

**REPORT
OF THE
SUBCOMMITTEE ON PERFORMANCE EVALUATION AND EXPENDITURE
REVIEW (PEER)
OF THE ARKANSAS LEGISLATIVE COUNCIL**

January 19, 2018

Mr. Chairmen:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Wednesday, January 17, 2018, and after having reviewed the following items, reports that the Subcommittee's review and/or approval is complete unless otherwise noted.

A. Cash Fund Appropriation Increase Requests – FY18

1. Department of Education - \$200,000
2. School for the Blind - \$150,000
3. Department of Environmental Quality – Arkansas Energy Office - \$325,000
4. Department of Environmental Quality – Arkansas Energy Office - \$431,701.82
5. Department of Arkansas Heritage – Natural Heritage Commission - \$862,855
6. Secretary of State - \$125,000
7. Department of Higher Education - \$140,000
8. Department of Veterans Affairs - \$210,000
9. Department of Correction - \$15,000
10. Arkansas Supreme Court - \$10,373

B. Items for Approval

1. Appropriation and/or Fund Transfer Request(s) – FY18
 - a. Arkansas Department of Transportation – October–December Highway Improvement Plan - \$10,234,270.21 from the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund
2. Reallocation of Resources – FY18
Department of Human Services – See Attachment 1

C. Budget Classification Transfer Requests – FY18

1. Department of Environmental Quality – Energy Efficiency Arkansas - \$4,000 from Professional Fees to Conference and Travel Expense
2. Department of Parks and Tourism – Tourism Promotion - \$35,000 from Operating Expenses to Capital Outlay
3. Agriculture Department – Forestry Commission-Rural Community Fire Protection – \$165,000 from Operating Expenses to Capital Outlay

D. Miscellaneous Federal Grant Appropriation Requests – FY18

1. Department of Arkansas Heritage-Hale Tract Prairie D'Ane Battlefield - \$725,437
2. Crime Information Center-SORNA Project - \$124,570
3. Department of Human Services – Division of County Operations-Commodity Supplemental Food Program - \$108,000
4. Department of Human Services – Division of County Operations-The Emergency Food Assistance Program - \$51,000

E. Pay Plan Holding Account Transfer Request(s) – FY18

1. Department of Career Education - Arkansas Rehabilitation Services - \$55,000
2. Department of Career Education – Skills Development - \$107,127
3. Department of Emergency Management - \$54,500
4. Military Department - \$11,000
5. Department of Human Services – Division of Children and Family Services - \$2,343,600
6. Board of Examiners in Counseling - \$12,643
7. Department of Human Services – Division of Youth Services - \$350,000
8. Department of Human Services – Division of County Operations - \$5,470,000
9. Department of Human Services – Division of Behavioral Health Services - \$100,000
10. Department of Human Services – Division of Medical Services - \$300,000
11. Department of Human Services – Division of Child Care and Early Childhood Education - \$375,000
12. Department of Human Services – Division of Aging and Adult Services - \$540,000
13. Burial Association Board - \$12,500
14. Department of Labor - \$26,000
15. Arkansas Natural Resources Commission - \$105,000
16. Education – Educational TV Division - \$10,000
17. Agriculture Department - \$61,146

F. Item Approved on an Emergency Basis - See Attachment 2

Pay Plan Holding Account Transfer Request – FY18
Administrative Office of the Courts - \$2,000

The Subcommittee was also presented the Office of the Treasurer – Professional Fees Expenditure Report for December 2017.

Respectfully submitted by Subcommittee Co-Chairs, Senator Bruce Maloch and Representative David Meeks

**DEPARTMENT OF HUMAN SERVICES
TRANSFER REQUEST SUMMARY
FISCAL YEAR 2018**

	DIRECTOR'S OFFICE	AGING & ADULT SERVICES	CHILDREN & FAMILY SERVICES	CHILD CARE SERVICES	BEHAVIORAL HEALTH SERVICES	MEDICAL SERVICES	COUNTY OPERATIONS	DEV. DISABILITIES SERVICES	SERVICES FOR THE BLIND	YOUTH SERVICES	TOTAL
APPROPRIATION TRANSFERS											
A. WITHIN DIVISIONS											
REGULAR SALARIES											
EXTRA HELP											
PERSONAL SERVICES MATCHING											
OVERTIME			(500,000.00)								
OPERATING EXPENSE				(1,250,000.00)							(500,000.00)
PROFESSIONAL FEES & SERVICES			500,000.00	1,250,000.00							(1,250,000.00)
CAPITAL OUTLAY											1,750,000.00
STATEWIDE PREV / INTERV. YOUTH											
A. TOTAL											
B. BETWEEN DIVISIONS											
REGULAR SALARIES	389,564.00						(362,425.00)				27,139.00
EXTRA HELP	(9,815.00)	10,938.00	(27,139.00)			14,685.00			35,374.00	10,646.00	34,689.00
PERSONAL SERVICES MATCHING	138,229.00	2,468.00	(6,304.00)			(132,756.00)			7,679.00		9,316.00
OPERATING EXPENSE	84,564.00					(84,564.00)					
CONFERENCE FEES & TRAVEL	917.00					(917.00)					
DYS FEDERAL CHILD AND YOUTH SERVICE GRANTS										(71,144.00)	(71,144.00)
B. TOTAL	603,459.00	13,406.00	(33,443.00)	-	-	-	(565,977.00)	-	43,053.00	(60,498.00)	-
FUND TRANSFERS											
GENERAL REVENUE-OPERATIONS											
DAS FUND	73,243.00										73,243.00
DAAS FUND		13,406.00									13,406.00
DCC FUND				(26,589.00)							(26,589.00)
DCF FUND			16,721.00								16,721.00
DBA FUND					232,552.00						232,552.00
DCO FUND						(293,191.00)					(293,191.00)
DDS FUND								94,321.00			94,321.00
DSB FUND									43,053.00		43,053.00
DYS FUND										(153,516.00)	(153,516.00)
DMS FUND											
DGF FUND											
TOTAL FUND TRANSFERS	73,243.00	13,406.00	16,721.00	(26,589.00)	232,552.00	-	(293,191.00)	94,321.00	43,053.00	(153,516.00)	-
POSITION TRANSFERS											
TRANSFERS OUT	(27)	(3)	(6)		(11)		(28)	(4)			(79)
TRANSFERS IN	33	3	2	2	18	4	9	7		1	79
TOTAL POSITION TRANSFERS	6	0	(4)	2	7	4	(19)	3	0	1	0

TRANSFER 2 OF 4
Authority-Section 11(c), Act 903 of 2017

PREPARED BY: DFA - OFFICE OF BUDGET
20-Dec-17

**ALC Report
For Emergency Review of
Pay Plan Request**

December 28, 2017

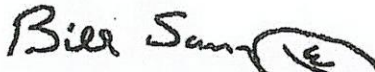
On December 28, 2017 Senator Bill Sample and Representative Jim Dotson, Co-Chairs of the Legislative Council, and Senator Bruce Maloch and Representative David Meeks, Co-Chairs of the PEER Subcommittee, received written notification from Larry Walther, the Chief Fiscal Officer of the State, requesting Emergency Review of a Pay Plan Appropriation Request.

Under Rule 16 of the Rules of the Arkansas Legislative Council, on December 28, 2017, the Co-Chairs of the Legislative Council and PEER Subcommittee unanimously determined that emergency review of the Pay Plan request was necessary to enable the agency to perform essential services. 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 this request, and state herein that this request 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 Pay Plan request that was given emergency review.

Pay Plan Appropriation Request – FY18
Administrative Office of the Courts - \$2,000

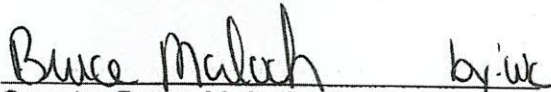
Respectfully Submitted,



Senator Bill Sample, Co-Chair
Arkansas Legislative Council



Representative Jim Dotson, Co-Chair
Arkansas Legislative Council



Senator Bruce Maloch, Co-Chair
ALC PEER Subcommittee



Representative David Meeks, Co-Chair
ALC PEER Subcommittee



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

OFFICE OF THE DIRECTOR
1509 West Seventh Street, Suite 401
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
Fax: (501) 682-1029
<http://www.state.ar.us/dfa>

December 28, 2017

Senator Bill Sample, Chair
Representative Jim Dotson, Chair
Arkansas Legislative Council
State Capitol
Little Rock, AR 72201

RE: Emergency Action Procedures Request

Dear Co-Chairs:

This is to inform you that there is an item for Legislative Council review that requires your immediate attention. Because of the time-sensitive nature of these item, the Department of Finance and Administration respectfully requests an expedited review.

This request is for Extra Help appropriation for the Administrative Office of the Courts. The request is needed to support a projected shortfall brought on by the opportunity to bring a new-hire into the agency during a transition time until the regular position is vacated in January. This was an unanticipated event which has occurred that requires the additional appropriation in order to meet salary requirements of the agency.

I ask that you please institute emergency action procedures for consideration of these matters and sign them out of Committee per Rule 16 of the Rules of the Arkansas Legislative Council.

Sincerely,

A handwritten signature in cursive script, reading "Larry W. Walther".
Larry W. Walther
Director

LWW:nf

ADMINISTRATIVE OFFICE OF THE COURTS
SUPREME COURT OF ARKANSAS
"Supporting Courts, Ensuring Justice"

HERVEY HOUSER, FINANCE & ADMINISTRATION DIRECTOR



JUSTICE BUILDING
625 MARSHALL STREET
SUITE 1100
LITTLE ROCK, AR 72201

December 27, 2017

Mr. Duncan Baird
Budget Administrator
DFA Office of Budget
1509 W. 7th St. Suite 402
Little Rock, AR 72201

Dear Mr. Baird:

This letter is to request an *Appropriation Transfer* of \$2,000.00 from the *EXTRA HELP PAY PLAN HOLDING ACCOUNT* into Fund HSC2300, Fund Center 343, for FY2018.

Adequate funds exist to cover this request. The Appropriation is necessary in order to make up an anticipated shortfall in our Extra Help line item for FY18, originally budgeted at \$5,000. Hon. Kristin Clark was hired in early December into an Extra Help position to train with Keith Caviness, AOC senior staff attorney, until his retirement on December 31, 2017. Judge Clark will be replacing Mr. Caviness on January 1, 2018 as a full-time AOC employee subsequent to wrapping up her docket in late December.

The opportunity to bring Judge Clark to the AOC came up suddenly and unexpectedly, after the December PEER deadline had passed. Due to this, we request emergency approval of this request to be able to meet anticipated payroll obligations at the completion of December 2017.

Please feel free to call me at 501.410.1931 should you have any questions or need further information.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "HH", with a long horizontal stroke extending to the right.

Hervey Houser
AOC Finance & Administration

Director