

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/6/03

A Bill

Act 656 of 2003
HOUSE BILL 2212

5 By: Representative Mahony
6
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE GENERAL ACCOUNTING AND
10 BUDGETARY PROCEDURES LAW; AND FOR OTHER PURPOSES.

Subtitle

11 TO AMEND THE GENERAL ACCOUNTING AND
12 BUDGETARY PROCEDURES LAW.
13
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16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
18

19 SECTION 1. Arkansas Code § 19-4-806(b), concerning petty cash
20 accounts, is amended to read as follows:

21 (b) State-supported institutions of higher learning and other agencies
22 that can demonstrate the need for large petty cash accounts during brief
23 periods of time, such as student registration periods, are authorized short-
24 term petty cash accounts. ~~However, no such account shall be utilized for the~~
25 ~~sole purpose of avoiding the preaudit provisions of this subchapter.~~

26
27 SECTION 2. Arkansas Code § 19-4-1001 is amended to read as follows:
28 19-4-1001. Definition.

29 As used in this subchapter, unless the context otherwise requires, the
30 term "credit card" means only those credit cards issued ~~by oil companies,~~
31 ~~upon request,~~ to state agencies, boards, or commissions ~~which are acceptable~~
32 ~~at the oil company service stations for the payment for products and services~~
33 ~~provided and given to state employees or state vehicles~~ for which the state
34 agency assumes responsibility for payment.
35

36 SECTION 3. Arkansas Code § 19-4-1003 is repealed:



1 ~~19-4-1003. Eligible state employees.~~

2 ~~The authority to use credit cards issued by oil companies shall apply~~
3 ~~only to those state employees who are issued a state automobile to travel on~~
4 ~~a recurring basis in the performance of their official duties as state~~
5 ~~employees.~~

6
7 SECTION 4. Arkansas Code § 19-4-1004 is repealed.

8 ~~19-4-1004. Request for use.~~

9 ~~(a) Should a board, a commission, or the administrative head of an~~
10 ~~agency desire that certain employees be allowed to utilize credit cards to~~
11 ~~pay for products and services of oil companies, a request will be submitted~~
12 ~~to the Chief Fiscal Officer of the State listing the names or specific~~
13 ~~classification of employees, the type of credit cards to be used, and reasons~~
14 ~~therefor.~~

15 ~~(b) If the Chief Fiscal Officer of the State determines that the use~~
16 ~~of oil company credit cards is justified and not inconsistent with Arkansas~~
17 ~~laws, he may approve the request.~~

18
19 SECTION 5. Arkansas Code § 19-4-1005 is amended to read as follows:

20 19-4-1005. Responsibility for use.

21 (a) The responsibility for insuring that only authorized expenditures
22 are paid for by use of ~~oil company~~ state credit cards for which the state
23 agency assumes responsibility for payment and the collection for any
24 unauthorized expenditures which may occur rests with the board, commission,
25 or administrative head in charge of the agency.

26 (b) The Chief Fiscal Officer of the State shall not be liable for any
27 unauthorized expenditures through the use of ~~oil company~~ state credit cards
28 for which the state agency assumes liability for payment.

29
30 SECTION 6. Arkansas Code § 19-4-1007 is amended to read as follows:

31 19-4-1007. No use of other credit cards. ~~—Exception.~~

32 ~~(a) All other credit cards, including airline credit cards, automobile~~
33 ~~rental credit cards, bank credit cards, and telephone company credit cards~~
34 ~~are prohibited from being used by any state agency, board, or commission.~~

35 ~~(b)~~(a) If it is determined by the Chief Fiscal Officer of the State to
36 be essential to enable an agency, board, or commission to effectively carry

1 out its responsibilities, the Chief Fiscal Officer of the State may authorize
 2 an agency, board, or commission, or certain employees thereof, to use ~~one (1)~~
 3 ~~or more of these~~ state credit cards for which the state agency assumes
 4 liability for payment, under such rules and regulations as may be prescribed
 5 by the Chief Fiscal Officer of the State.

6 (b) No credit cards shall be used except those approved by the
 7 Chief Fiscal Officer of the state.

8
 9 SECTION 7. Arkansas Code § 19-4-1107(6), concerning supports documents
 10 for the disbursement of state funds, is amended to read as follows:

11 (6)(A)(i) The Chief Fiscal Officer of the State shall prescribe the
 12 forms of the vouchers to be used and the procedure to be followed in making
 13 payments in instances where the General Assembly has authorized grants:

14 (a) To public schools, public welfare recipients,
 15 counties, and municipalities;

16 (b) For other purposes specifically provided for by
 17 law;

18 (c) For payments made to individuals under
 19 retirement systems; and

20 (d) For income tax refunds.

21 (ii) The Chief Fiscal Officer of the State is authorized
 22 to review all disbursements to determine that they are issued in accordance
 23 with their respective appropriations and that there are sufficient funds to
 24 cover all the payments.

25 (B) In the case of vouchers written upon the Public School Fund
 26 for state equalization aid, the Auditor of State shall process warrants to
 27 pay the vouchers upon certification by the Chief Fiscal Officer of the State
 28 that funds are available from general revenues available for distribution or
 29 from other sources for the benefit of the Public School Fund with which to
 30 pay the warrants when they are presented for payment.

31 (C) In the case of payments made to welfare recipients under the
 32 welfare laws of this state, the approved list of welfare recipients may be
 33 certified directly to the Auditor of State, who shall approve the issuance of
 34 warrants upon certification by the Chief Fiscal Officer of the State that
 35 funds are available from general revenues available for distribution or from
 36 other sources for the benefit of the Department of Human Services Grants Fund

1 Account of the Department of Human Services Fund with which to pay the
2 warrants when they shall be presented for payment.

3 (D) In the case of vouchers written upon the Arkansas Public
4 Employees' Retirement System, the Arkansas Local Police and Fire Retirement
5 System, the State Police Retirement System, the Arkansas Judicial Retirement
6 System, and the Arkansas Teacher Retirement System funds for retiree
7 benefits, the Auditor of State shall process paper or electronic warrants to
8 pay the vouchers upon certification by the Chief Fiscal Officer of the State
9 that funds are available from the Arkansas Public Employees' Retirement
10 System, the Arkansas Local Police and Fire Retirement System, the State
11 Police Retirement System, the Arkansas Judicial Retirement System, and the
12 Arkansas Teacher Retirement System funds with which to pay the warrants when
13 they shall be presented for payment.

14 (E) In the case of vouchers written upon the Uniform Tax Rate
15 Trust Fund, the Auditor of State shall process warrants to pay the vouchers
16 upon certification by the Chief Fiscal Officer of the State that funds are
17 available for the benefit of the Uniform Tax Rate Trust Fund with which to
18 pay the warrants when they shall be presented for payment.

19 (F) In the case of vouchers written upon specific funds
20 receiving federal funding, according to the Federal Cash Management
21 Improvement Act agreement, the Auditor of State shall process warrants and
22 the Treasurer of State shall redeem the warrants presented for payment upon
23 notification by the Chief Fiscal Officer that the state agency director has
24 certified to the Chief Fiscal Officer of the State that:

25 (i) A federal fund transfer request has been completed and
26 accepted by the federal funding source; and

27 (ii) Federal funds will be transferred for the benefit of
28 the state fund to pay the warrants.

29
30 SECTION 8. Arkansas Code § 19-4-1610 is amended to read as follows:
31 19-4-1610. Retroactive pay prohibited.

32 (a)(1) In the event that a state employee is being paid less than the
33 maximum provided for by law, and thereafter the head of the agency provides
34 for an increase in the rate of pay for the employee, the rate of pay shall
35 not exceed one-twelfth (1/12) of the annual maximum amount of the salary
36 position on which he is placed, for the remainder of the annual period.

1 (2) Payments under subdivision (a)(1) shall not be made for a
2 preceding fiscal year.

3 (b)(1) No increase in the rate of pay, either by paying the full
4 amount of the maximum salary or by placing an employee in a position calling
5 for a greater salary, shall be construed as authorizing the payment of any
6 retroactive salary to the employee.

7 (2) Payments under subdivision (b)(1) shall not be made for a
8 preceding fiscal year.

9 (c)(1) Salary payments made to correct an administrative error shall
10 not be considered retroactive pay, nor shall such payment be construed as
11 exceeding the employee's maximum authorized pay.

12 (2) Payments under subdivision (c)(1) may be made for a
13 preceding fiscal year if:

14 (A) Requested within twelve (12) months of the end of the
15 preceding fiscal year; and

16 (B) Upon the consent of the Chief Fiscal Officer of the
17 State.

18 ~~(d) In no case shall these payments be made for a preceding fiscal~~
19 ~~year.~~

20
21 SECTION 9. Arkansas Code § 22-8-206(c) and (d), concerning the
22 purchase of vehicles for state agencies, are amended to read as follows:

23 (c)(1) The fund shall be financed by its proportionate share of
24 moneys, made available from the allocation of general revenues as authorized
25 by the Revenue Stabilization Law, moneys made available upon the disposal of
26 used vehicles which moneys shall be deposited to the credit of the Motor
27 Vehicle Acquisition Revolving Fund rather than being deposited to the owning
28 state agency's fund, deposits of moneys from benefiting state agencies, and
29 transfers from other State Treasury funds and fund accounts of benefiting
30 state agencies.

31 (2) Upon approval by the Chief Fiscal Officer of the State the
32 appropriation and funds shall be transferred from the Motor Vehicle
33 Acquisition Revolving Fund to the designated appropriation and fund of the
34 state agency.

35 (d)(1) In the event the Director of the Department of Finance and
36 Administration determines that any state agency, as defined by § 22-8-203(3),

1 has sufficient funding from sources other than general revenues which may be
2 used to purchase vehicles requested by the agency, he shall transfer, on his
3 books and on the books of the Auditor of State and the Treasurer of State, an
4 amount equal to the price of the vehicles from the fund from which the
5 funding is available to the Motor Vehicle Acquisition Revolving Fund.

6 (2) Upon approval by the Chief Fiscal Officer of the State the
7 Motor Vehicle Acquisition Revolving Fund appropriation shall be transferred
8 from the Motor Vehicle Acquisition Revolving Fund to the designated
9 appropriation of the state agency.

10 ~~(2)~~(3) In the event the funds are held in depositories other than
11 the State Treasury, the administrative head of the affected state agency
12 shall issue a check drawn against the funds, which shall be deposited in the
13 Motor Vehicle Acquisition Revolving Fund as a nonrevenue receipt.

14
15 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the
16 General Assembly of the State of Arkansas that proper and effective
17 management requires that changes to the finance and accounting laws of the
18 state begin on the first day of the fiscal year; that the changes being made
19 are important to the financial well being of the state particularly during
20 the difficult financial climate the state is currently facing; and that this
21 act is immediately necessary to allow for the finance and accounting changes
22 to go into effect on the first day of the fiscal year for the proper and
23 effective management of this state. Therefore, an emergency is declared to
24 exist and this act being necessary for the preservation of the public peace,
25 health, and safety shall become effective on July 1, 2003.

26
27 /s/ Mahony

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30 APPROVED: 3/25/2003