

**FINANCE AND ADMINISTRATION -- MANAGEMENT SERVICES**  
**AGENCY # 610 - 2007-09 BIENNIUM**

**I) AGENCY SUMMARY & REVENUE SOURCES**

**MISSION**

The function of the Division of Management Services is to operate control management systems for State Government by providing assistance to all State Agencies in the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

**TOTAL BIENNIAL BUDGET**

The total budget of the Division of Management Services is \$2,186,327,061 for the first year and \$2,186,767,561 the second year of the biennium.

**FUNDING SOURCE**

The primary source of funding is through Agency payroll paying accounts (96% or \$2.1 billion). State Central Services Fund comprises 3% of this amount. Remaining revenue sources are federal funds of 1%, General Revenues of >1%, with the rest coming from cash funds, fund balances, and non-revenue receipts.

**II) CHANGES/APPROPRIATIONS**

1. The operations appropriation, funded from the State Central Services fund for \$18,149,619 the first year and \$18,445,779 the second year has an increase of \$1,139,455 each year of the biennium. Increases include:

a. Restoration of 5 currently authorized clerical positions (\$93,348 increase each year).

b. Two new positions for the Office of Accounting (\$120,000 increase each year).

c. Transfer of 1 position to the Revenue Division (\$40,277 decrease each year).

d. Transfer of 19 positions from the office of Child Support Enforcement (OCSE) to assist with administrative functions (\$670,341 increase each year).

d. Personal Services matching increase of \$276,043 each year.

e. Conference and Travel Expenses increase of \$20,000 each year.

2. The Employee Benefits Division appropriation, funded from the State Central Services fund for \$2,921,483 the first year and \$2,953,217 the second year, has a reallocation of \$20,000 each year of the biennium from professional fees to operation expenses due to changes in procurement regulations.

3. The Miscellaneous Paying Cash appropriation, funded from cash funds for \$1,687,272 the first year and \$1,695,701 the second year, has an increase in appropriation of \$1,082,542 the first year and \$1,078,542 the second year for 7 supplemental positions, office supplies, technical services, conference & travel expenses.

4. **New** general revenue Information Technology Planning appropriation of \$512,837 the first year and \$522,671 the second year (5 new positions added for this appropriation).

5. **New** general revenue Victims of Crime Justice Assistance

appropriation of \$359,196 each fiscal year.

**III) ADDITIONAL POSITIONS**

Total positions for FY 2005-2007: 395

Total positions for FY 2007-2009: 427

Increase/(Decrease): 32

**IV) SPECIAL LANGUAGE**

1. Requires Department of Finance and Administration to consult with legislative auditor and director of budget function of Bureau of Legislative Research during process for any new statewide accounting system.

2. States funds appropriated for Drug Law Enforcement Matching grants shall be used for matching funds for administering Federal grants. Provides 100% match for state agencies, 60% match for local governments. Amounts transferred to state agencies or paid to local governments determined by Arkansas Alcohol and Drug Abuse Coordinating Council or oversight agency designated by the Governor. Includes carry-forward provision for any unexpended balances.

3. Carry forward of maintenance and operation appropriation for budget preparation required for presentation to the Legislative Council.

4. Carry Forward for purchase of Data Processing Services and AASIS billings from Data processing appropriation with report to Legislative Council of balances carried forward.

5. Loan provision from Budget Stabilization Trust Fund to Marketing and Redistribution Property Sale Holding Fund.

6. Contingency restriction states expenditures shall not be made from Marketing and Redistribution Special Maintenance Expenditures Commitment Item unless approved by the Chief Fiscal Officer of the State. Defines: Special Maintenance Expenditures.

7. States the Legislative Auditor and the Chief Fiscal Officer of the State shall jointly select the independent auditor to audit the Comprehensive Annual Financial Report (CAFR).

8. Carry forward from FY08 to FY09 for an unexpended balance of appropriation and funding authorized for CAFR.

9. Allows transfer of appropriation and funds from any other appropriation in this Act to supplement CAFR appropriation to cover cost of securing the services of an independent auditor if necessary.

10. Allows special rates of pay for various Accounting positions.