

**ALC-Performance Evaluation and Expenditure Review (PEER)  
ALC Subcommittee Report for  
Emergency Action  
June 19, 2020**

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On June 5, 2020, Senator Cecile Bledsoe and Representative Jeff Wardlaw, Co-Chairs of the Legislative Council and Senator Bruce Maloch and Representative DeAnn Vaught, Co-Chairs of the PEER Subcommittee received written notification from Larry Walther, the Chief Fiscal Officer of the State, requesting emergency review of Budget Classification Transfers, Miscellaneous Federal Grants and Cash Appropriation Requests.

Under Rule 16 of the Rules of the Arkansas Legislative Council, on June 19, 2020, the Co-Chairs of the Legislative Council and PEER Subcommittee unanimously determined that emergency review was necessary to enable the agencies to perform essential services and these transfers are being authorized to cover any fiscal year end shortfalls that may occur. As such, the Co-Chairs of the Legislative Council and the Co-Chairs of the PEER subcommittee may act on behalf of the Legislative Council in regard to the requests, and state herein that the requests shall be filed as reviewed and reported to the Legislative Council at its next regularly scheduled meeting in accordance with Rule 16.

Below is a summary of the requests given emergency review.

Budget Classification Transfers

Transfer of appropriation between the Maintenance & General Operations commitment items and is limited to the amount of existing appropriation available in these commitment items.

Miscellaneous Federal Grants

In an amount not to exceed \$1,000,000

Cash Fund Appropriation Increases

In an amount not to exceed \$1,000,000

Respectfully Submitted,

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Senator Cecile Bledsoe, Co-Chair  
Arkansas Legislative Council

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Representative Jeff Wardlaw, Co-Chair  
Arkansas Legislative Council

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Senator Bruce Maloch, Co-Chair  
ALC PEER Subcommittee

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Representative DeAnn Vaught, Co-Chair  
ALC PEER Subcommittee



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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June 5, 2020

Senator Bruce Maloch, Co-Chair  
Representative DeAnn Vaught, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: Prior Approval of Year-End Adjustments

Dear Co-Chairs:

I am requesting prior approval of year-end adjustments that may be required in order to close out Fiscal Year 2020. This will ensure that unanticipated items can be addressed by the Department of Finance and Administration at year-end without delay. Any item processed with this prior approval will be reported to the next regularly scheduled PEER meeting.

Without prior approval, unanticipated issues could potentially cause state payroll to be delayed, vendor payments to not be processed, the loading of Fiscal Year 2021 into the statewide accounting system (AASIS) to be interrupted, and state agency operations to be negatively impacted.

Prior review is requested for the following items:

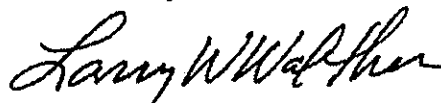
- Budget Classification Transfers - Prior approval is requested to transfer appropriation between the General Maintenance and Operating commitment items in an agency appropriation, limited to the amount of existing appropriation available in these commitment items. This would allow a transfer to be made should unanticipated expenses arise at the end of the year. These requests do not increase the amount of appropriation available for an agency, but

simply allow an agency to move amounts from one commitment items to another.

- Miscellaneous Federal Grants - Prior approval is requested for up to \$1 million in total transfers. This will allow agencies the ability to utilize federal funding if unanticipated issues arise.
- Cash Fund Holding Account Transfers - Prior approval is requested for up to \$1 million in total transfers. This will ensure sufficient appropriation for Cash Funded agencies if unforeseen issues arise.

Appropriation will only be provided in the amounts needed by a state agency. All items processed on an emergency basis with this prior approval will be reported to the next regularly scheduled ALC-PEER meeting.

Sincerely,



Larry W. Walther  
Cabinet Secretary

LWW:jb