000,000	19,000,000	21,000,000	21,000,000	19,000,000	21,000,000	21,000,000
Investments	5120013	0	0	0	0	142,000,000	142,000,000	0	142,000,000	142,000,000
Total		12,852,088	19,750,000	19,750,000	19,750,000	163,750,000	163,750,000	19,750,000	163,750,000	163,750,000
Funding Sources										
Fund Balance	4000005	136,049,795	138,427,114		143,677,114	143,677,114	143,677,114	148,927,114	4,927,114	4,927,114
Trust Fund	4000050	15,229,407	25,000,000		25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Investments	4000315	0	0		0	0	0	0	142,000,000	142,000,000
Total Funding		151,279,202	163,427,114		168,677,114	168,677,114	168,677,114	173,927,114	171,927,114	171,927,114
Excess Appropriation/(Funding)		(138,427,114)	(143,677,114)		(148,927,114)	(4,927,114)	(4,927,114)	(154,177,114)	(8,177,114)	(8,177,114)
Grand Total		12,852,088	19,750,000		19,750,000	163,750,000	163,750,000	19,750,000	163,750,000	163,750,000

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		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	19,750,000	0	19,750,000	100.0	19,750,000	0	19,750,000	100.0
C01	Existing Program	2,000,000	0	21,750,000	110.1	2,000,000	0	21,750,000	110.1
C02	New Program	142,000,000	0	163,750,000	829.1	142,000,000	0	163,750,000	829.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	19,750,000	0	19,750,000	100.0	19,750,000	0	19,750,000	100.0
C01	Existing Program	2,000,000	0	21,750,000	110.1	2,000,000	0	21,750,000	110.1
C02	New Program	142,000,000	0	163,750,000	829.1	142,000,000	0	163,750,000	829.1

Justification

C01	The Commission is requesting an additional \$2,000,000.00 in appropriation to adequately fund Death and Total Disabled claimant payments.
C02	The Commission is requesting \$142,000,000.00 in appropriation to invest in the Money Market Management Fund at the Office of the Treasurer.

Analysis of Budget Request

REPLACEMENT PAGES

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 salaries for classified positions reflect the recommendations of the Pay Plan Study as well as the recommendation for the transition of three unclassified positions to classified. Current unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Commission's Change Level requests total \$15,334,200 each year and reflect the following:

- Operating Expenses increase of \$63,700 each year for increases in utilities, maintenance and fuel costs.
- Capital Outlay in the amount of \$20,000 each year to purchase a vehicle for agency use and to allow for reference materials for the Commission's law library.
- Computer Software/Hardware in the sum of \$250,500 each year in accordance with the Commission's IT plan to replace outdated computers, servers, and printers.
- Investments totaling \$15,000,000 each year to invest in the Money Market Management Fund at the Office of the Treasurer.
- A Reallocation of \$10,000 from Data Processing to Operating Expenses to properly classify expenditures.

The Commission also requests to discontinue carry forward special language.

The Executive Recommendation provides for the Agency Request with the exception of the \$63,700 in Operating Expenses each year.

REPLACEMENT PAGES

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		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	6,486,894	7,218,946	7,296,480	7,503,847	7,503,847	7,503,847	7,641,620	7,641,620	7,641,620
#Positions	142	153	153	153	153	153	153	153	153
Extra Help 5010001	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help	0	2	2	2	2	2	2	2	2
Personal Services Matching 5010003	1,883,833	2,017,105	2,128,400	2,234,723	2,234,723	2,234,723	2,261,789	2,261,789	2,261,789
Overtime 5010006	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Expenses 5020002	1,426,732	1,645,609	1,645,609	1,645,609	1,719,309	1,655,609	1,645,609	1,719,309	1,655,609
Conference & Travel Expenses 5050009	37,391	96,096	96,096	96,096	96,096	96,096	96,096	96,096	96,096
Professional Fees 5060010	76,999	268,464	268,464	268,464	268,464	268,464	268,464	268,464	268,464
Data Processing 5090012	138	10,000	10,000	10,000	0	0	10,000	0	0
Refunds/Reimbursements 5110014	13,124	685,500	685,500	685,500	685,500	685,500	685,500	685,500	685,500
Capital Outlay 5120011	8,888	30,000	30,000	0	20,000	20,000	0	20,000	20,000
Investments 5120013	0	0	0	0	15,000,000	15,000,000	0	15,000,000	15,000,000
Computer Software/Hardware 5900044	5,203	103,000	103,000	103,000	353,500	353,500	103,000	353,500	353,500
Total	9,939,202	12,184,720	12,373,549	12,657,239	27,991,439	27,927,739	12,822,078	28,156,278	28,092,578
Funding Sources									
Fund Balance 4000005	9,230,199	11,650,575		15,965,855	15,965,855	15,965,855	19,474,416	4,474,416	4,538,116
Trust Fund 4000050	12,359,578	16,500,000		16,165,800	16,500,000	16,500,000	16,665,800	17,000,000	17,000,000
Investments 4000315	0	0		0	0	0	0	15,000,000	15,000,000
Total Funding	21,589,777	28,150,575		32,131,655	32,465,855	32,465,855	36,140,216	36,474,416	36,538,116
Excess Appropriation/(Funding)	(11,650,575)	(15,965,855)		(19,474,416)	(4,474,416)	(4,538,116)	(23,318,138)	(8,318,138)	(8,445,538)
Grand Total	9,939,202	12,184,720		12,657,239	27,991,439	27,927,739	12,822,078	28,156,278	28,092,578

Investments provides appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

REPLACEMENT PAGES

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	12,657,239	153	12,657,239	100.0	12,822,078	153	12,822,078	100.0
C01	Existing Program	83,700	0	12,740,939	100.7	83,700	0	12,905,778	100.7
C02	New Program	15,000,000	0	27,740,939	219.2	15,000,000	0	27,905,778	217.6
C04	Reallocation	0	0	27,740,939	219.2	0	0	27,905,778	217.6
C08	Technology	250,500	0	27,991,439	221.1	250,500	0	28,156,278	219.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	12,657,239	153	12,657,239	100.0	12,822,078	153	12,822,078	100.0
C01	Existing Program	20,000	0	12,677,239	100.2	20,000	0	12,842,078	100.2
C02	New Program	15,000,000	0	27,677,239	218.7	15,000,000	0	27,842,078	217.1
C04	Reallocation	0	0	27,677,239	218.7	0	0	27,842,078	217.1
C08	Technology	250,500	0	27,927,739	220.6	250,500	0	28,092,578	219.1

Justification

C01	The Commission is requesting an increase of \$63,700 in Operations Expenses in each year of the biennium for increases in utilities, maintenance, and rising fuel costs. Also, an increase of \$20,000 is requested in Capital Outlay for the purchase of a new vehicle and for reference material additions to our law library.
C02	The Commission is requesting \$15,000,000.00 in appropriation to invest in the Money Market Management Fund at the Office of the Treasurer.
C04	The Commission pays the Dept. of Information Systems a monthly fee for access to the AFGM system. To properly classify this expense within the State's accounting system, a reallocation from Data Processing to Operating Expenses is needed.
C08	The Commission requests an increase of \$250,500 each year of the biennium in Computer Hardware/Software for the replacement of outdated computers, servers, and printers in accordance with the Commission's IT plan on page 4 under Future Hardware Purchases.

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009 REPLACEMENT PAGES

Agency: Worker's Compensation Commission

Program: Administration

Act #: 405 of 2007 Section(s) #: 3 & 8

Estimated Carry Forward Amount \$ 97,797.00 Appropriation Funds

Funding Source: Trust

Accounting Information:

Business Area: 0390 Funds Center: 355 Fund: TJW Functional Area: HHS

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Computer Software/Hardware	5900044	97,797.00	0.00
Total		\$ 97,797.00	\$ 0.00

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

To purchase computer equipment as needed.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward appropriation/funding:

The Arkansas Workers' Compensation Commission must seek prior review of carry forward appropriation from the Arkansas Legislative Council. The Arkansas Workers' Compensation Commission will not use these funds in fiscal year 2009, therefore the carry forward appropriation of \$97,797.00 will not be requested.

D. Alan McClain
Chief Executive Officer

08-25-2008
Date

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 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.

The Commission requests Base Level for each year of the 2009-11 biennium.

The Executive Recommendation provides for 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			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	2,117	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Claims	5110015	2,549,644	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Total		2,551,761	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000
Funding Sources										
Fund Balance	4000005	4,870,086	4,235,429		0	0	0	0	0	0
Trust Fund	4000050	1,917,104	5,014,571		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Funding		6,787,190	9,250,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Excess Appropriation/(Funding)		(4,235,429)	0		4,750,000	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000
Grand Total		2,551,761	9,250,000		9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000

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 for each year of the 2009-11 biennium.

The Executive Recommendation provides for Agency Request. Expenditure of 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		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	20,040	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	40,000	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		60,040	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Funding Sources										
Fund Balance	4000005	173,892	193,683		103,683	103,683	103,683	13,683	13,683	13,683
Cash Fund	4000045	79,831	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		253,723	243,683		153,683	153,683	153,683	63,683	63,683	63,683
Excess Appropriation/(Funding)		(193,683)	(103,683)		(13,683)	(13,683)	(13,683)	76,317	76,317	76,317
Grand Total		60,040	140,000		140,000	140,000	140,000	140,000	140,000	140,000