

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

June 19, 2020

Dear Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Tuesday, June 16, 2020, 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

1. FY20 Cash Appropriation Requests

- a. Department of Education-Division of Elementary and Secondary Education - \$13,250,000
- b. Department of Commerce-Arkansas Economic Development Commission - \$17,648

2. FY21 Cash Appropriation Requests

- a. Administrative Office of the Courts - \$30,000
- b. Department of Education-Division of Elementary Education - \$13,250,000
- c. Department of Education-Division of Career and Technical Education - \$11,250
- d. Department of Education-Division of Career and Technical Education - \$2,520,000
- e. Department of Finance and Administration-Racing Commission - \$20,000,000
- f. Department of Parks, Heritage, and Tourism-Delta Cultural Center - \$61,100
- g. Department of Parks, Heritage, and Tourism-Mosaic Templars Cultural Center - \$634,060
- h. Department of Parks, Heritage, and Tourism-Arkansas Natural Heritage Commission - \$40,000
- i. Department of Parks, Heritage, and Tourism-Arkansas Arts Council - \$56,000
- j. Department of Commerce-Arkansas Economic Development Commission - \$412,352
- k. Department of Labor and Licensing-Division of Labor - \$11,000

3. FY21 Continuation of Cash Appropriation Requests

- a. Department of Commerce-Division of Workforce Services - \$1,114,000
- b. Department of Agriculture - \$90,000
- c. Department of Agriculture Buffalo River Watershed - \$1,000,000
- d. Northwest Technical Institute - \$1,356,906
- e. Northwest Technical Institute Welding Technology Center - \$958,651
- f. Department of Parks, Heritage, and Tourism-Arkansas Natural Heritage Commission - \$218,100
- g. Department of Public Safety-Division of Emergency Management - \$10,300,000
- h. Department of Commerce-Division of Workforce Services - \$3,100,000
- i. Department of Commerce-Division of Workforce Services - \$100,000
- j. Department of Commerce-Division of Workforce Services - \$100,000
- k. Department of Commerce-Division of Workforce Services-Arkansas Rehabilitation Services - \$200,000
- l. Department of Labor and Licensing-Appraiser Licensing Certification Board - \$100,000

B. ITEMS FOR APPROVAL

1. Reallocation of Resources

Department of Human Services - **FY20 (See Attachment 1)**

Department of Human Services - **FY21 (See Attachment 2)**

2. Appropriation and/or Fund Transfer Requests

- a. Department of Education-Division of Elementary and Secondary Education - **FY20** - \$1,200,000 appropriation transfer from School Funding Contingency to Enhanced Student Achievement Funding in the amount of \$700,000 and to Teacher Retirement Matching in the amount of \$500,000
- b. Department of Commerce – Division of Workforce Services - **FY21** - \$150,000 appropriation transfer from Cash in Treasury to Cash in Bank

3. Various Temporary Appropriation Requests - FY21

- a. Department of Commerce – Arkansas Insurance Department - \$150,000
- b. Department of Commerce – Division of Workforce Services – Arkansas Rehabilitation Services - \$111,917
- c. Department of Education – Division of Elementary and Secondary Education - \$3,000,000
- d. Department of Finance and Administration – Office of Child Support - \$75,000
- e. Department of Finance and Administration – Assessment Coordination Division - \$20,000

4. Various Temporary Appropriation Requests - FY20

- a. Department of Finance and Administration – Office of Child Support - \$35,000
- b. Department of Finance and Administration – Assessment Coordination Division - \$5,000

5. CARES Appropriation Request - FY21

- a. Department of Health - \$58,018,704
- b. Department of Human Services - \$132,039,172
- c. Department of Human Services - \$109,600,000
- d. Department of Finance and Administration – Disbursing Officer - \$4,500,000
- e. Department of Finance and Administration – Disbursing Officer - \$5,000,000
- f. Department of Finance and Administration – Disbursing Officer - \$3,377,042
- g. Department of Health - \$28,200,000
- h. Department of Agriculture - \$50,000
- i. Department of Public Safety - \$151,778

6. Shared Services Appropriation Transfer Requests - FY21 (**See Attachment 3**) Motion to approve, with the exception of any appropriation concerning regular salaries, personal services matching, and operating expenses associated with positions of the State Plant Board within the Department of Agriculture and positions of the Bank Department, State Securities Department, and State Insurance Department within the Department of Commerce, carried by voice vote.

7. Restricted Reserve Fund - FY21

Department of Education – Division of Elementary and Secondary Education - \$3,000,000

8. Request Approved to Maintain Current Percentage Deduction of 2.1% for the State Central Services Fund in FY21

C. Appropriation and/or Fund Transfer Requests - FY21

Public Defender Commission – Arkansas Commission for Parent Counsel - \$320,000 appropriation transfer from Extra Help to Legal Services/Refunds in the amount of \$290,000 and to Operating Expenses in the amount of \$30,000

D. Budget Classification Transfer Requests

1. FY20 Budget Classification Request

Department of Agriculture-Forestry Operations - \$22,000 from Conference and Travel Expense to Professional Fees

2. FY21 Budget Classification Transfer Requests

- a. Department of Agriculture-Forestry Operations - \$22,000 from Conference and Travel Expense to Professional Fees
- b. Department of Agriculture-Natural Resources Commission - \$50,000 from Professional Fees to Operating Expenses
- c. Department of Finance and Administration-Arkansas Tobacco Control - \$22,000 from Operating Expenses to Capital Outlay
- d. Department of Finance and Administration-Management Services - \$10,000 from Operating Expenses to Conference and Travel Expense
- e. Department of Finance and Administration-Management Services - \$5,000 from Operating Expense to Conference and Travel Expense
- f. Department of Education-Division of Higher Education - \$120,000 from Professional Fees to Operating Expenses
- g. Department of Education-Division of Higher Education - \$50,000 from Professional Fees to Operating Expenses
- h. Department of Public Safety-Division of Emergency Management - \$5,000 from Operating Expenses to Conference and Travel Expense

E. Miscellaneous Federal Grant Appropriation Requests

1. FY20 Miscellaneous Federal Grant Appropriation Requests

- a. Department of Health - \$240,028
- b. Department of Health - \$750,000 -1 Position
- c. Department of Finance and Administration - \$316,566
- d. Department of Commerce-Division of Workforce Services - \$1,827,962 – 1 Position

2. FY21 Miscellaneous Federal Grant Appropriation Requests

- a. Department of Energy and Environment-Division of Environmental Quality - \$8,206,119
- b. Department of Commerce-Arkansas Insurance Department - \$417,539
- c. Department of Health-Public Health Emergency Response - \$6,205,347
- d. Department of Health-Diabetes and Cardiovascular Disease - \$2,051,765 – 1 Position
- e. Department of Health-Overdose Data to Action - \$2,600,068 – 1 Position
- f. Department of Human Services-Division of Aging, Adult, and Behavioral Health - \$2,969,713
- g. Department of Human Services-Division of Aging, Adult, and Behavioral Health - \$4,416,242
- h. Department of Parks, Heritage, and Tourism-Arkansas State Archives - \$284,186

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- i. Department of Parks, Heritage, and Tourism-Mosaic Templar Cultural Center - \$248,000
- j. Department of Health - \$73,177,470
- k. Department of Human Services-Childcare and Early Childhood Education - \$10,567,321
- l. Department of Human Services-Division of County Operations - \$7,043,503
- m. Department of Commerce-Division of Services for the Blind - \$73,284
- n. Department of Commerce-Division of Services for the Blind - \$457,450
- o. Department of Military - \$4,402,965
- p. Department of Military - \$6,964,846
- q. Department of Human Services-Division of Childcare and Early Childhood Education - \$55,677,130
- r. Department of Human Services-Division of County Operations - \$6,939,211
- s. Department of Education-Division of Elementary and Secondary Education - \$30,663,725
- t. Department of Education-Division of Elementary and Secondary Education - \$128,758,638

3. FY21 Continuation of Miscellaneous Federal Grant Appropriation Requests (See Attachment 4)

F. Performance Fund/Pay Plan Holding Account Transfer Requests - FY20

- 1. Department of Parks, Heritage, and Tourism-Capitol Zoning Commission - \$8,756 Performance Fund
- 2. Department of Energy and Environment-Arkansas Geological Survey - \$28,806 Performance Fund
- 3. Department of Finance and Administration-Revenue Services - \$25,000 Pay Plan Holding
- 4. Department of Finance and Administration-Management Services - \$5,000 Pay Plan Holding

G. Monthly Reports

- 1. Rainy Day Fund Income and Distribution as of May 31, 2020
- 2. Budget Stabilization Trust Fund as of May 31, 2020
- 3. Tobacco Settlement Report as of May 31, 2020
- 4. State Central Services Fund Report as of May 31, 2020
- 5. CARES Act Report

Respectfully submitted by Subcommittee Co-Chairs, Senator Bruce Maloch and Representative DeAnn Vaught

Attachment 1

DEPARTMENT OF HUMAN SERVICES TRANSFER REQUEST SUMMARY FISCAL YEAR 2020

	DIRECTOR'S OFFICE	AGING, ADULT & BEHAVIORAL SERVICES	CHILDREN & FAMILY SERVICES	CHILD CARE SERVICES	PROVIDER SRVS & QUALITY ASSURANCE	MEDICAL SERVICES	COUNTY OPERATIONS	DEV. DISABILITIES SERVICES	YOUTH SERVICES	TOTAL
APPROPRIATION TRANSFERS										
A. WITHIN DIVISIONS										
REGULAR SALARIES	(400,000.00)									(400,000.00)
PERSONAL SERVICES MATCHING	(200,000.00)	200,000.00								(200,000.00)
OVERTIME										200,000.00
OPERATING EXPENSE	600,000.00	(200,000.00)								600,000.00
PROFESSIONAL FEES & SERVICES										(200,000.00)
DMS HOSPITAL/MEDICAL						211,511,835.00				211,511,835.00
DMS PRESCRIPTION DRUGS						(107,594,562.00)				(107,594,562.00)
DMS PUBLIC NURSING HOME						(59,105,089.00)				(59,105,089.00)
DMS PRIVATE NURSING HOME						(14,326,227.00)				(14,326,227.00)
DMS INFANT INFIRMARY						(30,485,957.00)				(30,485,957.00)
A. TOTAL										

FUND TRANSFERS										
GENERAL REVENUE-OPERATIONS										
DAS FUND	2,372,000.00									2,372,000.00
DCC FUND				(350,000.00)						(350,000.00)
DCF FUND			(3,272,000.00)							(3,272,000.00)
DBA FUND		1,381,722.00					1,250,000.00			1,381,722.00
DCO FUND					(125,000.00)					1,250,000.00
DPQ FUND								(1,256,722.00)		(1,256,722.00)
DGF FUND										
TOTAL FUND TRANSFERS	2,372,000.00	1,381,722.00	(3,272,000.00)	(350,000.00)	(125,000.00)	-	1,250,000.00	(1,256,722.00)	-	-

POSITION TRANSFERS										
TRANSFERS OUT										0
TRANSFERS IN										0
TOTAL POSITION TRANSFERS	0	0	0	0	0	0	0	0	0	0

TRANSFER 4 OF 4
Authority-Section 11(c), Act 901 of 2019

PREPARED BY: DFA - OFFICE OF BUDGET
12-May-20

Attachment 2

DEPARTMENT OF HUMAN SERVICES TRANSFER REQUEST SUMMARY FISCAL YEAR 2021

		DIRECTOR'S OFFICE	AGING, ADULT & BEHAVIORAL SERVICES	CHILDREN & FAMILY SERVICES	CHILD CARE SERVICES	PROVIDER SRVS & QUALITY ASSURANCE	MEDICAL SERVICES	COUNTY OPERATIONS	DEV. DISABILITIES SERVICES	YOUTH SERVICES	TOTAL
APPROPRIATION TRANSFERS											
A. WITHIN DIVISIONS											
REGULAR SALARIES		(100,000.00)									(100,000.00)
EXTRA HELP		100,000.00									100,000.00
OPERATING EXPENSE				1,595,570.00							1,595,570.00
DCFS COMMUNITY GRANTS AND AID				(1,595,570.00)							
A TOTAL											1,595,570.00
FUND TRANSFERS											
GENERAL REVENUE OPERATIONS											
DAS FUND		111,026.00								(111,026.00)	111,026.00
DYS FUND											(111,026.00)
TOTAL FUND TRANSFERS		111,026.00								(111,026.00)	
POSITION TRANSFERS											
TRANSFERS OUT		(11)	(10)	(2)		(5)		(1)	(2)	(6)	(37)
TRANSFERS IN		13	5	1		3		7	2	6	37
TOTAL POSITION TRANSFERS		2	(5)	(1)	0	(2)	0	6	0	0	0
EXTRA HELP POSITION TRANSFERS											
TRANSFERS OUT		(4)								(1)	(5)
TRANSFERS IN		1	4								5
TOTAL POSITION TRANSFERS		(3)	4	0	0	0	0	0	0	(1)	0

TRANSFER 1 OF 4
Authority-Section 13(c), Act 64 of 2020

PREPARED BY: DFA - OFFICE OF BUDGET
21-May-20

Attachment 3

Requested Appropriation Transfers, By Department Arkansas Legislative Council

	Regular Salaries	Personal Services Matching	Capital Outlay	Conference Travel and Fees	Miscellaneous	Operating Expenses	Processing Fees & Services	Total
Agriculture	\$ 3,410,244	\$ 1,112,329	\$ 200,000	\$ 33,500		\$ 2,763,331	\$ 754,500	\$ 8,273,904
Commerce	\$ 4,297,016	\$ 1,337,223				\$ 576,000		\$ 6,210,239
Corrections	\$ 7,700,000	\$ 2,700,000						\$ 10,400,000
DFA	\$ 1,696,528	\$ 569,287						\$ 2,265,816
Education	\$ 3,360,589	\$ 1,014,286		\$ 10,000		\$ 100,000		\$ 4,484,875
Energy & Environment	\$ 6,078,058	\$ 1,997,054						\$ 8,075,112
Inspector General	\$ 752,908	\$ 241,381				\$ 179,150		\$ 1,173,439
Labor & Licensing	\$ 1,415,938	\$ 443,568			\$ 378,916			\$ 2,238,421
Parks Heritage & Tourism	\$ 4,655,536	\$ 1,708,755						\$ 6,364,291
Public Safety	\$ 4,402,672	\$ 1,896,489			\$ 183,950			\$ 6,483,111
Transformation & Shared Services	\$ 2,011,338	\$ 607,820						\$ 2,619,158
	\$ 39,780,827	\$ 13,628,191	\$ 200,000	\$ 43,500	\$ 562,866	\$ 3,618,481	\$ 754,500	\$ 58,588,366

CONTINUATION OF MISCELLANEOUS FEDERAL GRANTS FOR FISCAL YEAR 2021

Attachment 4

ITEM NO.	AGENCY NUMBER	AGENCY NAME	ARRA	APPRO. AMOUNT	NO. OF POS.	ORIGINAL REVIEW DATE
1.	0810	Department of Commerce, DWS - Adult Education		\$ 916,120	3	June, 2019
2.	0063	Secretary of State		\$ 4,703,886	0	April, 2020
3.	0485	Arkansas Department of Corrections/Division of Community Corrections		\$ 481,475	4	June, 2019
4.	0485	Arkansas Department of Corrections/Division of Community Corrections		\$ 38,393	2	June, 2019
5.	0485	Arkansas Department of Corrections/Division of Community Corrections		\$ 106,583	1	June, 2019
6.	0485	Arkansas Department of Corrections/Division of Community Corrections		\$ 352,552	7	June, 2019
7.	0500	Division of Elementary and Secondary Education		\$ 4,833,274	0	November, 2019
8.	0519	Arkansas State Library		\$ 100,000	0	May, 2020
9.	0610	DFA - Governor's Council on Developmental Disabilities		\$ 500,000	0	June, 2019
10.	0610	Department of Finance and Administration		\$ 165,433	0	June, 2019
11.	0610	Department of Finance and Administration		\$ 235,498	0	June, 2019
12.	0610	Department of Finance and Administration		\$ 1,300,000	0	June, 2019
13.	0610	Department of Finance and Administration		\$ 6,500,000	0	April, 2020
14.	0610	Department of Finance and Administration		\$ 6,926,980	0	May, 2020
15.	0610	Department of Finance and Administration		\$ 316,566	0	June, 2020
16.	0645	Arkansas Department of Health		\$ 240,028	0	June, 2020
17.	0645	Arkansas Department of Health		\$ 750,000	1	June, 2020
18.	0645	Arkansas Department of Health		\$ 6,894,830	0	May, 2020
19.	0645	Arkansas Department of Health		\$ 1,333,443	0	April, 2020
20.	0645	Arkansas Department of Health		\$ 2,866,778	0	May, 2020
21.	0645	Arkansas Department of Health		\$ 682,400	0	April, 2020
22.	0700	Arkansas Division of Higher Education		\$ 3,000,000	0	February, 2020
23.	0700	Arkansas Division of Higher Education		\$ 228,000	0	October, 2020
24.	0700	Arkansas Division of Higher Education		\$ 2,000,000	0	May, 2020
25.	0930	Arkansas Energy and Environment		\$ 5,108,910	0	April, 2020
26.	0960	Arkansas State Police		\$ 53,774	0	February, 2020
27.	0960	Arkansas State Police		\$ 60,000	0	February, 2020
28.	0960	Arkansas State Police		\$ 450,000	0	February, 2020
29.	0960	Arkansas State Police		\$ 2,493,387	1	December, 2019
30.	0975	Department of Military		\$ 3,135,470	0	August, 2019
31.	0975	Department of Military		\$ 2,344,797	0	August, 2019
32.	0975	Department of Military		\$ 100,000	0	August, 2019
33.	0990	Arkansas Crime Information Center		\$ 140,793	0	May, 2020
34.	0990	Arkansas Crime Information Center		\$ 420,580	0	June, 2019
35.	0395	Arkansas Development Finance Authority		\$ 3,000,000	0	April, 2020
36.	0395	Arkansas Development Finance Authority		\$ 3,000,000	0	June, 2020
37.	0425	Department of Commerce - Insurance		\$ 325,723	0	June, 2020
38.	0425	Department of Commerce - Insurance		\$ 123,235	0	June, 2020
39.	0520	Arkansas Rehabilitation Services		\$ 501,031	0	September, 2019
40.	0710	Arkansas Department of Human Services		\$ 3,746,367	0	March, 2020
41.	0710	DHS - Division of County Operations		\$ 1,339,650	0	February, 2020
42.	0400	Department of Agriculture		\$ 855,880	3	June, 2019
43.	0400	Department of Agriculture		\$ 593,254	2	June, 2019
44.	0400	Department of Agriculture		\$ 433,760	0	August, 2019
45.	0400	Department of Agriculture		\$ 71,500	0	April, 2020
46.	0400	Department of Agriculture		\$ 55,346	0	April, 2020
47.	0400	Department of Agriculture		\$ 300,000	0	March, 2020
48.	0400	Department of Agriculture		\$ 35,000	0	June, 2019
49.	0400	Department of Agriculture		\$ 70,000	0	June, 2019
50.	0400	Department of Agriculture		\$ 185,000	0	June, 2019
51.	0400	Department of Agriculture		\$ 237,853	0	June, 2019
52.	0023	Administrative Office of the Courts		\$ 1,649,896	0	June, 2019
53.	0023	Administrative Office of the Courts		\$ 195,874	0	June, 2019
54.	0455	Department of Agriculture - Natural Resources Commission		\$ 200,000	0	April, 2020
55.	0870	Department of Parks, Heritage, and Tourism		\$ 441,500	0	May, 2020
56.	0810	Department of Commerce - Division of Workforce Services		\$ 1,827,962	1	June, 2020
		Total		\$ 78,968,781	24	