

FINANCE AND ADMINISTRATION - MANAGEMENT SERVICES (610)
FISCAL YEAR 2014 & 2015 - Executive Recommendation

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 BUDGET

The total budget of the Division of Management Services is \$2,195,958,366 the first year and \$2,195,941,531 the second year.

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) APPROPRIATIONS / CHANGES:

1. 272 - OPERATIONS & 584 - AASIS OPERATIONS: Funded from the State Central Services fund for \$27,418,397 the first year and \$27,403,293 the second year, **agency requests consolidation into one appropriation, discontinuation of 5 budgeted positions, and 6 authorized (but unbudgeted) positions; transfer of 1 position to the Racing Division; addition of 5 positions from the Revenue Services Division and reclassifications/upgrades of several current positions; and title changes for 2 positions.**

2. 252 - DEPT. OF JUSTICE NON-VICTIM ASSISTANCE GRANTS: Federally funded program has a **reclassification of one position.**

3. 251 - DEPT. OF JUSTICE NON-VICTIM ASSISTANCE GRANTS - STATE: State general revenue funded program, has an **increase of \$151,037 each FY to restore the state match** for the Victims of Crime Justice Assistance Program which receives federal funds for statewide violence prevention activities.

4. 1DF - VICTIMS OF CRIME JUSTICE ASSISTANCE - FEDERAL: Federally funded program has an **increase of \$6,955 in FY14 and \$6,948 in FY15 in salaries and matching** due to reclassification of 3 positions.

5. 1GA - PURCHASE/CORPORATE TRAVEL CARD PROGRAM: Funded with miscellaneous revolving funds of \$4,000,000 each FY, has an **increase of \$2,000,000 each FY** to provide sufficient appropriation to provide rebates to state agencies.

6. 274 - MARKETING AND REDISTRIBUTION: Funded with fees charged for goods and services offered through the Marketing and Redistribution Warehouse, appropriation has an **increase of**

\$11,052 in FY14 and \$11,038 in FY15 due to reclassification of nine positions, a reallocation of \$500,000 from the Special Maintenance line item (\$400,000 to Operating Expenses, \$100,000 to capital outlay), and a reallocation of \$24,000 from the Data Processing Services line item to Professional Fees.

7. 277 - QUICK COPY SERVICE CENTER: Funded from fees charged for services, **appropriation is requested to be discontinued with deletion of three Extra Help positions and transfer of remaining fund balance to the State Central Services Fund.**

8. 278 - EMPLOYEE BENEFITS DIVISION: Funded from State Central Services Fund, appropriation has a **decrease of \$31,567 for FY14 and \$31,539 for FY15 due to discontinuation of one position, and a reclassification of one position.**

9. 907 - DFA MANAGEMENT SERVICES - MISCELLANEOUS CASH: Funded with registration fees collected from participants attending training sessions, seminars, payment of vendor fees, and other miscellaneous reimbursements and revenues, appropriation has an **increase of \$6,952 for FY14 and \$6,945 in FY15 due to reclassification of two positions, and an increase of \$500,000 in Refunds/Reimbursements line item to allow for sufficient appropriation to distribute back to participating agencies increasing rebates from vendor banks.**

10. 81P - STATE FISCAL STABILIZATION - ARRA: Federally funded appropriation OF \$56,566,276 **requested for deletion.**

11. 83K - STATE HEALTH INFORMATION EXCHANGE - STATE: General revenue funded appropriation of \$600,000 **requested for deletion.**

12. 83T - STATE HEALTH INFORMATION EXCHANGE - ARRA: Federally funded appropriation of \$7,915,429 **requested for deletion.**

13. 86A - ARRA - EDUC JOBS: Federally funded appropriation **requested for deletion.**

III) POSITIONS

Total positions for FY 2015: 445

Total positions for FY 2014: 445

Total budgeted positions for FY 2013: 453

Increase/(Decrease): 8

IV) SPECIAL LANGUAGE

1. Matching funds: 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.

2. Contingency restriction: Language requiring CFO approval of expenditures made from the Marketing and Redistribution Special Maintenance Commitment Item. **Requested for deletion.**

3. Selection of Auditor: 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).