

FINANCE AND ADMINISTRATION - DISBURSING OFFICER (620)
2011-13 BIENNIUM - Legislative Recommendation

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Department of Finance and Administration Disbursing Officer executes transfers and disburses appropriations whose purpose is not clearly chargeable to any specific state agency.

TOTAL BIENNIAL BUDGET

The total budget for DFA-Disbursing Officer is \$3,207,784,792 the first year and \$3,184,970,677 the second year.

FUNDING SOURCE

Primary sources of funds is through transfers for accounting purposes (70%), Merit Adjustment Fund (6%), State Administration of Justice (6%), special revenue (6%), federal revenue (3%), Workforce 2000 (3%), trust funds (2%) general revenue (>1%) and other miscellaneous sources.

II) CHANGES/APPROPRIATIONS

1. Unemployment Compensation Claims appropriation, funded with contributions from state agencies for \$16,000,000 each year, has an increase of \$3,000,000 each year for to provide sufficient appropriation for state employee unemployment compensation claims.

2. State's Contributions appropriation, funded with general revenue for \$1,387,429 the first year and \$1,404,419 the second year has **increased general revenue funding** and appropriation of \$12,121 the first year and \$29,111 the second year for increases in membership dues to eight (8) organizations.

3. Various Grants and Expenses appropriation, funded with general revenues for \$2,048,711 the first year and \$2,050,431 the second year provides funding for projects, programs and grants has **increased general revenue funding** and appropriation of \$211,800 in FY12 and \$213,520 in FY13 for 4 organizations.

4. Personal Services - Payplan Adjustment appropriation, funded with Miscellaneous State Treasury Funds for \$40,500,000 has an increase of \$23,500,000 the first year for the 27th pay period.

III) ADDITIONAL POSITIONS

Total positions for FY 2009-2011: 0

Total positions for FY 2011-2013: 0

Increase/ (Decrease): 0

IV) SPECIAL LANGUAGE

1. Classification & use of Appropriations - transfers from DFA Marketing & Redistribution (M&R) to various state agencies can only be used for agencies' maintenance and general operation.

2. Transfer Provision - DFA M&R shall transfer appropriation

amounts to agencies equal to proceeds derived from disposal of property by DFA M&R.

3. Transfer procedures-matching- language governs transfers from Miscellaneous Transfer Appropriation to various state agencies for Personal Services Matching; amounts over \$1,000 require prior review of Legislative Council/Joint Budget Committee.

4. Transfer of Appropriation-Elected Officers - language governs appropriation transfers for regular salaries from Miscellaneous Transfer Appropriation.

5. Transfer of Appropriation-Regular Salaries - language governs appropriation transfers for various state agency employees from Miscellaneous Transfer Appropriation.

6. Restrictions - no General Revenues are to accompany any "miscellaneous appropriation transfers".

7. Restrictions- transfer provisions-language governs appropriation transfers to various state agencies for items related to overpayment of obligations.

8. Transfer procedures-overtime -language governs appropriation transfers to various state agencies.

9. Classification and use of appropriations - appropriation transfers from "refund to expenditures" to state agencies re: "overpayment of obligations" to be used for same purpose.

10. Disbursing procedures to Employment Security Department for "unemployment compensation" reimbursements.

11. Transfer procedures-language governs cash fund appropriation transfers to state agencies.

12. Miscellaneous Federal Grant Programs Act - cash funds appropriated are not to be used for new or unanticipated federal funds or programs and shall be deposited in State Treasury.

13. Salaries Cash fund appropriation transfers not to be used to create new positions above those in biennial operations Act.

14. Reporting-CFO shall file with ALC or JBC cumulative report summarizing all appropriations transferred and positions authorized under Miscellaneous Federal Programs for previous 2 fiscal years prior to start of budget hearings each biennium.

15. Transfer procedures-language governs appropriation transfer for regular salaries and personal services matching to various state agencies. Requires review by Performance Evaluation and Expenditure Review Subcommittee.

16. Funding Transfer - funding of state agencies supported by General Revenues for salary increases, personal services, cost of living adjustments and higher ed. institutions shall be provided for by a transfer from the Merit Adjustment Fund (MAJ).

17. Public Defender appropriation shall be expended only for contracting with Public Defender of Pulaski County for defense of mentally ill.

18. Continuation of language in Arkansas Code 23-111-505 (b) and

(c) regarding handling, amount and use of funds in Indigent Patients Fund.

19. Juvenile Transportation to Detention Facilities - States funds shall be used to provide grants/reimbursements to counties and made in accordance with procedures of Office of Criminal Detention Facilities Review Coordinator.

20. Sheriffs Association - lump sum of 1/12th of annual appropriation shall be provided for alcohol, drug abuse and crime prevention programs.

21. Administration of Justice Fund - Allocation restrictions. Outlines distribution method to State agencies if balance is inadequate to fund monthly allocations; includes language regarding repayment of bond issues.

22. Allocation restrictions of funds appropriated for State Agencies Distribution.

23. CFO shall transfer an amount not to exceed \$1,000,000 from fund balances that exceed \$7,000,000 from the State Administration of Justice Fund to the Crime Victims Reparations Fund (CVRF) for personal services and operating expenses of Attorney General - Crime Victims Reparations Program (AG-CVRP).

24. Chief Fiscal Officer (CFO) of the State allowed to transfer funds from Revenue Holding Fund Account for under-funded fire and police pension relief and pension plans.

25. Fund restrictions: states funds distributed to under funded pension programs shall not be used to enhance benefits of its recipients.

26. Workforce 2000 distribution - after amount available is determined, Chief Fiscal Officer shall transfer funds from Workforce 2000 Development Fund to fund account from which technical college, institute or learning center draws its general revenue support.

27. Deletes Carry forward of funds for Fire Prevention Commission language.

28. Juvenile Detention Facilities - Allocates \$400,000 each FY to 14 juvenile detention facilities; allocations will be on a pro-rata basis.

29. Transfer authorized for ACH - not to exceed \$233,600 each FY from Miscellaneous Agencies Fund Account from funds made available for Intensive Care Nursery to DHS Grants Fund Account. To be used to match federal funds used for supplemental Medicaid payments to Children's Hospital.

30. Transfer authorized for ACH- not to exceed \$700,000 each FY from Miscellaneous Agencies Fund Account from funds made available for Children's Hospital Payments to DHS Grants Fund Account. To be used to match federal funds used for supplemental Medicaid payments to Children's Hospital.

31. Transfer authorized for ACH - not to exceed \$600,000 each

FY from Miscellaneous Agencies Fund Account from funds made available for Reproductive Health Monitoring to DHS Grants Fund Account. To be used to match federal funds used for supplemental Medicaid payments to Children's Hospital.

32. Transfer of funds authorized for Arkansas Children's Hospital not to exceed \$300,000 each FY in funding from the Department of Human Services for expansion of services by the Child/Rape/Domestic Violence Section of the University of Arkansas-Medical Sciences.

33. Transfer authorized for Arkansas Children's Hospital (ACH) not to exceed \$1M each FY from Miscellaneous Agencies Fund Account from funds made available for Intensive Care Nursery to DHS Grants Fund Account to be used to match federal Medicaid funds for costs-based reimbursement for helicopter patient transport.

34. Language creating the Arkadelphia 2025 Commission.

35. Language allowing transfers between State's Contributions line items & carry-forward of unexpended balances.

36. Transfer Procedures - per diem matching allows DFA to transfer from appropriation provided in personal services and personal services matching in Various State Agencies - U.S. Internal Revenue Code (IRC) and Treasury Regulations to comply with the payment of stipends under Internal Revenue Code and U.S. Treasury Regulations.

37. Position establishment - allows DFA to establish positions necessary to process payroll through AASIS and administer program to comply with certain U.S. Revenue Code and Treasury Regulations.

38. Authorizes transfer not to exceed \$1M from Miscellaneous Agencies Fund to DHHS Grants Fund Account for Children's Hospital Burn Center.

39. Language stating innovation and project development fund transfers are to be used for state enterprise innovation projects that would enhance the technology operations of the State that cannot be cost allocated to federal programs.

40. Language transferred from Department of Workforce Education regarding distribution of Workforce 2000 funds.

41. Language allows any county having unexpended grant funds awarded from the 83rd Session Projects Account of the General Improvement Fund to use the funds to fund the construction of park improvements in the community for which the county is holding the grant funds.