

# Exhibit E

## Agency Overview

### 1. Provide agency mission/purpose in 100 words or less.

- The Arkansas Agriculture Department is dedicated to the development and implementation of policies and programs for Arkansas agriculture and forestry to keep its Farmers and Ranchers competitive in national and international markets while ensuring safe food, fiber and forest products for the citizens of the state and nation.
- The Arkansas Forestry Commission is to promote forest resource health, conservation, and stewardship.
- The Arkansas State Plant Board is to protect and serve the citizens of Arkansas and the agricultural and business communities by providing information and unbiased enforcement of laws and regulations thus ensuring quality products and services.
- The Arkansas Livestock and Poultry Commission is to safeguard human and animal health, assure food safety and quality, and promote Arkansas livestock and poultry industries for the benefit of our citizens.

### 2. How is the agency structured? Provide organizational chart if available.

- Please see attached organizational chart.

### 3. Does agency answer to executive branch or 3rd party board, commission etc?

- The Secretary of the Arkansas Agriculture Department serves at the pleasure of the Governor.
- The State Plant Board shall employ, prescribe the duties of, and fix the compensation for the Director of the State Plant Board. The Director shall be appointed by the board with the approval of the Governor and shall serve at the pleasure of the Governor.
- The Executive Director of the Arkansas Livestock and Poultry Commission shall be appointed by and serve at the pleasure of the Governor.
- The State Forester shall be employed by the Arkansas Forestry Commission, with the approval of the Governor, and shall serve at the pleasure of the Governor.

### 4. Link to rules and regulations currently in place by agency/board/department or commission.

- Arkansas Agriculture Board: Advisory
- Plant Board: <http://plantboard.arkansas.gov/Pages/RULES.aspx>
- Livestock and Poultry Commission: <http://alpc.arkansas.gov/regulations/Pages/default.aspx>
- Forestry Commission: Advisory
- Milk Stabilization Board: Advisory

## Organizational Profile

### 1. List total number of part/full time employees (not positions), FTE.

- Extra-help: 53
- Full-time: 535

### 2. Total number of budgeted positions.

- Insurance match is paid on 581 budgeted positions

### 3. Total personnel expenditures including salary, benefits etc.

- Regular Salaries \$21,245,978
- Overtime Salaries \$188,299
- Extra Help Salaries \$294,778

- Stipends \$1,850
- Benefits & Employer Costs \$7,784,472
- Uniform Allowances \$62,600
- Total Personnel Expenditures \$29,577,977

**4. Five highest paid employees and their salary.**

- Secretary of Agriculture, Wes Ward \$101,969.30
- Plant Board Director, Terry Walker \$101,888.59
- Director of Poultry Diseases, Brandon Doss \$100,076.91
- Deputy Director of Agriculture, Cynthia Edwards \$98,847.63
- State Forester, Joe Fox \$98,846.80

**Fiscal Review**

**1. Agency budget last 10 years.**

	<u>Budget</u>	<u>Expense</u>	<u>Fund Balances</u>
• 2008	64,606,605	48,687,819	25,448,978
• 2009	67,578,533	47,143,995	26,664,324
• 2010	68,634,943	44,025,726	17,199,892
• 2011	135,030,255	103,366,271	21,680,904
• 2012	61,836,824	45,557,744	20,304,408
• 2013	65,198,617	46,017,588	20,914,223
• 2014	54,365,555	43,261,052	23,080,606
• 2015	56,346,796	44,152,160	24,984,833
• 2016	55,489,833	43,654,806	26,618,382
• Combined Agriculture Department Data is not available before FY 2008 in AASIS so only 9 years of history is presented.			
• Budget and expense data excludes General improvement Fund appropriations.			
• Fund balance data includes all funds including General improvement Fund balances.			

**2. Revenue sources including all fees etc. and expenditure history.**

- General Revenue
- M & R Sales
- Timber Severance Tax
- Livestock Disease Fees
- Forest Acreage Tax
- Livestock Brand & Registration
- Fair Admission Surcharge
- Vet. Diagnostic Lab Testing Fees
- Fire Protection/Suppression Fees
- Seed Testing Fees
- Egg/Poultry Inspection Fees
- Pest Control License Fees
- Chemical Applicator License Fees
- Agricultural Commodity Fees

- Forest Product Sales
- Donations
- Sales of Books, Shirts, Etc.
- Federal Grants and Cooperative Agreements

**3. Fund balance and 10 year history.**

	<u>Budget</u>	<u>Expense</u>	<u>Fund Balances</u>
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**4. Carryover fund authorization?**

- None

**Other Information**

**1. Link to audit findings and 10 year history. Please provide explanation for any repeat findings.**

- See attachment "Audit Reports 2006-2014"

**Explanation for repeat findings:**

- For the two year period ended June 30, 2008, the Division of Legislative Audit found that the fiscal departments of the Agency failed to maintain accurate fixed asset records. The recommendation was to maintain accurate fixed asset records in AASIS to reduce the risk of misappropriation of assets.
- A review of the following two year period ended June 30, 2010 resulted in a repeat, although substantially reduced finding. The Division of Legislative Audit found that the Agency did not maintain capital asset records in accordance with the State Financial Management Guide. The deficiencies were all related to one division.
- Agency response: Substantial improvements in the area of fixed asset management had been made during the 2009 and 2010 fiscal years. The finding went from "agency wide" to only one division. As the improved processes continued to be implemented, greater strides were made, and by the Division of Legislative Audit's review for the year ended June 30, 2011, there were no fixed asset related findings or comments.

- There have been no other repeat findings.

**2. Number of vehicles (fleet rotation or management plan).**

- 406 vehicles

**3. Top 10 vendors or subcontractors by dollar amount.**

<u>Vendor</u>	<u>Total Purchases FY2016</u>
DEPARTMENT OF FINANCE AND ADMINISTRATION	\$3,713,448
US BANK CPS	\$1,222,137
STRIBLING EQUIPMENT LLC (purchase of heavy equipment)	\$982,032
M J COMMUNICATIONS INC (Public Safety Equipment Maintenance)	\$779,938
WRIGHT EXPRESS FINANCIAL SERVICES (Vehicle fuel and minor maintenance)	\$692,002
WESTERN PILOT SERVICE INC (Single Engine Air Tanker Contract)	\$554,269
U S DEPT OF AGRICULTURE (Administrative Volume Charge: returned to USDA from fees we collect on their behalf)	\$521,267
IDEXX DIST CORP (Lab Supplies)	\$405,286
PSC HOLDINGS INC (Trash Pick Up Services)	\$360,237
HALEY CLAYCOMB ROPER & ANDERSON Total (Land Purchase for State Forest)	\$339,300

**Arkansas Agriculture Department**

Governor of Arkansas  
Asa Hutchinson

Secretary of Agriculture  
Wes Ward (19)

Deputy Secretary  
Cynthia Edwards

Arkansas Agriculture Board (29)  
A.C.A. 25-38-207

Milk Stabilization Board (5)  
A.C.A. 2-10-103

Young and Beginning Farmer  
Advisory Board (23)  
A.C.A. 2-1-201

Arkansas Farm Mediation Office  
A.C.A. 25-38-201

Arkansas Catfish Promotion Board (7)  
A.C.A. 2-9-101

Arkansas Soybean Promotion Board (9)  
A.C.A. 2-20-401

Arkansas Rice Research and Promotion Board (9)  
A.C.A. 2-20-501

Arkansas Wheat Promotion Board (9)  
A.C.A. 2-20-601

Arkansas Corn and Grain Sorghum Board (7)  
A.C.A. 2-20-801

Arkansas Beef Promotion Council (7)  
A.C.A. 2-35-301

Arkansas State Plant Board (120)  
Director Terry Walker

Arkansas State Plant Board (16)  
A.C.A. 2-16-206

Arkansas Livestock and Poultry  
Commission (115)  
Executive Director

Livestock and Poultry Board  
of Commissioners (7)  
A.C.A. 2-33-101

Arkansas Forestry Commission (251)  
State Forester Joe Fox

Arkansas Forestry Commission  
Board of Commissioners (9)  
A.C.A. 15-31-101

Arkansas Abandoned Pesticide Advisory Board (18)

Arkansas Veterinary Medical Examining Board (5)  
A.C.A. 17-101-201

Board of Registration for Foresters (6)  
A.C.A. 17-31-101

Arkansas Boll Weevil Eradication Committee (8)