

## **SUPPLEMENTAL AGENDA**

Suspension of Rules Request  
ALC/Performance Evaluation and Expenditure Review (PEER) Subcommittee

Wednesday, August 16, 2017  
10:00 a.m., Room B, MAC

### **A. Items for Approval**

1. Set-Aside Fund Release Request – FY18
  - a. Department of Veterans Affairs
2. Appropriation and/or Fund Transfer Request – FY18
  - a. Arkansas Department of Transportation

### **B. Cash Fund Appropriation Increase Requests – FY18**

1. Board of Licensure for Professional Engineers and Professional Surveyors
2. Department of Veterans Affairs

### **C. Quarterly Report**

1. Department of Human Services Report of Inter-Agency and Inter-Divisional Match Fund Transfers for Fourth Quarter FY17



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>

August 14, 2017

Senator Bruce Maloch, Co-Chair  
Representative David Meeks, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request suspension of the rules by the committee for review of the items listed on the attached page. These items were received after the deadline for submission to your Performance Evaluation and Expenditure Review Committee, but we are requesting inclusion in this month's review.

I would appreciate your consideration in these matters.

Sincerely,

A handwritten signature in cursive script that reads "Larry W. Walther".

Larry W. Walther  
Director

Handwritten initials, possibly "LW", in cursive script.

LWW:nf

Attachment(s)

Agency Name	Type of Request	Amount	Justification
Board of Licensure for Professional Engineers and Professional Surveyors	FY18 Cash Fund Appropriation Request	\$ 36,550.00	To pay final invoices on a construction project that was expected to have been completed in the previous fiscal year, but was unable to be finished.
Arkansas Department of Veterans' Affairs	FY18 Cash Fund Appropriation Request	\$ 770,000.00	For architectural and engineering costs associated with expansion of the Arkansas State Veterans Cemetery at North Little Rock. For expansion
Arkansas Department of Veterans' Affairs	Rainy Day Fund Release	\$ 770,000.00	For architectural and engineering costs associated with expansion of the Arkansas State Veterans Cemetery at North Little Rock. For expansion
Arkansas Department of Transportation	Funding Transfer Request	\$ 23,916,042.87	To transfer from the Highway Transfer Fund to the State Highway and Transportation Department Fund.



STATE OF ARKANSAS

ASA HUTCHINSON  
GOVERNOR

August 8, 2017

Senator Bill Sample, Co-Chair  
Representative David L. Branscum, Co-Chair  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request approval of the Arkansas Legislative Council, as required by A.C.A. §19-5-1258 (c)(2), to transfer from the Rainy Day Fund to the following fund or fund accounts authorized by the General Assembly, the following amount:

Arkansas Department of Veterans Affairs

For cash funds deposited in State Treasury - \$770,000.00

This release will be used for architectural and engineering costs associated with expansion of the Arkansas State Veterans Cemetery at North Little Rock.

I appreciate your consideration in this matter.

Sincerely,

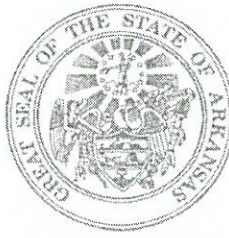
A handwritten signature in black ink, appearing to read "Asa Hutchinson", written over a stylized graphic element.

Asa Hutchinson

AH:db:tw

cc: Colonel Nathaniel Todd, Director  
Arkansas Department of Veterans Affairs





**STATE OF ARKANSAS**

**ASA HUTCHINSON**  
**GOVERNOR**

August 11, 2017

Senator Bill Sample, Co-Chair  
Representative David L. Branscum, Co-Chair  
Arkansas Legislative Council  
315 State Capitol  
Little Rock, AR 72201

Dear Co-Chairs:

Attached you will find a request from the Arkansas Department of Transportation to transfer funds in the sum of \$23,916,042.87 from the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund in order to have sufficient matching funds to fully utilize available federal aid funds for scheduled transportation projects.

Please accept this letter as my recommendation that this transfer request be reviewed and approved by the Arkansas Legislative Council, as required by A.C.A. §19-6-832 (c).

I appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson", written over a horizontal line.

Asa Hutchinson

AH:db:es

cc: Scott Bennett, P.E.  
Director of Arkansas Department of Transportation

# ARKANSAS STATE HIGHWAY COMMISSION

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SCOTT E. BENNETT, P.E.  
DIRECTOR

July 28, 2017

The Honorable Asa Hutchinson  
Governor of Arkansas  
State Capitol, Room 250  
500 Woodlane Ave.  
Little Rock, Arkansas 72201

Dear Governor Hutchinson:

Reference is made Act 1 of the 90<sup>th</sup> General Assembly's Third Extraordinary Session, the Arkansas Highway Improvement Plan of 2016 (hereinafter called the Plan).

The Plan established the Arkansas Highway Transfer Fund that includes funding for State Fiscal Year 2018 as follows:

Transfer Source	Amount
Arkansas Rainy Day Fund (Act 1123 of 2017)	\$ 20.0 million
25% of Surplus	\$ 3.9 million
Total Amount Available	\$ 23.9 million

Section 13 of the Plan, Arkansas Code 19-6-832 (c) reads as follows:

*In the event revenues to the department are insufficient to fully address the highway construction and maintenance needs of the state, the department may provide a written document to the Governor outlining the reasons that additional funding is needed and requesting that the Governor provide a recommendation to the Legislative Council or the Joint Budget Committee for review and approval of the transfer of funds in the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund.*

The Honorable Asa Hutchinson  
July 28, 2017

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In order for the Department to have sufficient matching funds required for Federal Fiscal Year (FFY) 2017 Federal-aid funds, the Department is requesting \$20 million from the Arkansas Highway Transfer Fund. The Department expects to receive at least \$15.6 million in additional Federal-aid funds from the August redistribution, which will require a minimum of \$3.9 million in additional state matching funds. FFY 2017 ends on September 30, 2017. The Department must notify the Federal Highway Administration of our intent to use FFY 2017 Federal funds by mid-September. If the Department cannot provide the matching funds required, these Federal funds will be redistributed to other states. This will equate to a nearly \$120 million reduction in construction projects to improve and maintain Arkansas' transportation system.

The Department respectfully requests your recommendation to the appropriate legislative body to transfer \$23.9 million from the Arkansas Highway Transfer Fund to the State Highway and Transportation Fund.

Thank you for your work to meet our State's immediate highway funding needs. I appreciate your, your administration's, and the legislature's efforts to address our funding shortfall.

We look forward to the future as we strive to find a long term funding solution that will enable us to continually improve the transportation system in our great State by maintaining a state of good repair, enhancing safety, increasing mobility and encouraging economic development.

Sincerely,



Scott E. Bennett, P.E.  
Director

c: Highway Commission  
Deputy Director and Chief Operating Officer  
Deputy Director and Chief Engineer  
Assistant Chief Engineers  
Assistant Chief – Administration  
Fiscal Services  
Program Management  
Public Information  
Transportation Planning and Policy



SCOTT E. BENNET, P.E.  
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ENGINEER MEMBER

BRIAN MOORE, P.E.  
VICE-PRESIDENT  
ENGINEER MEMBER

RODNEY WILLIAMS, P.E., P.S.  
ENGINEER & SURVEYOR MEMBER

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CONSUMER MEMBER



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ENGINEER MEMBER

August 10, 2017

Duncan Baird, Administrator  
DFA - Office of Budget  
DFA Building, Room 402  
Little Rock, Arkansas 72201

Subj: Additional Cash Fund appropriation request to pay final invoices for the Construction project started in the prior fiscal year.

Dear Mr. Baird,

We were given appropriation in Fiscal Year 2017 for a construction project. We had a remaining allotment of \$36,552 in our appropriation. Goods Receipts were processed with the expectation that the invoices would be received and paid prior to June 30th. This did not occur.

We now have the Final Invoices but we no longer have the Construction Line Item in order to pay them. Therefore, we respectfully request a restoration of the Construction Line Item and the appropriation for Fiscal Year 2018 as follows:

Fund Center	Fund	Commitment Item	Amount
857	NES0000	Construction 509:00:05	\$36,550

If you need any additional information, please feel free to contact me.

Sincerely,

Heather N. Richardson  
Executive Director

hnr:lss

Fund Balance  
\$665,447.75



Fund Balance: \$ 199,666.48



## STATE OF ARKANSAS

Department of Veterans Affairs  
501 Woodlane Drive, Suite 230C  
Little Rock, Arkansas 72201  
(501) 683-1643 / FAX (501) 682-4833

**Asa Hutchinson**  
Governor

**Nathaniel (Nate) Todd**  
Director

August 11, 2017

Mr. Duncan Baird, Administrator  
Department of Finance and Administration  
Office of Budget  
1509 West 7<sup>th</sup> Street, Suite 401  
Little Rock, AR 72203-3278

Re: FY18 Cash Letter – NVA0200 38S Arkansas State Veterans Cemetery at North Little Rock

**Business Area – 0385**  
**Fund Center – (385) – Veterans Cemetery**  
**Fund – NVA0200**  
**Functional Area – HHS**  
**Commitment Item – Professional Fees (506:00:10) \$750,000**  
**Commitment Item – (502:00:02) Operating Expenses – \$20,000**

Dear Mr. Baird:

We respectfully request \$770,000 in FY18 cash appropriation for the Arkansas State Veterans Cemetery at North Little Rock. We request this appropriation to accompany Rainy Day cash funds the agency has requested through the Governor's office. These funds are to pay for anticipated startup costs on a construction project to expand the burial space and improve infrastructure at the cemetery.

**Commitment Item – Professional Fees (506:00:10) \$750,000**

We are requesting cash appropriation for the design fees that will be incurred by a competitively selected architect/engineer firm. Prior to selecting a general contractor and beginning construction on this project an engineering firm must be selected to: develop, coordinate and review a project master plan document which will dictate the scope and specifications of the construction.

**Commitment Item – (502:00:02) Operating Expenses – \$20,000**

We are also requesting cash appropriation for other expenses that are anticipated to be incurred as startup costs for the project. This includes the costs to advertise and solicit architect/engineering firms through an RFQ, obtain any related permits and to conduct an environmental assessment of the jobsite.

**Certification of Income:**

Certification of income to match the above requested appropriation would be made available through a transfer of Rainy Day Funds (pending authorization).

Thank you for your consideration.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Matt Nokes', is written over a faint, larger signature.

Matt Nokes, Agency Controller

Cc: Nate Todd, Director



## Office of Director

P.O. Box 1437, Slot S201 · Little Rock, AR 72203-1437  
501-682-8650 · Fax: 501-682-6836 · TDD: 501-682-8820



July 24, 2017

Senator Bill Sample, Co-Chair  
Representative David L. Branscum, Co-Chair  
Arkansas Legislative Council  
State Capitol, Room 315  
Little Rock, Arkansas 72201

**RE: Quarterly Report of Inter-Agency and Inter-Divisional Match Fund Transfers**

Dear Senator Sample and Representative Branscum:

Pursuant to Act 268 of 2016 - Section 17 (b), the Department of Human Services is submitting the attached Report of Inter-Agency and Inter-Divisional Match Fund Transfers for the fourth quarter of fiscal year 2017.

Thank you for your assistance in this matter. Please feel free to call me if you need additional information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cindy Gillespie".

Cindy Gillespie  
Director

CG/SC/tf

Attachment



Department of Human Services  
Report of Inter-Agency and Inter-Divisional Match Fund Transfers  
As required by Act 268 of 2016, Section 17(b)  
For the 4th Quarter of Fiscal Year 2017

Date	From		Code	To		Amount	Purpose
	Code	Fund Title (Division)		Code	Fund Title (Division)		
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	898/PWE8000	DHS-Hospital Medical Vendor Fund DMS		137,502.00	Medicaid Program Reimbursements for the month of March, 2017
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		72,162.00	Medicaid Program Reimbursements for the month of March, 2017
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		692,672.00	Medicaid Program Reimbursements for the month of March, 2017
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		33,333.00	Medicaid Program Reimbursements for the month of March, 2017
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		101,544.00	Medicaid Program Reimbursements for the month of March, 2017
04/10/17	DHP0000	DHS-Division of Aging and Adult Services	PWD8600	DHS-Hospital Medical Vendor Fund DMS		8,145.50	Medicaid Program Reimbursements for 4th Qtr FY 2017
04/10/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		28,494.05	Medicaid Program Reimbursements for 3rd Qtr FY 2017
05/03/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		692,672.00	Medicaid Program Reimbursements for the month of April 2017
05/03/17	DEA0000	DHS-Division of Developmental Disabilities	898/PWE8000	DHS-Hospital Medical Vendor Fund DMS		137,502.00	Medicaid Program Reimbursements for the month of April 2017
05/03/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		101,544.00	Medicaid Program Reimbursements for the month of April 2017
05/03/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		72,162.00	Medicaid Program Reimbursements for the month of April 2017
05/03/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		33,333.00	Medicaid Program Reimbursements for the month of April 2017
06/07/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		692,672.00	Medicaid Program Reimbursements for the month of May 2017
06/07/17	DEA0000	DHS-Division of Developmental Disabilities	898/PWE8000	DHS-Hospital Medical Vendor Fund DMS		137,502.00	Medicaid Program Reimbursements for the month of May 2017
06/07/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		72,162.00	Medicaid Program Reimbursements for the month of May 2017
06/07/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		33,333.00	Medicaid Program Reimbursements for the month of May 2017
06/07/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		101,544.00	Medicaid Program Reimbursements for the month of May 2017
06/30/17	DHP0000	DHS-Division of Aging and Adult Services	PWD8600	DHS-Hospital Medical Vendor Fund DMS		38,000.00	Medicaid Program Reimbursements for the SFY2017
06/30/17	DBA0000	DHS-Division of Behavioral Health Services	PWD8600	DHS-Hospital Medical Vendor Fund DMS		4,836,996.00	Medicaid Program Reimbursements for the SFY2017
06/30/17	DGF0000	DHS-Division of County Operations	PWD8600	DHS-Hospital Medical Vendor Fund DMS		110,929.36	Medicaid Program Reimbursements for the SFY2017
06/30/17	DGF0000	DHS-Child Care & Early Childhood Education	PWD8600	DHS-Hospital Medical Vendor Fund DMS		363,510.85	Medicaid Program Reimbursements for the SFY2017
06/30/17	DEA0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		994,183.86	Medicaid Program Reimbursements for the SFY2017
06/30/17	DGF0000	DHS-Division of Developmental Disabilities	PWD8600	DHS-Hospital Medical Vendor Fund DMS		415,800.14	Medicaid Program Reimbursements for the SFY2017
06/30/17	DYS0000	DHS-Division of Youth Services	PWD8600	DHS-Hospital Medical Vendor Fund DMS		778,519.00	Medicaid Program Reimbursements for the SFY2017
						10,686,217.76	