

SUMMARY BUDGET INFORMATION

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2010 AGENCY FUND TRANSFERS

**For your information, the Office of Budget has
enumerated the following fund transfers which were
made from agency treasury fund accounts but do not appear on
the Appropriation Summary as expenditures**

Agency	Blanket Surety Bond Premiums ACA §21-2-710	Claims ACA §19-10-204	Workers' Compensation Administrative Cost Reimbursement ACA §11-9-307
Crime Information Center, Arkansas	\$106	\$0	\$138
Crime Laboratory, State	\$186	\$0	\$1,337
DFA - Alcoholic Beverage Control Administration Division	\$15	\$3,617	\$235
DFA - Alcoholic Beverage Control Enforcement Division	\$29	\$0	\$0
DFA - Child Support Enforcement, Office of	\$1,223	\$787	\$7,978
DFA - Disbursing Officer	\$0	\$19,993	\$0
DFA - Management Services Division	\$652	\$4,500	\$1,228
DFA - Racing Commission	\$19	\$0	\$224
DFA - Revenue Services Division	\$2,022	\$23,776	\$5,631
Health Services Permit Agency	\$100	\$0	\$0
Judicial Discipline and Disability Commission	\$100	\$0	\$0
Law Enforcement Standards & Training, Commission on	\$100	\$25	\$263
Martin Luther King, Jr. Commission	\$100	\$0	\$0
Parole Board	\$100	\$0	\$0
Public Defender Commission, Arkansas	\$430	\$0	\$0
Science and Technology Authority	\$100	\$0	\$0
Sentencing Commission, Arkansas	\$100	\$0	\$0
State Police, Arkansas	\$1,367	\$0	\$54,120
Veterans' Affairs, Department of	\$283	\$0	\$5,555
Veterans' Child Welfare Service Office	\$100	\$0	\$0
Workers' Compensation Commission	\$179	\$0	\$531

AGENCY POSITION USAGE REPORT

Agency	FY2010 - FY2011						3 YEAR AVERAGE(FY09,FY10,FY11)					
	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
		Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
Crime Information Center, Arkansas	72	68	7	75	-3	5.56 %	72	71	3	74	-2	1.39 %
Crime Laboratory, State	141	125	16	141	0	11.35 %	143	125	15	140	3	12.59 %
DFA - Alcoholic Beverage Control Administration Division	10	9	1	10	0	10.00 %	10	9	0	9	1	10.00 %
DFA - Alcoholic Beverage Control Enforcement Division	20	18	2	20	0	10.00 %	20	18	1	19	1	10.00 %
DFA - Child Support Enforcement, Office of	876	779	63	842	34	11.07 %	876	797	38	835	41	9.02 %
DFA - Disbursing Officer	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
DFA - Management Services Division	451	407	47	454	-3	9.76 %	443	401	41	442	1	9.48 %
DFA - Racing Commission	13	13	0	13	0	0.00 %	13	13	0	13	0	0.00 %
DFA - Revenue Services Division	1,506	1,378	107	1,485	21	8.50 %	1,503	1,401	75	1,476	27	6.79 %
Disabled Veterans' Service Office	1	1	0	1	0	0.00 %	1	0	0	0	1	100.00 %
Health Education, Arkansas Board of	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
Health Services Permit Agency	11	8	3	11	0	27.27 %	11	7	3	10	1	36.36 %
Judicial Discipline and Disability Commission	6	6	0	6	0	0.00 %	6	6	0	6	0	0.00 %
Law Enforcement Standards & Training, Commission on	54	53	1	54	0	1.85 %	54	53	0	53	1	1.85 %
Martin Luther King, Jr. Commission	4	4	0	4	0	0.00 %	4	3	0	3	1	25.00 %
Parole Board	22	20	2	22	0	9.09 %	22	20	2	22	0	9.09 %
Public Defender Commission, Arkansas	237	236	1	237	0	0.42 %	235	234	1	235	0	0.43 %
Science and Technology Authority	17	16	1	17	0	5.88 %	17	15	1	16	1	11.76 %
Sentencing Commission, Arkansas	5	4	1	5	0	20.00 %	5	4	0	4	1	20.00 %
State Police, Arkansas	1,012	952	37	989	23	5.93 %	1,042	953	34	987	55	8.54 %
Veterans' Affairs, Department of	221	196	20	216	5	11.31 %	219	191	16	207	12	12.79 %
Veterans' Child Welfare Service Office	3	1	2	3	0	66.67 %	3	1	1	2	1	66.67 %
Workers' Compensation Commission	153	118	35	153	0	22.88 %	153	120	32	152	1	21.57 %

Crime Information Center (0990) - Budgeted number of positions exceeds the authorized number due to transfers from the Miscellaneous Federal Grant Holding Account.

DFA - Management Services Division (0620) - FY11 Budgeted Positions exceeds Authorized due to 3 ARRA positions authorized through the Miscellaneous Federal Grant process.

ARKANSAS CRIME INFORMATION CENTER

Enabling Laws

Act 216 of 2010

A.C.A. §12-12-201 et seq.

A.C.A. §12-12-1001 et seq.

A.C.A. §12-12-901 et seq.

A.C.A. §12-12-1601 et seq.

A.C.A. 17-44-102

A.C.A. 5-64-1106

History and Organization

The Arkansas Crime Information Center (ACIC) was created by Act 286 of 1971 with the name of Criminal Justice and Highway Safety Information Center. It was originally placed in the Department of Finance and Administration. Act 742 of 1975 transferred the agency to the Department of Public Safety. Act 375 of 1979 changed the name of the agency to the current Arkansas Crime Information Center. Act 45 of 1981 abolished the Department of Public Safety, leaving ACIC as a separate agency with all the same functions, powers and duties.

Act 1109 of 1993 expanded the authority of ACIC to administer the Computerized Criminal History Record System. This includes arrest records for all felony and Class A misdemeanor offenses, plus the judicial disposition of each record. This is the source file for all criminal history background checks.

Act 989 of 1997 expanded the authority of ACIC to administer the Sex and Child Offender Registry. This registry of sex offenders is accessible in Arkansas and by the other 49 states for authorized purposes.

Act 1250 of 1997 expanded the authority of ACIC to administer the Crime Victim Notification System. This system, commonly referred to as the VINE system, provides offender status information from all county jails and prosecuting attorneys to the victims of crime.

Administration and Organization

Under the Director, the Agency operates with five divisions. The Administrative Division is responsible for budget, accounting, purchasing and the management of the Agency. The Information Services Division is responsible for the technical development and management of the ACIC mainframe applications, telecommunications, microcomputer systems and interfaces with the National Information Systems. The Operations Division is responsible providing technical assistance to the law enforcement community. The Criminal Justice Information Division is responsible for the state's Computerized Criminal History record system as well as collection and publication of crime statistics. The Field Services Division is responsible for training and technical assistance to law enforcement agencies throughout the state as well as managing the Crime Victim Notification System, the JusticeXchange System and the Sex Offender Registry.

Mission:

The Mission of ACIC is to provide information services to criminal justice agencies in Arkansas. If these agencies are to be effective, there must be a sharing of information. Computer technology now makes data sharing a timely and efficient process. Providing this information technology is the role of ACIC.

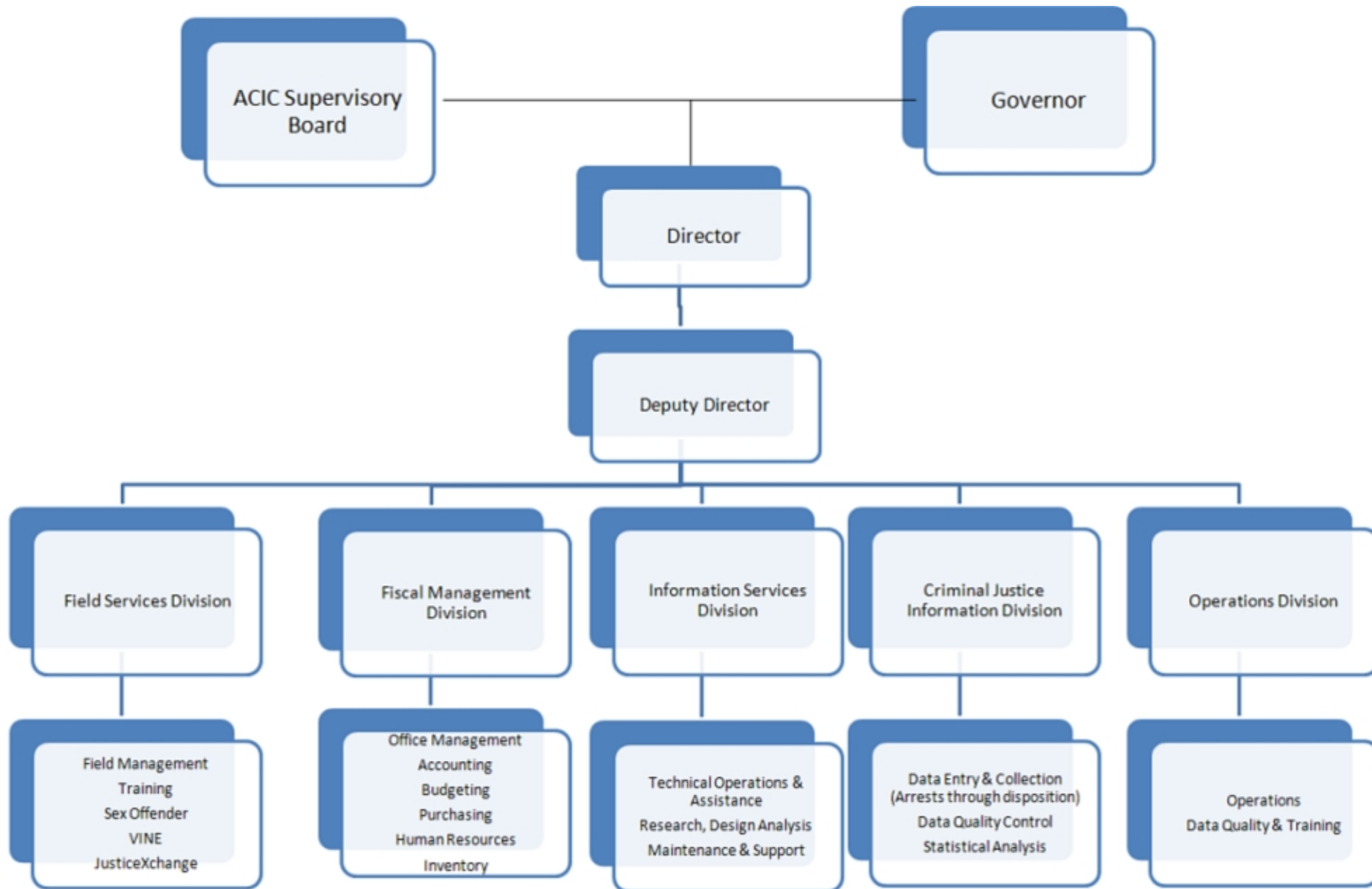
The ACIC system was developed to promote safety, the protection of property, and the equitable processing of individuals within the criminal justice system. ACIC furnishes information to governmental agencies that enforce or aid in enforcing local, state and federal laws.

Scope:

ACIC serves criminal justice agencies and officials at the local, county, state and federal levels in Arkansas. Access to information is provided through a network of over 2,000 terminals in over 260 locations statewide. ACIC also administers the state's central repository of criminal history records, the sex offender registry, collects and publishes statistics on crime and manages the crime victim notification project.

Public Benefit:

The public benefit of ACIC is to enable effective government operations and public safety through appropriate, cost-effective, coordinated, innovative and useful application of information technologies.



Agency Commentary

Appropriation 171- Operations

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

The Agency is requesting no increase in Operating Expenses, Conference and Travel Expenses or Professional Fees.

The Agency is requesting a Reallocation of Resources in the amount of \$1,201,035 from Data Processing (509:00:12) to Data Processing (590:00:46) as requested.

The Agency is requesting \$50,000 in FY12 and \$50,000 in FY13 for Capital Outlay. These requests will be used for the purchase of hardware, firewalls, servers, routine replacement of PCs within the agency and other furniture and equipment.

The Agency is requesting \$500,000 each year in Contingency Appropriation. This request will be used to provide for the Criminal History Information Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.

The Agency is requesting \$50,000 in general revenue funding above Base Level for FY12 and FY13. This funding will provide for the purchase of needed furniture and equipment for the Agency.

Appropriation 927 - Criminal History Improvement Program - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

The Agency is requesting restoration of three existing positions and \$31,000 in Capital Outlay for these grants.

Appropriation 944 - Systems Conference - Cash

The Agency supports an annual ACIC Systems Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space.

Base Level is requested for this appropriation in the amount of \$60,000 for FY12 and FY13.

Appropriation 739 - Sex/Child Offender Registration Program

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. 12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency is requesting a continuation of Base Level.

Appropriation 35E - Arkansas Real-Time Electronic Logbook

This appropriation is used for the operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medication used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigative tool.

The Agency is requesting a continuation of Base Level.

Appropriation 85A - SAVIN Program - Federal

This appropriation will be used to enhance the Victim Identification and Notification Everyday (VINE) registration process as well as updating the Court Interface program. This grant will also provide funding to advertise the VINE program to the general public.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS CRIME INFORMATION CENTER
FOR THE YEAR ENDED JUNE 30, 2008

Findings

During audit testing of equipment, we selected a sample of 30 items and noted the following exceptions:

- Eight items valued at \$36,140 were documented as being sent to Marketing and Redistribution, however, the items were not removed from the AASIS fixed asset records in a timely manner.
- Seven items valued at \$26,775 could not be located by the Agency.

Management's inability to timely process equipment deletions and maintain accountability over the physical location of equipment could lead to inaccurate reporting and the misuse and loss of assets.

Recommendations

The Agency strengthen internal controls related to equipment.

Employment Summary

	Male	Female	Total	%
White Employees	19	33	52	76 %
Black Employees	1	13	14	21 %
Other Racial Minorities	2	0	2	3 %
Total Minorities			16	24 %
Total Employees			68	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Crime in Arkansas	A.C.A. §12-12-207(d)	N	N	0	Posted on the Arkansas Crime Information Center website.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
171 ACIC - Operations	5,628,287	68	7,322,647	70	7,782,717	70	7,239,713	70	7,789,713	70	7,789,713	70	7,239,713	70	7,789,713	70	7,789,713	70
35E Electronic Logbook	339,136	1	393,406	1	393,406	1	393,434	1	393,434	1	393,434	1	393,434	1	393,434	1	393,434	1
739 Sex/Child Offender Registration	18,016	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
82U ARRA Federal	0	0	310,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
85A SAVIN Program-Federal	0	0	0	0	0	0	0	0	520,000	0	520,000	0	0	0	520,000	0	520,000	0
927 Criminal History Imprv-Federal	348,460	6	703,064	3	781,371	1	619,194	1	756,627	4	756,627	4	619,194	1	756,627	4	756,627	4
944 Systems Conf-Cash in Treasury	33,436	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
Total	6,367,335	75	8,839,117	74	9,067,494	72	8,362,341	72	9,569,774	75	9,569,774	75	8,362,341	72	9,569,774	75	9,569,774	75

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	4,006,297	38.3	4,082,615	35.6		2,635,278	27.2	2,635,278	25.5	2,635,278	25.5	1,315,541	15.7	765,541	9.0	765,541	9.0
General Revenue	4000010	3,635,454	34.8	3,764,639	32.8		3,681,833	38.0	3,681,833	35.6	3,681,833	35.6	3,681,833	43.9	3,681,833	43.3	3,681,833	43.3
Federal Revenue	4000020	348,460	3.3	703,064	6.1		619,194	6.4	1,276,627	12.4	1,276,627	12.4	619,194	7.4	1,276,627	15.0	1,276,627	15.0
Special Revenue	4000030	2,329,109	22.3	2,456,013	21.4		2,583,513	26.7	2,583,513	25.0	2,583,513	25.0	2,619,896	31.2	2,619,896	30.8	2,619,896	30.8
Cash Fund	4000045	30,956	0.3	60,000	0.5		60,000	0.6	60,000	0.6	60,000	0.6	60,000	0.7	60,000	0.7	60,000	0.7
Federal Funds-ARRA	4000244	0	0.0	310,000	2.7		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	1,610	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	98,064	0.9	98,064	0.9		98,064	1.0	98,064	0.9	98,064	0.9	98,064	1.2	98,064	1.2	98,064	1.2
Total Funds		10,449,950	100.0	11,474,395	100.0		9,677,882	100.0	10,335,315	100.0	10,335,315	100.0	8,394,528	100.0	8,501,961	100.0	8,501,961	100.0
Excess Appropriation/(Funding)		(4,082,615)		(2,635,278)			(1,315,541)		(765,541)		(765,541)		(32,187)		1,067,813		1,067,813	
Grand Total		6,367,335		8,839,117			8,362,341		9,569,774		9,569,774		8,362,341		9,569,774		9,569,774	

ARRA Federal (82U) - FY11 Budget exceeds Authorized Appropriation due to a transfer from the Miscellaneous Federal Grant Holding Account.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
72	74	0	74	-2	-2.78 %	72	71	4	75	-3	1.39 %	72	68	7	75	-3	5.56 %

Budgeted number of positions exceeds the authorized number due to transfers from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 171 - ACIC - Operations

Funding Sources: MJA - Crime Information System Fund

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency's requests total \$550,000 in appropriation each year with an increase in general revenue funding of \$50,000 each year and reflect the following:

- Capital Outlay requests in the amount of \$50,000 in appropriation and general revenue funding each year for the purchase of hardware, firewalls, servers, routine replacement of PCs within the Agency, security enhancements for the reception area and other furniture and equipment.
- Restoration of \$500,000 in Contingency appropriation each year to provide for the Criminal History Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.
- Reallocation in the amount of \$1,201,035 each year from Data Processing (Commitment Item 5090012) to Data Processing (Commitment Item 5900044) due to the discontinued use of the Data Processing Commitment Item 5090012.

The Executive Recommendation provides for the Agency Request in appropriation only with no additional general revenue funding.

Appropriation Summary

Appropriation: 171 - ACIC - Operations
Funding Sources: MJA - Crime Information System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,514,165	2,655,143	2,586,385	2,605,452	2,605,452	2,605,452	2,605,452	2,605,452	2,605,452
#Positions		68	70	70	70	70	70	70	70	70
Personal Services Matching	5010003	729,395	808,236	837,064	852,493	852,493	852,493	852,493	852,493	852,493
Operating Expenses	5020002	586,289	770,041	770,041	770,041	770,041	770,041	770,041	770,041	770,041
Conference & Travel Expenses	5050009	17,769	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Professional Fees	5060010	1,148,165	1,650,692	1,650,692	1,650,692	1,650,692	1,650,692	1,650,692	1,650,692	1,650,692
Data Processing	5090012	537,930	1,201,035	1,201,035	1,201,035	0	0	1,201,035	0	0
Capital Outlay	5120011	94,574	77,500	77,500	0	50,000	50,000	0	50,000	50,000
Contingency	5130018	0	0	500,000	0	500,000	500,000	0	500,000	500,000
Data Processing	5900044	0	0	0	0	1,201,035	1,201,035	0	1,201,035	1,201,035
Update/Expand	5900046	0	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Total		5,628,287	7,322,647	7,782,717	7,239,713	7,789,713	7,789,713	7,239,713	7,789,713	7,789,713

Funding Sources										
Fund Balance	4000005	3,965,329	4,050,428		2,603,091	2,603,091	2,603,091	1,283,354	733,354	733,354
General Revenue	4000010	3,296,318	3,371,233		3,288,399	3,288,399	3,288,399	3,288,399	3,288,399	3,288,399
Special Revenue	4000030	2,317,394	2,406,013		2,533,513	2,533,513	2,533,513	2,569,896	2,569,896	2,569,896
M & R Sales	4000340	1,610	0		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	98,064	98,064		98,064	98,064	98,064	98,064	98,064	98,064
Total Funding		9,678,715	9,925,738		8,523,067	8,523,067	8,523,067	7,239,713	6,689,713	6,689,713
Excess Appropriation/(Funding)		(4,050,428)	(2,603,091)		(1,283,354)	(733,354)	(733,354)	0	1,100,000	1,100,000
Grand Total		5,628,287	7,322,647		7,239,713	7,789,713	7,789,713	7,239,713	7,789,713	7,789,713

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 171 - ACIC - Operations
Funding Sources: MJA - Crime Information System Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	7,239,713	70	7,239,713	100.0	7,239,713	70	7,239,713	100.0
C04	Reallocation	0	0	7,239,713	100.0	0	0	7,239,713	100.0
C05	Unfunded Appropriation	500,000	0	7,739,713	106.9	500,000	0	7,739,713	106.9
C08	Technology	50,000	0	7,789,713	107.6	50,000	0	7,789,713	107.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	7,239,713	70	7,239,713	100.0	7,239,713	70	7,239,713	100.0
C04	Reallocation	0	0	7,239,713	100.0	0	0	7,239,713	100.0
C05	Unfunded Appropriation	500,000	0	7,739,713	106.9	500,000	0	7,739,713	106.9
C08	Technology	50,000	0	7,789,713	107.6	50,000	0	7,789,713	107.6

Justification

C04	The Agency is reallocating \$1,201,035 for FY2012 and FY2013 in Data Processing as requested.
C05	The Agency is requesting \$500,000 for FY2012 and FY2013 in Contingency appropriation. This appropriation is unfunded. It will be used to provide for the Criminal History Information Division, AR Sex Offender Registry, ACIC operating system, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange program or the general operation of the Agency.
C08	The Agency is requesting \$50,000 for FY2012 and FY2013 in Capital Outlay. This request will be used to purchase hardware, firewalls, servers, routine replacement of PCs within the Agency and other furniture and equipment. IT Plan - Laptops.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Crime Information Center

Program: ACIC - Operations

Act #: 216 Section(s) #: 2 & 8

Estimated Carry Forward Amount \$ 2,226,700.00 Funding Source: Special

Accounting Information:

Business Area: 0990 Funds Center: 171 Fund: MJA Functional Area: SFTY

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Carry forward of special revenue to ensure sufficient funding is available to pay monthly expenditures for system related maintenance, operation, improvement and other necessary charges paid to the Department of Information Services(DIS).

Actual Funding Carry Forward Amount \$ 3,484,869.21

Current status of carry forward funding:

This funding is being used for monthly services provided by DIS for our background check system.

Note from DFA – Office of Budget: Funds remaining at the end of any fiscal year from this fund must, by law, remain in the fund regardless of the future status of any project, contract or purpose. The Special Language that requires this report is no longer necessary.

Danny Ormand

Director

08-26-2010

Date

Analysis of Budget Request

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

This appropriation is used for operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medicines used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigation tool. Funding for this appropriation comes from General Revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of unclassified positions reflects the FY11 line item maximum.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	29,253	32,249	32,249	32,249	32,249	32,249	32,249	32,249	32,249
#Positions	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	9,883	11,157	11,157	11,185	11,185	11,185	11,185	11,185	11,185
Operating Expenses 5020002	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	339,136	393,406	393,406	393,434	393,434	393,434	393,434	393,434	393,434
Funding Sources									
General Revenue 4000010	339,136	393,406		393,434	393,434	393,434	393,434	393,434	393,434
Total Funding	339,136	393,406		393,434	393,434	393,434	393,434	393,434	393,434
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	339,136	393,406		393,434	393,434	393,434	393,434	393,434	393,434

Analysis of Budget Request

Appropriation: 739 - Sex/Child Offender Registration

Funding Sources: SSC- Sex and Child Offender Registration Fund

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. §12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 739 - Sex/Child Offender Registration

Funding Sources: SSC- Sex and Child Offender Registration Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	18,016	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		18,016	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources										
Fund Balance	4000005	18,137	11,836		11,836	11,836	11,836	11,836	11,836	11,836
Special Revenue	4000030	11,715	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		29,852	61,836		61,836	61,836	61,836	61,836	61,836	61,836
Excess Appropriation/(Funding)		(11,836)	(11,836)		(11,836)	(11,836)	(11,836)	(11,836)	(11,836)	(11,836)
Grand Total		18,016	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 82U - ARRA Federal

Funding Sources: MJA - ARRA Federal

This appropriation is funded with American Recovery and Reinvestment Act of 2009 funds which will be used to purchase laptop computers and printers for field staff.

The Agency requests a discontinuation of this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 82U - ARRA Federal

Funding Sources: MJA - ARRA Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	0	310,000	0	0	0	0	0	0	0
Total	0	310,000	0	0	0	0	0	0	0
Funding Sources									
Federal Funds-ARRA 4000244	0	310,000		0	0	0	0	0	0
Total Funding	0	310,000		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	310,000		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2011-2013 BIENNIUM

Change Level by Appropriation

Appropriation: 82U - ARRA Federal
Funding Sources: MJA - ARRA Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C03	Discontinue Program	(310,000)	0	(310,000)	100.0	(310,000)	0	(310,000)	100.0
C16	ARRA	310,000	0	0	0.0	310,000	0	0	0.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C03	Discontinue Program	(310,000)	0	(310,000)	100.0	(310,000)	0	(310,000)	100.0
C16	ARRA	310,000	0	0	0.0	310,000	0	0	0.0

Justification

C03	ARRA appropriation is not requested due to completion of federal grant.
C16	ARRA appropriation is not requested due to completion of federal grant.

Analysis of Budget Request

Appropriation: 85A - SAVIN Program-Federal

Funding Sources: FAC - SAVIN Program Federal

States Automated Victim Information and Notification (SAVIN) is the existing statewide VINE (Victim Information and Notification Everyday) Service. Federal funding from the Department of Justice for this program has previously been given to the Arkansas Department of Correction but will be awarded to the Agency in the upcoming biennium. Funding is to be used for enhancements to the SAVIN program and the Court Interface Project.

The Agency's Change Level requests total \$520,000 each year and reflect the following:

- Operating Expenses in the amount of \$20,000 each year for daily operations of the program.
- Professional Fees in the amount of \$484,000 each year for implementation and maintenance of program enhancements and advertising to raise public awareness of the program.
- Capital Outlay in the amount of \$16,000 each year for equipment purchases as directed by the grant award.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85A - SAVIN Program-Federal

Funding Sources: FAC - SAVIN Program Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	0	0	0	20,000	20,000	0	20,000	20,000
Professional Fees 5060010	0	0	0	0	484,000	484,000	0	484,000	484,000
Capital Outlay 5120011	0	0	0	0	16,000	16,000	0	16,000	16,000
Total	0	0	0	0	520,000	520,000	0	520,000	520,000
Funding Sources									
Federal Revenue 4000020	0	0		0	520,000	520,000	0	520,000	520,000
Total Funding	0	0		0	520,000	520,000	0	520,000	520,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	0		0	520,000	520,000	0	520,000	520,000

Change Level by Appropriation

Appropriation: 85A - SAVIN Program-Federal
Funding Sources: FAC - SAVIN Program Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C02	New Program	520,000	0	520,000	100.0	520,000	0	520,000	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C02	New Program	520,000	0	520,000	100.0	520,000	0	520,000	100.0

Justification

C02	The SAVIN grant will provide funding to enhance the VINE registration process as well as the Court Interfact Project. Funding will also be available to provide advertising of the VINE program to the general public of Arkansas.								
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Analysis of Budget Request

Appropriation: 927 - Criminal History Imprv-Federal

Funding Sources: FAC - Crime Information Center - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Change Level Requests total \$137,433 each year and reflect the following:

- Regular Salaries and Personal Services Matching in the amount of \$106,433 each year to cover the costs associated with the Agency's request to restore 3 positions to work on the NCHIP program.
- Capital Outlay in the amount of \$31,000 each year for equipment purchases required as a part of the anticipated grant awards.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 927 - Criminal History Imprv-Federal

Funding Sources: FAC - Crime Information Center - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	112,322	66,954	125,510	30,713	107,598	107,598	30,713	107,598	107,598
#Positions		6	3	1	1	4	4	1	4	4
Personal Services Matching	5010003	42,957	27,504	47,255	10,875	40,423	40,423	10,875	40,423	40,423
Operating Expenses	5020002	12,885	131,920	131,920	131,920	131,920	131,920	131,920	131,920	131,920
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	180,296	445,686	445,686	445,686	445,686	445,686	445,686	445,686	445,686
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	31,000	31,000	0	31,000	31,000	0	31,000	31,000
Total		348,460	703,064	781,371	619,194	756,627	756,627	619,194	756,627	756,627
Funding Sources										
Federal Revenue	4000020	348,460	703,064		619,194	756,627	756,627	619,194	756,627	756,627
Total Funding		348,460	703,064		619,194	756,627	756,627	619,194	756,627	756,627
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		348,460	703,064		619,194	756,627	756,627	619,194	756,627	756,627

FY11 Budgeted number of positions exceeds the Authorized number due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 927 - Criminal History Imprv-Federal
Funding Sources: FAC - Crime Information Center - Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	619,194	1	619,194	100.0	619,194	1	619,194	100.0
C01	Existing Program	31,000	0	650,194	105.0	31,000	0	650,194	105.0
C06	Restore Position/Approp	106,433	3	756,627	122.2	106,433	3	756,627	122.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	619,194	1	619,194	100.0	619,194	1	619,194	100.0
C01	Existing Program	31,000	0	650,194	105.0	31,000	0	650,194	105.0
C06	Restore Position/Approp	106,433	3	756,627	122.2	106,433	3	756,627	122.2

Justification

C01	The Agency is requesting \$31,000 in Capital Outlay. This \$31,000 will be utilized for the purchase of furniture and equipment for federal projects.
C06	The Agency is requesting the restoration of three positions that are currently being utilized for personnel for federal grants. The funding for these positions are contingent upon federal funding.

Analysis of Budget Request

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

The Agency supports two state wide conferences from this fund: the Systems Conference and the NIBRS (National Incidence Based Reporting System) Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	33,436	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		33,436	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Funding Sources										
Fund Balance	4000005	22,831	20,351		20,351	20,351	20,351	20,351	20,351	20,351
Cash Fund	4000045	30,956	60,000		60,000	60,000	60,000	60,000	60,000	60,000
Total Funding		53,787	80,351		80,351	80,351	80,351	80,351	80,351	80,351
Excess Appropriation/(Funding)		(20,351)	(20,351)		(20,351)	(20,351)	(20,351)	(20,351)	(20,351)	(20,351)
Grand Total		33,436	60,000		60,000	60,000	60,000	60,000	60,000	60,000

STATE CRIME LABORATORY

Enabling Laws

Act 163 of 2010
A.C.A. §12-12-301 et seq.

History and Organization

The State Crime Laboratory was created by Act 517 of 1977 to provide forensic scientific support to the criminal justice system. Act 383 of 1991 created a Crime Laboratory Board that is comprised of eight members and meets once a quarter. The Board has the authority to employ and terminate the Chief Medical Examiner. An Executive Director appointed by the Governor provides the day-to-day administration of the laboratory.

The laboratory facility, which occupies approximately 69,879 square feet, is located at #3 Natural Resources Drive in Little Rock. A storage facility located adjacent to the laboratory occupies 5,500 sq. ft. These facilities are rented from the Arkansas Building Authority (ABA) for \$862,748.80/yr. This rental payment absorbs approximately 50% of the laboratory's annual Maintenance & Operations budget and decreases substantially the amount left for the day-to-day operations of the laboratory.

Funding for the laboratory is provided through general revenue allocated from the Miscellaneous Agencies Fund Account. Some funding for laboratory operations comes through the Administrative Office of the Courts and is derived from the Special State Assets Forfeiture Fund. Federal grants are utilized to support the Forensic Biology Section by providing funds for outsourcing convicted offender cases and additional scientific instruments. Grant funds are also utilized to provide annual training for all analysts and examiners, which is an ASCLD/LAB accreditation requirement. A special revenue fund derived from fees charged to convicted offenders is used to partially support the Forensic Biology Section.

The mission of the Arkansas State Crime Laboratory is to provide the highest quality scientific services and resources to the criminal justice community and others as authorized by law. The mission is achieved by a team of skilled and dedicated employees, utilizing innovative programs and state of the art technology in the fields of Combined DNA Index System (CODIS), Digital Evidence, Firearms/Toolmarks, Forensic Chemistry, Forensic Chemistry- Illicit Labs, Forensic DNA, Forensic Toxicology, Latent Prints/AFIS, Physical Evidence, and the State Medical Examiners Office.

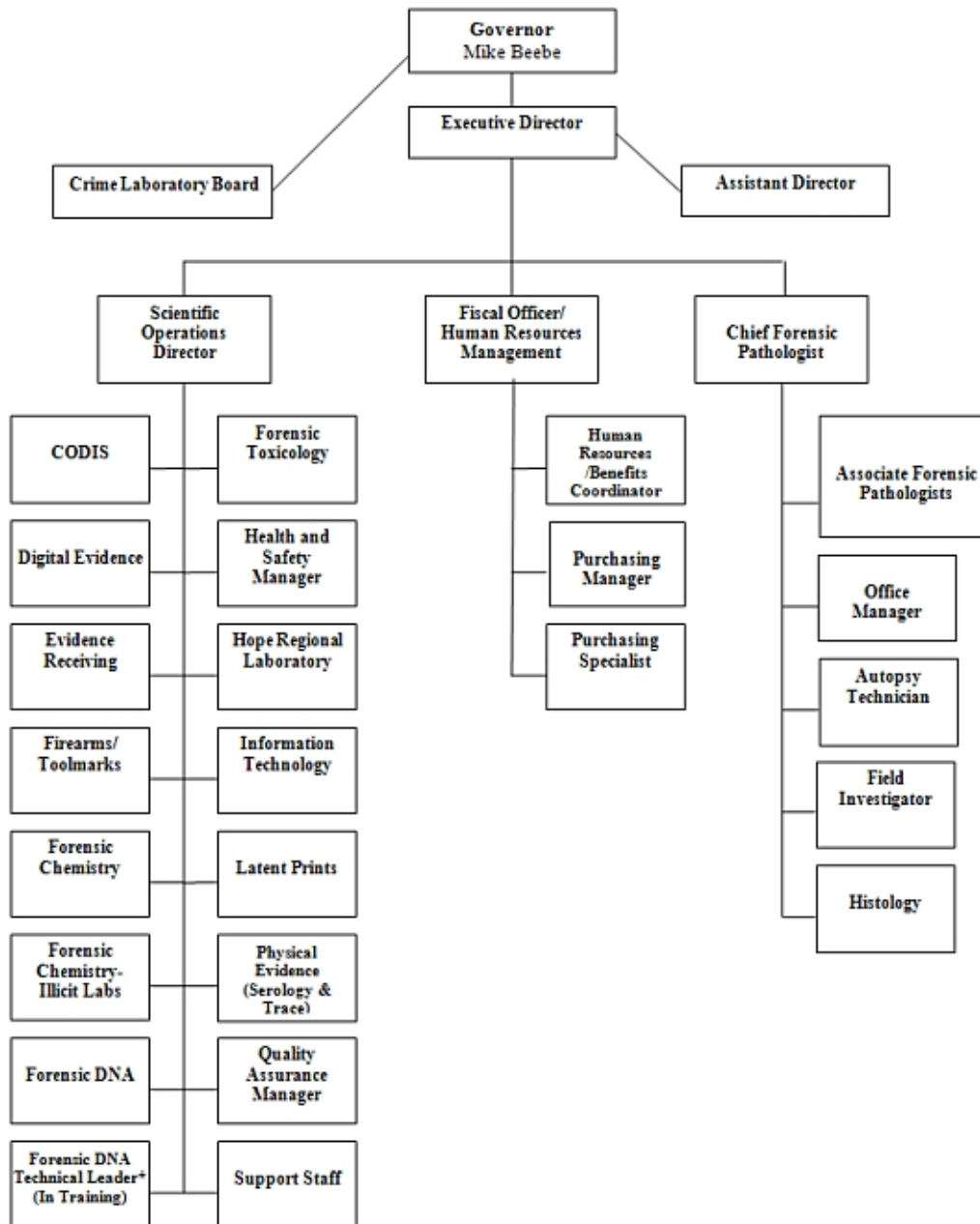
The State Crime Laboratory is a complex agency that is in a continuous state of change depending upon the needs of law enforcement. The Agency is complex in that the operations of the laboratory require the most intricate relationship between science and the law. As science provides changes in methodology requiring the latest in scientific equipment for analysis of evidence, the law demands an accounting of each process.

To satisfy this demand, the laboratory completed the accreditation process and became an accredited laboratory through the American Society of Crime Laboratory Directors - Lab Accreditation Board (ASCLD-LAB) Legacy Program in December 2004. In order to maintain accreditation, the ASCL must conduct internal audits every year and participate in an external audit every five years. The ASCL renewed this accreditation in December 2009. Accreditation is just one component of the ASCL's quality assurance program which also includes proficiency testing, continuing education, and other programs to help the laboratory provide better overall service to the criminal justice system. Accreditation is a means to demonstrate to law enforcement agencies, the court system and to the public that the laboratory is meeting established standards.

The laboratory provides forensic services at no charge to all law enforcement agencies in the state. In 2009, the laboratory received 30,331 cases/submissions. Of these cases/submissions there were 37,178 requests for analysis. One case can require multiple types of examinations that can require testing from our various disciplines in the laboratory such as Toxicology, DNA, Latent Prints, Digital Evidence, Firearms, Drugs, and Physical Evidence. The Medical Examiners section alone completed a total of 1,216 autopsies.

Services provided by the laboratory include the scientific analysis of evidence, providing written reports regarding the scientific findings of the analysis, and providing expert testimony in court. As law enforcement officers are better trained in crime investigation, more arrests are made causing additional demands to be placed on the resources of the laboratory.

In addition to the examination of evidence in 2009, crime laboratory personnel spent approximately 1,974 hours in the various courts throughout the State. Laboratory analysts are in demand as instructors for courses being taught at the Arkansas Law Enforcement Training Academy, the Black River Training Academy, the Game and Fish Commission's training program, Arkansas State Police training programs, emergency room staffs throughout the state and for the Criminal Justice Institute. Analysts have developed and provided training to Department of Corrections and Department of Community Correction's personnel for the collection of DNA samples from inmates. Evidence



Agency Commentary

The State Crime Laboratory is tasked with providing local, county, state, and, to some extent, federal law enforcement agencies in this state with forensic science services on evidence submitted and providing scientific reports and expert testimony in court regarding that evidence. The analysis of the evidence is made in an unbiased, accurate, and timely manner to insure that the defendant's right to a speedy trial is not hampered and the administration of justice is not overly delayed.

The Crime Lab received its re-accreditation by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) in December of 2009. This accreditation not only holds the laboratory to a higher standard of operation, which requires the monitoring of each section's personnel, training, quality and timeliness of work performed, but also makes the laboratory eligible for federal grant funding. Due to the laboratories accreditation status, we have secured \$1,944,825 in federal funding (2007-2009) which has been crucial in allowing the laboratory to stay current with scientific advancements in technology. Without laboratory accreditation, all casework testing, testimony and laboratory credibility across Arkansas would be jeopardized.

We are requesting the following:

Appropriation 498: State Operations

We are requesting unfunded appropriation in Capital Outlay to use in paying sales tax on new vehicles purchased by the state vehicle acquisition fund.

Appropriation 788: DNA Section Special

We are requesting an increase in Professional Fees appropriation to cover the costs of proficiency testing and Capital Outlay to purchase equipment needed to process the additional cases being analyzed by the DNA Section.

Appropriation 1ED: Federal Operations

We are requesting additional appropriation for Operating Expenses and Professional Fees expenses. We are also requesting new Capital Outlay appropriation to use for purchasing equipment. Funding will be made available through the United States Department of Justice. The Agency is also requesting a Reallocation of \$19,000 of Operating Expenses appropriation between General Ledger codes to more accurately reflect anticipated expenses.

Appropriation 1VM: Equipment

We are requesting Base Level for each year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
STATE CRIME LABORATORY
FOR THE YEAR ENDED JUNE 30, 2008

Findings

None

Recommendations

None

Performance Audit Findings

Case Prioritization and Turnaround
Arkansas State Crime Laboratory
(January 1, 2007 – December 31, 2008) - Issued 04-10-2009

Findings and Conclusions:

Findings and Conclusions:

- Case prioritization was not always documented as being made at the request of an investigative agency or by a court officer as stated in the Agency's Quality Control manual.
- Case turnaround rates provided by the Crime Lab could not be verified due to inaccurate request dates entered into the Crime Laboratory Information System (LIMS) or changed in the conversion to the new LIMS.

Recommendations:

Recommendations:

- Formalize the criteria and process used in selecting and documenting priority cases.
- Implement controls to ensure the accuracy of turnaround information.

Employment Summary

	Male	Female	Total	%
White Employees	51	64	115	92 %
Black Employees	1	8	9	7 %
Other Racial Minorities	1	0	1	1 %
Total Minorities			10	8 %
Total Employees			125	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1ED Crime Lab-Federal	1,124,337	0	1,791,755	0	1,790,855	0	791,771	0	2,091,771	0	2,091,771	0	791,771	0	2,091,771	0	2,091,771	0
1VM Equipment	427,200	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
498 Crime Lab State	9,093,186	122	9,791,186	126	9,784,029	126	9,801,429	126	9,826,429	126	9,826,429	126	9,801,429	126	9,826,429	126	9,826,429	126
4HT Video Testify Treasury	44,633	0	65,058	0	165,115	0	65,058	0	28,000	0	28,000	0	65,058	0	0	0	0	0
788 DNA Special	1,773,436	15	2,027,275	15	2,039,663	15	1,774,213	15	2,069,213	15	2,069,213	15	1,774,213	15	2,069,213	15	2,069,213	15
Total	12,462,792	137	14,425,274	141	14,529,662	141	13,182,471	141	14,765,413	141	14,765,413	141	13,182,471	141	14,737,413	141	14,737,413	141

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	3,873,886	24.7	3,223,067	19.4			2,181,647	14.9	2,181,647	13.7	2,181,647	13.7	1,498,104	10.8	1,203,104	8.0
General Revenue	4000010	6,691,933	42.7	7,297,503	43.9			7,297,503	49.9	7,297,503	45.8	7,297,503	45.8	7,297,503	52.4	7,297,503	48.8
Federal Revenue	4000020	782,026	5.0	1,791,755	10.8			791,771	5.4	2,091,771	13.1	2,091,771	13.1	791,771	5.7	2,091,771	14.0
Special Revenue	4000030	3,400,727	21.7	3,717,608	22.4			3,767,608	25.8	3,792,608	23.8	3,792,608	23.8	3,767,608	27.0	3,792,608	25.3
Cash Fund	4000045	1,632	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	15,446	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Federal Funds-ARRA	4000244	342,311	2.2	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	910	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	576,988	3.7	576,988	3.5			576,988	3.9	576,988	3.6	576,988	3.6	576,988	4.1	576,988	3.9
Total Funds		15,685,859	100.0	16,606,921	100.0			14,615,517	100.0	15,940,517	100.0	15,940,517	100.0	13,931,974	100.0	14,961,974	100.0
Excess Appropriation/(Funding)		(3,223,067)		(2,181,647)				(1,433,046)		(1,175,104)		(1,175,104)		(749,503)		(224,561)	
Grand Total		12,462,792		14,425,274				13,182,471		14,765,413		14,765,413		13,182,471		14,737,413	

The FY11 Budget amount in Crime Lab-Federal (1ED) & Crime Lab State (498) exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium. Variances in fund balances are due to unfunded appropriation.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
148	127	13	140	8	14.19 %	141	124	17	141	0	12.06 %	141	125	16	141	0	11.35 %

Analysis of Budget Request

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

This appropriation is funded by grants from the United States Department of Justice. These funds enable the State Crime Lab to out-source backlog DNA casework thus allowing State Crime Lab analysts to process current DNA cases and keep the Lab's backlog at a minimum. These funds are also used to provide the training for analysts and medical examiners necessary for the Lab to maintain its accreditation status. Finally, these funds are used to pay for overtime for analysts that work in screening evidence for biological fluids prior to the actual DNA testing.

The Agency's Change Level requests total \$1,300,000 each year and reflect the following:

- Operating Expenses increase in the amount of \$200,000 each year for the increased costs of laboratory supplies.
- Professional Fees increase in the amount of \$100,000 each year to out-source DNA samples to third party labs for testing.
- Capital Outlay of \$1,000,000 each year for replacement and purchase of additional laboratory equipment.
- Reallocation of \$19,000 of Operating Expenses appropriation between General Ledger codes to more accurately reflect anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	0	11,101	10,201	11,117	11,117	11,117	11,117	11,117	11,117
Overtime	5010006	0	54,493	54,493	54,493	54,493	54,493	54,493	54,493	54,493
Operating Expenses	5020002	109,838	155,000	155,000	155,000	355,000	355,000	155,000	355,000	355,000
Conference & Travel Expenses	5050009	66,764	171,161	171,161	171,161	171,161	171,161	171,161	171,161	171,161
Professional Fees	5060010	361,062	400,000	400,000	400,000	500,000	500,000	400,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	244,362	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000
ARRA of 2009	5900052	342,311	0	0	0	0	0	0	0	0
Total		1,124,337	1,791,755	1,790,855	791,771	2,091,771	2,091,771	791,771	2,091,771	2,091,771
Funding Sources										
Federal Revenue	4000020	782,026	1,791,755		791,771	2,091,771	2,091,771	791,771	2,091,771	2,091,771
Federal Funds-ARRA	4000244	342,311	0		0	0	0	0	0	0
Total Funding		1,124,337	1,791,755		791,771	2,091,771	2,091,771	791,771	2,091,771	2,091,771
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,124,337	1,791,755		791,771	2,091,771	2,091,771	791,771	2,091,771	2,091,771

The FY11 budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 1ED - Crime Lab-Federal
Funding Sources: FCL - State Crime Lab Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	791,771	0	791,771	100.0	791,771	0	791,771	100.0
C01	Existing Program	1,300,000	0	2,091,771	264.2	1,300,000	0	2,091,771	264.2
C04	Reallocation	0	0	2,091,771	264.2	0	0	2,091,771	264.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	791,771	0	791,771	100.0	791,771	0	791,771	100.0
C01	Existing Program	1,300,000	0	2,091,771	264.2	1,300,000	0	2,091,771	264.2
C04	Reallocation	0	0	2,091,771	264.2	0	0	2,091,771	264.2

Justification

C01	The Agency is requesting additional appropriation for Operating Expenses and Professional Fees to provide for anticipated federal grant awards. Also requesting new Capital Outlay appropriation to use for purchasing equipment. Funding will be made available through the United States Department of Justice.
C04	Agency has reallocated \$19,000 of Operating Expense appropriation between General Ledger codes to more accurately reflect anticipated expenses.

Analysis of Budget Request

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

This appropriation is funded by Special Revenue generated from forfeitures of funds and property derived through court proceedings taken in cases involving the illegal manufacture and/or distribution of narcotics. The Arkansas State Crime Laboratory receives twenty percent (20%) of all forfeitures over the first \$20,000 of forfeitures per county, per year. This appropriation is utilized to purchase equipment and replacement equipment for the regional drug labs.

The Agency is requesting Base Level for each year of the biennium. Purchases of equipment are contingent upon funding available from the Special State Asset Forfeiture Fund.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Crime Lab Equip/Pur/Replace 5900046	427,200	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	427,200	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources									
Special Revenue 4000030	427,200	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	427,200	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	427,200	750,000		750,000	750,000	750,000	750,000	750,000	750,000

Analysis of Budget Request

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas State Crime Laboratory was created by Act 517 of 1977, to provide forensic and scientific support to the criminal justice system in Arkansas. The Executive Director of the State Crime Lab is appointed by the Governor. Act 383 of 1991 created the State Crime Laboratory Board, made up of eight (8) members, including the Dean of the UAMS College of Medicine and seven (7) member appointed by the Governor with confirmation of the Senate. The Board members' terms are for seven (7) years. The Board has the authority to employ and remove the State Medical Examiner.

The Arkansas State Crime Laboratory provides complete forensic laboratory services and corroborative testimony for the state's law enforcement and criminal justice community to assist in the apprehension and conviction of individuals involved in criminal cases.

This appropriation supports primary operations for the Arkansas State Crime Laboratory. It is funded by general revenue through the Miscellaneous Agencies Fund (HUA), a portion of uniform filing fees collected in circuit court (A.C.A. § 16-10-313) and through a fund transfer from the Administration of Justice Fund.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of unclassified positions reflects the FY11 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments

The Agency's Change Level Request is for \$25,000 in Capital Outlay each year to pay sales tax on new vehicles purchased for the Agency. Funding for this request will come from Special Revenue.

The Executive Recommendation provides for the Agency Request. Replacement of aging, high mileage vehicles will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

Appropriation Summary

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	5,832,190	6,275,033	6,251,217	6,243,205	6,243,205	6,243,205	6,243,205	6,243,205	6,243,205
#Positions		122	126	126	126	126	126	126	126	126
Personal Services Matching	5010003	1,620,699	1,795,012	1,786,671	1,837,083	1,837,083	1,837,083	1,837,083	1,837,083	1,837,083
Operating Expenses	5020002	1,579,190	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676	1,600,676
Conference & Travel Expenses	5050009	4,700	56,750	56,750	56,750	56,750	56,750	56,750	56,750	56,750
Professional Fees	5060010	17,098	63,715	63,715	63,715	63,715	63,715	63,715	63,715	63,715
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	39,309	0	25,000	0	25,000	25,000	0	25,000	25,000
Total		9,093,186	9,791,186	9,784,029	9,801,429	9,826,429	9,826,429	9,801,429	9,826,429	9,826,429
Funding Sources										
Fund Balance	4000005	354,610	352,542		235,847	235,847	235,847	158,909	158,909	158,909
General Revenue	4000010	6,691,933	7,297,503		7,297,503	7,297,503	7,297,503	7,297,503	7,297,503	7,297,503
Special Revenue	4000030	1,805,841	1,800,000		1,850,000	1,875,000	1,875,000	1,850,000	1,875,000	1,875,000
DFA Motor Vehicle Acquisition	4000184	15,446	0		0	0	0	0	0	0
M & R Sales	4000340	910	0		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	576,988	576,988		576,988	576,988	576,988	576,988	576,988	576,988
Total Funding		9,445,728	10,027,033		9,960,338	9,985,338	9,985,338	9,883,400	9,908,400	9,908,400
Excess Appropriation/(Funding)		(352,542)	(235,847)		(158,909)	(158,909)	(158,909)	(81,971)	(81,971)	(81,971)
Grand Total		9,093,186	9,791,186		9,801,429	9,826,429	9,826,429	9,801,429	9,826,429	9,826,429

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 498 - Crime Lab State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	9,801,429	126	9,801,429	100.0	9,801,429	126	9,801,429	100.0
C01	Existing Program	25,000	0	9,826,429	100.3	25,000	0	9,826,429	100.3

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	9,801,429	126	9,801,429	100.0	9,801,429	126	9,801,429	100.0
C01	Existing Program	25,000	0	9,826,429	100.3	25,000	0	9,826,429	100.3

Justification

C01	Agency is requesting \$25,000 in Capital Outlay each year to be used to pay Sales Tax on new vehicles purchased by the DFA Motor Vehicle Acquisition Fund.
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Analysis of Budget Request

Appropriation: 4HT - Video Testify Treasury

Funding Sources: NCL - Video Testifying - Cash in Treasury

In FY2001, the Arkansas State Crime Laboratory received a one-time grant in the amount of \$351,000 from the Arkansas Science and Technology Authority. This grant was to be utilized for a remote video-testifying project. The goal is to minimize the time spent by Laboratory Forensic Examiners driving to courts in all areas of the state. The funding amount that carried forward from FY2010 into FY2011 was \$65,058.

The Agency's Change Level Requests provide for a reduction in Operating Expenses of (\$37,058) for FY2012 and (\$65,058) for FY2013 to match appropriation with available funding.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 4HT - Video Testify Treasury

Funding Sources: NCL - Video Testifying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	44,633	65,058	165,115	65,058	28,000	28,000	65,058	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		44,633	65,058	165,115	65,058	28,000	28,000	65,058	0	0
Funding Sources										
Fund Balance	4000005	108,059	65,058		0	0	0	0	0	0
Cash Fund	4000045	1,632	0		0	0	0	0	0	0
Total Funding		109,691	65,058		0	0	0	0	0	0
Excess Appropriation/(Funding)		(65,058)	0		65,058	28,000	28,000	65,058	0	0
Grand Total		44,633	65,058		65,058	28,000	28,000	65,058	0	0

Change Level by Appropriation

Appropriation: 4HT - Video Testify Treasury

Funding Sources: NCL - Video Testifying - Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	65,058	0	65,058	100.0	65,058	0	65,058	100.0
C03	Discontinue Program	(37,058)	0	28,000	43.0	(65,058)	0	0	0.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	65,058	0	65,058	100.0	65,058	0	65,058	100.0
C03	Discontinue Program	(37,058)	0	28,000	43.0	(65,058)	0	0	0.0

Justification

C03	Funding for this appropriation was initially provided by the Department of Science and Technology through a grant. Budget request has been reduced to anticipated fund balance levels. Expenditure of appropriation in FY12 is contingent upon available funding.
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Analysis of Budget Request

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

This appropriation provides for personal services and operating expenses to support the DNA database, as authorized by Act 737 of 1997, the "DNA Detection of Sexual and Violent Offenders Act", which is codified at A.C.A. § 12-12-1101 et seq. Funding for this appropriation is Special Revenue generated by a mandatory fine of not less than \$250 for persons required to submit to a DNA sample under the provisions of this legislation. The sentencing court has the discretion to waive the fine, if in its opinion the imposition of the fine would cause undue hardship.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of unclassified positions reflects the FY11 line item maximum.

The Agency's Change Level Requests total \$295,000 each year and reflect the following:

- Professional Fees increase in the amount of \$45,000 each year to cover the costs of proficiency testing for lab analysts.
- Capital Outlay in the amount of \$250,000 each year to purchase equipment needed to process the increasing number of cases being analyzed by the DNA section.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	616,138	632,678	646,599	629,978	629,978	629,978	629,978	629,978	629,978
#Positions		15	15	15	15	15	15	15	15	15
Personal Services Matching	5010003	185,700	199,077	197,544	198,715	198,715	198,715	198,715	198,715	198,715
Operating Expenses	5020002	892,841	896,520	896,520	896,520	896,520	896,520	896,520	896,520	896,520
Conference & Travel Expenses	5050009	0	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Professional Fees	5060010	14,335	25,000	25,000	25,000	70,000	70,000	25,000	70,000	70,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	64,422	250,000	250,000	0	250,000	250,000	0	250,000	250,000
Total		1,773,436	2,027,275	2,039,663	1,774,213	2,069,213	2,069,213	1,774,213	2,069,213	2,069,213
Funding Sources										
Fund Balance	4000005	3,411,217	2,805,467		1,945,800	1,945,800	1,945,800	1,339,195	1,044,195	1,044,195
Special Revenue	4000030	1,167,686	1,167,608		1,167,608	1,167,608	1,167,608	1,167,608	1,167,608	1,167,608
Total Funding		4,578,903	3,973,075		3,113,408	3,113,408	3,113,408	2,506,803	2,211,803	2,211,803
Excess Appropriation/(Funding)		(2,805,467)	(1,945,800)		(1,339,195)	(1,044,195)	(1,044,195)	(732,590)	(142,590)	(142,590)
Grand Total		1,773,436	2,027,275		1,774,213	2,069,213	2,069,213	1,774,213	2,069,213	2,069,213

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 788 - DNA Special
Funding Sources: SDN - DNA Detection Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,774,213	15	1,774,213	100.0	1,774,213	15	1,774,213	100.0
C01	Existing Program	295,000	0	2,069,213	116.6	295,000	0	2,069,213	116.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,774,213	15	1,774,213	100.0	1,774,213	15	1,774,213	100.0
C01	Existing Program	295,000	0	2,069,213	116.6	295,000	0	2,069,213	116.6

Justification

C01	The Agency is requesting Professional Fees appropriation to cover the costs of proficiency testing and Capital Outlay appropriation to purchase equipment needed to process the additional cases being analyzed by the DNA Section.
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DFA - ABC ADMINISTRATION

Enabling Laws

Act 13 of 2010
A.C.A. §3-2-101 - §3-2-412

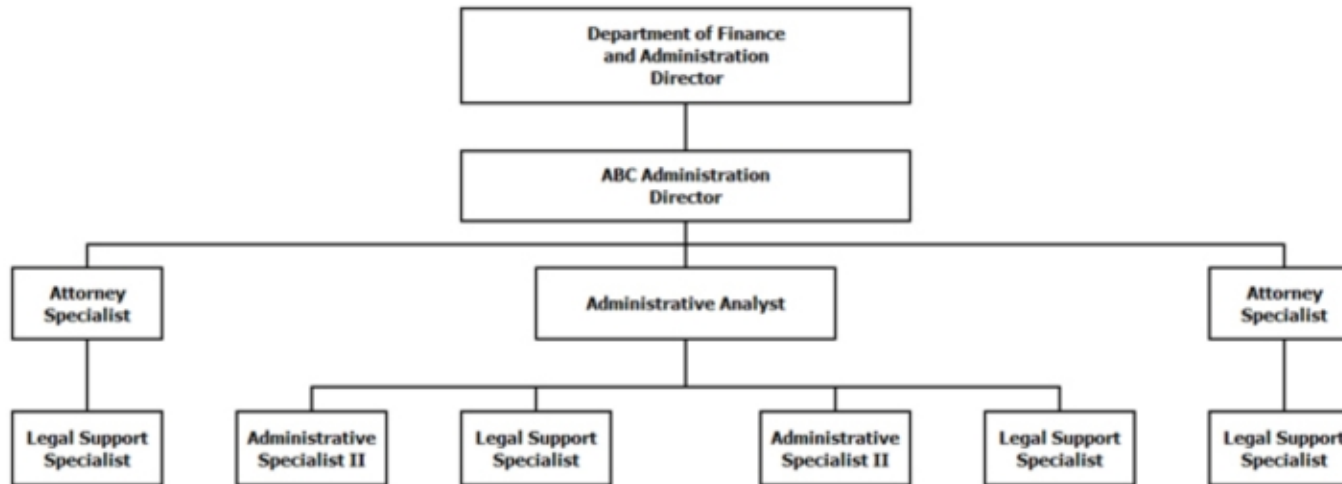
History and Organization

The Alcoholic Beverage Control Division has as its mission, such duties and assignments as have been given to it by the Arkansas General Assembly over the years. Those powers and duties can be briefly described as being the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof, in pursuit of those duties and powers.

Established with the creation of the Department of Alcoholic Beverage Control (Act 159 of 1951) the Alcoholic Beverage Control Board originally consisted of three members appointed by the Governor to serve a six year term. Membership on the Board was increased to five members with the passage of Act 343 of 1971. The Board did have statutory authority to hire the Director of the Alcoholic Beverage Control Administration Division. Since 1971, the Director has been appointed by the Director of Department of Finance and Administration with the approval of the Governor.

The Alcoholic Beverage Control Division has adopted, through statutory processes, rules and regulations which compliment, but do not contradict, laws provided by the Arkansas General Assembly. The Alcoholic Beverage Control Division receives applications, processes those applications and, depending upon whether the qualifications are met as established by law and by regulation, the permit may be issued to the applicant.

In summary, the mission of the Alcoholic Beverage Control Division is to exercise supervision and control over a system which allows for the legal distribution of alcoholic beverage products in the State of Arkansas.



Agency Commentary

The Alcoholic Beverage Control Administration Division of the Department of Finance and Administration supervises, regulates and controls the manufacture, transportation, dispensing, sale and consumption of alcoholic beverages in the State of Arkansas.

The Alcoholic Beverage Control Administration Division is funded from general revenue. The agency is requesting a change over base level in the amount of \$88,348 for FY12 and FY13 for two additional positions.

The Legislature passed fee increases across the board for ABC permits. The increased revenue from these fees were to be used to implement an education program for all law enforcement and all servers at permitted outlets within the State of Arkansas. In order to implement this program an ABC Deputy Director of Education position is requested to create, organize, implement and oversee the program. Thousands of people must be trained and certified to reduce the over service of intoxicated persons in public places and on the roads. In addition, sales to minors should go down significantly as a result of this training. The individual needs to be a certified law enforcement officer for the purpose of classroom and real world training and be able to operate as an ABC Enforcement Officer at times when Agency shorthanded.

An additional Legal Support Specialist is essential due to the current two Legal Support Specialists already handle approximately 3,800 permits across the State of Arkansas. Current staff is overwhelmed by the increased amount of taxpayers applying for permits and increased workload. This position would absorb some current job duties to allow the Agency to meet all time requirements and stay within the legal

boundaries of the Agency. Duties include, but are not restricted to: processing applications for ABC permits, entering data into the database, handling FBI results and reports, retaining criminal background information on applicants, processing monies taken for application fees, assisting at renewal time (April - October) annually.

ABC Administration Cash Operations appropriation level is sufficient for FY12 and FY13.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ADMINISTRATION

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	3	4	7	78 %
Black Employees	0	2	2	22 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			2	22 %
Total Employees			9	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
ABC Rules and Regulations	None	N	N	600	To provide ABC Rules and Regulations information to customers with ABC permits.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
261 ABC Administration - State Operations	696,114	10	718,040	10	729,189	10	742,326	10	830,674	12	822,741	12	742,326	10	830,674	12	822,741	12
911 ABC Administration - Cash Operations	2,085	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0	10,964	0
Total	698,199	10	729,004	10	740,153	10	753,290	10	841,638	12	833,705	12	753,290	10	841,638	12	833,705	12

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	7,234	1.0	6,200	0.9	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue	4000010	696,114	98.8	718,040	98.5	742,326	98.5	830,674	98.7	822,741	98.7	742,326	98.5	830,674	98.7	822,741	98.7		
Cash Fund	4000045	931	0.1	4,764	0.7	10,964	1.5	10,964	1.3	10,964	1.3	10,964	1.5	10,964	1.3	10,964	1.3		
Interest	4000300	120	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0		
Total Funds		704,399	100.0	729,004	100.0	753,290	100.0	841,638	100.0	833,705	100.0	753,290	100.0	841,638	100.0	833,705	100.0		
Excess Appropriation/(Funding)		(6,200)		0		0		0		0		0		0		0			
Grand Total		698,199		729,004		753,290		841,638		833,705		753,290		841,638		833,705			

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
10	10	0	10	0	0.00 %	10	9	1	10	0	10.00 %	10	9	1	10	0	10.00 %

Analysis of Budget Request

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

ABC administers the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof.

General revenue funds 100% of the Alcoholic Beverage Control Administration's operating budget. Currently 87% of the Agency's budget is personnel related costs with the remaining 13% maintenance and operating expenses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$147,273 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$88,348 each year in Regular Salaries and Personal Services Matching for the addition of two new positions:

- ABC Deputy Director of Education, Grade C121
- Legal Support Specialist, Grade C113

The ABC Deputy Director of Education position is needed to implement an education program for all law enforcement and all servers at permitted outlets within the State of Arkansas. The ABC Deputy Director of Education will create, organize, implement and oversee the program. This individual should be a certified law enforcement officer for the purpose of real world and classroom training and should be able to operate as an ABC enforcement officer when needed.

A new ABC Legal Support Specialist is needed to assist current staff with increasing workload, due to increased amount of taxpayers applying for permits. Duties include, but are not restricted to: processing applications for new ABC permits, entering the data into the database, handling FBI results and reports, retaining criminal background information on applicants, processing monies taken for application fees, assisting during renewal period of April through October annually.

The Executive Recommendation provides for additional appropriation and general revenue funding over Base Level in the amount of \$80,415 for two new positions:

- Education and Instruction Analyst, Grade C118
- Administrative Specialist III, Grade C112

Appropriation Summary

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	503,892	504,267	489,819	498,367	564,097	557,496	498,367	564,097	557,496
#Positions		10	10	10	10	12	12	10	12	12
Extra Help	5010001	2,296	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
#Extra Help		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	115,384	117,087	142,684	147,273	169,891	168,559	147,273	169,891	168,559
Operating Expenses	5020002	74,542	88,100	88,100	88,100	88,100	88,100	88,100	88,100	88,100
Conference & Travel Expenses	5050009	0	4,986	4,986	4,986	4,986	4,986	4,986	4,986	4,986
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		696,114	718,040	729,189	742,326	830,674	822,741	742,326	830,674	822,741
Funding Sources										
General Revenue	4000010	696,114	718,040		742,326	830,674	822,741	742,326	830,674	822,741
Total Funding		696,114	718,040		742,326	830,674	822,741	742,326	830,674	822,741
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		696,114	718,040		742,326	830,674	822,741	742,326	830,674	822,741

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 261 - ABC Administration - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	742,326	10	742,326	100.0	742,326	10	742,326	100.0
C01	Existing Program	88,348	2	830,674	111.9	88,348	2	830,674	111.9

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	742,326	10	742,326	100.0	742,326	10	742,326	100.0
C01	Existing Program	80,415	2	822,741	110.8	80,415	2	822,741	110.8

Justification

C01	To implement an education program for all law enforcement and all servers at permitted outlets within the State of Arkansas, an ABC Deputy Director of Education position is needed to create, organize, implement and oversee the program. The individual needs to be a certified law enforcement officer for the purpose of classroom and real world training and be able to operate as an ABC Enforcement Officer when shorthanded. Thousands of people must be trained and certified to reduce the over service of intoxicated persons in public places and on the roads. In addition, sales to minors should go down significantly as a result of training. The Legislature passed fee increases across the board for ABC permits. An additional Legal Support Specialist is absolutely essential due to the current two Legal Support Specialists already handle approximately 3,800 permits across the State of Arkansas. Current staff is overwhelmed by the increased amount of taxpayers applying for permits and increased workload. This position would absorb some current job duties to allow the Agency to meet all time requirements and stay within the legal boundaries of the Agency. Duties include, but are not restricted to: processing applications for ABC permits, entering data into the database, handling FBI results and reports, retaining criminal background information on applicants, processing monies taken for application fees, assisting at renewal time (April – October) annually.
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Analysis of Budget Request

Appropriation: 911 - ABC Administration - Cash Operations

Funding Sources: NAB - ABC Administration - Cash in Treasury

This appropriation is used by the Alcoholic Beverage Control (ABC) Administration Division for Operating Expenses associated with publishing the ABC "Rules, Regulations and Decisions" handbook. Cash funds received from the sale of ABC handbooks provide funding for the appropriation.

The Agency is requesting Base Level of \$10,964 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 911 - ABC Administration - Cash Operations

Funding Sources: NAB - ABC Administration - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	2,085	10,964	10,964	10,964	10,964	10,964	10,964	10,964	10,964
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,085	10,964	10,964	10,964	10,964	10,964	10,964	10,964	10,964
Funding Sources										
Fund Balance	4000005	7,234	6,200		0	0	0	0	0	0
Cash Fund	4000045	931	4,764		10,964	10,964	10,964	10,964	10,964	10,964
Interest	4000300	120	0		0	0	0	0	0	0
Total Funding		8,285	10,964		10,964	10,964	10,964	10,964	10,964	10,964
Excess Appropriation/(Funding)		(6,200)	0		0	0	0	0	0	0
Grand Total		2,085	10,964		10,964	10,964	10,964	10,964	10,964	10,964

DFA - ABC ENFORCEMENT

Enabling Laws

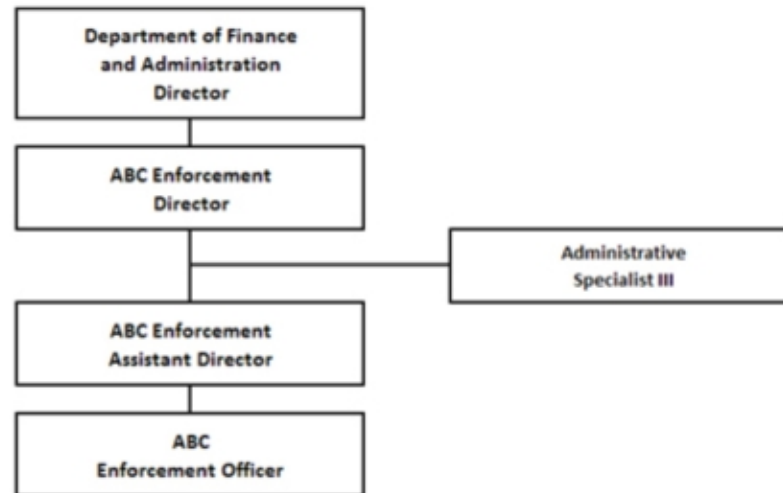
Act 113 of 2010
A.C.A. §3-2-101 - §3-2-412

History and Organization

The mission of the Alcoholic Beverage Control Enforcement Division is to enforce all Arkansas Code Annotated Laws of the State Control Act, cigarette, sales, Rules and Regulations adopted by the Alcoholic Beverage Control Board, and the training and assistance for all law enforcement agencies as well as other organizations regarding alcoholic beverages.

Alcoholic Beverage Control Enforcement Division was established with the creation of the Alcoholic Beverage Control Department of 1935. The head of the Alcoholic Beverage Control Enforcement Division is appointed by the Director of the Department of Finance and Administration with the approval of the Governor.

In addition to enforcement, the Alcoholic Beverage Control Enforcement Division conducts background investigations of those persons, businesses and organizations who apply for licenses under the Alcoholic Beverage Control Act. The Alcoholic Beverage Control agents conduct inspections and report on permit applications in addition to the investigations of violations and apprehensions of violators. The agents also investigate and inspect the damaged shipments of any controlled beverages which have been involved in a fire, wreck, or other casualty to certify the extent and the amount of damage for the purpose of returning any taxes which have been paid to the State. The agents also answer complaints, confiscate moonshine and perform other special assignments; such as food stamp fraud when used to purchase alcoholic beverages. All Alcoholic Beverage Control Enforcement agents must be certified law enforcement officers.



Agency Commentary

The Alcoholic Beverage Control Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. ABC Enforcement agents are certified law enforcement officers.

The ABC Enforcement Division is funded from general revenue. Capital Outlay (appropriation and funding), in the amount of \$2,600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year.

ABC Enforcement administers the federally funded program for Combating Underage Drinking. The current budget level allows for sufficient appropriation for expenses in enforcement investigation, mileage and other investigative materials.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ENFORCEMENT

Findings

Recommendations

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Employment Summary

	Male	Female	Total	%
White Employees	12	2	14	78 %
Black Employees	3	1	4	22 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	22 %
Total Employees			18	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1SQ ABC Enforcement - Federal Operations	183,014	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0
217 ABC Enforcement - State Operations	1,087,247	19	1,176,701	20	1,219,800	20	1,183,412	20	1,186,012	20	1,186,012	20	1,183,412	20	1,186,012	20	1,186,012	20
Total	1,270,261	19	1,661,455	20	1,704,554	20	1,668,166	20	1,670,766	20	1,670,766	20	1,668,166	20	1,670,766	20	1,670,766	20

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue 4000010	1,052,412	82.9	1,176,701	70.8			1,183,412	70.9	1,186,012	71.0	1,183,412	70.9	1,183,412	70.9	1,186,012	71.0	1,183,412	70.9
Federal Revenue 4000020	183,014	14.4	484,754	29.2			484,754	29.1	484,754	29.0	484,754	29.1	484,754	29.1	484,754	29.0	484,754	29.1
DFA Motor Vehicle Acquisition 4000184	34,835	2.7	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,270,261	100.0	1,661,455	100.0			1,668,166	100.0	1,670,766	100.0	1,668,166	100.0	1,668,166	100.0	1,670,766	100.0	1,668,166	100.0
Excess Appropriation/(Funding)	0		0				0		0		2,600		0		0		2,600	
Grand Total	1,270,261		1,661,455				1,668,166		1,670,766		1,670,766		1,668,166		1,670,766		1,670,766	

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
20	18	2	20	0	10.00 %	20	19	1	20	0	5.00 %	20	18	2	20	0	10.00 %

Analysis of Budget Request

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

This federally funded appropriation provides operations for the Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division, Combating Underage Drinking Program. The Program helps to reduce the availability of alcoholic beverages to minors and the consumption of alcoholic beverages by minors. Activities of the program include targeting establishments suspected of a pattern of violations of State laws governing the sale and consumption of alcohol by minors, public advertising programs to educate establishments about prohibitions and sanctions, and innovative programs to prevent and combat underage drinking.

The Agency is requesting Base Level of \$484,754 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	42,460	100,754	100,754	100,754	100,754	100,754	100,754	100,754	100,754
Conference & Travel Expenses	5050009	2,579	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	137,975	374,000	374,000	374,000	374,000	374,000	374,000	374,000	374,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		183,014	484,754	484,754	484,754	484,754	484,754	484,754	484,754	484,754
Funding Sources										
Federal Revenue	4000020	183,014	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Total Funding		183,014	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		183,014	484,754		484,754	484,754	484,754	484,754	484,754	484,754

Analysis of Budget Request

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. All ABC Enforcement agents are certified law enforcement officers and cover approximately 5,000 permitted outlets.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 87% of the Agency's budget is personnel related costs with the remaining 13% maintenance and operating expenses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$1,183,412 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase in Capital Outlay of \$2,600 each year to pay sales and use tax for two replacement vehicles each year. Replacement of aging, high mileage vehicles will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

The Executive Recommendation provides for the Agency Request of additional appropriation of \$2,600 each year and no additional general revenue funding.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	726,899	780,833	811,996	781,071	781,071	781,071	781,071	781,071	781,071
#Positions		19	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	220,814	242,068	254,004	251,141	251,141	251,141	251,141	251,141	251,141
Operating Expenses	5020002	103,382	151,200	151,200	151,200	151,200	151,200	151,200	151,200	151,200
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	36,152	2,600	2,600	0	2,600	2,600	0	2,600	2,600
Total		1,087,247	1,176,701	1,219,800	1,183,412	1,186,012	1,186,012	1,183,412	1,186,012	1,186,012
Funding Sources										
General Revenue	4000010	1,052,412	1,176,701		1,183,412	1,186,012	1,183,412	1,183,412	1,186,012	1,183,412
DFA Motor Vehicle Acquisition	4000184	34,835	0		0	0	0	0	0	0
Total Funding		1,087,247	1,176,701		1,183,412	1,186,012	1,183,412	1,183,412	1,186,012	1,183,412
Excess Appropriation/(Funding)		0	0		0	0	2,600	0	0	2,600
Grand Total		1,087,247	1,176,701		1,183,412	1,186,012	1,186,012	1,183,412	1,186,012	1,186,012

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,183,412	20	1,183,412	100.0	1,183,412	20	1,183,412	100.0
C01	Existing Program	2,600	0	1,186,012	100.2	2,600	0	1,186,012	100.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,183,412	20	1,183,412	100.0	1,183,412	20	1,183,412	100.0
C01	Existing Program	2,600	0	1,186,012	100.2	2,600	0	1,186,012	100.2

Justification

C01	Capital Outlay (appropriation and funding), in the amount of \$2,600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year.
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DFA - CHILD SUPPORT ENFORCEMENT

Enabling Laws

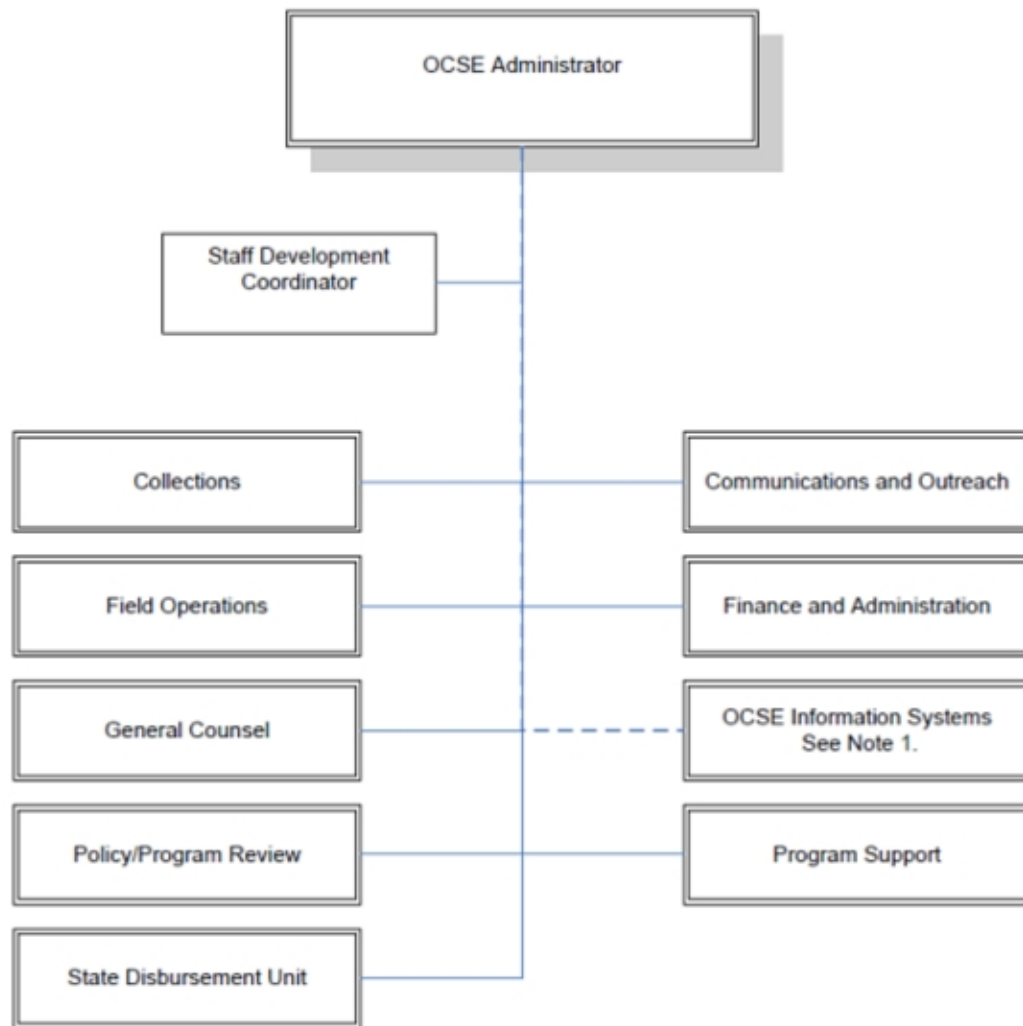
Act 7 of 2010
A.C.A. §25-8-107
A.C.A. §9-14-206 - 210

History and Organization

In 1975 the Social Security Act was amended by Congress to add part IV-D that established the Child Support Program. In order to receive federal funds for the Aid to Families with Dependent Children (AFDC) Program, each state had to establish and operate a child support program. The Arkansas program began in 1977. The mission of the program is to provide assistance to children and families in obtaining financial and medical support due them by requiring parents absent from the home to assume responsibility for the social and economic well-being of their children.

The program is responsible for locating parents, establishing paternity and orders for child and medical support, collecting and disbursing the support owed and bringing enforcement action when payments are not made. Workers assigned to the agency provide investigative and legal services on cases assigned to the agency, and provide the administrative and managerial support necessary for the organization to properly function. There are approximately 121,400 cases assigned. The cases originate in part from Transitional Employment Assistance (TEA), Medicaid and Foster Care cases referred by the Department of Health and Human Services. Other cases are established as a result of citizens applying for service. The eligibility criteria for these cases require the custodian to have a minor child in his or her care. Approximately 33,800 additional cases are monitored for payment and disbursement services. The program is authorized for 876 positions.

The Office of Child Support Enforcement (OCSE) is located within the Department of Finance and Administration - Revenue Division.



Note 1:

Information Systems reports directly to DFA-Office of Information Services and indirectly to OCSE Administrator.

Agency Commentary

The Office of Child Support Enforcement (OCSE) is responsible for locating absent parents, establishing paternity and orders for child support, collecting and distributing the funds to the appropriate case, disbursing the child support funds, and enforcing payment of support orders. Funding for this appropriation consists of a combination of federal reimbursement, fees for collection services, and general revenue.

The Agency requests restoration of 34 currently authorized positions to maintain normal operations. Severe shortages of positions throughout Child support and hiring delays due to normal employee turnover would be the repercussions if positions were not restored. Current funding levels will sufficiently cover the restored appropriation of the 34 positions.

The Agency seeks to restore Capital Outlay of \$100,000 to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain. Current funding levels will sufficiently cover the restored Capital Outlay appropriation.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
OFFICE OF CHILD SUPPORT ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2007

Findings

Review of equipment revealed that the Office of Child Support Enforcement had inadequate management review procedures over equipment which contributed to the following deficiencies:

- Twenty (20) items valued at \$29,854 out of a sample of 277 items valued at \$335,212 were considered exceptions as note below:
 - Nine (9) items were not properly tagged;
 - Six (6) items were recorded with incorrect locations;
 - Four (4) items lacked adequate documentation for disposal; and
 - One (1) item was recorded twice on AASIS.

Recommendations

The Agency ensure that equipment is properly accounted for by strengthening internal controls related to equipment.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
OFFICE OF CHILD SUPPORT ENFORCEMENT
SINGLE AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

Findings

Recommendations

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Finding Number: 09-634-01
State/Educational Agency: Office of Child Support Enforcement
CFDA Number(s) and Program Title(s): 93.563 - Child Support Enforcement
Federal Award Number(s): Various
Federal Award Year(s): 2008 and 2009
Compliance Requirement(s) Affected: Program Income
Type of Finding: Significant Deficiency

Criteria:

Federal regulations, such as 2 CFR 215.24, require recipients to account for program income related to projects financed in whole or in part with federal funds. As part of this accounting, recipients should have adequate internal controls in place to adequately account for program income. The Agency's program income consists of various fees which are assessed on the numerous child support cases that are handled by the Agency. Some examples of these fees are application fees, base cost fees, paternity testing fees, and legal fees.

We recommend that the Agency create and implement internal controls which are focused on the monitoring of program income activities.

Condition:

The Agency did not have adequate documentation of monitoring controls in place during the year under audit to ensure that all child support fees are properly assessed and collected.

Questioned Costs:

None

Cause:

The Agency failed to document proper monitoring controls over program income.

Effect:

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
 OFFICE OF CHILD SUPPORT ENFORCEMENT
 SINGLE AUDIT FINDINGS
 FOR THE YEAR ENDED JUNE 30, 2009

Findings

Due to lack of internal controls over the monitoring of program income, program fees are subject to misappropriation and could be improperly reported on federal reports.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	66	435	501	64 %
Black Employees	26	243	269	35 %
Other Racial Minorities	2	6	8	1 %
Total Minorities			277	36 %
Total Employees			778	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Children Receiving ARKids 1st Application	N/A	N	N	10,000	Public information and convenience
Custodial & Non-Custodial Parent Questionnaire	45 CFR 302.33a(2)	N	N	28,000	Federal law requiring information to be gathered from Custodial & Non-Custodial Parents
Custodial Parent Application	N/A	N	N	15,000	Public information and convenience

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Direct Deposit Form and Instructions	N/A	N	N	5,000	Public information and convenience
Financial Institution Data Match Notebook	N/A	N	N	800	Keep financial institutions informed as to law, policy and procedures on liens
Give Your Child a Gift that Lasts a Lifetime	20-18-408 (2) (3)	N	N	8,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information
Got Kids? General Information Brochure	N/A	N	N	5,000	Public information and convenience
Non Custodial Parent Handbook	N/A	N	N	5,000	Customer Education
Paternity Acknowledgement Brochure	20-18-408(2)	N	N	20,000	Public information and convenience
Paternity Acknowledgement Form	20-18-408 (2) (3)	N	N	15,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
876	819	3	822	54	6.51 %	876	793	49	842	34	9.47 %	876	779	63	842	34	11.07 %

Analysis of Budget Request

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

The Office of Child Support Enforcement (OCSE) is a federal/state effort to collect child support from non-custodial parents. OCSE establishes and enforces orders to collect child support. The Agency determines on a case-by-case basis which of the following services will be utilized:

- Locating the non-custodial parent
- Establishing paternity
- Establishing, modifying, and terminating support/medical obligations
- Collecting and disbursing support obligations
- Enforcing delinquent child support obligations

Funding for this appropriation consists of a combination of federal funds (66%), general revenue, fees, federal incentive payments, and state share of Temporary Assistance for Needy Families (TANF) collections (34%). Currently 55% of the Agency's budget is personnel related costs with the remaining 45% operating expenses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$62,897,873 in each year of the 2011-2013 biennium.

The Agency requests a Change Level increase over Base Level of the following for each year of the biennium:

- An additional \$801,014 in Regular Salaries and \$323,245 in Personal Services Matching to cover restoration of 34 currently authorized positions. These positions are needed to maintain normal operations, to ensure services continue at the current level without interruption and so hiring delays are not experienced throughout the Agency due to normal employee turnover;
- Restore \$100,000 in Capital Outlay to the current authorized level to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain.

Current funding levels will sufficiently cover the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	25,820,323	27,090,072	27,815,430	26,902,766	27,703,780	27,703,780	26,902,766	27,703,780	27,703,780
#Positions		864	842	876	842	876	876	842	876	876
Extra Help	5010001	7,205	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		11	15	15	15	15	15	15	15	15
Personal Services Matching	5010003	8,585,763	9,248,040	9,682,352	9,460,970	9,784,215	9,784,215	9,460,970	9,784,215	9,784,215
Operating Expenses	5020002	13,432,547	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654
Conference & Travel Expenses	5050009	1,668	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	252,414	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	21,585	100,000	100,000	0	100,000	100,000	0	100,000	100,000
Data Processing and Equipment E	5900046	9,225,557	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483	11,348,483
ARRA of 2009	5900052	7,786,369	13,669,543	0	0	0	0	0	0	0
Total		65,133,431	76,641,792	64,131,919	62,897,873	64,122,132	64,122,132	62,897,873	64,122,132	64,122,132

Funding Sources										
Fund Balance	4000005	12,925,135	11,066,659		10,045,738	10,045,738	10,045,738	7,874,934	7,874,934	7,874,934
General Revenue	4000010	12,506,845	12,951,328		12,951,328	12,951,328	12,951,328	12,951,328	12,951,328	12,951,328
Federal Revenue	4000020	28,882,460	38,000,000		36,775,741	38,000,000	38,000,000	38,775,741	40,000,000	40,000,000
Non-Revenue Receipts	4000040	17,622,749	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Federal Funds-ARRA	4000244	4,262,627	13,669,543		0	0	0	0	0	0
M & R Sales	4000340	274	0		0	0	0	0	0	0
Total Funding		76,200,090	86,687,530		70,772,807	71,997,066	71,997,066	70,602,003	71,826,262	71,826,262
Excess Appropriation/(Funding)		(11,066,659)	(10,045,738)		(7,874,934)	(7,874,934)	(7,874,934)	(7,704,130)	(7,704,130)	(7,704,130)
Grand Total		65,133,431	76,641,792		62,897,873	64,122,132	64,122,132	62,897,873	64,122,132	64,122,132

Change Level by Appropriation

Appropriation: 120 - Child Support Enforcement - Operations
Funding Sources: MCE - Child Support Enforcement Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	62,897,873	842	62,897,873	100.0	62,897,873	842	62,897,873	100.0
C01	Existing Program	1,224,259	34	64,122,132	101.9	1,224,259	34	64,122,132	101.9

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	62,897,873	842	62,897,873	100.0	62,897,873	842	62,897,873	100.0
C01	Existing Program	1,224,259	34	64,122,132	101.9	1,224,259	34	64,122,132	101.9

Justification

C01	Restoration of 34 currently authorized positions and restoration of \$100,000 Capital Outlay. The 34 positions are currently authorized but not budgeted in FY11 due to Personnel Cap level restrictions, and are needed to maintain normal operations. Shortages of positions throughout Child Support and hiring delays due to normal employee turnover would be the repercussions if positions were not restored. Current funding levels will sufficiently cover the restored appropriation of the 34 positions. The Capital Outlay amount of \$100,000 is authorized in the current Biennium and is needed in each year of the upcoming Biennium to replace equipment that is beyond repair, becomes obsolete or is too expensive to maintain. Current funding levels will sufficiently cover the restored Capital Outlay appropriation.
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DFA - DISBURSING OFFICER

Enabling Laws

Act 238 of 2010
Act 258 of 2010
AR Code §19-4-101 - §19-4-2004

History and Organization

The Department of Finance and Administration's Disbursing Officer was created when the General Assembly designated the department to be disbursing officer for any miscellaneous appropriations whose purpose was not clearly chargeable to any specific state agency. The mission is to manage the disbursing officer function in a manner that ensures that non-agency specific appropriations are disbursed in a manner that is timely, consistent with legislation, and legal under the fiscal laws of the State of Arkansas, while providing an accurate record of such disbursements.

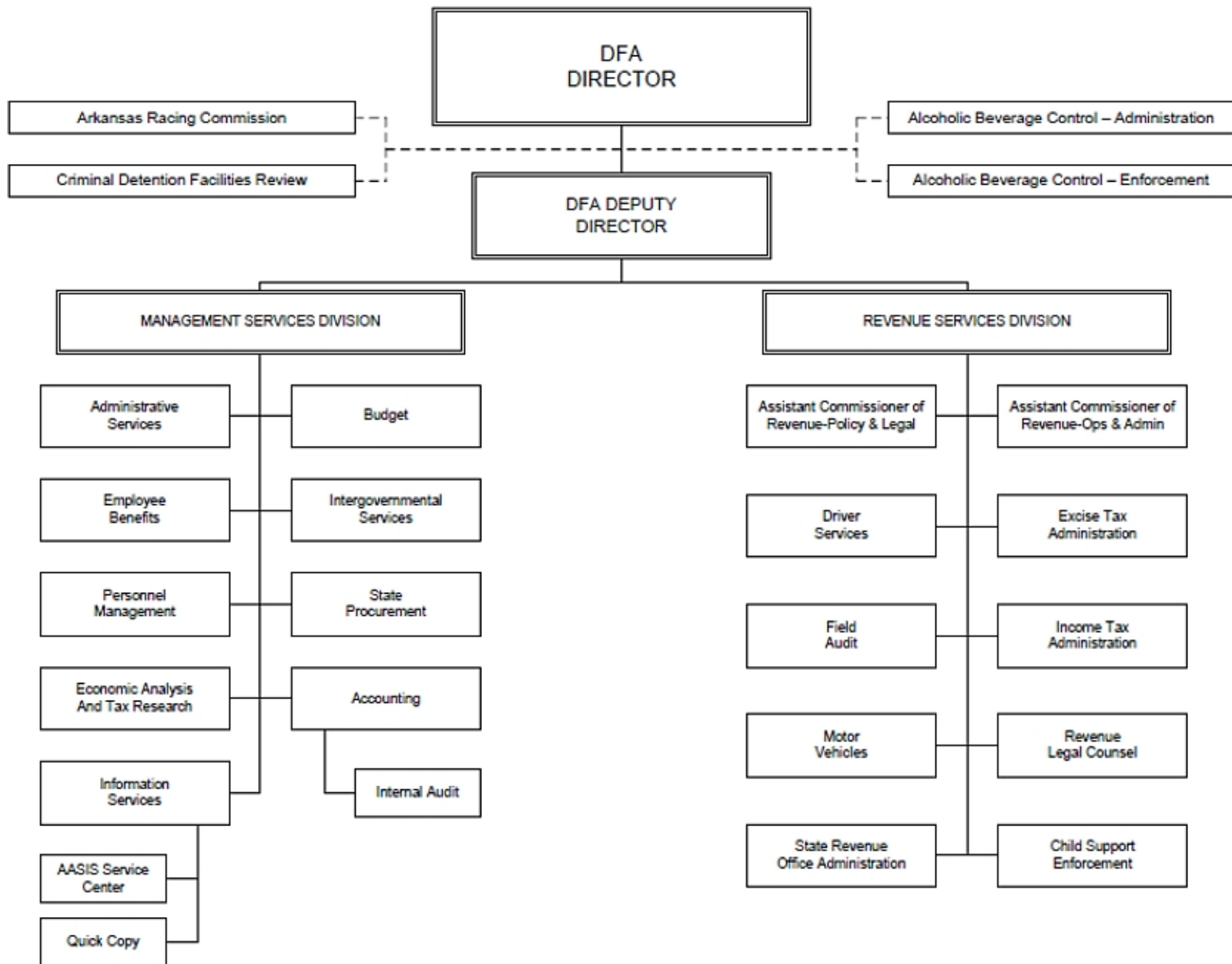
The appropriations can generally be separated into three categories - contributions, holding accounts and special purposes. The contribution appropriations allow for legislative and executive participation in conferences, councils, associations, and organizational memberships that provide intergovernmental discussion of public issues. The holding account appropriations provide appropriation for state agencies for the following purposes:

- Personal Services Matching for deficient appropriations
- Cash fund appropriations to allow the expenditure of funds that are not exempt from Section 7 of Act 5 of 1975, but were not specifically appropriated by the General Assembly
- Regular Salaries appropriation in the event that there is not sufficient appropriation provided for by the General Assembly for any state agency due to legislative enactments on compensation levels for the biennial period in question
- A method of distributing Marketing and Redistribution proceeds from the sale of State property
- Provide overtime compensation appropriation to agencies that have had to use overtime to complete critical projects, but had no overtime appropriation to make payments

- Provide appropriation to state agencies receiving federal grants and aid or reimbursement monies that were unanticipated at the time of the last session of the Legislature
- A method of returning appropriation to state agencies for refunds to expenditures in accordance with Act 1027 of 1979

The special purpose appropriations provide funds that are disbursed to state agencies for the following purposes:

- For disaster assistance to individuals and families in the form of grants and temporary housing, public assistance, response assistance, catastrophic loss, and hazard mitigation as authorized by Act 511 of 1973 as amended
- For reimbursement of the Department of Workforce Services for state agency unemployment benefits paid in the previous calendar quarter
- Miscellaneous grants and expenses for Planning and Development Districts, Inter-state and Intra-state Planning Organizations, Arkansas Sheriff's Association, Agriculture Marketing Grants, University of Arkansas for Medical Sciences - Child Abuse/Rape/Domestic Violence Section, University of Arkansas for Medical Sciences - Child Welfare Restructuring, and Arkansas Children's Hospital
- For making reimbursements to counties all expenses incurred in holding and bringing to trial persons charged with escape from the Department of Correction
- For Emergency Medical Services programs and other programs funded by the Indigent Patients Fund
- To alleviate conditions arising in public emergencies by issuance of emergency proclamations by the Governor
- To provide both appropriation and funds for the acquisition of new and replacement vehicles for the Motor Vehicle Acquisition Program
- To provide additional funding to Arkansas Fire Departments in order to reduce homeowner insurance rates through the Fire Protection Program
- To collect uniform filing fees and court costs from City, Municipal, and County courts and distribute these funds to various State Agencies
- To distribute insurance premium taxes to police and fire departments pension programs



Agency Commentary

The Disbursing Officer Agency is a collection of special use appropriations. The appropriations can generally be separated into three categories - contributions, reserves, and special purposes.

The Disbursing Officer is requesting the following change levels:

- Increases in State's Contributions to various organizations funded by general revenue in the amount of \$12,121 for FY12 and \$29,111 for FY13
- Increase in the various Miscellaneous Grants and Expenses funded by general revenue in the amount of \$211,800 for FY12 and \$213,520 for FY13
- Increase in Unemployment Compensation Claims in the amount of \$3,000,000 each year to provide sufficient appropriation for state employee unemployment compensation claims that may be paid during both fiscal years.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - DISBURSING OFFICER

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	None	N	N	0	None

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
019 Council of State Government	106,833	0	111,106	0	111,106	0	111,106	0	115,550	0	115,550	0	111,106	0	115,550	0	115,550	0
020 Natl Conference of St Legislatures	145,311	0	150,985	0	150,985	0	150,985	0	151,850	0	151,850	0	150,985	0	151,850	0	151,850	0
022 Natl Assoc of St Budget Officers	15,595	0	16,100	0	16,100	0	16,100	0	16,600	0	16,600	0	16,100	0	17,100	0	17,100	0
023 Southern Growth Policies Board	26,834	0	28,175	0	28,175	0	28,175	0	28,200	0	28,200	0	28,175	0	28,200	0	28,200	0
024 National Governors Association	83,800	0	94,700	0	94,700	0	94,700	0	94,700	0	94,700	0	94,700	0	94,700	0	94,700	0
025 Overtime	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
028 Interstate Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
030 State and Local Legal Center	6,500	0	7,315	0	7,315	0	7,315	0	7,315	0	7,315	0	7,315	0	7,315	0	7,315	0
033 Southern States Energy Board	31,027	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0
037 Personal Services Matching	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
040 AR Public Administration Consortium	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
045 Fireman & Police Officers Pension and Relief Fu	32,134,213	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0	60,400,000	0
060 AGA/Vocational Program Certification Expenses	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
061 Fire Prevention Commission Grants	23,917	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0
066 Miscellaneous Federal Grants	0	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0
067 Disaster Assistance Grants	18,393,986	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0
070 Unemployment Compensation Claims	8,839,067	0	13,000,000	0	13,000,000	0	13,000,000	0	16,000,000	0	16,000,000	0	13,000,000	0	16,000,000	0	16,000,000	0
071 Marketing and Redistribution	201,887	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0
078 Interstate Mining Compact	16,496	0	16,302	0	16,302	0	16,302	0	18,000	0	18,000	0	16,302	0	18,000	0	18,000	0
079 Natl Conf of Insurance Legislators	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
080 National Conference on Uniform State Laws	44,941	0	47,700	0	47,700	0	47,700	0	48,700	0	48,700	0	47,700	0	50,420	0	50,420	0
081 Hospital Payments	0	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0
092 Low Lvl Radioactive Waste Cmpt	5,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
110 Museum of Discovery Grant	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
114 Reg Salaries-Elected Officers	0	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
131 Child Abuse/Rape/Domestic Violence Contract	63,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0
133 Child Welfare Restructuring	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0
139 Information Network of Arkansas	58,500	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
159 Administration of Justice Fund	3,738,866	0	44,341,068	0	44,341,068	0	44,341,068	0	44,341,068	0	44,341,068	0	44,341,068	0	44,341,068	0	44,341,068	0
1DC Arkansas Wine Producers Council	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0
1FB Arkansas Sheriff's Association	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0
1GD Drug Enforcement and Education	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
1KG Disaster Assistance - Federal	0	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1MK Baby Sharon Act Grants	4,445	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
1NM So Regional Education Board	201,550	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0
1QZ Organ Donation Education Grants	20,851	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
1RC National Center for State Courts	114,682	0	115,785	0	115,785	0	115,785	0	115,785	0	115,785	0	115,785	0	119,600	0	119,600	0
1XZ The Energy Council	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0	32,000	0
1YA Multi-State Tax Commission	241,012	0	260,261	0	260,261	0	260,261	0	263,830	0	263,830	0	260,261	0	275,450	0	275,450	0
1YB Federation of Tax Administrators	16,908	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0
1YC Natl Assoc of Attorneys General	32,112	0	34,000	0	34,000	0	34,000	0	35,020	0	35,020	0	34,000	0	36,075	0	36,075	0
1YD Assoc of Racing Commissioners	17,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0
232 Intensive Care Nursery	0	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0
247 Misc Workforce Investment Programs	0	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
285 Personal Services-Payplan Adj	0	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0
2CU Department of Correction - Escapees Trial	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2DA Southern Governors Association	30,706	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0
2DB Intrastate Metro Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
2DC Public Defender Contract	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0
2DE Reproductive Health Monitoring	0	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
2DM State Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DN Co Public Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DP Municipal Public Emp Blanket Bnd Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DQ Public Sch Emp Blanket Bond Prg	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DT Criminal Detention Committee Expenses	5,013	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0
2DV Agricultural Marketing Grants	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0
2DX Fire Protection Services - Additional Funding	10,437,271	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
2HM Planning and Development Grants	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0
2MH US Olympic Committee	2,422	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
2WY Municipal Fire & Police Pension & Relief Funds	3,621,397	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0
2YN Public Legal Aid	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0
2ZJ Stipends-Variou Agencies	0	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
301 Transportation of Juvenile Offenders	146,290	0	147,000	0	147,000	0	147,000	0	187,000	0	187,000	0	147,000	0	187,000	0	187,000	0
328 Merit Adjustment Fund	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
33M Burn Center	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
33N Delta Regional Authority	111,222	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
340 Workforce 2000	0	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0
342 Refund to Expenditures	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
36F Multi-Jurisdictional Drug Crime Task Force	0	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0
471 Indigent Patient-Emergency Medical Services Pr	36,319	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
4HJ Prostate Cancer	139,327	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0
515 Regular Salaries-State Employees	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
54Z Innovation & Product Development	0	0	429,200	0	450,000	0	429,200	0	450,000	0	450,000	0	429,200	0	450,000	0	450,000	0
578 Arkansas Sports Hall of Fame	75,000	0	0	0	150,000	0	0	0	150,000	0	150,000	0	0	0	150,000	0	150,000	0
601 Juvenile Detention Facilities	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
746 Natural Resources Damages	0	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0
905 Purchase of Vehicles	1,426,008	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
914 DFA Disbursing-Miscellaneous-Cash-Transfers	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
A08 Cash Approp - Various Agencies	0	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0
A09 Payplan Adj - Various Agencies	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
Total	83,727,279	0	3,181,728,046	0	3,181,898,846	0	3,181,728,046	0	3,184,951,967	0	3,184,951,967	0	3,181,728,046	0	3,184,970,677	0	3,184,970,677	0

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	37,437,337	31.7	34,299,089	1.1	9,563,822	0.3	9,563,822	0.3	9,563,822	0.3	8,222,754	0.3	8,222,754	0.3	8,222,754	0.3	
General Revenue	4000010	6,575,888	5.6	7,083,986	0.2	7,083,986	0.2	7,307,907	0.2	7,307,907	0.2	7,083,986	0.2	7,326,617	0.2	7,326,617	0.2	
Federal Revenue	4000020	0	0.0	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	
Special Revenue	4000030	61,523,864	52.1	64,525,955	2.0	65,800,000	2.1	65,800,000	2.1	65,800,000	2.1	65,800,000	2.1	65,800,000	2.1	65,800,000	2.1	
Cash Fund	4000045	0	0.0	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	
Trust Fund	4000050	12,002,749	10.2	13,980,866	0.4	21,250,000	0.7	24,250,000	0.8	24,250,000	0.8	21,250,000	0.7	24,250,000	0.8	24,250,000	0.8	
ASP Retirement Fund	4000113	(5,285,153)	(4.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Budget Stabilization Trust	4000130	22,158,987	18.8	6,643,065	0.2	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	
Cigarette Tax	4000140	151,580	0.1	185,497	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	
Fire/Police Pens & Relief Fund	4000252	(631,500)	(0.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Fire Protection Prem Tax Fund	4000253	(631,500)	(0.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Fire/Police Future Supp Fund	4000254	(2,165,775)	(1.8)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Fire/Police Guarantee Fund	4000256	(1,425,160)	(1.2)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Interest	4000300	73,356	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Internet User Fees	4000310	167,555	0.1	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	
Inter-agency Fund Transfer	4000316	(293,689)	(0.2)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	

Funding Sources		%		%		%		%		%		%		%		%	
Juv Detention Facilities Fund	4000325	31,167	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	650,653	0.6	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0	1,000,000	0.0
Police Supplement Fund	4000377	(759,000)	(0.6)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Special State Asset Forfeiture	4000465	51,421	0.0	4,287,550	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
State Administration of Justice	4000470	38,647,734	32.7	43,477,720	1.4	44,230,432	1.4	44,230,432	1.4	44,230,432	1.4	44,230,432	1.4	44,230,432	1.4	44,230,432	1.4
Transfer from DHS	4000510	0	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0
Transfer from DHS-DYS	4000515	400,000	0.3	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0
Transfer to DHS Grants Fund	4000615	(3,533,600)	(3.0)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to General Revenue	4000635	(5,124,922)	(4.3)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Insurance Dept	4000650	(333,258)	(0.3)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers Accounting Purposes	4000685	201,887	0.2	2,939,050,000	92.1	2,939,050,000	92.0	2,939,050,000	92.0	2,939,050,000	92.2	2,939,050,000	92.1	2,939,050,000	92.1	2,939,050,000	92.1
Transfers from Agencies	4000690	4,014,856	3.4	13,508,140	0.4	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5	15,000,000	0.5
Transfers to Agencies	4000695	(45,879,109)	(38.9)	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1
Unfunded Appropriation	4000715	0	0.0	10,400,000	0.3	20,574,810	0.6	20,574,810	0.6	20,574,810	0.6	20,574,810	0.6	20,574,810	0.6	20,574,810	0.6
Workforce 2000	4000740	0	0.0	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1
Total Funds		118,026,368	100.0	3,191,291,868	100.0	3,189,950,800	100.0	3,193,174,721	100.0	3,193,174,721	100.0	3,188,609,732	100.0	3,191,852,363	100.0	3,191,852,363	100.0
Excess Appropriation/(Funding)		(34,299,089)		(9,563,822)		(8,222,754)		(8,222,754)		(8,222,754)		(6,881,686)		(6,881,686)		(6,881,686)	
Grand Total		83,727,279		3,181,728,046		3,181,728,046		3,184,951,967		3,184,951,967		3,181,728,046		3,184,970,677		3,184,970,677	

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

Analysis of Budget Request

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

This appropriation is for payment of the Fireman and Police Officers' Pension and Relief Taxes, payable from the Fireman and Police Officers' Pension and Relief Fund. Funding comes from premium taxes on insurance policies.

The Agency is requesting Base Level of \$60,400,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	32,134,213	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Total	32,134,213	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Funding Sources									
Fund Balance 4000005	1,519,574	479,216		0	0	0	0	0	0
Special Revenue 4000030	46,485,365	49,520,784		50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
ASP Retirement Fund 4000113	(5,285,153)	0		0	0	0	0	0	0
Fire Protection Prem Tax Fund 4000253	(631,500)	0		0	0	0	0	0	0
Fire/Police Future Supp Fund 4000254	(2,165,775)	0		0	0	0	0	0	0
Fire/Police Guarantee Fund 4000256	(1,425,160)	0		0	0	0	0	0	0
Police Supplement Fund 4000377	(759,000)	0		0	0	0	0	0	0
Transfer to General Revenue 4000635	(5,124,922)	0		0	0	0	0	0	0
Unfunded Appropriation 4000715	0	10,400,000		10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000
Total Funding	32,613,429	60,400,000		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000
Excess Appropriation/(Funding)	(479,216)	0		0	0	0	0	0	0
Grand Total	32,134,213	60,400,000		60,400,000	60,400,000	60,400,000	60,400,000	60,400,000	60,400,000

Analysis of Budget Request

Appropriation: 067 - Disaster Assistance Grants

Funding Sources: MMA - Disaster Assistance Fund

This appropriation provides for disaster assistance to individuals, families, and public entities as authorized by the Disaster Relief Act of 1974 and for complying with the Arkansas Emergency Services Act of 1973 (A.C.A. §12-75-101 et seq.). Expenditures from this fund are made upon Executive Order of the Governor declaring a disaster and are utilized for individual assistance, public assistance, hazard assistance, and immediate emergency response according to the State Disaster Plan prepared and maintained by the Arkansas Department of Emergency Management. Funding for this appropriation can come from Federal funds or the Budget Stabilization Trust Fund.

The Agency is requesting Base Level of \$13,250,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 067 - Disaster Assistance Grants

Funding Sources: MMA - Disaster Assistance Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	18,393,986	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total		18,393,986	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Funding Sources										
Fund Balance	4000005	2,941,934	6,706,935		0	0	0	0	0	0
Budget Stabilization Trust	4000130	22,158,987	6,543,065		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total Funding		25,100,921	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Excess Appropriation/(Funding)		(6,706,935)	0		0	0	0	0	0	0
Grand Total		18,393,986	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000

Analysis of Budget Request

Appropriation: 070 - Unemployment Compensation Claims

Funding Sources: TUC - Unemployment Compensation Revolving Fund

This appropriation is utilized to reimburse the Department of Workforce Services for unemployment benefits paid to former state employees. State agencies are assessed a percent of total payroll to provide funding for this appropriation. The assessment is based on a claims experience rating for each Agency.

The Base Level for this appropriation is \$13,000,000 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$3,000,000 each year of the biennium to provide sufficient appropriation for state employee unemployment compensation claims.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 070 - Unemployment Compensation Claims
Funding Sources: TUC - Unemployment Compensation Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	8,839,067	13,000,000	13,000,000	13,000,000	16,000,000	16,000,000	13,000,000	16,000,000	16,000,000
Total	8,839,067	13,000,000	13,000,000	13,000,000	16,000,000	16,000,000	13,000,000	16,000,000	16,000,000
Funding Sources									
Fund Balance 4000005	3,022,951	1,791,081		0	0	0	0	0	0
Trust Fund 4000050	7,607,197	11,208,919		13,000,000	16,000,000	16,000,000	13,000,000	16,000,000	16,000,000
Total Funding	10,630,148	13,000,000		13,000,000	16,000,000	16,000,000	13,000,000	16,000,000	16,000,000
Excess Appropriation/(Funding)	(1,791,081)	0		0	0	0	0	0	0
Grand Total	8,839,067	13,000,000		13,000,000	16,000,000	16,000,000	13,000,000	16,000,000	16,000,000

Change Level by Appropriation

Appropriation: 070 - Unemployment Compensation Claims
Funding Sources: TUC - Unemployment Compensation Revolving Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	13,000,000	0	13,000,000	100.0	13,000,000	0	13,000,000	100.0
C01	Existing Program	3,000,000	0	16,000,000	123.1	3,000,000	0	16,000,000	123.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	13,000,000	0	13,000,000	100.0	13,000,000	0	13,000,000	100.0
C01	Existing Program	3,000,000	0	16,000,000	123.1	3,000,000	0	16,000,000	123.1

Justification

C01	Provide sufficient appropriation for state employee unemployment compensation claims that may be paid during both fiscal years. Additional appropriation is necessary because the length of eligibility and the maximum weekly benefit amount have increased. In addition, claimants are remaining unemployed for longer periods and therefore drawing benefits for longer periods.
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Analysis of Budget Request

Appropriation: 071 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for transfers of appropriation for state agencies for expending and disbursing the net proceeds from property sold through the Marketing and Redistribution Program.

The Agency is requesting Base Level of \$4,500,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 071 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Marketing & Redistribution Progr 5900025	201,887	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total	201,887	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Funding Sources									
Transfers Accounting Purposes 4000685	201,887	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Funding	201,887	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	201,887	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000

Analysis of Budget Request

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides State reimbursement of personal service expenses for the University of Arkansas Medical Sciences, Arkansas Commission on Child Abuse, Rape, and Domestic Violence. The Commission helps coordinate efforts to review and process complaints of child abuse and neglect. This appropriation is funded by general revenue in the amount of \$63,767 each year and up to \$300,000 of the remaining appropriation may be funded by the Department of Human Services through a fund transfer authorized in Special Language.

The Agency is requesting Base Level of \$363,767 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Total	63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Funding Sources									
General Revenue 4000010	63,767	63,767		63,767	63,767	63,767	63,767	63,767	63,767
Transfer from DHS 4000510	0	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767

Transfer from DHS is per Act 238 of 2010, Section 70.

Analysis of Budget Request

Appropriation: 133 - Child Welfare Restructuring

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides for the payment of contractual services to assist multidisciplinary task coordinators throughout the State to review and process child abuse complaints.

The Agency is requesting Base Level of \$274,400 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 133 - Child Welfare Restructuring
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Total	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Funding Sources									
General Revenue 4000010	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Total Funding	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400

Analysis of Budget Request

Appropriation: 139 - Information Network of Arkansas

Funding Sources: MNA - Information Network of Arkansas Fund

This appropriation provides for operating expenses of the Information Network of Arkansas, which is funded by user fees. The purpose of the Information Network of Arkansas is to provide the public access to state government information and interaction with government agencies through a user-friendly electronic medium.

The Agency is requesting Base Level of \$150,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 139 - Information Network of Arkansas

Funding Sources: MNA - Information Network of Arkansas Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Maintenance & Operations 5900046	58,500	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total	58,500	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources									
Fund Balance 4000005	965,021	1,074,076		1,074,076	1,074,076	1,074,076	1,074,076	1,074,076	1,074,076
Internet User Fees 4000310	167,555	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding	1,132,576	1,224,076		1,224,076	1,224,076	1,224,076	1,224,076	1,224,076	1,224,076
Excess Appropriation/(Funding)	(1,074,076)	(1,074,076)		(1,074,076)	(1,074,076)	(1,074,076)	(1,074,076)	(1,074,076)	(1,074,076)
Grand Total	58,500	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 159 - Administration of Justice Fund

Funding Sources: TAJ - State Administration of Justice Fund

The Administration of Justice Fund Section (AOJF) was established in 1995 to administer the Uniform Filing Fees and Court Cost Program. The AOJF is responsible for collecting and depositing, and distributing court fees collected at the county and municipal levels.

The Uniform Filing Fees and Court Cost Program was established by Act 1256 of 1995 (A.C.A. §16-10-306 et seq.) to remedy inequities in judicial services provided to citizens of Arkansas. This Act established the AOJF, charged it to provide forms for the remittance of court fees, and prescribed the duties of the AOJF to collect, and when appropriate, refer for civil prosecution any counties or municipalities having violated the remittance and reporting requirements of the Act.

This appropriation provides for distribution of uniform court costs and filing fees collected as well as appropriation to process any refunds necessary back to the local jurisdiction.

The Agency is requesting Base Level of \$44,341,068 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 159 - Administration of Justice Fund
Funding Sources: TAJ - State Administration of Justice Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,738,741	39,341,068	39,341,068	39,341,068	39,341,068	39,341,068	39,341,068	39,341,068	39,341,068
Refunds/Reimbursements	5110014	125	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		3,738,866	44,341,068	44,341,068	44,341,068	44,341,068	44,341,068	44,341,068	44,341,068	44,341,068
Funding Sources										
Fund Balance	4000005	11,769,069	10,151,017		8,057,237	8,057,237	8,057,237	6,716,169	6,716,169	6,716,169
Special Revenue	4000030	5,852,250	0		0	0	0	0	0	0
Interest	4000300	73,356	0		0	0	0	0	0	0
State Administration of Justice	4000470	37,417,302	42,247,288		43,000,000	43,000,000	43,000,000	43,000,000	43,000,000	43,000,000
Transfers to Agencies	4000695	(41,222,094)	0		0	0	0	0	0	0
Total Funding		13,889,883	52,398,305		51,057,237	51,057,237	51,057,237	49,716,169	49,716,169	49,716,169
Excess Appropriation/(Funding)		(10,151,017)	(8,057,237)		(6,716,169)	(6,716,169)	(6,716,169)	(5,375,101)	(5,375,101)	(5,375,101)
Grand Total		3,738,866	44,341,068		44,341,068	44,341,068	44,341,068	44,341,068	44,341,068	44,341,068

Transfers to Agencies reflect expenditures by fund transfer pursuant to the State Accounting and Budgetary Procedures Law (A.C.A. 19-4-710) to prevent the duplication in the recording of expenditures and revenues resulting from interagency transactions.

Analysis of Budget Request

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

The Arkansas Sheriff's Association uses revenues transferred from the State Administration of Justice Fund to the Arkansas Counties Alcohol and Drug Abuse and Crime Prevention Fund for the purpose of developing crime prevention and alcohol and drug abuse programs.

The Agency is requesting Base Level of \$375,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
Total		375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
Funding Sources										
Fund Balance	4000005	216,579	216,579		216,579	216,579	216,579	216,579	216,579	216,579
State Administration of Justice	4000470	375,000	375,000		375,000	375,000	375,000	375,000	375,000	375,000
Total Funding		591,579	591,579		591,579	591,579	591,579	591,579	591,579	591,579
Excess Appropriation/(Funding)		(216,579)	(216,579)		(216,579)	(216,579)	(216,579)	(216,579)	(216,579)	(216,579)
Grand Total		375,000	375,000		375,000	375,000	375,000	375,000	375,000	375,000

Analysis of Budget Request

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assets Forfeiture Fund

The Arkansas Drug Director establishes through rules and regulations a procedure for proper investment, use, and disposition of moneys deposited in the Special State Assets Forfeiture Fund in accordance with the intent and purposes of subchapters 1-6 of §5-64-505. Funds shall be distributed by the Arkansas Alcohol and Drug Abuse Coordinating Council and shall be distributed for drug interdiction, eradication, education, rehabilitation, the State Crime Laboratory, and drug courts. Moneys from the fund may not supplant other local, state, or federal funds and shall not be subject to the provisions of the Revenue Stabilization Law, §19-5-101 et seq., or the Special Revenue Fund Account, § 19-5-203(2)(A).

The Agency is requesting Base Level of \$5,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assests Forfeiture Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Drug Enforcement, Education, Tr 5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources									
Fund Balance 4000005	954,718	712,450		0	0	0	0	0	0
Inter-agency Fund Transfer 4000316	(293,689)	0		0	0	0	0	0	0
Special State Asset Forfeiture 4000465	51,421	4,287,550		0	0	0	0	0	0
Unfunded Appropriation 4000715	0	0		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	712,450	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	(712,450)	0		0	0	0	0	0	0
Grand Total	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Inter-agency transfers - Office of Prosecutor Coordinator \$71,511 (Act 1320 of 2009, Sec 4); U of A Fund for Criminal Justice Institute \$150,000 (Act 1427 of 2009, Sec 18); Community Corrections \$11,490.85 (A.C.A. 5-64-505(l)); and State Police \$60,687.31 (A.C.A.5-64-505(i)(4)(B)(ii)(a)).

Analysis of Budget Request

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

This federally funded appropriation provides for unanticipated Federal Disaster Assistance from the Federal Emergency Management Agency (FEMA). The Department of Finance and Administration Disbursing Officer will process claims for Individual and Family Grants Programs administered by the Department of Human Services (DHS) - County Operations.

The Agency is requesting Base Level of \$8,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total	0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Funding Sources									
Federal Revenue 4000020	0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding	0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

Analysis of Budget Request

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund

Act 279 of 2003 created an Income Tax Return check-off for the Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund and created the Arkansas Children's Catastrophic Illness Grant Program.

Arkansas Children's Hospital promulgates all rules and regulations necessary for implementing the grant program for the fund and is used exclusively by the Arkansas Children's Hospital to assist with the medical expenses incurred by the families of children with catastrophic illnesses or injuries by awarding grants to the families who are liable for the medical expenses.

The Agency is requesting Base Level of \$2,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Catastrophic Illness Grant Program Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	4,445	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total		4,445	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources										
Fund Balance	4000005	14,024	22,036		0	0	0	0	0	0
Trust Fund	4000050	12,457	1,977,964		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		26,481	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(22,036)	0		0	0	0	0	0	0
Grand Total		4,445	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Analysis of Budget Request

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

Act 1362 of 2003 established the Organ Donation Donor Education Trust Fund to provide for organ donor education and the issuance of organ donation awareness special license plates and to provide for voluntary contributions.

The Director of the Department of Finance and Administration shall grant funds available and appropriated from the Organ Donor Awareness Education Trust Fund to the Arkansas Regional Organ Recovery Agency, or its successor agency, to be used for educational or informational materials and other related costs associated with informing or educating the public about organ donations and organ donation awareness.

The Agency is requesting Base Level of \$200,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	20,851	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total	20,851	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources									
Fund Balance 4000005	1,352	1,720		0	0	0	0	0	0
Trust Fund 4000050	21,219	198,280		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding	22,571	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)	(1,720)	0		0	0	0	0	0	0
Grand Total	20,851	200,000		200,000	200,000	200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 2CU - Department of Correction - Escapees Trial

Funding Sources: MLD - Trial Expense Assistance Fund

A.C.A. §16-92-1099 (Act 24 of 1979) established a method for the State to reimburse county governments for all costs incurred by the county in bringing to trial or trials any person or persons charged with a felony offense, with a crime committed in furtherance of, or in connection with, an escape from the Arkansas Department of Correction. Transfers from the Budget Stabilization Trust Fund provide funding for this appropriation.

The Agency is requesting Base Level of \$100,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2CU - Department of Correction - Escapees Trial

Funding Sources: MLD - Trial Expense Assistance Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Budget Stabilization Trust 4000130	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

Act 10 of the First Extraordinary Session of 1992 (Arkansas Code §14-284-401 et seq. and §26-57-614) established a premium tax of 1/2 of 1% to be collected by the Insurance Commissioner on policies written for coverage on real and personal property. The tax, dedicated as special revenues, is distributed by a formula set out in Act 10 to Arkansas counties. Funds distributed to counties are used by fire departments to upgrade fire protection services as a safeguard to the lives and property of Arkansas citizens.

The Agency is requesting Base Level of \$15,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	10,437,271	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		10,437,271	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	6,822,860	4,161,959		0	0	0	0	0	0
Special Revenue	4000030	8,407,870	10,838,041		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Fire/Police Pens & Relief Fund	4000252	(631,500)	0		0	0	0	0	0	0
Total Funding		14,599,230	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(4,161,959)	0		0	0	0	0	0	0
Grand Total		10,437,271	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 2MH - US Olympic Committee

Funding Sources: TOC - US Olympic Committee Program Trust Fund

A.C.A. §26-51-441 (Act 471 of 1993) created the United States Olympic Committee Income Tax Check-Off Program. The Program began with the tax returns for the 1993 income year and each year thereafter. This check-off appears on State and corporate income tax returns.

The Director of the Department of Finance and Administration is authorized to accept any gifts, grants, bequests, devises, and donations made to the State of Arkansas for the purpose of funding the program and deposit them into the United States Olympic Committee Program Trust Fund.

The Agency is requesting Base Level of \$50,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 2MH - US Olympic Committee

Funding Sources: TOC - US Olympic Committee Program Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	2,422	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	2,422	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources									
Fund Balance 4000005	23	43		0	0	0	0	0	0
Trust Fund 4000050	2,442	49,957		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding	2,465	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)	(43)	0		0	0	0	0	0	0
Grand Total	2,422	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 2WY - Municipal Fire & Police Pension & Relief Funds

Funding Sources: TFP - Arkansas Fire and Police Pension Guarantee Fund

This appropriation was established to protect members of under funded municipal fire and police pension funds. Funding is derived from a transfer from the General Revenue Holding Fund to the Arkansas Fire and Police Pension Guarantee Fund, as provided in Act 1126 of 1997 and the Police and the Future Supplement Fund as provided in Acts 1452 of 1999, Act 1543 of 2001 and Act 170 of 2001. Funding sources include taxes levied on insurers but are not allocated to cities, towns or fire protection districts qualified to participate in the distribution of taxes.

The Agency is requesting Base Level of \$6,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2WY - Municipal Fire & Police Pension & Relief Funds

Funding Sources: TFP - Arkansas Fire and Police Pension Guarantee Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,621,397	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total		3,621,397	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Funding Sources										
Fund Balance	4000005	4,716,217	5,454,254		0	0	0	0	0	0
Trust Fund	4000050	4,359,434	545,746		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total Funding		9,075,651	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Excess Appropriation/(Funding)		(5,454,254)	0		0	0	0	0	0	0
Grand Total		3,621,397	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000

Analysis of Budget Request

Appropriation: 2YN - Public Legal Aid

Funding Sources: SLA - Public Legal Aid Fund

This appropriation provides grants to Legal Aid of Arkansas and to the Center for Arkansas Legal Services for providing financial support for public legal aid organizations and is distributed as follows:

- Forty-five percent (45%) of the fund shall be paid to Legal Aid of Arkansas; and
- Fifty-five percent (55%) of the fund shall be paid to the Center for Arkansas Legal Services.

The Agency is requesting Base Level of \$855,432 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 2YN - Public Legal Aid

Funding Sources: SLA - Public Legal Aid Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Total	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Funding Sources									
State Administration of Justice 4000470	855,432	855,432		855,432	855,432	855,432	855,432	855,432	855,432
Total Funding	855,432	855,432		855,432	855,432	855,432	855,432	855,432	855,432
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	855,432	855,432		855,432	855,432	855,432	855,432	855,432	855,432

Analysis of Budget Request

Appropriation: 328 - Merit Adjustment Fund

Funding Sources: MMF - Merit Adjustment Fund

This appropriation provides additional appropriation for various state agencies and Institutions of Higher Education with supplemental personal services. If Agencies do not have sufficient appropriation to cover payplan, the Disbursing Officer may transfer appropriation and/or general revenue funding as needed to that Agency.

The Agency is requesting Base Level of \$4,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 328 - Merit Adjustment Fund
Funding Sources: MMF - Merit Adjustment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services-Merit Adjustme 5900046	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources									
Transfers to Agencies 4000695	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

Analysis of Budget Request

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

This appropriation was established to provide transfers of spending authority for Technical Colleges, Technical Institutes and Comprehensive Lifelong Learning Centers from the Work Force 2000 Development Fund. Act 1052 of 1991 provided an increase in the corporate income tax to fund the restructuring of vocational education.

The Agency is requesting Base Level for this appropriation of \$30,000,000 for Technical Colleges Accreditation and \$5,000,000 for Vocational Technical Accreditation each year of the 2011-2013 biennium. Funds and appropriation are transferred from the Work Force 2000 Fund to the Technical Colleges and Technical Institutes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Technical Colleges Accreditation 5900047	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Vo-Tech Accreditation 5900048	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Funding Sources									
Workforce 2000 4000740	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Total Funding	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000

Analysis of Budget Request

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

Act 1086 of 2007 created the State Drug Crime Enforcement and Prosecution Grant Fund for the purpose of creating and funding multi-jurisdictional drug crime task forces. The fund consists of Revenues generated under A.C.A. § 12-17-106 (Drug crime special assessment) and any moneys authorized by the General Assembly.

The Department of Finance and Administration administers all grant awards and expenditures by the multi-jurisdictional drug crime task forces under applicable state and federal law and upon the recommendations of the Arkansas Alcohol and Drug Abuse Coordinating Council.

Multi-jurisdictional drug crime task force means an association consisting of a minimum of two law enforcement agencies and one prosecuting attorney acting by agreement to jointly investigate and prosecute drug crimes in a defined geographic area or judicial district. Any multi-jurisdictional drug crime task force receiving state grant funds pursuant to this act shall contribute local matching funds in an amount not less than twenty percent (20%) of the total grant amount awarded. The source of local matching funds shall come from county or municipal general revenue appropriations or authorized drug control fund disbursements of any participating drug crime task force member agency. The Department of Finance and Administration shall restrict distribution of any grant monies to a drug crime task force if it is determined said local matching funds are not appropriated or available.

The state funds awarded shall be used specifically for salaries, personal services matching, overtime, maintenance and general operations, evidentiary purchases of controlled substances or information, informant and witness compensation, rent, utilities, telecommunications, fuel, vehicle maintenance and repair, in-state training and travel expenses. Each Grant Award shall specifically provide for accounting and fiscal officer services. No state grant funds shall be used for capital outlay or equipment purchases that exceed the cost of one thousand five hundred dollars (\$1,500) per item.

The Agency is requesting Base Level of \$5,500,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Administration Expenses	5900046	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total		0	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Funding Sources										
Fund Balance	4000005	890,810	1,632,870		0	0	0	0	0	0
Special Revenue	4000030	742,060	3,867,130		500,000	500,000	500,000	500,000	500,000	500,000
Unfunded Appropriation	4000715	0	0		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		1,632,870	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Excess Appropriation/(Funding)		(1,632,870)	0		0	0	0	0	0	0
Grand Total		0	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000

Analysis of Budget Request

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

This appropriation provides disbursement of funds for assistance in defraying the cost of hospitalization and other medical services of indigent Arkansas patients in health care facilities in Mississippi County, Poinsett County, Cross County, St. Francis County and Lee County for which the county has not received total reimbursement. Each county certifies to the Chief Fiscal Officer of the State the amount of the unreimbursed medical expenses. The amount available to each county shall be no more than 1/5 of the total funds available or the amount certified of unreimbursed medical expenses, whichever is less.

The Arkansas Racing Commission is authorized to allow each dog racing franchise holder to conduct fifteen (15) additional days of racing during each twelve-month period. All revenue derived from the pari-mutuel tax at the fifteen (15) additional days of racing authorized by subsection (a) of A.C.A. §23-111-505 after moneys have been remitted by the franchise holder to Mid-South Community College as provided by A.C.A. §23-111-517 shall be deposited with the Treasurer of State as special revenue for credit to the Indigent Patients Fund.

The Agency is requesting Base Level of \$300,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	36,319	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	36,319	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources									
Special Revenue 4000030	36,319	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	36,319	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	36,319	300,000		300,000	300,000	300,000	300,000	300,000	300,000

Analysis of Budget Request

Appropriation: 4HJ - Prostate Cancer

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation is funded by funds generated by Section 1(a)(4) of Act 2219 of 2005, for a grant to the Arkansas Prostate Cancer Foundation for cancer detection and research. Eight and one-third percent (8 1/3%) of the Additional Tax - Cigarettes levied in A.C.A. §26-57-1101 and Additional Tax - Tobacco products other than cigarettes levied in A.C.A. §26-57-1102 is credited to the Miscellaneous Agencies Fund for the Arkansas Prostate Cancer Foundation.

The Agency is requesting Base Level of \$197,750 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 4HJ - Prostate Cancer

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	139,327	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Total	139,327	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Funding Sources									
Fund Balance 4000005	0	12,253		0	0	0	0	0	0
Cigarette Tax 4000140	151,580	185,497		197,750	197,750	197,750	197,750	197,750	197,750
Total Funding	151,580	197,750		197,750	197,750	197,750	197,750	197,750	197,750
Excess Appropriation/(Funding)	(12,253)	0		0	0	0	0	0	0
Grand Total	139,327	197,750		197,750	197,750	197,750	197,750	197,750	197,750

Analysis of Budget Request

Appropriation: 601 - Juvenile Detention Facilities

Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

Funds transferred from the Department of Human Services - Youth Services Fund Account to the Juvenile Detention Facilities Operating Fund provides funding for this Department of Finance and Administration - Disbursing Officer appropriation for grants for operating expenses of fourteen local juvenile detention facilities.

The Agency is requesting Base Level of \$400,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 601 - Juvenile Detention Facilities
Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources										
Fund Balance	4000005	184,763	215,930		215,930	215,930	215,930	215,930	215,930	215,930
Juv Detention Facilities Fund	4000325	31,167	0		0	0	0	0	0	0
Transfer from DHS-DYS	4000515	400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000
Total Funding		615,930	615,930		615,930	615,930	615,930	615,930	615,930	615,930
Excess Appropriation/(Funding)		(215,930)	(215,930)		(215,930)	(215,930)	(215,930)	(215,930)	(215,930)	(215,930)
Grand Total		400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000

\$31,167 is an outlawed warrant/refund to expenditure.

Analysis of Budget Request

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

A.C.A. §8-12-103 and §8-12-104 created and established a Natural Resources Damages Advisory Board and the Natural Resources Damages Trust Fund. The Advisory Board is composed of seven (7) members that serve without compensation. The Advisory Board has the powers and duties to develop projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; to request proposals for natural resource related projects; to review and evaluate proposals for natural resource related projects; to select projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; and to approve payments from the Natural Resource Damages Trust Fund.

The Department of Finance and Administration - Disbursing Officer administers the fund, as authorized by the Advisory Board (A.C.A. §8-12-105). The Natural Resources Damages Trust Fund consists of all payments collected by the State for restoration, rehabilitation, replacement, or acquisition of natural resources and any money received by the State as a gift or donation to the fund or any federal moneys designated to enter the fund, and all interest earned upon moneys deposited in the fund.

The Agency is requesting Base Level of \$174,810 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Total	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Funding Sources									
Fund Balance 4000005	174,810	174,810		0	0	0	0	0	0
Unfunded Appropriation 4000715	0	0		174,810	174,810	174,810	174,810	174,810	174,810
Total Funding	174,810	174,810		174,810	174,810	174,810	174,810	174,810	174,810
Excess Appropriation/(Funding)	(174,810)	0		0	0	0	0	0	0
Grand Total	0	174,810		174,810	174,810	174,810	174,810	174,810	174,810

Analysis of Budget Request

Appropriation: 905 - Purchase of Vehicles

Funding Sources: MMV - Motor Vehicle Aquisition Revolving Fund

The Department of Finance and Administration maintains a system that provides a complete inventory of existing state vehicles. This system monitors age of vehicles, annual mileage utilization, and maintenance costs. This program provides a priority ranking of vehicles to be purchased. A.C.A. §22-8-206 establishes guidelines for the purchase of automobiles.

The Agency is requesting Base Level of \$15,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 905 - Purchase of Vehicles

Funding Sources: MMV - Motor Vehicle Acquisition Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase of Vehicles	5900046	1,426,008	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		1,426,008	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	3,242,632	1,491,860		0	0	0	0	0	0
M & R Sales	4000340	650,653	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfers from Agencies	4000690	3,681,598	12,508,140		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Transfers to Agencies	4000695	(4,657,015)	0		0	0	0	0	0	0
Total Funding		2,917,868	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(1,491,860)	0		0	0	0	0	0	0
Grand Total		1,426,008	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 914 - DFA Disbursing-Miscellaneous-Cash-Transfers

Funding Sources: NDP - Cash in Treasury - DFA Miscellansous

This appropriation is used to disburse funds collected on behalf of state agencies if needed.

The Agency is requesting Base Level of \$5,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 914 - DFA Disbursing-Miscellaneous-Cash-Transfers

Funding Sources: NDP - Cash in Treasury - DFA Miscellansous

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Various Expenses 5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources									
Cash Fund 4000045	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Analysis of Budget Request

Appropriation: ACH - Arkansas Children's Hospital

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides State grant assistance to the Arkansas Children's Hospital. These funds assist the hospital in providing services to children who are unable to pay, as well as providing additional services in the areas of intensive care, reproductive health research and burn unit.

The Agency is requesting Base Level of \$3,533,600 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: ACH - Arkansas Children's Hospital

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Intensive Care Nursery 5100004	0	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600
Reproductive Health Monitoring 5100004	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Burn Center 5100004	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Hospital Payments 5100004	0	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Total	0	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Funding Sources									
General Revenue 4000010	3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Transfer to DHS Grants Fund 4000615	(3,533,600)	0		0	0	0	0	0	0
Total Funding	0	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600

Special Language authorizes transfer of funds to the Department of Human Services Grants Fund Account.

Analysis of Budget Request

Appropriation: BBP - Blanket Bond Program

Funding Sources: MTA-MLC-MLM-JAA Various

The Blanket Surety Bond Program was established to consolidate policies and decrease costs of surety bonds for all levels of government. The State Risk Manager of the Department of Insurance submits to the Department of Finance and Administration a separate billing certification of the costs of blanket bond surety premiums for the State of Arkansas and the Counties, Municipalities, and Public School Districts participating in the blanket surety bond program for public employees.

The appropriations included in the program are:

- Appropriation 2DM - State Employees Blanket Bond Program
- Appropriation 2DN - County Employees Blanket Bond Program
- Appropriation 2DP - Municipal Employees Blanket Bond Program
- Appropriation 2DQ - Public School Employees Blanket Bond Program

The Agency is requesting Base Level of \$250,000 for each appropriation in each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BBP - Blanket Bond Program

Funding Sources: MTA-MLC-MLM-JAA Various

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Public Sch Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
State Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Co Public Emp Blanket Bond Prg 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Municipal Public Emp Blanket Bnd 5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources									
Transfer to Insurance Dept 4000650	(333,258)	0		0	0	0	0	0	0
Transfers from Agencies 4000690	333,258	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Analysis of Budget Request

Appropriation: MFP - Miscellaneous Federal Programs

Funding Sources: FXX - Miscellaneous Federal Grants

This Disbursing Officer appropriation enables state agencies to participate in federally funded programs if new or additional funds become available for an existing program already authorized by the General Assembly. Also provides for new programs, supported wholly or in part by federal funds, and such programs were not anticipated during the Regular Session of the General Assembly. Transfer of appropriation takes place upon approval of the Chief Fiscal Officer of the State and review by the Arkansas Legislative Council.

The Agency is requesting Base Level of \$2,600,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MFP - Miscellaneous Federal Programs

Funding Sources: FXX - Miscellaneous Federal Grants

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Miscellaneous Federal Grants 5100004	0	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Misc Workforce Investment Progr 5100004	0	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Total	0	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Total Funding	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000

Analysis of Budget Request

Appropriation: MHT - Miscellaneous Transfers

Funding Sources: MXX - Miscellaneous Transfer Appropriations

The Department of Finance and Administration maintains several appropriations from which transfers to various agencies are authorized, if necessary, to meet obligations for which appropriations made by the General Assembly may not be sufficient. An Agency requesting use of any of these appropriations must certify sufficient funding to cover its resulting appropriation increase. Transfer appropriations include:

1. Overtime Compensation appropriation is established for agencies to provide for overtime compensation in emergency situations when an Agency has insufficient authority for such payments.
2. Personal Services Matching and Regular Salaries are established for agencies when the amount appropriated by the General Assembly is not sufficient to meet obligations.
3. Personal Services - Payplan Adjustment - established for agencies to provide appropriation for pay plan increases when there is insufficient salary savings to offset costs.
4. Stipend Holding - Matching and Regular Salaries - established for agencies to provide appropriation to comply with payment of stipends under United States Internal Revenue Code which governs the reporting of income and payment of withholding and matching taxes for personal services.
5. The Refund to Expenditure line item is used to provide appropriation for the following:
 - Proceeds received from insurance carriers for casualty losses
 - Overpayment of obligations
 - Overpayment of salaries
 - Over allocation of Federal Grants
 - Maturity or redemption of investments
 - Other items as may be specified by law

The Agency is requesting Base Level of \$29,550,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MHT - Miscellaneous Transfers
Funding Sources: MXX - Miscellaneous Transfer Appropriations

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Stipends-Variou Agencies 5010000	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Regular Salaries-State Employees 5010000	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Reg Salaries-Elected Officers 5010000	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
#Positions	0	0	0	0	0	0	0	0	0
Stipends-Variou Agencies 5010003	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Personal Services Matching 5010003	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Overtime 5010006	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Refund to Expenditures 5900045	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Personal Services-Payplan Adj 5900046	0	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
Total	0	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Total Funding	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000

Analysis of Budget Request

Appropriation: STC - State's Contributions

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides for dues to various organizations and is funded by general revenue. The Base Level appropriation of \$1,375,308 each year of the 2011-2013 biennium pays yearly assessments from each organization and increases as dues increase.

Special Language authorizes transfers of appropriation and funding between State's Contributions line items and carry forward of unexpended balances in appropriation and funds.

The Agency is requesting Change Level increases in the amount of \$12,121 for FY12 and \$29,111 for FY13 for the following eight organizations:

	<u>FY2012</u>	<u>FY2013</u>
019 Council of State Government	\$ 4,444	\$ 4,444
020 National Conference on State Legislatures	\$ 865	\$ 865
022 National Association of State Budget Officers	\$ 500	\$ 1,000
023 Southern Growth Policies Board	\$ 25	\$ 25
078 Interstate Mining Compact	\$ 1,698	\$ 1,698
1RC National Center for State Courts	\$ 0	\$ 3,815
1YA Multi-State Tax Commission	\$ 3,569	\$ 15,189
1YC National Association of Attorneys General	\$ 1,020	\$ 2,075
	<u>\$ 12,121</u>	<u>\$ 29,111</u>

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: STC - State's Contributions
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Natl Conference of St Legislatures: 5020002	145,311	150,985	150,985	150,985	151,850	151,850	150,985	151,850	151,850
So Regional Education Board 5020002	201,550	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Natl Assoc of St Budget Officers 5020002	15,595	16,100	16,100	16,100	16,600	16,600	16,100	17,100	17,100
Natl Conf of Insurance Legislators: 5020002	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Southern Governors Association 5020002	30,706	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
State and Local Legal Center 5020002	6,500	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315
The Energy Council 5020002	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Southern Growth Policies Board 5020002	26,834	28,175	28,175	28,175	28,200	28,200	28,175	28,200	28,200
Southern States Energy Board 5020002	31,027	32,579	32,579	32,579	32,579	32,579	32,579	32,579	32,579
Natl Assoc of Attorneys General 5020002	32,112	34,000	34,000	34,000	35,020	35,020	34,000	36,075	36,075
Delta Regional Authority 5020002	111,222	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Federation of Tax Administrators 5020002	16,908	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Assoc of Racing Commissioners 5020002	17,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Council of State Government 5020002	106,833	111,106	111,106	111,106	115,550	115,550	111,106	115,550	115,550
Interstate Mining Compact 5020002	16,496	16,302	16,302	16,302	18,000	18,000	16,302	18,000	18,000
National Center for State Courts 5020002	114,682	115,785	115,785	115,785	115,785	115,785	115,785	119,600	119,600
National Governors Association 5020002	83,800	94,700	94,700	94,700	94,700	94,700	94,700	94,700	94,700
Low Lvl Radioactive Waste Cmpt 5020002	5,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Multi-State Tax Commission 5020002	241,012	260,261	260,261	260,261	263,830	263,830	260,261	275,450	275,450
Total	1,244,588	1,375,308	1,375,308	1,375,308	1,387,429	1,387,429	1,375,308	1,404,419	1,404,419
Funding Sources									
General Revenue 4000010	1,244,588	1,375,308		1,375,308	1,387,429	1,387,429	1,375,308	1,404,419	1,404,419
Total Funding	1,244,588	1,375,308		1,375,308	1,387,429	1,387,429	1,375,308	1,404,419	1,404,419
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,244,588	1,375,308		1,375,308	1,387,429	1,387,429	1,375,308	1,404,419	1,404,419

Change Level by Appropriation

Appropriation: 019 - Council of State Government
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	111,106	0	111,106	100.0	111,106	0	111,106	100.0
C01	Existing Program	4,444	0	115,550	104.0	4,444	0	115,550	104.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	111,106	0	111,106	100.0	111,106	0	111,106	100.0
C01	Existing Program	4,444	0	115,550	104.0	4,444	0	115,550	104.0

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 020 - Natl Conference of St Legislatures
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	150,985	0	150,985	100.0	150,985	0	150,985	100.0
C01	Existing Program	865	0	151,850	100.6	865	0	151,850	100.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	150,985	0	150,985	100.0	150,985	0	150,985	100.0
C01	Existing Program	865	0	151,850	100.6	865	0	151,850	100.6

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 022 - Natl Assoc of St Budget Officers
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	16,100	0	16,100	100.0	16,100	0	16,100	100.0
C01	Existing Program	500	0	16,600	103.1	1,000	0	17,100	106.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	16,100	0	16,100	100.0	16,100	0	16,100	100.0
C01	Existing Program	500	0	16,600	103.1	1,000	0	17,100	106.2

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 023 - Southern Growth Policies Board
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	28,175	0	28,175	100.0	28,175	0	28,175	100.0
C01	Existing Program	25	0	28,200	100.1	25	0	28,200	100.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	28,175	0	28,175	100.0	28,175	0	28,175	100.0
C01	Existing Program	25	0	28,200	100.1	25	0	28,200	100.1

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 078 - Interstate Mining Compact
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	16,302	0	16,302	100.0	16,302	0	16,302	100.0
C01	Existing Program	1,698	0	18,000	110.4	1,698	0	18,000	110.4

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	16,302	0	16,302	100.0	16,302	0	16,302	100.0
C01	Existing Program	1,698	0	18,000	110.4	1,698	0	18,000	110.4

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 1RC - National Center for State Courts
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	115,785	0	115,785	100.0	115,785	0	115,785	100.0
C01	Existing Program	0	0	115,785	100.0	3,815	0	119,600	103.3

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	115,785	0	115,785	100.0	115,785	0	115,785	100.0
C01	Existing Program	0	0	115,785	100.0	3,815	0	119,600	103.3

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 1YA - Multi-State Tax Commission
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	260,261	0	260,261	100.0	260,261	0	260,261	100.0
C01	Existing Program	3,569	0	263,830	101.4	15,189	0	275,450	105.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	260,261	0	260,261	100.0	260,261	0	260,261	100.0
C01	Existing Program	3,569	0	263,830	101.4	15,189	0	275,450	105.8

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 1YC - Natl Assoc of Attorneys General
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	34,000	0	34,000	100.0	34,000	0	34,000	100.0
C01	Existing Program	1,020	0	35,020	103.0	2,075	0	36,075	106.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	34,000	0	34,000	100.0	34,000	0	34,000	100.0
C01	Existing Program	1,020	0	35,020	103.0	2,075	0	36,075	106.1

Justification

C01	Increase in yearly assessment from the organization.
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Analysis of Budget Request

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

General revenue provides funding for the projects, programs and grants appropriated in this Miscellaneous Grants and Expenses appropriation. Base Level is \$1,836,911 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$211,800 for FY12 and \$213,520 for FY13 for the following four organizations:

	<u>FY2012</u>	<u>FY2013</u>
080 National Conference on Uniform State Laws	\$ 1,000	\$ 2,720
301 Transportation of Juvenile Offenders	\$ 40,000	\$ 40,000
578 Arkansas Sports Hall of Fame	\$ 150,000	\$ 150,000
54Z Innovation & Product Development	\$ 20,800	\$ 20,800
	<u>\$ 211,800</u>	<u>\$ 213,520</u>

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
National Conference on Uniform § 5020002	44,941	47,700	47,700	47,700	48,700	48,700	47,700	50,420	50,420
Criminal Detention Committee Exj 5020002	5,013	18,639	18,639	18,639	18,639	18,639	18,639	18,639	18,639
Public Defender Contract 5060010	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372
AR Public Administration Consorti 5060010	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Museum of Discovery Grant 5100004	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Intrastate Metro Planning Grants 5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Transportation of Juvenile Offend 5100004	146,290	147,000	147,000	147,000	187,000	187,000	147,000	187,000	187,000
Planning and Development Grant: 5100004	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Interstate Planning Grants 5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Agricultural Marketing Grants 5100004	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
AGA/Vocational Program Certifica 5100004	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Arkansas Sports Hall of Fame 5100004	75,000	0	150,000	0	150,000	150,000	0	150,000	150,000
Akansas Wine Producers Council 5100004	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Innovation & Product Developmei 5900046	0	429,200	450,000	429,200	450,000	450,000	429,200	450,000	450,000
Fire Prevention Commission Gran 5900046	23,917	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total	1,459,533	1,836,911	2,007,711	1,836,911	2,048,711	2,048,711	1,836,911	2,050,431	2,050,431
Funding Sources									
General Revenue 4000010	1,459,533	1,836,911		1,836,911	2,048,711	2,048,711	1,836,911	2,050,431	2,050,431
Total Funding	1,459,533	1,836,911		1,836,911	2,048,711	2,048,711	1,836,911	2,050,431	2,050,431
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,459,533	1,836,911		1,836,911	2,048,711	2,048,711	1,836,911	2,050,431	2,050,431

Change Level by Appropriation

Appropriation: 080 - National Conference on Uniform State Laws
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	47,700	0	47,700	100.0	47,700	0	47,700	100.0
C01	Existing Program	1,000	0	48,700	102.1	2,720	0	50,420	105.7

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	47,700	0	47,700	100.0	47,700	0	47,700	100.0
C01	Existing Program	1,000	0	48,700	102.1	2,720	0	50,420	105.7

Justification

C01	Increase in yearly assessment from the organization.
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Change Level by Appropriation

Appropriation: 301 - Transportation of Juvenile Offenders
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	147,000	0	147,000	100.0	147,000	0	147,000	100.0
C01	Existing Program	40,000	0	187,000	127.2	40,000	0	187,000	127.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	147,000	0	147,000	100.0	147,000	0	147,000	100.0
C01	Existing Program	40,000	0	187,000	127.2	40,000	0	187,000	127.2

Justification

C01	Expansion of the White River Regional Juvenile Detention Facility in Batesville (Independence County) increased capacity to 52. This facility travels the state and especially to southeast AR (Dumas, McGehee, etc.), which does not have a juvenile detention facility in the area. The transport is to pick-up and return clients as needed and for court appearances.								
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Change Level by Appropriation

Appropriation: 54Z - Innovation & Product Development
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	429,200	0	429,200	100.0	429,200	0	429,200	100.0
C01	Existing Program	20,800	0	450,000	104.8	20,800	0	450,000	104.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	429,200	0	429,200	100.0	429,200	0	429,200	100.0
C01	Existing Program	20,800	0	450,000	104.8	20,800	0	450,000	104.8

Justification

C01	Restore currently authorized appropriation with general revenue funding to comply with federal rules. The fund will be used for state enterprise innovative projects that enhance the technology operations of the State that cannot be cost allocated to federal programs.
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Change Level by Appropriation

Appropriation: 578 - Arkansas Sports Hall of Fame
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C01	Existing Program	150,000	0	150,000	100.0	150,000	0	150,000	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C01	Existing Program	150,000	0	150,000	100.0	150,000	0	150,000	100.0

Justification

C01	Restore appropriation and funding to current authorized amount.
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Analysis of Budget Request

Appropriation: VSA - Various State Agencies - Cash

Funding Sources: 999 - Various State Agencies - Cash

The Cash Appropriations line item allows the Department of Finance and Administration to establish cash funded appropriation for any state agency that receives funds that were not anticipated during the deliberations of the General Assembly. A report of all such transactions is made monthly to the Arkansas Legislative Council for review. The Personal Services line item allows the transfer of appropriation to agencies who have an unanticipated need for Regular Salaries or Personal Services Matching appropriation during the biennium. The agencies must have the necessary funding to cover any cost for which the appropriation is transferred.

The Agency is requesting Base Level of \$300,000,000 for Cash Appropriation - Various Agencies and \$5,000,000 for Personal Services - Various Agencies each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: VSA - Various State Agencies - Cash

Funding Sources: 999 - Various State Agencies - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Cash Approp - Various Agencies 5900033	0	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Payplan Adj - Various Agencies 5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Total Funding	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000

DFA - MANAGEMENT SERVICES

Enabling Laws

Act 14 of 2010
Act 104 of 2010
Act 271 of 2010
Act 272 of 2010
A.C.A. §19-4-101 - §19-4-2004

History and Organization

Mission Statement - The Management Services Division provides leadership and assistance to all state agencies to ensure the uniformity, accountability, and efficiency in the management of human, financial and material resources necessary for those agencies to perform their missions.

The Department of Finance and Administration (DFA) in its present organization form was created by Act 38 of 1971 during the 68th Arkansas General Assembly. Effective February 4, 1971, the Administration Department and its functions, powers and duties were transferred to the newly created Department of Finance and Administration.

The Department consists of two major Divisions: The Management Services Division and the Revenue Services Division. The Management Services Division is composed of the Offices of Accounting, Budget, Personnel Management, Procurement and Intergovernmental Services. Other offices that play a major role in State Government are the Office of Administrative Services, the Office of Internal Audit, the Office of Information Services, and the Employee Benefits Division. In addition, the Racing Commission and the Alcoholic Beverage Control Administration Division were also transferred to the newly created Department of Finance and Administration. Act 729 of 1981 transferred the Alcoholic Beverage Control Enforcement Division from the Department of Public Safety to the Department of Finance and Administration.

Central Administration activity of the Department of Finance and Administration oversees the departmental goal which is to instill good management practices in Arkansas State Government and to provide the money to run it. As the Chief Fiscal Officer of the State, the DFA Director is charged with the responsibility of making certain that expenditures, use of property, purchases, and use of personnel are carried out in accordance with the laws of the State. Most of the responsibilities in this area are directed and authorized by Act 876 of the 69th General Assembly (General Accounting and Budgetary Procedures Law, §19-4-101 et seq.).

Central Administration includes the Department of Finance and Administration top-level administration personnel and economic analysis. It is devoted to furthering the department goals with special emphasis placed upon services to agencies and citizens of the State.

The Department has two distinct functions within State Government. One function is to serve as the central collector of state revenues. The other function is to operate control management systems for State Government by providing assistance to all state agencies. This includes the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

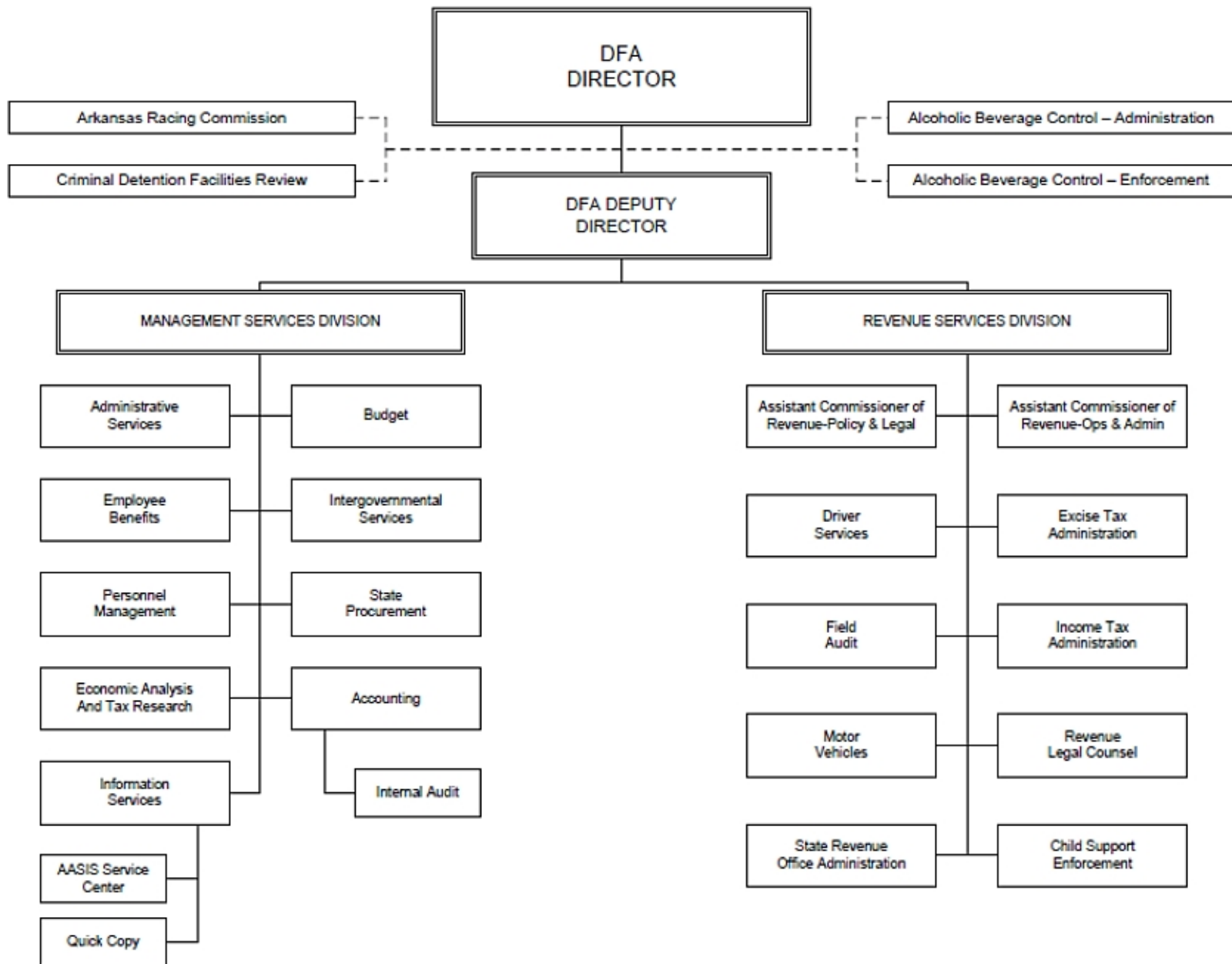
The Management Services Division has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, and providing maximum service to the taxpayers. The Management Services Division has as its central objective the following program areas:

- 1) Accounting - Provide efficient and responsible fiscal management of all state programs or activities. Maintain a financial system providing information on all transactions of all state agencies for accounting and management services, apply sound pre-auditing procedures and maintain the State's accounting system in a timely and accurate manner. Additionally, the Office of Internal Audit (OIA) has merged with the Office of Accounting. The main goal for the OIA is to provide agency management with objective, proactive advice and value-added recommendations that assists them in the achievement of their goals and objectives and provide for strong accountability of state resources. To achieve this goal set forth for the OIA, a three-fold audit approach is utilized. This approach includes the performance of agency audits, Executive Order 98-04 "Compliance Audits and Special Reviews" that may be requested by agency management.
- 2) Budget - Develop, analyze, recommend, present and execute State budget matters, assist state agencies in budgetary matters and enforce the deficit prohibition law.
- 3) Personnel Management - Develop procedures and methods for the continued efficient operation of the Arkansas Personnel Management Program. Maintain personnel records for all classified agencies and payroll records for all state agencies. Provide broad spectrum training opportunities for state and local government employees and provide technical assistance and guidance to all state agencies.
- 4) Procurement - Implement the State procurement program and establish policies, procedures and controls for that program and administer a quality assurance program. Maintain a State surplus property program through the Marketing and Redistribution section.
- 5) Intergovernmental Services - Administer federal grants directed to local governments, state agencies and non-profit organizations for the improvement of narcotics and general law enforcement, drug treatment within state prisons, services for victims of crime, and prison construction. Provide an opportunity for organizations and individuals to review and comment on federally supported programs prior to their implementation.

The Office of Administrative Services has with it human resources, fiscal accounting, purchasing and asset management, Administration of Justice Fund, and state messenger service. This Office performs numerous management-related functions for the Department of Finance and Administration, the Governor's Office, and smaller boards and commissions.

The Employee Benefits Division makes available to State and Public School Employees group health and life insurance. State employees also have the option of selecting other optional benefits, including deferred compensation. The Division oversees that customer service is available from the vendors for the participating members.

The Office of Information Services (OIS) is responsible for management of departmental information technology (IT) resources. This encompasses the Management Services and Revenue Services Divisions, and the Office of Child Support Enforcement. Functional areas include administration (including DFA web site maintenance and the Quick Copy Center), applications development and maintenance, and operations and support (computer operations, and local area network and desktop support). OIS also administers the State Vehicle Management Information and Acquisition System.



Agency Commentary

The Management Services Division of the Department of Finance and Administration has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, while providing maximum service to the taxpayer.

The Agency is requesting the following for the 2011-2013 biennium:

Appropriation 1DF

The Stop Violence Against Women (STOP) program supports communities in their efforts to hire and retain criminal justice and victim services personnel that respond to violent crimes against women as a way to develop and strengthen effective law enforcement, prosecution strategies, and victim services in cases involving violent crimes against women.

- In FY10 ARRA added \$1.5 million to the STOP program which has resulted in additional awards from IGS to sub-recipients. Continuation of this appropriation is requested in the amount of \$1,352,309 each year to allow for the duration of the Recovery awards through the close out period which is projected to be in FY13 or later.

The Victims of Crime Act (VOCA) Formula Grant program supports crime victim assistance projects statewide that expand and enhance direct services to crime victims and provide training and technical assistance to service providers. VOCA victim assistance formula grant supports the provision of services to crime victims. Services under this grant program are defined as those efforts that (1) respond to the emotional and physical needs of crime victims; (2) assist primary and secondary crime victims to stabilize their lives after a victimization; (3) assist victims to understand and participate in the criminal justice system; and (4) provide victims with a measure of safety and security.

- In FY10 ARRA added \$689,000 to the VOCA program which has resulted in additional awards from IGS to sub-recipients. Continuation of this appropriation is requested in the amount of \$549,601 each year to allow for the duration of the Recovery awards through the close out period which is projected to be in FY13 or later.
- Continuation of one Grants Analyst position is also requested for project management and oversight responsibilities, including on-site monitoring required by Federal agencies. The cost of the position is split between the STOP and VOCA programs and will be necessary for the duration of the Recovery awards including the award close out period.

Appropriation 252

The Edward Byrne Memorial Justice Assistance Grant Program provides direct service to State and Local Government programs to prevent and control crime and to improve the criminal justice system.

- In FY10 ARRA added \$13.7 million to the Justice Assistance Grant program which has resulted in additional awards from IGS to sub-recipients. Continuation of this appropriation is requested in the amount of \$11,104,932 each year to allow for the duration of the Recovery awards through the close out period which is projected to be in FY13 or later.
- Continuation of two Grants Analyst positions is also requested for project management and oversight responsibilities, including on-site monitoring required by Federal agencies for the duration of the Recovery awards including the award close out period.

Appropriation 279

- Change in appropriation title and line item from "Data Processing" to "Information Technology" is requested to update terminology.

Appropriation 34Z

- Restore appropriation and general revenue funding in the amount of \$359,196 each year for the required state match by the Department of Justice for the corresponding federal appropriation (1DF).

Appropriation 81P

In ARRA Act of 2009, Title XIV - State Fiscal Stabilization Fund, Section 14002, State use of funds; (b) Other Government Services; (1) In General, states the Governor shall use 18.2 percent of the State's allocation under section 14001 for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education, and for modernization, renovation, and repair of public school facilities and institutions of higher education facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system.

- In FY10 ARRA added \$80.2 million to the State Fiscal Stabilization Fund. Continuation of this appropriation is requested in the amount of \$56,560,921 each year to allow for the duration of the Recovery awards through the close out period which is projected to be in FY13 or later.
- Continuation of 2 Miscellaneous Federal Grants positions and 4 Regular authorized positions is also requested for project management and oversight responsibilities, including on-site monitoring required by Federal agencies for the duration of the Recovery awards including the award close out period.

Appropriation 83Q

Currently three grants provide funding to facilitate the State of Arkansas's ability to improve the security and integrity of driver's license and identification card issuance processes to include information technology system, facilities, source document verification and the required security protection of individuals' personal identification information.

- Continuation of this appropriation is requested in the amount of \$2,406,608 each year to allow for the duration of the awards. The appropriation will also provide for any future federal funds to be received for information technology projects.

Appropriation 83T

The Arkansas Office of Health Information Technology is funded as part of the American Recovery and Reinvestment Act to encourage the use of information technology in Arkansas's health care sector. DFA - Office of Intergovernmental Services is responsible for carrying out the terms of the State Cooperative Agreement to Promote Health Information Technology: Planning and Implementation Projects as required under the American Recovery and Reinvestment Act. The purpose of this cooperative agreement process is to advance appropriate and secure health information exchange (HIE) across the State's health care system. The Arkansas Science and Technology Authority will provide operational support to the Office of Health Information Technology during the term of the cooperative agreement.

- In FY10 ARRA provided \$7.9 million for this program. Continuation of this appropriation is requested in the amount of \$7,909,401 each year to allow for the duration of the Recovery award through the close out period which is projected to be in FY14 or later.
- Continuation of the Health Information Technology Coordinator positions is also requested.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2008

Findings

The process of receiving and recording tax revenue should have adequate controls to assure that all revenue is recorded properly. As reported in the Comprehensive Annual Financial Report as of June 30, 2008, our review of the internal control over the receiving and recording of various tax revenues at the Department of Finance and Administration -

Recommendations

The management of the Department of Finance and Administration continue to strengthen internal control over the revenue receipting and recording process.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2008

Findings

Recommendations

Revenue Division, identified the following:

- Computer program changes were placed into production without sufficient management review to ensure adequate testing and authorization.
- There was no written contingency plan that addresses the Agency's procedures in the event of a short-term or long-term interruption of computer service.
- Password configuration settings were not structured to effectively reduce the risk of unauthorized access to the computer system.
- The ability to update cash control applications was not limited to authorized personnel.

Failure to properly implement controls increases the risk of:

- Misappropriation of assets.
- Misstatement of the State's financial records and financial statements.
- Loss of the ability to process and account for tax revenues in a timely manner due to computer processing being hindered because of a disaster.
- Irrecoverable loss of various data, including tax return images, in the event of a disaster.

A properly designed system for processing the receipt and recording of tax revenues should have adequate controls to assure that all revenue is recorded properly. The Department of Finance and Administration - Revenue Division - Cash Control Section receives payments for various taxes throughout the year. When an issue arises and a payment cannot be processed, the Cash Control Section will send the financial instrument and payment documents to the related tax section to correct. Cash Control Section does not prepare a check register or log before the financial instrument and documents are transferred. The transfer results in various tax section personnel having custody of the financial instruments, the associated tax documents, as well as access and authorization to perform adjustments without any record of DFA ever receiving the payment. The movement of the financial instrument and documents without any record of acceptance increases the likelihood of

The management of the Department of Finance and Administration continue to strengthen internal control over the revenue receipting and recording process.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2008

Findings

asset misappropriation and timely recording of tax revenues.

In addition to the above noted transfer, various tax sections receive mail directly from taxpayers. In certain tax sections, employees with access and authorization to perform adjustments will take custody of the financial instrument and the associated tax document. Employees vested with custody of the financial instrument, associated tax documents, and authority to record adjustments to the tax records increase the probability of misappropriation of assets.

Recommendations

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
COMPREHENSIVE ANNUAL FINANCIAL REPORT FINDINGS ON:
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2009

Findings

The process of receiving and recording tax revenue should have adequate controls to assure that all revenue is recorded properly.

As reported in previous audits, our review of the internal control over the receiving and recording of various tax revenues at the Department of Finance and Administration - Revenue Division, identified the following:

- Computer program changes and application configuration were placed into production without sufficient controls to ensure adequate testing and authorization.
- The contingency plan that addresses the agency's procedures in the event of a short-term or long-term interruption of computer service has not been fully tested and implemented.
- The ability to update cash control applications was not limited to authorized personnel.

Failure to properly implement controls increases the risk of:

- Misappropriation of assets.
- Misstatement of the State's financial records and financial statements.
- Loss of the ability to process and account for tax revenues in a timely manner due to computer processing being hindered because of a disaster.
- Irrecoverable loss of various data, including tax return images, in the event of a disaster.

The Department of Finance and Administration indicated that corrections to these control deficiencies had commenced. However, the corrective measures had not been completed by June 30, 2009.

Most transactions which are entered into the AASIS system require that one individual enter the transaction and a separate individual post the transaction. However, there are some transactions which can be entered into AASIS without this segregation of duties. Adequate monitoring should be in place for those transactions that can be entered and posted by one individual. The Department of Finance and Administration does have monitoring controls over these types of transactions; however, they were not working effectively during the period under review. An individual at DFA, Office of Accounting, is responsible for reviewing a

Recommendations

We recommend that the management of the Department of Finance and Administration continue to strengthen internal control over the revenue receipting and recording process.

We recommend that the Department of Finance and Administration correct the monitoring report program to ensure that these types of transactions are complete, accurate, authorized and valid.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
COMPREHENSIVE ANNUAL FINANCIAL REPORT FINDINGS ON:
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2009

Findings

monitoring report identifying any transactions that were entered and posted by the same individual. However, several documents never appeared on the report for review.

This situation allows an increased risk of unauthorized transactions and material errors in the financial statements that would not be detected under normal procedures in a timely manner.

Recommendations

Performance Audit Findings

Arkansas State and Public School Employee Health and Benefit Plans
Employee Benefits Division – Arkansas Department of Finance and Administration (EBD)
(July 1, 2007 – June 30, 2008) - Issued 09-11-2009

Findings and Conclusions:

- Claims identified as requiring recoupment of funds were not always properly posted to the claims recoupment listing.
- While EBD and UAMS-College of Pharmacy have an understanding of the Pharmacy Benefits Management services to be provided, there is currently no formalized intergovernmental agreement.
- No method existed to review and compare case management decisions in an on-going and consistent manner.
- As a member of the Appeals Committee, the Compliance Officer could, in effect, review their own decisions on claims that come before the Committee.
- EBD did not maintain information related to ARCAP [Cafeteria Plan] enrollment or eligibility numbers to ensure invoiced amounts from the ARCAP administrator were accurate.

Recommendations:

- EBD's Finance Office provide the Compliance Office with the status of all claims identified for recoupment.
- Formalize the intergovernmental agreement between EBD and UAMS to clearly outline the expectations of the pharmacy claims audit services including the timeframe the review should be completed.
- Move the pharmacy claims audit monitoring responsibility to the Compliance Office to provide one focal point for all claims audits.
- Prohibit the Compliance Officer from participating as a member of the Appeals Committee.
- Implement more oversight of case management through regular review of case management decisions to ensure uniformity and reasonableness.
- Require the Health Services Officer to approve all case management overrides that meet a pre-established dollar threshold.
- EBD maintain all information regarding eligibility and enrollment numbers for ARCAP and reconcile this information with billing invoices prior to payment.

Arkansas State and Public School Employees Fiscal Year 2009 Health and Benefit Plans
 Employee Benefits Division – Arkansas Department of Finance and Administration (EBD)
 (July 1, 2008 – June 30, 2009) - Issued 03-12-2010

Findings and Conclusions:

- EBD is adequately monitoring the disbursement of funds related to health and pharmacy benefits with the exception of EBD's continuing effort to bring the UAMS review of pharmacy claims up-to-date.
- Significant differences exist between state employee and public school employee life insurance programs.

Recommendations:

Employment Summary

	Male	Female	Total	%
White Employees	120	187	307	77 %
Black Employees	20	62	82	20 %
Other Racial Minorities	8	4	12	3 %
Total Minorities			94	23 %
Total Employees			401	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Budget Instruction Packet	None	N	N	200	Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Biennial Budget Book	None	N	N	25	Contains detailed information regarding agency changes, funding and positions for each agency, as well as capital projects. Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.
Biennial Budget Instruction Packet	A.C.A. 19-4-304	N	N	200	Provide information and assistance to state agencies in the preparation of biennial budget requests. Electronic copy available on DFA Website.
Biennial Budget Manuals	A.C.A. 19-4-305	Y	N	3,000	Compile agency requests and Governor's recommendations for Legislative Council/Joint Budget Committee. Electronic copy available on DFA Website.
COBRA Packets	None	N	N	18,000	Federal legislation requires former employees or dependents have insurance benefits after termination of group benefits. Continuing coverage information is provided to individuals.
Comprehensive Annual Financial Report (CAFR)	A.C.A. 19-5-517	N	N	400	To provide the detailed information of the State's financial status and to ensure proper handling of the taxpayers' money.
EBD Buzz	None	N	N	350,000	Newsletter to be sent quarterly on insurance updates and information.
Enrollment Guide for Arkansas Public School Employees	None	N	N	100	The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.
Enrollment Guide for Arkansas State and Public School Retired Employees	None	N	N	500	The enrollment guide provides information regarding open enrollment, rates and benefit changes. 250 State / 250 Public School. Electronic copy available on DFA website.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Enrollment Guide for Arkansas State Employees	None	N	N	100	The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.
Facts about the Arkansas State Budget	None	N	N	1,000	Informational brochure for the public. Electronic copy available on DFA Website.
Summary Plan Description	None	N	N	250	The Department of Labor requires that a summary of the plan be available to all employees. The summary plan description describes insurance benefits for the State and Public School Employees enrolled in the plan. Electronic copy available on DFA website.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DF Victims of Crime Justice Assistance - Federal	7,740,548	8	14,742,823	9	12,722,300	8	12,837,325	8	15,704,860	9	15,704,860	9	12,837,325	8	15,704,860	9	15,704,860	9
1GA Purchase / Corporate Travel Card Program	1,347,137	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
251 Dept of Justice Non-Victim Assistance Grants - S	478,339	0	1,000,000	0	1,085,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
252 Dept of Justice Non-Victim Assistance Grants - f	3,832,135	4	20,917,618	4	9,852,629	4	9,815,775	4	20,920,707	6	20,920,707	6	9,815,775	4	20,920,707	6	20,920,707	6
272 DFA Management Services - Operations	19,094,293	298	20,708,786	304	21,027,579	307	20,884,035	304	20,884,035	304	20,884,035	304	20,884,035	304	20,884,035	304	20,884,035	304
274 Marketing and Redistribution	661,695	16	1,298,387	16	1,278,861	16	1,297,653	16	1,297,653	16	1,297,653	16	1,297,653	16	1,297,653	16	1,297,653	16
277 Quick Copy Service Center	113,940	2	443,106	2	440,907	2	441,328	2	441,328	2	441,328	2	441,328	2	441,328	2	441,328	2
278 Employee Benefits Division	2,706,311	37	3,019,180	36	3,142,023	39	3,003,458	36	3,003,458	36	3,003,458	36	3,003,458	36	3,003,458	36	3,003,458	36
279 Information Technology*	25,314,162	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
2HG Personnel Management - Employee Awards	0	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0
34Z Victims of Crime Justice Assistance - State	0	0	50,000	0	359,196	0	50,000	0	359,196	0	359,196	0	50,000	0	359,196	0	359,196	0
574 Statewide Payroll Paying	0	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0
584 AASIS - Operations	4,911,330	61	5,236,021	61	5,083,338	61	5,272,108	61	5,272,108	61	5,272,108	61	5,272,108	61	5,272,108	61	5,272,108	61
81P State Fiscal Stabilization - ARRA	7,278,571	2	80,173,107	6	0	0	0	0	56,560,921	6	56,560,921	6	0	0	56,560,921	6	56,560,921	6
83K State Health Info Exchange - State	0	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
83Q IT Projects - Federal	77,280	0	2,406,608	0	0	0	0	0	2,406,608	0	2,406,608	0	0	0	2,406,608	0	2,406,608	0
83T State Health Info Exchange - ARRA	4,929	1	7,909,401	1	0	0	0	0	7,909,401	1	7,909,401	1	0	0	7,909,401	1	7,909,401	1
907 DFA Management Services - Miscellaneous Cash	860,987	14	2,218,545	14	2,308,004	14	2,217,142	14	2,217,142	14	2,217,142	14	2,217,142	14	2,217,142	14	2,217,142	14
Total	74,421,657	443	2,292,755,862	454	2,189,932,117	451	2,189,451,104	445	2,270,609,697	455	2,270,609,697	455	2,189,451,104	445	2,270,609,697	455	2,270,609,697	455

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	3,260,503	4.2	3,452,130	0.2			2,499,417	0.1	2,499,417	0.1	2,499,417	0.1	2,234,622	0.1	2,234,622	0.1	2,234,622	0.1
General Revenue	4000010	485,442	0.6	1,050,000	0.0			1,050,000	0.0	1,359,196	0.1	1,359,196	0.1	1,050,000	0.0	1,359,196	0.1	1,359,196	0.1
Federal Revenue	4000020	7,928,749	10.2	25,060,207	1.1			22,653,100	1.0	26,025,333	1.1	26,025,333	1.1	22,653,100	1.0	26,025,333	1.1	26,025,333	1.1
State Central Services	4000035	51,977,287	66.7	58,996,267	2.6			59,191,881	2.7	59,191,881	2.6	59,191,881	2.6	59,191,881	2.7	59,191,881	2.6	59,191,881	2.6
Non-Revenue Receipts	4000040	3,219,156	4.1	3,857,325	0.2			3,941,328	0.2	3,941,328	0.2	3,941,328	0.2	3,941,328	0.2	3,941,328	0.2	3,941,328	0.2
Cash Fund	4000045	1,122,436	1.4	1,750,000	0.1			1,750,000	0.1	1,750,000	0.1	1,750,000	0.1	1,750,000	0.1	1,750,000	0.1	1,750,000	0.1
Agency Payroll Paying Accounts	4000085	0	0.0	2,100,000,000	91.5			2,100,000,000	95.8	2,100,000,000	92.4	2,100,000,000	92.4	2,100,000,000	95.8	2,100,000,000	92.4	2,100,000,000	92.4
DFA Motor Vehicle Acquisition	4000184	20,646	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Federal Funds-ARRA	4000244	11,004,714	14.1	101,089,350	4.4			0	0.0	77,477,164	3.4	77,477,164	3.4	0	0.0	77,477,164	3.4	77,477,164	3.4
Grant/SubGrant Refunds	4000273	7,511	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	40,792	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	(14,614)	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%		%		%
M & R Sales	4000340	28,163	0.0	0	0.0											
Transfer to DFA Disbursing	4000610	(1,806,998)	(2.3)	0	0.0											
Unfunded Appropriation	4000715	0	0.0	0	0.0	600,000	0.0	600,000	0.0	600,000	0.0	600,000	0.0	600,000	0.0	600,000
Unclaimed Property Proceeds	4000750	600,000	0.8	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Funds		77,873,787	100.0	2,295,255,279	100.0	2,191,685,726	100.0	2,272,844,319	100.0	2,272,844,319	100.0	2,191,420,931	100.0	2,272,579,524	100.0	2,272,579,524
Excess Appropriation/(Funding)		(3,452,130)		(2,499,417)		(2,234,622)		(2,234,622)		(2,234,622)		(1,969,827)		(1,969,827)		(1,969,827)
Grand Total		74,421,657		2,292,755,862		2,189,451,104		2,270,609,697		2,270,609,697		2,189,451,104		2,270,609,697		2,270,609,697

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
427	389	36	425	2	8.90 %	451	408	41	449	2	9.53 %	451	407	47	454	-3	9.76 %

FY11 Budgeted Positions exceeds Authorized due to 3 ARRA positions authorized through the Miscellaneous Federal Grant process.

Analysis of Budget Request

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal

Funding Sources: FVD - Victims of Crime Justice Assistance

This federally funded appropriation for the Victims of Crime Justice Assistance Program includes salary, operating expenses and the administration of federal funds received through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

Base Level salaries and matching do not include appropriation for Cost of Living Adjustment or Career Service Payments. Base Level is \$12,837,325 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$2,867,535 for FY12 and FY13 as follows:

- Grants and Aid of \$965,625 each year of the biennium to cover non-ARRA federal award increases for VOCA, STOP and JAG.
- Additional ARRA funding of \$1,901,910 each year to support VOCA and STOP programs will provide additional awards from IGS to sub-recipients. These additional ARRA funds will also support a new position, split between the VOCA and STOP programs, to accommodate increased project management and oversight responsibilities, including on site monitoring required by federal agencies.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal

Funding Sources: FVD - Victims of Crime Justice Assistance

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	239,084	311,742	220,866	308,677	308,677	308,677	308,677	308,677	308,677
#Positions		8	9	8	8	9	9	8	9	9
Extra Help	5010001	0	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	72,811	100,680	72,943	100,157	100,157	100,157	100,157	100,157	100,157
Overtime	5010006	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Operating Expenses	5020002	28,677	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	7,006	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	0	74,219	74,219	74,219	74,219	74,219	74,219	74,219	74,219
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	6,922,393	12,134,375	12,134,375	12,134,375	13,100,000	13,100,000	12,134,375	13,100,000	13,100,000
Refunds/Reimbursements	5110014	192	78,125	78,125	78,125	78,125	78,125	78,125	78,125	78,125
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
ARRA of 2009	5900052	470,385	1,901,910	0	0	1,901,910	1,901,910	0	1,901,910	1,901,910
Total		7,740,548	14,742,823	12,722,300	12,837,325	15,704,860	15,704,860	12,837,325	15,704,860	15,704,860
Funding Sources										
Federal Revenue	4000020	7,270,163	12,840,913		12,837,325	13,802,950	13,802,950	12,837,325	13,802,950	13,802,950
Federal Funds-ARRA	4000244	470,385	1,901,910		0	1,901,910	1,901,910	0	1,901,910	1,901,910
Total Funding		7,740,548	14,742,823		12,837,325	15,704,860	15,704,860	12,837,325	15,704,860	15,704,860
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		7,740,548	14,742,823		12,837,325	15,704,860	15,704,860	12,837,325	15,704,860	15,704,860

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Budget exceeds Authorized Appropriation in ARRA of 2009 due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal
Funding Sources: FVD - Victims of Crime Justice Assistance

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	12,837,325	8	12,837,325	100.0	12,837,325	8	12,837,325	100.0
C01	Existing Program	965,625	0	13,802,950	107.5	965,625	0	13,802,950	107.5
C16	ARRA	1,901,910	1	15,704,860	122.3	1,901,910	1	15,704,860	122.3

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	12,837,325	8	12,837,325	100.0	12,837,325	8	12,837,325	100.0
C01	Existing Program	965,625	0	13,802,950	107.5	965,625	0	13,802,950	107.5
C16	ARRA	1,901,910	1	15,704,860	122.3	1,901,910	1	15,704,860	122.3

Justification

C01	Additional appropriation to cover non-ARRA federal award increases for VOCA, STOP and JAG.
C16	ARRA added additional funds to the Victims of Crime Act (VOCA) Formula Grant program which has resulted in additional awards from IGS to sub recipients. VOCA victim assistance formula grant supports the provision of services to victims of crime. Services under this grant program are defined as those efforts that (1) respond to the emotional and physical needs of crime victims; (2) assist primary and secondary victims of crime to stabilize their lives after a victimization; (3) assist victims to understand and participate in the criminal justice system; and (4) provide victims of crime with a measure of safety and security. The STOP Program supports communities in their efforts to hire and retain criminal justice and victim services personnel that respond to violent crimes against women as a way to develop and strengthen effective law enforcement, prosecution strategies, and victim services in cases involving violent crimes against women. ARRA also added funds to the Stop Violence Against Women program which has resulted in additional awards from IGS to sub recipients. This increases project management and oversight responsibilities, including onsite monitoring required by Federal agencies. The requested position will be split between the STOP and VOCA programs and will be necessary for the duration of the Recovery awards including the award closeout period.

Analysis of Budget Request

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

This appropriation is funded by a miscellaneous revolving fund and is used for rebates from vendor banks, distribution to participating agencies and for operating expenses connected with the administration of the Purchase and Corporate Travel Card Program.

Arkansas Agency Travel Card Program

The Department of Finance and Administration (DFA) - Office of State Procurement (OSP), State Agencies and Institutions of Higher Education have developed and implemented the Arkansas Agency Travel Card Program for employees that have valid business related travel expenses. The Office of State Procurement has responsibility for the development of policy and procedures. Agencies and Higher Education Institutions are responsible for the development of procedures consistent with State policies implementing the program.

Cardholders use the card for any authorized travel related expense at any establishment or merchant that accepts the VISA card. The Arkansas Travel Regulations govern most aspects of the State Travel Card Program.

Arkansas Purchasing Card Program

The State of Arkansas and participating organizations have implemented the Arkansas Purchasing Card Program (P-Card) with US Bank VISA Purchasing Card to simplify, streamline, and facilitate the purchase and payment process.

The P-Card is a fast, flexible purchasing tool offering an enhancement to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total maximum per cycle limit that will be determined on an individual basis. The default maximum charges per individual card holder are \$2,000 per cycle. The P-Card is to be used only for official business purchases for the State of Arkansas. Any attempt to use the P-Card for a purchase in excess of the set card limit will result in the purchase being rejected by the bank and the vendor.

The Agency is requesting Base Level of \$2,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	0	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	1,347,137	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,347,137	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources										
Fund Balance	4000005	471,194	14,557		0	0	0	0	0	0
Non-Revenue Receipts	4000040	890,500	1,985,443		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		1,361,694	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(14,557)	0		0	0	0	0	0	0
Grand Total		1,347,137	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Analysis of Budget Request

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides city and county governments and state agencies with matching funds to implement programs authorized under the Federal Drug Law Enforcement Program. This appropriation provides matching funds to the sub-grantees of the Federal Law Enforcement Block Grant, Violent Offender, and Substance Abuse Treatment Programs.

The Agency is requesting Base Level of \$1,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	478,339	1,000,000	1,085,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total		478,339	1,000,000	1,085,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources										
General Revenue	4000010	485,442	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Grant/SubGrant Refunds	4000273	7,511	0		0	0	0	0	0	0
Inter-agency Fund Transfer	4000316	(14,614)	0		0	0	0	0	0	0
Total Funding		478,339	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		478,339	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Inter-agency fund transfers: Community Corrections - \$1,987.99; Department of Corrections - \$12,625.59

Analysis of Budget Request

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal

Funding Sources: FIG - DFA Federal Funds

Department of Finance and Administration - Intergovernmental Services is responsible for the management of a federal grant program that supports improvements in the State's criminal justice system. This grant program provides funds to cities and counties, prosecuting attorneys, state courts and state agencies. Grant programs operated through Intergovernmental Services include the Edward Byrne Memorial Drug Law Enforcement Program (DLEP) for narcotics enforcement and violent crime control.

This grant program has varying eligibility requirements, and a twenty-five percent match requirement. Grant funds are made available for application after the State receives notification of a state level grant award. All federal grant funds are made available through the U. S. Department of Justice.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$9,815,775 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$11,104,932 as follows:

- Additional ARRA funding of \$11,104,932 each year to support Edward Byrne Memorial Grant Program will provide additional awards from IGS to sub-recipients. These additional ARRA funds will also support two new positions to accommodate increased project management and oversight responsibilities, including on site monitoring required by federal agencies.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal

Funding Sources: FIG - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	181,363	185,787	210,966	182,652	182,652	182,652	182,652	182,652	182,652
#Positions		4	4	4	4	6	6	4	6	6
Personal Services Matching	5010003	51,365	50,270	65,034	56,494	56,494	56,494	56,494	56,494	56,494
Operating Expenses	5020002	23,885	168,129	168,129	168,129	168,129	168,129	168,129	168,129	168,129
Conference & Travel Expenses	5050009	1,621	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Professional Fees	5060010	0	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	323,072	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Refunds/Reimbursements	5110014	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
ARRA of 2009	5900052	3,250,829	11,104,932	0	0	11,104,932	11,104,932	0	11,104,932	11,104,932
Total		3,832,135	20,917,618	9,852,629	9,815,775	20,920,707	20,920,707	9,815,775	20,920,707	20,920,707

Funding Sources										
Federal Revenue	4000020	581,306	9,812,686		9,815,775	9,815,775	9,815,775	9,815,775	9,815,775	9,815,775
Federal Funds-ARRA	4000244	3,250,829	11,104,932		0	11,104,932	11,104,932	0	11,104,932	11,104,932
Total Funding		3,832,135	20,917,618		9,815,775	20,920,707	20,920,707	9,815,775	20,920,707	20,920,707
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,832,135	20,917,618		9,815,775	20,920,707	20,920,707	9,815,775	20,920,707	20,920,707

Budget exceeds Authorized Appropriation in ARRA of 2009 due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal
Funding Sources: FIG - DFA Federal Funds

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	9,815,775	4	9,815,775	100.0	9,815,775	4	9,815,775	100.0
C16	ARRA	11,104,932	2	20,920,707	213.1	11,104,932	2	20,920,707	213.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	9,815,775	4	9,815,775	100.0	9,815,775	4	9,815,775	100.0
C16	ARRA	11,104,932	2	20,920,707	213.1	11,104,932	2	20,920,707	213.1

Justification

C16	The Edward Byrne Memorial Justice Assistance Grant Program provides direct service to State and Local Government programs to prevent and control crime and to improve the criminal justice system. ARRA added funds to the Justice Assistance Grant program which has resulted in additional awards from IGS to sub recipients. This increases project management and oversight responsibilities, including onsite monitoring required by the Federal agencies. The requested positions will be necessary for the duration of the Recovery awards including the award closeout period.
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Analysis of Budget Request

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for operations of the Management Services Division of the Department of Finance and Administration. The Management Services Division provides state agencies with assistance in accounting, budgeting, personnel, purchasing, and administering statutorily required controls. The Division includes the Office of the Director, Economic Analysis and Tax Research, Office of Administrative Services, Office of Accounting, Office of Budget, Office of Personnel Management, Office of State Procurement, Office of Internal Audit, Office of Information Systems, Office of Intergovernmental Services and the Criminal Detention Facilities Coordinator.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$20,884,035 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request and a title change for one position, a DFA State Personnel Analyst, Grade C120, to a Systems Coordination Analyst, Grade C120.

Appropriation Summary

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	13,865,200	14,718,237	14,792,902	14,624,031	14,624,031	14,624,031	14,624,031	14,624,031	14,624,031
#Positions		298	304	307	304	304	304	304	304	304
Extra Help	5010001	9,070	41,512	41,512	41,512	41,512	41,512	41,512	41,512	41,512
#Extra Help		2	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	3,858,073	4,114,392	4,358,520	4,383,847	4,383,847	4,383,847	4,383,847	4,383,847	4,383,847
Overtime	5010006	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	1,340,259	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645	1,709,645
Conference & Travel Expenses	5050009	21,691	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Professional Fees	5060010	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		19,094,293	20,708,786	21,027,579	20,884,035	20,884,035	20,884,035	20,884,035	20,884,035	20,884,035

Funding Sources										
State Central Services	4000035	19,092,808	20,708,786		20,884,035	20,884,035	20,884,035	20,884,035	20,884,035	20,884,035
M & R Sales	4000340	1,485	0		0	0	0	0	0	0
Total Funding		19,094,293	20,708,786		20,884,035	20,884,035	20,884,035	20,884,035	20,884,035	20,884,035
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		19,094,293	20,708,786		20,884,035	20,884,035	20,884,035	20,884,035	20,884,035	20,884,035

Change Level by Appropriation

Appropriation: 272 - DFA Management Services - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	20,884,035	304	20,884,035	100.0	20,884,035	304	20,884,035	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	20,884,035	304	20,884,035	100.0	20,884,035	304	20,884,035	100.0
C14	Title Change	0	0	20,884,035	100.0	0	0	20,884,035	100.0

Justification

C14	The Executive Recommendation provides a title change to appropriately classify one position, a DFA State Personnel Analyst, Grade C120, to a Systems Coordination Analyst, Grade C120.
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**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: DFA Management Services

Program: DFA Management Services - Operations

Act #: 14 Section(s) #: 3 & 23

Estimated Carry Forward Amount \$ 0.00 Funding Source: State Central Services

Accounting Information:

Business Area: 0610 Funds Center: 272 Fund: HSC Functional Area: ADMN

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Funds remaining on June 30, 2010 will be returned to State Central Services and not carried forward.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

Funds remaining on June 30, 2010 were returned to State Central Services.

Note from DFA – Office of Budget: Funds remaining at the end of any fiscal year from this fund must, by law, remain in the fund regardless of the future status of any project, contract or purpose. The Special Language that requires this report is no longer necessary.

Richard A. Weiss

Director

08-17-2010

Date

Analysis of Budget Request

Appropriation: 274 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Marketing and Redistribution (M&R) Program. State agencies are required to dispose of furnishings, equipment, vehicles and other inventory items through M&R. State and public agencies have first option to purchase these items. Funding for this service is provided via fees charged for goods and services offered through the M&R Warehouse.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$1,297,653 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 274 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	460,779	471,939	457,613	468,839	468,839	468,839	468,839	468,839	468,839
#Positions	16	16	16	16	16	16	16	16	16
Extra Help 5010001	3,085	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	101,885	167,843	162,643	170,209	170,209	170,209	170,209	170,209	170,209
Operating Expenses 5020002	95,856	128,605	128,605	128,605	128,605	128,605	128,605	128,605	128,605
Conference & Travel Expenses 5050009	90	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Special Maintenance 5120032	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing Services 5900044	0	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Total	661,695	1,298,387	1,278,861	1,297,653	1,297,653	1,297,653	1,297,653	1,297,653	1,297,653
Funding Sources									
Fund Balance 4000005	1,059,556	840,679		1,042,292	1,042,292	1,042,292	1,244,639	1,244,639	1,244,639
Non-Revenue Receipts 4000040	2,249,816	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Transfer to DFA Disbursing 4000610	(1,806,998)	0		0	0	0	0	0	0
Total Funding	1,502,374	2,340,679		2,542,292	2,542,292	2,542,292	2,744,639	2,744,639	2,744,639
Excess Appropriation/(Funding)	(840,679)	(1,042,292)		(1,244,639)	(1,244,639)	(1,244,639)	(1,446,986)	(1,446,986)	(1,446,986)
Grand Total	661,695	1,298,387		1,297,653	1,297,653	1,297,653	1,297,653	1,297,653	1,297,653

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 277 - Quick Copy Service Center

Funding Sources: MRC - Quick Copy Service Center Revolving Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Quick Copy Service Center. Quick Copy provides high speed copying, bindery, lamination and graphic design products and services to State Agencies. Funding to support this function is derived from fees charged for services.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$441,328 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 277 - Quick Copy Service Center
Funding Sources: MRC - Quick Copy Service Center Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	72,224	73,507	71,866	72,007	72,007	72,007	72,007	72,007	72,007
#Positions	2	2	2	2	2	2	2	2	2
Extra Help 5010001	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help	0	3	3	3	3	3	3	3	3
Personal Services Matching 5010003	22,888	24,999	24,441	24,721	24,721	24,721	24,721	24,721	24,721
Operating Expenses 5020002	18,828	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600
Conference & Travel Expenses 5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	113,940	443,106	440,907	441,328	441,328	441,328	441,328	441,328	441,328
Funding Sources									
Fund Balance 4000005	106,324	71,224		0	0	0	0	0	0
Non-Revenue Receipts 4000040	78,840	371,882		441,328	441,328	441,328	441,328	441,328	441,328
Total Funding	185,164	443,106		441,328	441,328	441,328	441,328	441,328	441,328
Excess Appropriation/(Funding)	(71,224)	0		0	0	0	0	0	0
Grand Total	113,940	443,106		441,328	441,328	441,328	441,328	441,328	441,328

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

The Department of Finance and Administration - Employees Benefit Division (EBD) manages the group health and life programs, other select benefit programs for active and retired state and public school employees, and builds quality programs that operate in an efficient manner to ensure responsive customer service, promote product education, affordability and accessibility.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$3,003,458 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,324,946	1,394,626	1,498,570	1,381,201	1,381,201	1,381,201	1,381,201	1,381,201	1,381,201
#Positions	37	36	39	36	36	36	36	36	36
Personal Services Matching 5010003	420,257	452,743	471,642	450,446	450,446	450,446	450,446	450,446	450,446
Overtime 5010006	0	11,895	11,895	11,895	11,895	11,895	11,895	11,895	11,895
Operating Expenses 5020002	958,358	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827	1,116,827
Conference & Travel Expenses 5050009	1,700	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Professional Fees 5060010	1,050	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	2,706,311	3,019,180	3,142,023	3,003,458	3,003,458	3,003,458	3,003,458	3,003,458	3,003,458
Funding Sources									
State Central Services 4000035	2,706,243	3,019,180		3,003,458	3,003,458	3,003,458	3,003,458	3,003,458	3,003,458
M & R Sales 4000340	68	0		0	0	0	0	0	0
Total Funding	2,706,311	3,019,180		3,003,458	3,003,458	3,003,458	3,003,458	3,003,458	3,003,458
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	2,706,311	3,019,180		3,003,458	3,003,458	3,003,458	3,003,458	3,003,458	3,003,458

Analysis of Budget Request

Appropriation: 279 - Information Technology*

Funding Sources: HSC - State Central Services

The Department of Finance and Administration (DFA) - Office of Information Technology facilitates a more effective and efficient management of the Department's information technology assets. Funded from State Central Services, this appropriation provides for data processing, development, implementation, enhancement, and operation of automated systems within the Department of Finance and Administration. The AASIS Billings line item represents the amount the Department of Information Systems bills the Department of Finance and Administration for the AASIS Support Center.

The Agency is requesting Base Level of \$30,000,000 each year of the 2011-2013 biennium, as well as an appropriation title change from "Data Processing" to "Information Technology" to update terminology.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 279 - Information Technology*

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Information Technology Services 5900044	19,911,573	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000
AASIS Billings 5900046	5,402,589	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Total	25,314,162	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources									
State Central Services 4000035	25,267,327	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
DFA Motor Vehicle Acquisition 4000184	20,646	0		0	0	0	0	0	0
M & R Sales 4000340	26,189	0		0	0	0	0	0	0
Total Funding	25,314,162	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	25,314,162	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

* Change in Appropriation title and line item requested. Formerly "Data Processing".

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: DFA Management Services

Program: Information Technology*

Act #: 14 Section(s) #: 16 & 24

Estimated Carry Forward Amount \$ 0.00 Funding Source: State Central Services

Accounting Information:

Business Area: 0610 Funds Center: 279 Fund: HSC Functional Area: ADMN

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Funds remaining on June 30, 2010 will be returned to State Central Services and not carried forward.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

Funds remaining on June 30, 2010 were returned to State Central Services.

Note from DFA – Office of Budget: Funds remaining at the end of any fiscal year from this fund must, by law, remain in the fund regardless of the future status of any project, contract or purpose. The Special Language that requires this report is no longer necessary.

Richard A. Weiss

Director

08-17-2010

Date

Analysis of Budget Request

Appropriation: 2HG - Personnel Management - Employee Awards

Funding Sources: HSC - State Central Services

This appropriation provides authority for payment of awards made through the Arkansas Employee Suggestion System (A.C.A. §21-11-101 et seq.). Through this program, state employees are encouraged to submit cost saving ideas for State Government. Employees eligible to participate in the Employee Suggestion System Program are those who are full-time state employees of all departments, agencies, institutions, boards, commissions or other agencies of the State supported by state and/or federal funds.

Up to \$5,000 in cash awards is given for suggestions that provide tangible monetary savings. Awards are paid in an amount equal to 10% of the first year's estimated net cost savings. There is a maximum award possible for tangible savings of \$5,000 and a Certificate of Recognition. Certificates are given for suggestions providing intangible benefits such as more efficient procedures and forms and improved employee morale, employee health or safety. Awards for intangible savings range from a Certificate of Recognition to \$100.

Funds disbursed for awards from the State Central Services Fund are reimbursed from funds of the benefiting Agency.

The Agency is requesting Base Level of \$32,280 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2HG - Personnel Management - Employee Awards

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Employee Awards 5900046	0	27,329	27,329	27,329	27,329	27,329	27,329	27,329	27,329
Total	0	32,280	32,280	32,280	32,280	32,280	32,280	32,280	32,280
Funding Sources									
State Central Services 4000035	0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Total Funding	0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	32,280		32,280	32,280	32,280	32,280	32,280	32,280

Analysis of Budget Request

Appropriation: 34Z - Victims of Crime Justice Assistance - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides the state match for the Victims of Crime Justice Assistance Program which receives federal funds through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

Base Level is \$50,000 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$309,196 in each year of the biennium to provide the required State match for corresponding federal appropriation, 1DF, also administered by DFA Management Services.

The Executive Recommendation provides for the Agency Request of appropriation and general revenue funding.

Appropriation Summary

Appropriation: 34Z - Victims of Crime Justice Assistance - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	50,000	359,196	50,000	359,196	359,196	50,000	359,196	359,196
Total	0	50,000	359,196	50,000	359,196	359,196	50,000	359,196	359,196
Funding Sources									
General Revenue 4000010	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196
Total Funding	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	50,000		50,000	359,196	359,196	50,000	359,196	359,196

Change Level by Appropriation

Appropriation: 34Z - Victims of Crime Justice Assistance - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	309,196	0	359,196	718.4	309,196	0	359,196	718.4

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	309,196	0	359,196	718.4	309,196	0	359,196	718.4

Justification

C01	Requesting continuation of currently authorized appropriation and General Revenue funding. This appropriation provides for a required State match for the corresponding federal appropriation (1DF) also administered by DFA Management Services.
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Analysis of Budget Request

Appropriation: 574 - Statewide Payroll Paying

Funding Sources: PAY - State Payroll Fund

This appropriation provides the authority for disbursement of personal services of the various state agencies as a result of the consolidation to one federal identification number for all state agencies in the State of Arkansas. Actual expenditures are reflected at the individual agency level.

The Agency is requesting Base Level of \$2,100,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 574 - Statewide Payroll Paying

Funding Sources: PAY - State Payroll Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Statewide Payroll Paying 5900046	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Funding Sources									
Agency Payroll Paying Accounts 4000085	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total Funding	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000

This appropriation provides the authority for disbursement of personal services of the various state agencies as a result of the consolidation to one federal identification number for all state agencies in the State of Arkansas.

Actual Expenditures are reflected in the salary related line items in each agency.

Analysis of Budget Request

Appropriation: 584 - AASIS - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides the necessary expenses for personal services and operating expenses of the Arkansas Administrative Statewide Information System (AASIS) Support Center.

The AASIS Support Center, an Office within the Department of Finance and Administration (DFA) - Management Services Division, is responsible for ensuring the AASIS and Planning Budgeting and Administrative System (PBAS) systems comply with and support policies and procedures promulgated by the DFA Office of Budget, Personnel Management, Accounting, State Procurement, and the Employee Benefits Division. The AASIS Support Center provides user support and training for approximately 30,000 state employees and over 200 state agencies, boards and commissions.

The AASIS Support Center (ASC) positions were created for implementation in the 2001-2003 biennium and an Administrator position was not requested at that time. Since July 1, 2003, DFA has contracted with DIS to oversee ASC functions and staff. In conjunction with the implementation of the statewide pay plan study, the Agency is requesting to transfer from DIS the Administrator position (State Application Division Director) into the DFA structure. This will allow for more efficient and effective management of the ASC by DFA management.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$5,272,108 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 584 - AASIS - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,549,750	3,610,018	3,454,800	3,589,298	3,589,298	3,589,298	3,589,298	3,589,298	3,589,298
#Positions		61	61	61	61	61	61	61	61	61
Personal Services Matching	5010003	895,797	955,506	958,041	1,012,313	1,012,313	1,012,313	1,012,313	1,012,313	1,012,313
Operating Expenses	5020002	400,278	402,898	402,898	402,898	402,898	402,898	402,898	402,898	402,898
Conference & Travel Expenses	5050009	65,505	267,599	267,599	267,599	267,599	267,599	267,599	267,599	267,599
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		4,911,330	5,236,021	5,083,338	5,272,108	5,272,108	5,272,108	5,272,108	5,272,108	5,272,108
Funding Sources										
State Central Services	4000035	4,910,909	5,236,021		5,272,108	5,272,108	5,272,108	5,272,108	5,272,108	5,272,108
M & R Sales	4000340	421	0		0	0	0	0	0	0
Total Funding		4,911,330	5,236,021		5,272,108	5,272,108	5,272,108	5,272,108	5,272,108	5,272,108
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		4,911,330	5,236,021		5,272,108	5,272,108	5,272,108	5,272,108	5,272,108	5,272,108

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 81P - State Fiscal Stabilization – ARRA

Funding Sources: FAR - ARRA Federal Funds

This federally funded ARRA appropriation for the State Fiscal Stabilization Fund states the Governor shall use 18.2 percent of the State's allocation for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education, and for modernization, renovation, or repair of public school facilities and institutions of higher education facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system. In FY10, ARRA added \$80.2 million to the State Fiscal Stabilization Fund.

The Agency is requesting continuation of this appropriation as a Change Level of \$56,560,921 each year of the 2011-2013 biennium. Continuation of 2 Miscellaneous Federal Grant positions and 4 Regular Authorized positions is also requested to accommodate increased project management and oversight responsibilities, including on site monitoring required by federal agencies.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 81P - State Fiscal Stabilization – ARRA

Funding Sources: FAR - ARRA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	7,278,571	80,173,107	0	0	56,560,921	56,560,921	0	56,560,921	56,560,921
Total	7,278,571	80,173,107	0	0	56,560,921	56,560,921	0	56,560,921	56,560,921
Funding Sources									
Federal Funds-ARRA 4000244	7,278,571	80,173,107		0	56,560,921	56,560,921	0	56,560,921	56,560,921
Total Funding	7,278,571	80,173,107		0	56,560,921	56,560,921	0	56,560,921	56,560,921
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	7,278,571	80,173,107		0	56,560,921	56,560,921	0	56,560,921	56,560,921

Budget exceeds Authorized Appropriation due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 81P - State Fiscal Stabilization – ARRA
Funding Sources: FAR - ARRA Federal Funds

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	56,560,921	6	56,560,921	100.0	56,560,921	6	56,560,921	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	56,560,921	6	56,560,921	100.0	56,560,921	6	56,560,921	100.0

Justification

C16	In FY10 ARRA added \$80.2 million to the State Fiscal Stabilization Fund. Continuation of this appropriation is requested in the amount of \$56,560,921 each year to allow for the duration of the Recovery awards through the closeout period which is projected to be in FY13 or later. Continuation of 2 Miscellaneous Federal Grants positions and 4 Regular authorized positions is also requested for project management and oversight responsibilities, including onsite monitoring required by Federal agencies for the duration of the Recovery awards including the award closeout period.
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Analysis of Budget Request

Appropriation: 83K - State Health Info Exchange - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides the state match for the State Health Information Exchange which receives federal funds through the American Recovery and Reinvestment Act (ARRA). The purpose of the program is to encourage the use of information technology in Arkansas's healthcare sector.

The Agency is requesting Base Level of \$600,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 83K - State Health Info Exchange - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Funding Sources									
Fund Balance 4000005	0	600,000		0	0	0	0	0	0
Unfunded Appropriation 4000715	0	0		600,000	600,000	600,000	600,000	600,000	600,000
Unclaimed Property Proceeds 4000750	600,000	0		0	0	0	0	0	0
Total Funding	600,000	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Excess Appropriation/(Funding)	(600,000)	0		0	0	0	0	0	0
Grand Total	0	600,000		600,000	600,000	600,000	600,000	600,000	600,000

Analysis of Budget Request

Appropriation: 83Q - IT Projects – Federal

Funding Sources: FOI - IT Projects Federal Funds

This federally funded appropriation provides funding to facilitate the State of Arkansas's ability to improve the security and integrity of driver's license and identification card issuance processes to include information technology system, facilities, source document verification and the required security protections of individual's personal identification information.

The Agency is requesting a Change Level increase of \$2,406,608 each year of the 2011-2013 biennium.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 83Q - IT Projects – Federal

Funding Sources: FOI - IT Projects Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Info Tech Services & Equipment 5900046	77,280	2,406,608	0	0	2,406,608	2,406,608	0	2,406,608	2,406,608
Total	77,280	2,406,608	0	0	2,406,608	2,406,608	0	2,406,608	2,406,608
Funding Sources									
Federal Revenue 4000020	77,280	2,406,608		0	2,406,608	2,406,608	0	2,406,608	2,406,608
Total Funding	77,280	2,406,608		0	2,406,608	2,406,608	0	2,406,608	2,406,608
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	77,280	2,406,608		0	2,406,608	2,406,608	0	2,406,608	2,406,608

Budget exceeds Authorized Appropriation due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 83Q - IT Projects – Federal
Funding Sources: FOI - IT Projects Federal Funds

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C06	Restore Position/Approp	2,406,608	0	2,406,608	100.0	2,406,608	0	2,406,608	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C06	Restore Position/Approp	2,406,608	0	2,406,608	100.0	2,406,608	0	2,406,608	100.0

Justification

C06	Three grants provide funding to facilitate the State of Arkansas's ability to improve the security and integrity of driver's license and identification card issuance processes to include information technology system, facilities, source document verification and the required security protection's of individual's personal identification information.
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Analysis of Budget Request

Appropriation: 83T - State Health Info Exchange - ARRA

Funding Sources: FHI - ARRA Federal Funds

This federally funded appropriation, funded through the American Recovery and Reinvestment Act (ARRA), The purpose of this program is to encourage the use of information technology in Arkansas's healthcare sector through the Arkansas Office of Health Information Technology. The office will be responsible for carrying out the terms of the State Cooperative Agreement to Promote Health Information Technology: Planning and Implementation Projects as required under ARRA. The purpose of this cooperative agreement process is to advance appropriate and secure health information exchange (HIE) across the State's healthcare system. The Arkansas Science and Technology Authority will provide operational support to the Office of Health Information Technology during the term of the cooperative agreement. In FY10, ARRA provided \$7.9 million for this program.

The Agency is requesting continuation of this program in the amount of \$7,909,401 each year of the 2011-2013 biennium. This request also provides for the continuation of the Health Information Technology Coordinator position.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 83T - State Health Info Exchange - ARRA

Funding Sources: FHI - ARRA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	4,929	7,909,401	0	0	7,909,401	7,909,401	0	7,909,401	7,909,401
Total	4,929	7,909,401	0	0	7,909,401	7,909,401	0	7,909,401	7,909,401
Funding Sources									
Federal Funds-ARRA 4000244	4,929	7,909,401		0	7,909,401	7,909,401	0	7,909,401	7,909,401
Total Funding	4,929	7,909,401		0	7,909,401	7,909,401	0	7,909,401	7,909,401
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,929	7,909,401		0	7,909,401	7,909,401	0	7,909,401	7,909,401

Budget exceeds Authorized Appropriation due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 83T - State Health Info Exchange - ARRA
Funding Sources: FHI - ARRA Federal Funds

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	7,909,401	1	7,909,401	100.0	7,909,401	1	7,909,401	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	7,909,401	1	7,909,401	100.0	7,909,401	1	7,909,401	100.0

Justification

C16	The Arkansas Office of Health Information Technology is funded as part of the American Recovery and Reinvestment Act to encourage the use of information technology in Arkansas's healthcare sector. In FY10 ARRA provided \$7.9 million for this program. Continuation of this appropriation is requested in the amount of \$7,909,401 each year to allow for the duration of the Recovery award through the closeout period which is projected to be in FY14 or later. Continuation of the Health Information Technology Coordinator position is also requested.
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Analysis of Budget Request

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

This appropriation is used to provide spending authority for various activities such as the DFA Office of Personnel Management - Inter-Agency Training Program, DFA Office of State Procurement seminars, vendor fees and rebates, and DFA - Employee Benefits Division. The source of funding for this appropriation is registration fees collected from participants attending training sessions, seminars, payment of vendor fees, and other miscellaneous reimbursements and revenues.

Base Level salaries and matching do not include appropriation for Cost of Living Adjustment or Career Service Payments.

The Agency is requesting Base Level of \$2,217,142 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	497,317	540,927	618,057	539,627	539,627	539,627	539,627	539,627	539,627
#Positions		14	14	14	14	14	14	14	14	14
Personal Services Matching	5010003	158,618	174,896	187,225	174,793	174,793	174,793	174,793	174,793	174,793
Operating Expenses	5020002	45,263	888,222	888,222	888,222	888,222	888,222	888,222	888,222	888,222
Conference & Travel Expenses	5050009	9,220	71,800	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Professional Fees	5060010	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	150,569	517,700	517,700	517,700	517,700	517,700	517,700	517,700	517,700
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		860,987	2,218,545	2,308,004	2,217,142	2,217,142	2,217,142	2,217,142	2,217,142	2,217,142
Funding Sources										
Fund Balance	4000005	1,623,429	1,925,670		1,457,125	1,457,125	1,457,125	989,983	989,983	989,983
Cash Fund	4000045	1,122,436	1,750,000		1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Interest	4000300	40,792	0		0	0	0	0	0	0
Total Funding		2,786,657	3,675,670		3,207,125	3,207,125	3,207,125	2,739,983	2,739,983	2,739,983
Excess Appropriation/(Funding)		(1,925,670)	(1,457,125)		(989,983)	(989,983)	(989,983)	(522,841)	(522,841)	(522,841)
Grand Total		860,987	2,218,545		2,217,142	2,217,142	2,217,142	2,217,142	2,217,142	2,217,142

DFA - RACING COMMISSION

Enabling Laws

Act 4 of 2010

A.C.A. §23-110-101 - §23-110-415; A.C.A. §23-111-101 - §23-111-516; A.C.A. §23-113-101 - §23-113-604

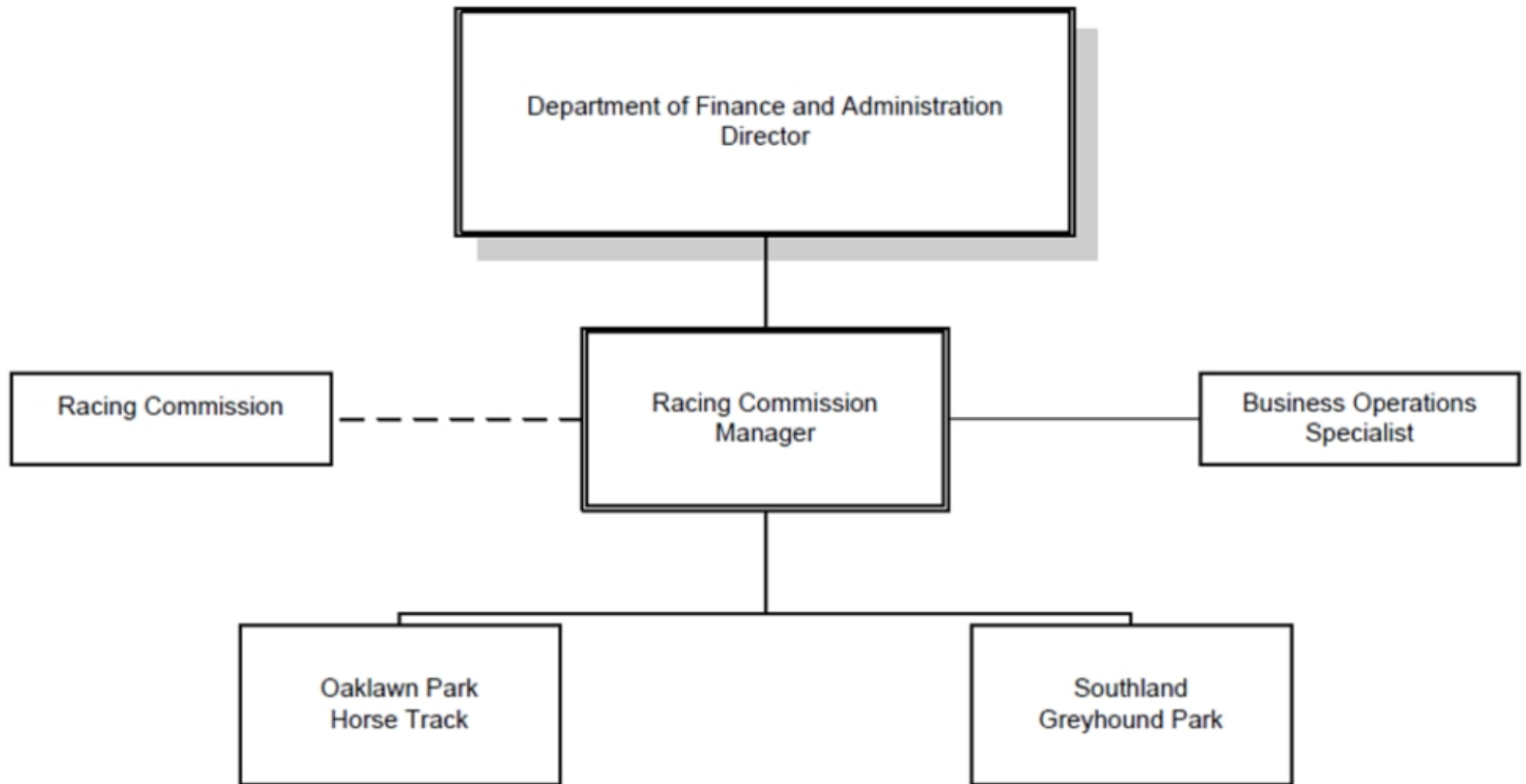
History and Organization

The mission of the Racing Commission is to regulate thoroughbred and greyhound racing in the State of Arkansas as provided in the enabling legislation; whereby, the best interests of the State and its citizens are preserved and protected.

Amendment 46 to the Arkansas Constitution authorizes horse and pari-mutual betting in Hot Springs. Act 46 of 1935 established the Arkansas Racing Commission. The Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has the sole jurisdiction over thoroughbred horse and greyhound dog racing. Acts 339 of 1935 and 191 of 1957 stipulate the rules and regulations concerning greyhound racing. The Commission is authorized to grant franchises; approve racing dates; issue permits and licenses; hold hearings and take other action as necessary to supervise, regulate and effectively control the sport of racing in the State of Arkansas.

Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas.

In the 2010 racing season, the Thoroughbred Owners and Breeders Association changed the protocol required for the American Graded Stakes Races. Compliance is a condition of a race maintaining its eligibility for grading. Oaklawn currently has eleven such races. The new requirements include a new pre-test known as TC02 administered about one hour before the race and a post-test that will include an additional 17 drug screenings to the current 140.



Agency Commentary

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has sole jurisdiction over thoroughbred horse and greyhound dog racing. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as

necessary to effectively supervise, regulate and control the sport of racing in the State of Arkansas. Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded electronic gaming at the race tracks in the State of Arkansas.

The Racing Commission is primarily funded from general revenue. A reallocation of Operating Expenses and Conference and Travel Expenses to Professional Fees is requested to allow for the increase in legal work related to the number of appeals handled by the contract attorney, any future needs to update rule books for horse racing, greyhound racing and changes in the electronic games of skill.

Additional Operating and Conference and Travel Expenses are requested in the Cash appropriation to cover additional expenses associated with licensing employees at Oaklawn and Southland Parks.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - RACING DIVISION

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	3	5	8	62 %
Black Employees	2	3	5	38 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			5	38 %
Total Employees			13	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Electronic Games of Skill Regulations	23-113-201	N	N	100	The regulations must be kept up to date and widely distributed in order to protect the State, the franchises and the gaming public from the actions of illegal/illegal actions of those playing games of skill. It also ensures operating games according to the regulations & standards prescribed by law.
Instant Racing Rules	23-113-603; 23-111-101; 23-110-101	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. The franchises operating the instant racing games must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.
Medication rules and Penalties for Greyhounds	23-111-204	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.
Medication rules and Penalties for Horses	23-110-202	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.
Pari-mutuel Wagering Rules for Greyhound Racing	23-111-101 - 517	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Pari-mutuel Wagering Rules for Horse Racing	23-110-101 - 415	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013							
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos		
146 Division of Racing - Operations	1,166,536	13	1,297,073	13	1,297,357	13	1,288,204	13	1,288,204	13	1,288,204	13	1,288,204	13	1,288,204	13	1,288,204	13	1,288,204	13
7WJ License Applications	42,716	0	105,000	0	105,000	0	105,000	0	135,000	0	135,000	0	105,000	0	135,000	0	135,000	0	135,000	0
Total	1,209,252	13	1,402,073	13	1,402,357	13	1,393,204	13	1,423,204	13	1,423,204	13	1,393,204	13	1,423,204	13	1,423,204	13	1,423,204	13

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	200,429	13.6	262,539	15.8		257,539	15.9	257,539	15.6	257,539	15.6	222,539	14.1	222,539	13.8	222,539	13.8
General Revenue	4000010	1,166,536	79.3	1,297,073	78.2		1,288,204	79.7	1,288,204	78.3	1,288,204	78.3	1,288,204	81.5	1,288,204	80.0	1,288,204	80.0
Cash Fund	4000045	100,450	6.8	100,000	6.0		70,000	4.3	100,000	6.1	100,000	6.1	70,000	4.4	100,000	6.2	100,000	6.2
Interest	4000300	4,376	0.3	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		1,471,791	100.0	1,659,612	100.0		1,615,743	100.0	1,645,743	100.0	1,645,743	100.0	1,580,743	100.0	1,610,743	100.0	1,610,743	100.0
Excess Appropriation/(Funding)		(262,539)		(257,539)			(222,539)		(222,539)		(222,539)		(187,539)		(187,539)		(187,539)	
Grand Total		1,209,252		1,402,073			1,393,204		1,423,204		1,423,204		1,393,204		1,423,204		1,423,204	

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
13	13	0	13	0	0.00 %	13	13	0	13	0	0.00 %	13	13	0	13	0	0.00 %

Analysis of Budget Request

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of pari-mutuel horse and dog racing in the State of Arkansas.

Southland Greyhound Park, in West Memphis, Arkansas, operates year-round and runs over 400 live greyhound performances each year. Oaklawn Park, in Hot Springs, Arkansas, has approximately 60 days of live thoroughbred horse racing and also offers Simulcast and Instant horse racing throughout the year. With the passage of Act 1151 of 2005 and passing of local elections, the addition of electronic games of skill at both Arkansas tracks is now allowed.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 80% of the Agency's budget is personnel related costs with the remaining 20% maintenance and operating expenses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting a reallocation of Operating Expense of \$13,249 and Conference and Travel Expense of \$2,950 to Professional Fees in the amount of \$16,199, which is a net Change Level of zero. This reallocation is for the contract attorney to handle the increase in legal work relating to the number of appeals. This increase will also accommodate any future needs to update rule books for horse racing, greyhound racing and changes in the electronic games of skill.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	543,683	605,132	588,984	597,332	597,332	597,332	597,332	597,332	597,332
#Positions		13	13	13	13	13	13	13	13	13
Extra Help	5010001	191,125	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
#Extra Help		18	27	27	27	27	27	27	27	27
Personal Services Matching	5010003	203,861	203,694	220,126	202,625	202,625	202,625	202,625	202,625	202,625
Overtime	5010006	17,411	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Operating Expenses	5020002	178,017	223,496	223,496	223,496	210,247	210,247	223,496	210,247	210,247
Conference & Travel Expenses	5050009	768	5,950	5,950	5,950	3,000	3,000	5,950	3,000	3,000
Professional Fees	5060010	31,671	18,801	18,801	18,801	35,000	35,000	18,801	35,000	35,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,166,536	1,297,073	1,297,357	1,288,204	1,288,204	1,288,204	1,288,204	1,288,204	1,288,204
Funding Sources										
General Revenue	4000010	1,166,536	1,297,073		1,288,204	1,288,204	1,288,204	1,288,204	1,288,204	1,288,204
Total Funding		1,166,536	1,297,073		1,288,204	1,288,204	1,288,204	1,288,204	1,288,204	1,288,204
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,166,536	1,297,073		1,288,204	1,288,204	1,288,204	1,288,204	1,288,204	1,288,204

The FY11 Budget amount in Regular Salaries exceeds authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 146 - Division of Racing - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,288,204	13	1,288,204	100.0	1,288,204	13	1,288,204	100.0
C04	Reallocation	0	0	1,288,204	100.0	0	0	1,288,204	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,288,204	13	1,288,204	100.0	1,288,204	13	1,288,204	100.0
C04	Reallocation	0	0	1,288,204	100.0	0	0	1,288,204	100.0

Justification

C04	Reallocation of Operating Expenses and Conference and Travel Expenses to Professional Fees to allow for the increase in legal work related to the number of appeals handled by the contract attorney, any future needs to update rule books for horse racing, greyhound racing and changes in the electronic games of skill.
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Analysis of Budget Request

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Act 1151 of 2005, otherwise known as "Electronic Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas. This cash funded appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

Applicants, by regulation, are required to pay a license fee and the costs of the background investigations. License fees are deposited to general revenue. The costs of the background investigations are retained by the Department of Finance and Administration - Division of Racing to pay for the actual costs of the investigations, postage and licensing material and unexpected refunds.

The Agency is requesting a Change Level increase in Operating Expense of \$25,000 and Conference and Travel of \$5,000 to cover additional expenses associated with licensing employees at Oaklawn and Southland Parks.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	42,716	100,000	100,000	100,000	125,000	125,000	100,000	125,000	125,000
Conference & Travel Expenses	5050009	0	0	0	0	5,000	5,000	0	5,000	5,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		42,716	105,000	105,000	105,000	135,000	135,000	105,000	135,000	135,000
Funding Sources										
Fund Balance	4000005	200,429	262,539		257,539	257,539	257,539	222,539	222,539	222,539
Cash Fund	4000045	100,450	100,000		70,000	100,000	100,000	70,000	100,000	100,000
Interest	4000300	4,376	0		0	0	0	0	0	0
Total Funding		305,255	362,539		327,539	357,539	357,539	292,539	322,539	322,539
Excess Appropriation/(Funding)		(262,539)	(257,539)		(222,539)	(222,539)	(222,539)	(187,539)	(187,539)	(187,539)
Grand Total		42,716	105,000		105,000	135,000	135,000	105,000	135,000	135,000

Change Level by Appropriation

Appropriation: 7WJ - License Applications
Funding Sources: NRC - DFA Racing - Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	105,000	0	105,000	100.0	105,000	0	105,000	100.0
C01	Existing Program	30,000	0	135,000	128.6	30,000	0	135,000	128.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	105,000	0	105,000	100.0	105,000	0	105,000	100.0
C01	Existing Program	30,000	0	135,000	128.6	30,000	0	135,000	128.6

Justification

C01	Additional Operating and Conference and Travel Expenses are requested in the Cash appropriation to cover additional expenses associated with licensing employees at Oaklawn and Southland Parks.								
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DFA - REVENUE SERVICES DIVISION

Enabling Laws

Act 3 of 2010
Act 12 of 2010
Act 193 of 2010

Arkansas Code Annotated:

§2-8-101 et seq.	§2-20-101 et seq.	§2-35-101 et seq.
§2-40-101 et seq.	§3-4-201 et seq.	§3-5-101 et seq.
§3-7-101 et seq.	§3-9-101 et seq.	§8-7-901
§8-7-908	§8-9-402 et seq.	§14-164-101
§15-4-1001 et seq.	§15-4-1201 et seq.	§15-4-1508
§15-4-1602	§15-4-1701 et seq.	§15-4-1901 et seq.
§15-5-1301 et seq.	§17-21-101 et seq.	§23-113-101 et seq.
§23-114-101 et seq.	§26-5-101 et seq.	§26-17-203
§26-18-101 et seq.	§26-19-101 et seq.	§26-36-301 et seq.
§26-51-101 et seq.	§26-52-101 et seq.	§26-53-101 et seq.
§26-55-101 et seq.	§26-56-101 et seq.	§26-57-201 et seq.
§26-57-901 et seq.	§26-58-101 et seq.	§26-59-101 et seq.
§26-60-101 et seq.	§26-62-101 et seq.	§26-74-101 et seq.
§26-75-101 et seq.	§27-14-101 et seq.	§27-15-101 et seq.
§26-52-301 et seq.	§26-53-126	§27-16-101 et seq.
§27-19-101 et seq.	§27-20-101 et seq.	§27-23-101 et seq.
§27-50-801 et seq.	§27-50-901 et seq.	

Act 555 of 1965, Act 142 of 1949 and Act 134 of 1911

History and Organization

Act 88 of 1925 that created the Office of Insurance and Revenues first established the Revenue Division. Act 115 of 1927 separated the powers of the Insurance Commissioner and changed the title to Commissioner of Revenues. Act 38 of 1971 transferred the Department of

Revenues to the Department of Finance and Administration. The Revenue Division is responsible for administration and enforcement of state taxing laws, vehicle and driver licenses imposed under Arkansas law. The following nine major offices properly administer the varied tax laws, license laws and other functions of Revenue Division operations:

1) Office of the Assistant Commissioner for Policy and Legal

This office consists of three sections: one for the Assistant Commissioner, another for Hearings and Appeals and lastly Taxpayer Assistance. The Office of Assistant Commissioner for Policy and Legal was created in 1995. This office is responsible for policy and legal matters for the Revenue Division. The Hearings and Appeals Section was created by Act 401 of 1979 and is responsible for reviewing all written protests submitted by taxpayers and making findings on proposed assessments. The Taxpayer Assistance Office was created in 1993 and assists taxpayers in resolving problems with the various offices in the Revenue Division.

2) Office of Income Tax

The Office of Income Tax consists of four sections: Administration, Individual Income Tax, Corporate Income Tax and Income Tax Systems. Individual Income Tax administers tax laws as they apply to individuals, fiduciaries, partnerships and estates. Corporate Income Tax administers tax laws applying to corporations doing business in the State. Income Tax Systems processes income tax returns and provides income tax data entry.

3) Office of Field Audit

Act 235 of 1935 gave the Revenue Commissioner the duty of employing Field Auditors and Collectors. The Office is organized into nine sections; Administration, five Audit Districts covering the State, Audit Coordination, Collections and Nexus. The Audit Districts are responsible for performing audits and collection of delinquent taxes in their district. Audit Coordination organizes requests for information and audits between the various tax sections and the Audit Districts. The Collections Section collects delinquent and deficient taxes as well as insufficient fund checks. Act 1151 of 2005, the Local Option Horse Racing and Greyhound Racing Electronic Games of Skill Act added audit responsibilities to Field Audit for games of skill.

4) Office of Motor Vehicle

This Office was first authorized to issue licenses by Act 134 of 1911. Act 142 of 1949 required motor vehicle titles. The Office of Motor Vehicle administers licensing, registration and titling of all vehicles subject to registration. The Office consists of five sections; Administration, Systems Support, Direct Services, International Registration Plan and Registration and Title. The Systems Support section provides customer service for motor vehicle automated systems. The International Registration Plan section registers and licenses all Arkansas trucks under the International Registration Plan. The Direct Services section files all direct liens and provides information on motor vehicles to the general public and to law enforcement on a 24 hour basis. The Registration and Title section provides data entry for titles, renewals and registrations, maintains control records for licenses and fees issued and examines applications for title for completeness and proper documentation. It microfilms all documents submitted with applications for title.

5) Office of Excise Tax Administration

This Office administers tax laws of the State. The Office consists of five sections; Administration, Sales Tax, Motor Fuel Tax, Miscellaneous Tax and Tax Credits. Sales Tax administers taxes on sales, use, mixed drink and beverage excise for State and Local governments. Motor Fuel administers taxes on motor fuel. Miscellaneous Tax administers various tax laws such as cigarette, real estate transfer, amusement, vending and severance. Tax Credits administers the various tax credit programs. Act 388 of 2007, the Charitable Bingo and Raffles Enabling Act, added the tax administration of Bingo and Raffles to the office.

6) Office of Driver Services

Act 555 of 1965 established the Driver Licensing Bureau. Act 311 of 1977 created the color photo driver license program. This Office consists of six sections; Administration, Issuance, Technical Services, Safety Responsibility, Driver Control and Commercial Driver License. The Issuance section is responsible for procedures for issuance of licenses to qualified individuals and for maintaining driver license records. The Technical Services section is responsible for data entry, Traffic Violation Reports and Revenue Micrographics. The Safety Responsibility section administers the financial responsibility laws. Driver Control monitors problem drivers statewide. The Commercial Driver License section administers that program.

7) Office of Assistant Commissioner for Operations and Administration

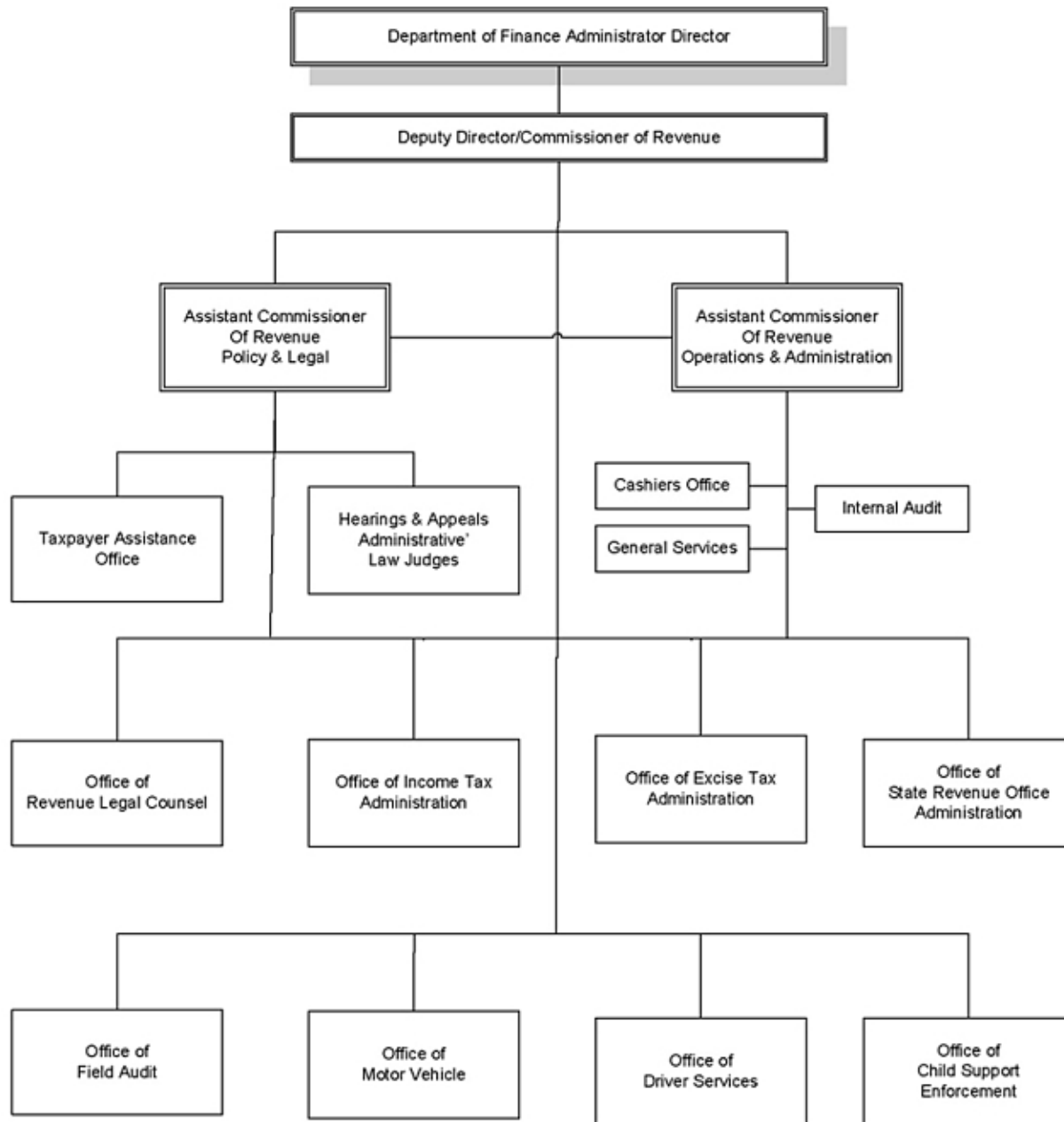
This Office consists of three sections; Office of the Assistant Commissioner, Cashier and General Services. The Cashier section prepares deposits of all monies for deposit with the State Treasurer. The General Services section is responsible for audits all State Revenue Offices, reconciles bank accounts and processes revenues collected by State Revenue Offices, building maintenance and security, central supply, processing all revenues paid by mail and all incoming and outgoing mail.

8) Office of Revenue Legal Counsel

This Office provides legal counsel for the Revenue Division and the operating offices of the Revenue Division. It represents the Division in litigation involving taxes, fees, licenses and programs administered by the Division.

9) Office of State Revenue Office Administration

This office was created to meet the requirements of Act 465 of 1967 that allows individuals to apply in person in their County of residence for automobile registration and renewal. The Office consists of six sections; Administration and five districts dividing the State.



Agency Commentary

The Revenue Division seeks to restore 21 positions: 3 in the State Revenue Offices, 4 in the Office of Income Tax, 3 in the Office of Excise Tax, 3 in the Office of Motor Vehicles, 1 in the Office of Assistant Commissioner of Revenue for Operations and Administration, 2 in the Office of Driver Services, 4 in the Office of Field Audit, and 1 in Commercial Driver License. These positions all support the collection of general and special revenue or in the regulation and licensing of drivers and motor vehicles. Severe shortages of positions throughout the Revenue Division resulting in reduced or slower collection of revenue and the reduction of of service in licensing drivers and motor vehicles will result if these positions are not restored.

The Revenue Division also requests \$633,000 in FY12 and \$436,000 in FY13 for Capital Outlay in the Operations Appropriation (281). The Capital Outlay request is for replacement of 69 aging and high mileage vehicles.

In conclusion, increases in appropriation only are requested in various of the tax refund appropriations to allow sufficient appropriation to process refunds.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF FIELD AUDIT – COLLECTION SECTION
FOR THE YEAR ENDED JUNE 30, 2007

Findings

None

Recommendations

None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF DRIVER SERVICES
FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – OFFICE OF REVENUE LEGAL COUNSEL
FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
REVENUE DIVISION – MISCELLANEOUS TAX SECTION
FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION – MOTOR FUEL TAX SECTION
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION
 REVENUE DIVISION – OFFICE OF MOTOR VEHICLE
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION – REVENUE DIVISION
 EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	203	746	949	69 %
Black Employees	44	362	406	30 %

Other Racial Minorities

5

14

19

1 %

Total Minorities

425

31 %

Total Employees

1,374

100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Ad Valorem Assessment Return	26-26-1601	N	N	250,000	Statutory requirement to file annual return
Amusement Machine Tax Register	26-57-404	N	N	200	Statutory requirement to register annually
Beef Promotion Assessment Report	2-35-401	N	N	1,350	Statutory requirement to file monthly report
Beer Excise Tax Report	3-7-104(6)(A)	N	N	500	Statutory requirement to file monthly report
Brucellosis & Swine Testing Report	2-40-206	N	N	1,000	Statutory requirement to file monthly report
Catfish Feed Assessment Report	Act 790 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection
Cigarette Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report
Cigarette Paper Tax Report	26-57-801	N	N	1,000	Statutory requirement to file monthly report
Coin-Operated Vending Tax Register	Act 928 of 1997	N	N	2,000	Statutory requirement to register annually
Construction Permit Fee Report	Act 474 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection
Corn & Grain Sorghum Assessment Report	Act 271 of 1997	N	N	200	Statutory requirement to file monthly report
Corporation Income Tax	26-51-806	N	N	30,000	Required by law
Driver License Renewal Notice	None	N	N	520,000	To remind people when their license expires
Estimated & Withholding	26-51-806	N	N	110,000	Required by law

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Gross Receipts Tax Regulations	26-52-105	N	N	15,000	To provide sales and use tax reporting information and guidelines
IFTA Quarterly Report	26-55-1102	N	N	25,000	IFTA Agreement requires that all accounts must file a quarterly report
IFTA Renewal Application	26-55-1102	N	N	3,500	IFTA Agreement requires that all accounts must file an annual renewal
Imported Wine Tax Report	3-7-104(4)(5)	N	N	200	Statutory requirement to file monthly report
Income Tax Booklet	26-51-806	N	N	712,000	Required by law
Liquor Excise Tax Report	3-7-104	N	N	500	Statutory requirement to file monthly report
LPG Renewal Application	26-56-304	N	N	1,200	Required by the Motor Fuel Tax Law
Moving to Arkansas	None	N	N	1,000	Help new residents understand their tax obligations
Native Wine Tax Report	3-5-409	N	N	100	Statutory requirement to file monthly report
Oil & Brine Museum Fund Report	26-58-302	N	N	300	Statutory requirement to file monthly report
Package A	26-51-806	N	N	25,000	Required by law
Property Tax Refund Claim Form	26-51-601	N	N	150,000	Statutory requirement to file a claim for refund annually
Registration Renewal Notice	27-14-1014	N	N	1,975,000	Required by law to notify owner of expiration
Rice Promotion Assessment Report	2-20-507	N	N	1,600	Statutory requirement to file monthly report
Sales & Use Tax Reporting Form	26-52-105	N	N	131,800	Statutory Requirement to file monthly/quarterly/annual report
Severance Tax Report	26-58-111	N	N	6,000	Statutory requirement to file monthly report

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Soft Drink Assessment Report	26-57-901	N	N	2,500	Statutory requirement to file monthly report
Soybean Promotion Assessment Report	2-20-406	N	N	2,500	Statutory requirement to file monthly report
Starting a New Business	None	N	N	1,000	Provide business operators with a source of information concerning state business tax obligations
Sub S Booklet	26-51-806	N	N	25,000	Required by law
Taxpayer Notification Cards	26-51-806	N	N	532,000	Required by law
Timber Processing Tax	26-58-111	N	N	5,000	Statutory requirement to file monthly report
Tobacco Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report
Vehicle Certificate of Title	27-14-713	N	N	1,000,000	Required by law to convey ownership
Vehicle Registration Certificate	27-14-713	N	N	2,500,000	Required by law to be carried in vehicle
Waste Tire Assessment Report	23-3-510	N	N	20,000	Statutory requirement to file monthly report
Wheat Promotion Assessment Report	2-20-606	N	N	2,000	Statutory requirement to file monthly report

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1JN Commercial Drivers License Program	1,738,261	10	1,740,016	9	1,714,533	10	1,737,847	9	1,767,585	10	1,767,585	10	1,737,847	9	1,767,585	10	1,767,585	10
236 Individual Income Tax & Ad Valorem Property T	488,612,088	0	580,000,000	0	580,000,000	0	580,000,000	0	680,000,000	0	680,000,000	0	580,000,000	0	680,000,000	0	680,000,000	0
237 Corporate Income Tax	61,893,871	0	100,000,000	0	100,000,000	0	100,000,000	0	200,000,000	0	200,000,000	0	100,000,000	0	200,000,000	0	200,000,000	0
239 Gasoline Tax Refunds	11,112	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
240 Interstate Motor Fuel Tax Refunds	4,369,586	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
241 Miscellaneous Tax Refunds	101,187,913	0	60,000,000	0	60,000,000	0	60,000,000	0	260,000,000	0	260,000,000	0	60,000,000	0	260,000,000	0	260,000,000	0
281 Revenue Services Division - Operations	86,461,239	1,478	94,365,312	1,476	95,372,101	1,496	93,950,965	1,476	95,208,878	1,496	95,208,878	1,496	93,950,965	1,476	95,011,878	1,496	95,011,878	1,496
NOT REQUESTED FOR THE BIENNIIUM																		
59D Identification Cards	0	0	0	0	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	744,274,070	1,488	857,605,328	1,485	858,616,634	1,506	857,188,812	1,485	1,258,476,463	1,506	1,258,476,463	1,506	857,188,812	1,485	1,258,279,463	1,506	1,258,279,463	1,506

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	5,687,617	0.8	6,354,602	0.7		7,014,586	0.8	7,014,586	0.6	7,014,586	0.6	7,676,739	0.9	7,676,739	0.6	7,676,739	0.6
Special Revenue	4000030	2,405,246	0.3	2,400,000	0.3		2,400,000	0.3	2,429,738	0.2	2,429,738	0.2	2,400,000	0.3	2,429,738	0.2	2,429,738	0.2
State Central Services	4000035	86,461,239	11.5	94,365,312	10.9		93,950,965	10.9	95,208,878	7.5	95,208,878	7.5	93,950,965	10.9	95,011,878	7.5	95,011,878	7.5
Tax Refunds	4000485	656,074,570	87.4	761,500,000	88.1		761,500,000	88.0	1,161,500,000	91.7	1,161,500,000	91.7	761,500,000	88.0	1,161,500,000	91.7	1,161,500,000	91.7
Total Funds		750,628,672	100.0	864,619,914	100.0		864,865,551	100.0	1,266,153,202	100.0	1,266,153,202	100.0	865,527,704	100.0	1,266,618,355	100.0	1,266,618,355	100.0
Excess Appropriation/(Funding)		(6,354,602)		(7,014,586)			(7,676,739)		(7,676,739)		(7,676,739)		(8,338,892)		(8,338,892)		(8,338,892)	
Grand Total		744,274,070		857,605,328			857,188,812		1,258,476,463		1,258,476,463		857,188,812		1,258,279,463		1,258,279,463	

Commercial Drivers License Program (1JN) - The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,497	1433	28	1461	36	4.28 %	1,506	1393	92	1485	21	7.50 %	1,506	1378	107	1485	21	8.50 %

Analysis of Budget Request

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

This appropriation provides for operating expenses of the Arkansas Commercial Driver License Program and for other related purposes as required by the Director of the Department of Finance and Administration (DFA) in carrying out the functions, powers, and duties of the DFA - Revenue Services Division. Fees collected for licenses issued are dedicated as special revenue to support this program.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$1,737,847 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$20,788 in Regular Salaries and \$8,950 in Personal Services Matching each year of the biennium to restore one currently authorized position to assist in the collection of special revenue in the Arkansas Commercial Driver License Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	293,939	291,064	266,027	284,864	305,652	305,652	284,864	305,652	305,652
#Positions	10	9	10	9	10	10	9	10	10
Personal Services Matching 5010003	93,301	96,600	96,154	100,631	109,581	109,581	100,631	109,581	109,581
Operating Expenses 5020002	1,351,021	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352	1,352,352
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	1,738,261	1,740,016	1,714,533	1,737,847	1,767,585	1,767,585	1,737,847	1,767,585	1,767,585
Funding Sources									
Fund Balance 4000005	5,687,617	6,354,602		7,014,586	7,014,586	7,014,586	7,676,739	7,676,739	7,676,739
Special Revenue 4000030	2,405,246	2,400,000		2,400,000	2,429,738	2,429,738	2,400,000	2,429,738	2,429,738
Total Funding	8,092,863	8,754,602		9,414,586	9,444,324	9,444,324	10,076,739	10,106,477	10,106,477
Excess Appropriation/(Funding)	(6,354,602)	(7,014,586)		(7,676,739)	(7,676,739)	(7,676,739)	(8,338,892)	(8,338,892)	(8,338,892)
Grand Total	1,738,261	1,740,016		1,737,847	1,767,585	1,767,585	1,737,847	1,767,585	1,767,585

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 1JN - Commercial Drivers License Program
Funding Sources: SDL - Commercial Driver License Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,737,847	9	1,737,847	100.0	1,737,847	9	1,737,847	100.0
C01	Existing Program	29,738	1	1,767,585	101.7	29,738	1	1,767,585	101.7

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,737,847	9	1,737,847	100.0	1,737,847	9	1,737,847	100.0
C01	Existing Program	29,738	1	1,767,585	101.7	29,738	1	1,767,585	101.7

Justification

C01	Restore one currently authorized position that supports the collection of special revenue for the Commercial Drivers License Program.
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Analysis of Budget Request

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to refund individual taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts and for property tax rebates levied on the assessed value of all taxable real property, personal property, and utility property in the State.

Base Level for the Individual Income Tax and Ad Valerom Property Tax Rebates appropriation is \$580,000,000 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase of \$100,000,000 in appropriation only in each year of the biennium to allow sufficient appropriation to process Individual Income Tax refunds/reimbursements.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	488,612,088	580,000,000	580,000,000	580,000,000	680,000,000	680,000,000	580,000,000	680,000,000	680,000,000
Total		488,612,088	580,000,000	580,000,000	580,000,000	680,000,000	680,000,000	580,000,000	680,000,000	680,000,000
Funding Sources										
Tax Refunds	4000485	488,612,088	580,000,000		580,000,000	680,000,000	680,000,000	580,000,000	680,000,000	680,000,000
Total Funding		488,612,088	580,000,000		580,000,000	680,000,000	680,000,000	580,000,000	680,000,000	680,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		488,612,088	580,000,000		580,000,000	680,000,000	680,000,000	580,000,000	680,000,000	680,000,000

Change Level by Appropriation

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates
Funding Sources: TGI - Individual Income Tax Withholding Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	580,000,000	0	580,000,000	100.0	580,000,000	0	580,000,000	100.0
C01	Existing Program	100,000,000	0	680,000,000	117.2	100,000,000	0	680,000,000	117.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	580,000,000	0	580,000,000	100.0	580,000,000	0	580,000,000	100.0
C01	Existing Program	100,000,000	0	680,000,000	117.2	100,000,000	0	680,000,000	117.2

Justification

C01	Increase in appropriation only to allow sufficient appropriation to process Individual Income Tax refunds/reimbursements.
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Analysis of Budget Request

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to make income tax refunds to corporate taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts.

Base Level for the Corporate Income Tax appropriation is \$100,000,000 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase in appropriation only of \$100,000,000 each year of the biennium to allow sufficient appropriation to process Corporate Income Tax refunds/reimbursements. This request is due to the potential for increased refunds as a result of the economic downturn and the large refund requests from corporations adversely affected by the economy.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	61,893,871	100,000,000	100,000,000	100,000,000	200,000,000	200,000,000	100,000,000	200,000,000	200,000,000
Total	61,893,871	100,000,000	100,000,000	100,000,000	200,000,000	200,000,000	100,000,000	200,000,000	200,000,000
Funding Sources									
Tax Refunds 4000485	61,893,871	100,000,000		100,000,000	200,000,000	200,000,000	100,000,000	200,000,000	200,000,000
Total Funding	61,893,871	100,000,000		100,000,000	200,000,000	200,000,000	100,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	61,893,871	100,000,000		100,000,000	200,000,000	200,000,000	100,000,000	200,000,000	200,000,000

Change Level by Appropriation

Appropriation: 237 - Corporate Income Tax
Funding Sources: TGC - Corporate Income Tax Withholding Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	100,000,000	0	100,000,000	100.0	100,000,000	0	100,000,000	100.0
C01	Existing Program	100,000,000	0	200,000,000	200.0	100,000,000	0	200,000,000	200.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	100,000,000	0	100,000,000	100.0	100,000,000	0	100,000,000	100.0
C01	Existing Program	100,000,000	0	200,000,000	200.0	100,000,000	0	200,000,000	200.0

Justification

C01	Increase in appropriation only to allow sufficient appropriation to process Corporate Income Tax refunds/reimbursements.
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Analysis of Budget Request

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used for making motor fuel tax refunds that come from the fuel tax of 21½ cents a gallon on gasoline and 22½ cents a gallon on diesel. A refund results from an overpayment on taxes paid on fuel by a distributor or a supplier.

The Agency is requesting Base Level of \$1,500,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	11,112	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total	11,112	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funding Sources									
Tax Refunds 4000485	11,112	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	11,112	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	11,112	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

The Interstate Motor Fuel Tax Refund fund consists of the amount, estimated quarterly, which is transferred monthly from gross motor fuel taxes and gross special motor fuel tax collections, to be used to pay refunds to interstate users of motor fuels and special motor fuels as set out in A.C.A. §26-55-714 and §26-56-215. The interstate users of motor fuel tax refunds are generated from an over purchase of tax paid fuel, usually diesel, which is used on the highway by a vehicle over 26,001 pounds, purchased by truckers in the State of Arkansas, but where majority of the miles were traveled in another state.

The Agency is requesting Base Level of \$20,000,000 each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	4,369,586	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	4,369,586	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources									
Tax Refunds 4000485	4,369,586	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total Funding	4,369,586	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,369,586	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary. Some of the sources that fall into the category of miscellaneous tax refunds are:

- Cigarette and Tobacco Excise Taxes
- Alcoholic Beverage Excise Taxes
- Promotion Assessments
- Severance Tax
- Amusement Machine Tax
- Soft Drink Tax
- Real Property Transfer Tax
- Waste Tire Fee
- Vending Device Decal Act of 1997
- Construction Nonresidential Surcharge

Base Level for the Miscellaneous Tax Refunds appropriation is \$60,000,000 each year of the 2011-2013 biennium.

The Agency Request is to increase the appropriation \$200,000,000 each year of the biennium. This increase in appropriation only will allow for the rising trend in the processing of refunds for taxes paid from various sources.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	101,187,913	60,000,000	60,000,000	60,000,000	260,000,000	260,000,000	60,000,000	260,000,000	260,000,000
Total	101,187,913	60,000,000	60,000,000	60,000,000	260,000,000	260,000,000	60,000,000	260,000,000	260,000,000
Funding Sources									
Tax Refunds 4000485	101,187,913	60,000,000		60,000,000	260,000,000	260,000,000	60,000,000	260,000,000	260,000,000
Total Funding	101,187,913	60,000,000		60,000,000	260,000,000	260,000,000	60,000,000	260,000,000	260,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	101,187,913	60,000,000		60,000,000	260,000,000	260,000,000	60,000,000	260,000,000	260,000,000

Change Level by Appropriation

Appropriation: 241 - Miscellaneous Tax Refunds
Funding Sources: MTA - Miscellaneous Revolving Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	60,000,000	0	60,000,000	100.0	60,000,000	0	60,000,000	100.0
C01	Existing Program	200,000,000	0	260,000,000	433.3	200,000,000	0	260,000,000	433.3

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	60,000,000	0	60,000,000	100.0	60,000,000	0	60,000,000	100.0
C01	Existing Program	200,000,000	0	260,000,000	433.3	200,000,000	0	260,000,000	433.3

Justification

C01	Increase in appropriation only to allow sufficient appropriation to process various miscellaneous tax refunds/reimbursements.								
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Analysis of Budget Request

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for the operation of the Department of Finance and Administration - Revenue Services Division which collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Sections of the Revenue Services Division include the following offices:

- Assistant Commissioner for Operations and Administration
- Assistant Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services
- State Revenue Office Administration

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. Base Level is \$93,950,965 each year of the 2011-2013 biennium.

The Agency is requesting a Change Level increase above Base Level of \$1,257,913 for FY12 and \$1,060,913 for FY13 as follows:

- Restoration of 20 currently authorized positions and related matching all of which support the collection of general revenue or in the regulation and licensing of drivers and motor vehicles. Severe shortages of positions throughout the Revenue Division resulting in reduced or slower collection of revenue and the reduction of service in licensing drivers and motor vehicles will result if these positions are not restored; \$624,913 per year FY12 and FY13.
- The Capital Outlay request is for replacement of 69 aging, high mileage vehicles in accordance with A.C.A. 22-8-201 et seq., Automobile and Pickup Truck Acquisition Law, which establishes guidelines for automobile replacement; \$633,000 FY12 and \$436,000 FY13.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	48,040,758	49,989,907	50,328,938	49,537,431	49,978,208	49,978,208	49,537,431	49,978,208	49,978,208
#Positions	1,478	1,476	1,496	1,476	1,496	1,496	1,476	1,496	1,496
Extra Help 5010001	423,199	564,466	564,466	564,466	564,466	564,466	564,466	564,466	564,466
#Extra Help	51	221	221	221	221	221	221	221	221
Personal Services Matching 5010003	15,437,379	16,506,466	17,174,224	17,153,959	17,338,095	17,338,095	17,153,959	17,338,095	17,338,095
Overtime 5010006	108	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Operating Expenses 5020002	21,572,809	25,311,452	25,311,452	25,311,452	25,311,452	25,311,452	25,311,452	25,311,452	25,311,452
Conference & Travel Expenses 5050009	23,856	115,450	115,450	115,450	115,450	115,450	115,450	115,450	115,450
Professional Fees 5060010	655,949	893,207	893,207	893,207	893,207	893,207	893,207	893,207	893,207
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	7,715	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capital Outlay 5120011	299,466	609,364	609,364	0	633,000	633,000	0	436,000	436,000
Total	86,461,239	94,365,312	95,372,101	93,950,965	95,208,878	95,208,878	93,950,965	95,011,878	95,011,878
Funding Sources									
State Central Services 4000035	86,461,239	94,365,312		93,950,965	95,208,878	95,208,878	93,950,965	95,011,878	95,011,878
Total Funding	86,461,239	94,365,312		93,950,965	95,208,878	95,208,878	93,950,965	95,011,878	95,011,878
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	86,461,239	94,365,312		93,950,965	95,208,878	95,208,878	93,950,965	95,011,878	95,011,878

Change Level by Appropriation

Appropriation: 281 - Revenue Services Division - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	93,950,965	1,476	93,950,965	100.0	93,950,965	1,476	93,950,965	100.0
C01	Existing Program	1,257,913	20	95,208,878	101.3	1,060,913	20	95,011,878	101.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	93,950,965	1,476	93,950,965	100.0	93,950,965	1,476	93,950,965	100.0
C01	Existing Program	1,257,913	20	95,208,878	101.3	1,060,913	20	95,011,878	101.1

Justification

C01	Restore 20 currently authorized positions that support the collection of general and special revenue or in the regulation and licensing of drivers and motor vehicles. The Capital Outlay request is for replacement of 69 aging and high mileage vehicles.
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Appropriation Summary

Appropriation: 59D - Identification Cards

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Identification Cards 5900046	0	0	30,000	0	0	0	0	0	0
Total	0	0	30,000	0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2011-2013 BIENNIUM.

DISABLED VETERANS' SERVICE OFFICE

Enabling Laws

Act 55 of 2010

History and Organization

This Agency is dedicated to a single purpose: building better lives for disabled veterans, their families and survivors. The Disabled Veterans' Service Office is located within the Disabled American Veterans (DAV), VA Regional Office, Building 65, Room 121, 2200 Fort Roots Drive, North Little Rock, Arkansas.

Act 376 of 1951 provided appropriation to be expended by the Disabled Veterans' Service Office to assist such claimants in preparation of their claims for benefits from federal, state and local agencies. We have a long history of advocacy and successful representation of veterans and their dependents seeking benefits and services from the Department of Veterans' Affairs (VA) and other governmental agencies. In keeping with the purpose of our creation, we are required to develop and prosecute claims in writing, in person, and by video/teleconferencing with the agencies, which serve our clients.

Our effort to realize our purpose expands well beyond the office and extends deep within the veterans community through our Mobile Service Office Program. This outreach program was designed so that many disabled veterans, who are unable to physically travel to our office, can still obtain claim assistance when our Mobile Service Office (MSO) is in their area.

The Disabled Veterans Service Office assists claimants in filing for the following benefits:

- | | | |
|-------------------------------|-----------------------------|---|
| 1. VA Compensation | 11. Hospitalization | 21. Pre-COVA preparation |
| 2. VA Pension | 12. Discharge Upgrade | 22. Reimbursed Medical Expenses |
| 3. Education & Training | 13. TAP/DTAP | 23. EEOC recoveries |
| 4. Vocational Rehabilitation | 14. Injuries from treatment | 24. REPS benefits |
| 5. Aid & Attendance Allowance | 15. Injuries from training | 25. Soldiers & Sailors Civil Relief Act |
| 6. VA Clothing Allowance | 16. Military Retirement | 26. Arkansas State benefits |
| 7. Automobile Grants | 17. CRSC/CRDP | 27. U.S. Insurance Programs |
| 8. Housing Grants | 18. Dependency Benefits | 28. Widow's Benefits |

9. Waivers for VA Overpayments 19. Domiciliary Entrance 29. Burial Assistance
 10. ChampVA Benefits 20. Relief from VA co-pays 30. Unemployment Compensation

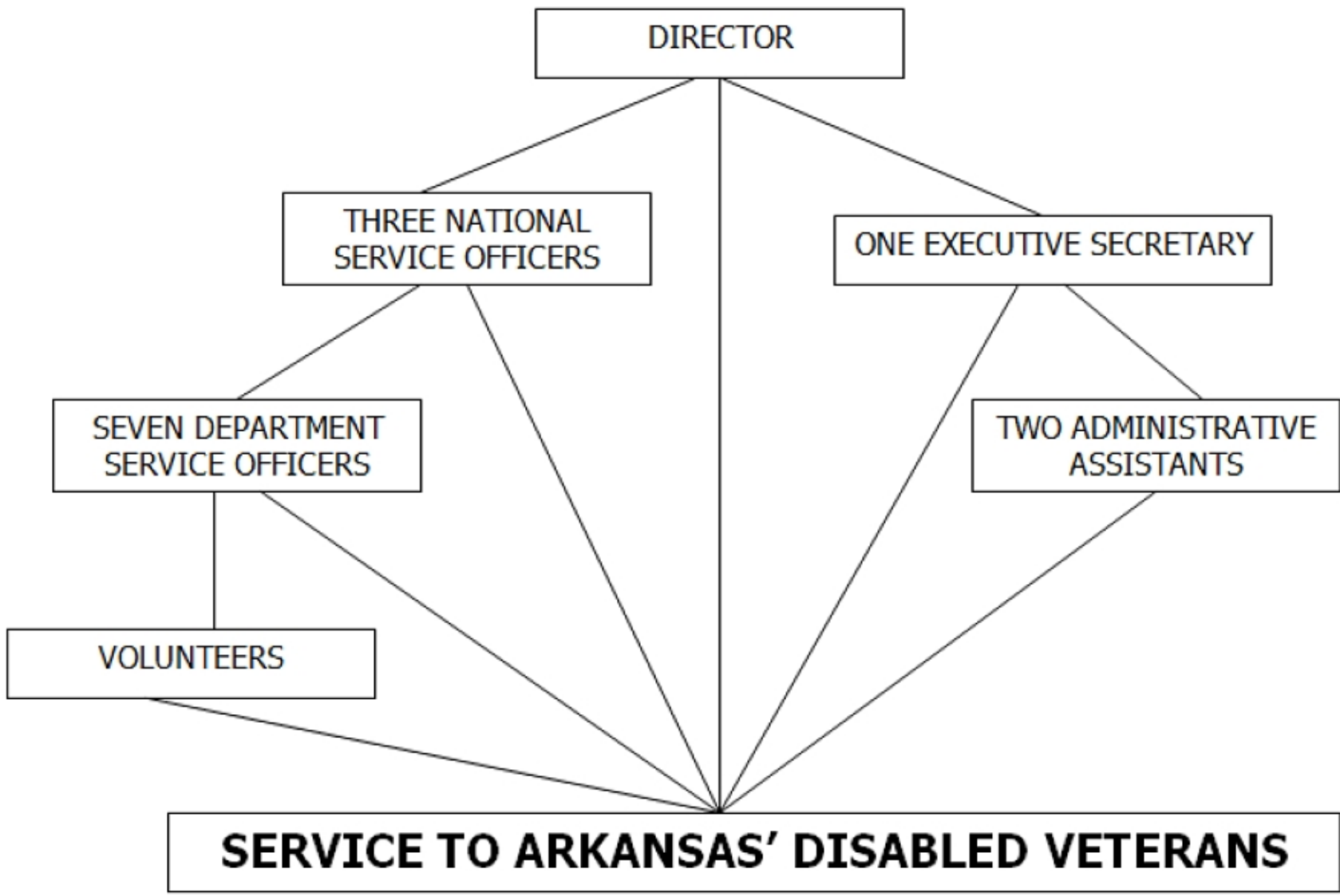
The hard work and diligent effort of this Agency has resulted in over \$10 million in monthly benefits as well as over \$148 million in retroactive and annual benefits. The table below reflects the Statistical Report for this Agency's activities, to include all Mobile service Office and transition services, from July 1, 2008 to May 30, 2010.

<u>Office Statistics</u>	<u>FY08-09</u>	<u>FY09-10</u>
Award Totals	5,609	5,931
Total Monthly Entitlements	4,722,566	5,446,815
Total Annual Entitlements	71,454,188	76,642,345
Number of Files Reviewed	9,382	9,102
Powers of Attorney Received	865	678
Interviews Conducted	6,443	5,778
Board of Veterans Appeals Hearings	225	245
Appellate Briefs Prepared	275	291
New Claims Filed	3,115	2,863

This Agency is also responsible for conducting the Service Officer Training Conference, an annual event that enables all Department Service Officers (DSOs) and Chapter Service Officers (CSOs) the opportunity to become certified, or recertified, for coverage under the National Organization's Indemnification of the Department and Chapter Service Programs. Once certified, these service officers may assist this Agency in providing benefit information to claimants and helping claimants to prepare claims for submission to the Department of Veterans' Affairs (VA). The training is designed to enhance the knowledge and professionalism of the DSOs and CSOs and will help the Agency offer the best service possible to our claimants. Over 100 service officers receive certification on a biennial basis.

Many of Arkansas' disabled veterans take advantage of our Transportation Network that is administered by our Department Office. Many volunteers work under our Transportation Network to transport sick and disabled veterans to and from VA medical facilities for treatment. The majority of the veterans who use this program are seeking care for their service-connected disabilities. Others have limited resources, are too ill to drive, or may have no access to public transportation. The following, reports the totals from this program for the Little Rock and Fayetteville VA Medical Centers.

<u>Transportation Network</u>	<u>FY08-09</u>	<u>FY09-10</u>
Veterans Transported	15,558	12,415
Volunteer Hours	33,570	30,670
Miles Driven	659,907	624,612



Agency Commentary

The Disabled Veterans' Service Office is responsible for ascertaining benefits for Arkansas' veterans, their families and survivors. This service is accomplished by carrying out the following tasks: assisting claimants in completing any necessary paperwork; submitting applications, evidence, and other documents to the appropriate agency; explaining laws; advising and providing benefit information; assisting in procuring and presenting evidence to support claims; conducting in-depth reviews of medical histories, explaining decisions rendered; preparing appellate briefs; and personally representing claimants in formal hearings before the Board of Veterans Appeal.

FY2011 Base level appropriation and general revenue funding consists of \$32,939 in Regular Salaries with related Personal Services Matching for one (1) Administrative Specialist I position, Operating Expenses and Conference & Travel Expenses.

The Disabled Veterans' Service Office will maintain all past services rendered as referenced in the History and Organization Section of this presentation and continue to seek new and innovative methods to provide extended service to our clientele. Maintaining the current level of activity, the Agency brings over \$148 million into the state on a biennial basis. Additionally, volunteer hours provide service work of over \$464,000 to the state's citizens, and the twenty nine (29) vans donated for use to the Department of Veterans' Affairs saves Arkansas' veterans over \$533,075 in transportation costs on a biennial basis.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DISABLED VETERANS' SERVICE OFFICE
FOR THE YEAR ENDED JUNE 30, 2009

Findings

None

Recommendations

None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
1	0	1	1	0	100.00 %	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %

Analysis of Budget Request

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Disabled Veterans' Service Office offers assistance to veterans in the preparation of their claims to the U.S. Government for compensation and other benefits, and is primarily supported by the Disabled American Veterans Service Office. The Office also provides transportation services to veterans for outpatient appointments when no other options are available. The state provides appropriation and general revenue funding for one clerical position, as well as for Operating Expenses and Conference & Travel Expenses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Request provides for Base Level for the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	16,317	18,855	23,703	21,827	21,827	21,827	21,827	21,827	21,827
#Positions	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	7,852	8,471	10,111	9,084	9,084	9,084	9,084	9,084	9,084
Operating Expenses 5020002	1,988	1,304	1,004	1,304	1,304	1,304	1,304	1,304	1,304
Conference & Travel Expenses 5050009	0	724	1,024	724	724	724	724	724	724
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	26,157	29,354	35,842	32,939	32,939	32,939	32,939	32,939	32,939
Funding Sources									
General Revenue 4000010	26,157	29,354		32,939	32,939	32,939	32,939	32,939	32,939
Total Funding	26,157	29,354		32,939	32,939	32,939	32,939	32,939	32,939
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	26,157	29,354		32,939	32,939	32,939	32,939	32,939	32,939

Budget exceeds Authorized Appropriation in Operating Expenses by authority of Budget Classification Transfer.

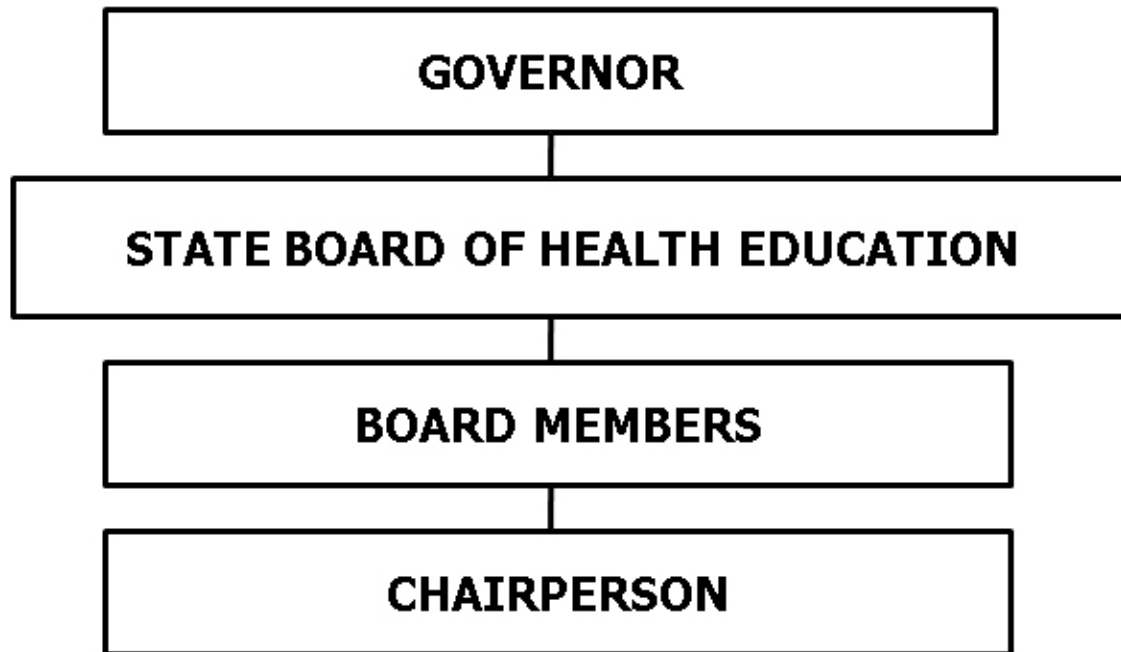
ARKANSAS BOARD OF HEALTH EDUCATION

Enabling Laws

Act 132 of 2010
A.C.A. §17-53-101 et seq.

History and Organization

The State Board of Health Education, authorized by A.C.A. §17-53-101 et seq., certifies and regulates persons engaged in the practice of health education. The Board is comprised of seven members appointed by the Governor and confirmed by the Senate who serve three year terms. The Board is a Cash Agency funded from fees used for operating expenses.



Agency Commentary

Funds for this Agency were moved to the Treasury during FY2011.

Agency Request is Base Level for each year of the 2011-13 biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS BOARD OF HEALTH EDUCATION
FOR THE YEAR ENDED JUNE 30, 2007

Findings

The Board of Health Education did not maintain required supporting documentation for four of the Board's eleven expenditures for fiscal years 2006 and 2007 and did not authorize expense reimbursements for board members as required by Arkansas Code Annotated § 25-16-902.

The Arkansas Board of Health Education did not meet the board meeting requirements established by Arkansas Code Annotated § 25-17-208 which requires the Board to meet in regular session at least once in each semiannual period. The Board met only once during calendar year 2007.

Recommendations

The Board maintain the appropriate supporting documentation for expenditures as required by regulations established by the Department of Finance and Administration and comply with requirements regarding expense reimbursements for board members.

The Board review and comply with Arkansas Code Annotated § 25-17-208.

Cash Fund Balance Description as of June 30, 2010

Fund Account	Balance	Type	Location
3190000	\$4,375	Checking	Bank of America

Statutory/Other Restrictions on use:

A.C.A. §17-53-203 - Make expenditure for any purpose reasonable and necessary to carry out the provisions of this chapter.

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-53-105 - Violations shall be deemed a Class A misdemeanor.

Revenue Receipts Cycle:

Fees are received throughout the year.

Fund Balance Utilization:

For payment of expenses throughout the year as necessary.

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

Analysis of Budget Request

Appropriation: 85D - Health Education- Treasury

Funding Sources: NBH - Cash in Treasury

The State Board of Health Education, authorized by A.C.A. §17-53-101 et seq., certifies and regulates persons engaged in the practice of health education. The Board is comprised of seven members serving three year terms. Board members are appointed by the Governor and confirmed by the Senate. The Board is a cash funded agency and collects fees from the certification of health education personnel. The revenue collected from such fees are used for the operating expenses of the Board.

Funds for this Board were moved to the Treasury during FY2011.

The Board requests Base Level of \$5,592 each year of the 2011-13 biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 85D - Health Education- Treasury

Funding Sources: NBH - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	168	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	168	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592
Funding Sources									
Fund Balance 4000005	4,543	4,375		0	0	0	0	0	0
Cash Fund 4000045	0	1,217		1,202	1,202	1,202	1,202	1,202	1,202
Total Funding	4,543	5,592		1,202	1,202	1,202	1,202	1,202	1,202
Excess Appropriation/(Funding)	(4,375)	0		4,390	4,390	4,390	4,390	4,390	4,390
Grand Total	168	5,592		5,592	5,592	5,592	5,592	5,592	5,592

HEALTH SERVICES PERMIT AGENCY

Enabling Laws

Act 41 of 2010

Arkansas Code Annotated §20-8-101 et seq.

Developmental Disabilities Assistance and Bill of Rights Act of 2000 (Public Law 106-402)

History and Organization

Health Services Permit Agency

Arkansas Code Annotated §20-8-101 et seq. authorizes the Health Services Permit Agency as an independent agency under the supervision and control of the Governor. With direction from a nine (9) member Health Services Permit Commission, the Agency is responsible for implementing the State's Health Services Program which includes a Permit of Approval (POA) process. The current POA process evolved from federal initiatives in the sixties resulting in passage of an Arkansas Certificate of Need (CON) law in 1975. Legislation in 1987 abolished the CON program and established the existing program. Arkansas Act 593 of 1987, as amended, created the Health Services Permit Commission (Commission) and the Health Services Permit Agency (Agency) to implement the State's long term care planning and review program. Act 1800 of 2001 added one member to represent the Hospice Association to the Commission, which is composed of the following membership appointed by the Governor and confirmed by the Senate:

- A member from the Arkansas Hospital Association,
- A member from the Arkansas Health Care Association,
- A member from the Arkansas Chapter, American Association of Retired Persons,
- A member from the Arkansas Home Care Association of Arkansas,
- A member from the Arkansas Residential Assisted Living Association,
- A representative of the Department of Health & Human Services,
- A consumer knowledgeable in business health insurance,
- A practicing physician, and
- A representative from the Arkansas Hospice Association.

Mission Statement: The Commission/Agency mission is to ensure appropriate distribution of health care providers through the regulation of new services, protection of quality care and negotiation of competing interests so that community needs are appropriately met without unnecessary duplication and expense.

Developmental Disabilities Council

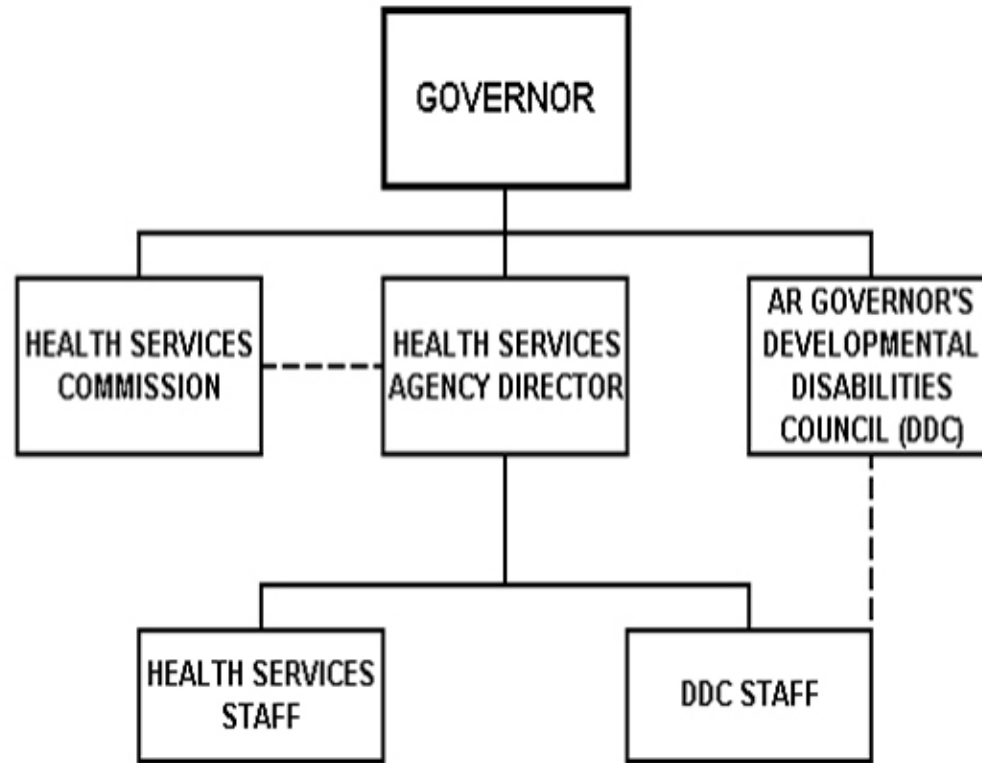
Vision: We envision a world where everyone has an equal and real opportunity to lead a meaningful life.

Mission Statement: The Arkansas Governor's Developmental Disabilities Council supports people with developmental disabilities in achieving independence, productivity, integration and inclusion into the community through advocating and promoting service systems that enhance their lives. The Council believes society gains from the full participation of a wide variety of people.

The Council believes in the right of individuals to live, work, play, learn, worship and experience life as they choose. The Council believes independence entails economic self-sufficiency, equal opportunity, a right to make choices, a right to dignity and respect, dignity of risk and the opportunity to maximize one's potential and to achieve individual goals. The Council supports individuals with developmental disabilities in achieving independence, productivity, integration and inclusion into the community. The purpose of the Council is to engage in advocacy, capacity building and systemic change activities that contribute to a comprehensive system of community services.

The Developmental Disabilities Council includes twenty-six members, appointed by the Governor, and includes individuals with developmental disabilities, parents and/or guardians, state agency representatives, and other interested individuals. The purpose of the Council is to bring the perspective of the individual with a disability and his or her family to policymakers in order to make needed improvements to the service system to improve and/or enhance the quality of services provided. The Council plays a major role as a system's advocate and a resource to provide information on needed changes.

Council funding is available for demonstration projects and activities that build the infrastructure and capacity of the State to meet the needs of individuals and their families. Sub-grantee recipients include non-profit organizations, state agencies, and other groups that demonstrate, through an approved application, their ability to accomplish activities identified and requested by the Council.



Agency Commentary

The Agency is requesting Base Level on all appropriations and funding for the 2011-2013 biennium. This level will allow continuation of the Agency's mission.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 HEALTH SERVICES PERMIT AGENCY
 FOR THE YEAR ENDED JUNE 30, 2008

Findings

Recommendations

None

None

Employment Summary

	Male	Female	Total	%
White Employees	2	2	4	57 %
Black Employees	0	2	2	29 %
Other Racial Minorities	0	1	1	14 %
Total Minorities			3	43 %
Total Employees			7	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Permit of Approval Rulebook	A.C.A. 2-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the Rules and Regulations regarding Permits of Approval, and of the changes to those rules.

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Health Care Facilities and Services Need	A.C.A. 20-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the need for health services in the State.
Health Services Permit Agency Annual Report	A.C.A. 20-8-110	Y	Y	3	Distributed by request, to keep the public, Governor, and General Assembly informed of activities of agency.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
844 Health Serv Permit Agency-State	355,548	4	401,787	5	412,066	5	404,545	5	404,545	5	404,545	5	404,545	5	404,545	5	404,545	5
845 Dev Disabilities Plng Council-State	34,774	1	36,061	1	53,901	1	35,824	1	35,824	1	35,824	1	35,824	1	35,824	1	35,824	1
846 Dev Disabilities Plng Council-Fed	913,226	3	1,399,972	6	1,380,815	5	1,387,406	6	1,387,406	6	1,387,406	6	1,387,406	6	1,387,406	6	1,387,406	6
Total	1,303,548	8	1,837,820	11	1,846,782	11	1,827,775	11	1,827,775	11	1,827,775	11	1,827,775	11	1,827,775	11	1,827,775	11

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	301,086	19.6	231,414	11.7			136,051	7.3	136,051	7.3	136,051	7.3	43,925	2.5	43,925	2.5
General Revenue	4000010	281,062	18.3	310,485	15.7			313,243	16.7	313,243	16.7	313,243	16.7	313,243	17.6	313,243	17.6
Federal Revenue	4000020	913,226	59.5	1,399,972	70.9			1,387,406	74.1	1,387,406	74.1	1,387,406	74.1	1,387,406	78.0	1,387,406	78.0
Permit of Approval Fees	4000375	39,588	2.6	32,000	1.6			35,000	1.9	35,000	1.9	35,000	1.9	35,000	2.0	35,000	2.0
Total Funds		1,534,962	100.0	1,973,871	100.0			1,871,700	100.0	1,871,700	100.0	1,871,700	100.0	1,779,574	100.0	1,779,574	100.0
Excess Appropriation/(Funding)		(231,414)		(136,051)				(43,925)		(43,925)		(43,925)		48,201		48,201	
Grand Total		1,303,548		1,837,820				1,827,775		1,827,775		1,827,775		1,827,775		1,827,775	

Budgeted numbers of positions exceed the authorized number due to cost sharing and the flexibility inherent in the authorization of all positions through one salary section in the appropriation act. The FY11 Budget amount in Developmental Disabilities Planning Council-Federal (846) exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
11	7	4	11	0	36.36 %	11	8	3	11	0	27.27 %	11	8	3	11	0	27.27 %

Analysis of Budget Request

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

The Agency uses this appropriation to review all applications for permits of approval, for nursing homes, residential care facilities, etc., addressing such issues as need, staffing, and economic feasibility. The State Operations appropriation is funded from general revenue and fees from certificate of need applications as authorized by Arkansas Code Annotated §20-8-108.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	221,241	246,560	249,327	248,732	248,732	248,732	248,732	248,732	248,732
#Positions		4	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	67,487	72,059	79,571	72,645	72,645	72,645	72,645	72,645	72,645
Operating Expenses	5020002	46,503	60,627	60,627	60,627	60,627	60,627	60,627	60,627	60,627
Conference & Travel Expenses	5050009	3,492	5,274	5,274	5,274	5,274	5,274	5,274	5,274	5,274
Professional Fees	5060010	16,825	17,267	17,267	17,267	17,267	17,267	17,267	17,267	17,267
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		355,548	401,787	412,066	404,545	404,545	404,545	404,545	404,545	404,545
Funding Sources										
Fund Balance	4000005	301,086	231,414		136,051	136,051	136,051	43,925	43,925	43,925
General Revenue	4000010	246,288	274,424		277,419	277,419	277,419	277,419	277,419	277,419
Permit of Approval Fees	4000375	39,588	32,000		35,000	35,000	35,000	35,000	35,000	35,000
Total Funding		586,962	537,838		448,470	448,470	448,470	356,344	356,344	356,344
Excess Appropriation/(Funding)		(231,414)	(136,051)		(43,925)	(43,925)	(43,925)	48,201	48,201	48,201
Grand Total		355,548	401,787		404,545	404,545	404,545	404,545	404,545	404,545

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Health Services Permit Agency

Program: Health Serv Permit Agency-State

Act #: 41 Section(s) #: 2, 3 & 5

Estimated Carry Forward Amount \$ 263,638.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0665 Funds Center: 844 Fund: HUA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

The funds are necessary to support the operations of the Agency. Funds generated by fees and fines (A.C.A. 20-8-103 et. seq.) are deposited into the Miscellaneous Agencies Fund Account and are intended to be carried forward.

Actual Funding Carry Forward Amount \$ 231,414.14

Current status of carry forward funding:

The funds are being used to support FY11 operations of the agency.

Note from DFA – Office of Budget: The portion of Special Language that requires this report is no longer necessary.

Deborah Frazier

Director

08-26-2010

Date

Analysis of Budget Request

Appropriation: 845 - Dev Disabilities Plng Council-State

Funding Sources: HUA - General Revenue

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - State appropriation is funded from general revenue and is used to match the federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that funds the DDPC - Federal appropriation.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 845 - Dev Disabilities Plng Council-State

Funding Sources: HUA - General Revenue

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	23,583	27,694	37,716	27,485	27,485	27,485	27,485	27,485	27,485
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	6,843	8,367	11,837	8,339	8,339	8,339	8,339	8,339	8,339
Grants and Aid	5100004	4,348	0	4,348	0	0	0	0	0	0
Total		34,774	36,061	53,901	35,824	35,824	35,824	35,824	35,824	35,824
Funding Sources										
General Revenue	4000010	34,774	36,061		35,824	35,824	35,824	35,824	35,824	35,824
Total Funding		34,774	36,061		35,824	35,824	35,824	35,824	35,824	35,824
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		34,774	36,061		35,824	35,824	35,824	35,824	35,824	35,824

Analysis of Budget Request

Appropriation: 846 - Dev Disabilities Plng Council-Fed

Funding Sources: FKM - Federal

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - Federal appropriation is funded from a federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that is matched with general revenue funds from the DDPC - State appropriation.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 846 - Dev Disabilities Plng Council-Fed

Funding Sources: FKM - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	172,420	249,937	224,394	233,334	233,334	233,334	233,334	233,334	233,334
#Positions		3	6	5	6	6	6	6	6	6
Personal Services Matching	5010003	58,745	69,238	75,624	73,275	73,275	73,275	73,275	73,275	73,275
Operating Expenses	5020002	246,073	259,025	259,025	259,025	259,025	259,025	259,025	259,025	259,025
Conference & Travel Expenses	5050009	9,696	10,843	10,843	10,843	10,843	10,843	10,843	10,843	10,843
Professional Fees	5060010	11,987	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	414,305	690,929	690,929	690,929	690,929	690,929	690,929	690,929	690,929
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		913,226	1,399,972	1,380,815	1,387,406	1,387,406	1,387,406	1,387,406	1,387,406	1,387,406
Funding Sources										
Federal Revenue	4000020	913,226	1,399,972		1,387,406	1,387,406	1,387,406	1,387,406	1,387,406	1,387,406
Total Funding		913,226	1,399,972		1,387,406	1,387,406	1,387,406	1,387,406	1,387,406	1,387,406
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		913,226	1,399,972		1,387,406	1,387,406	1,387,406	1,387,406	1,387,406	1,387,406

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Budgeted numbers of positions exceed the authorized number due to flexibility inherent in the authorization of all positions through one salary section in the appropriation act.

JUDICIAL DISCIPLINE & DISABILITY COMMISSION

Enabling Laws

Act 151 of 2010

A.C.A. §21-5-204 et seq.

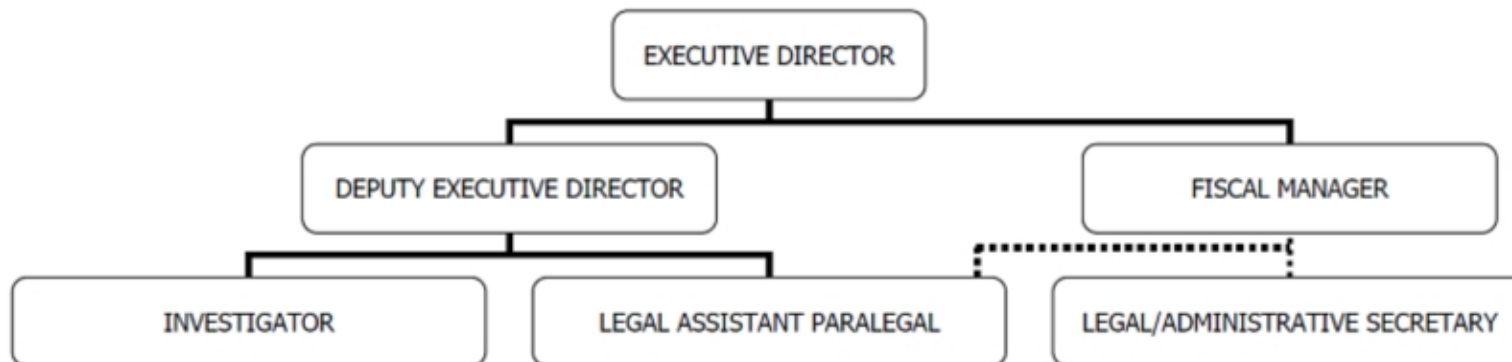
A.C.A. §21-5-101 et seq.

History and Organization

The Arkansas Judicial Discipline and Disability Commission was created by the passage of Amendment 66 to the Arkansas Constitution in November 1988. This amendment was proposed by Senate Joint Resolution 5, and was adopted at the 1988 general election. Act 637 of 1989, the enabling legislation of the Commission, is A.C.A. §16-101-401 et seq.

The Arkansas Judicial Discipline and Disability Commission receives and investigates information and complaints about the possible ethical misconduct or disability of Arkansas judges. The Commission's purpose is to help enforce the high ethical standards of judicial conduct on and off the bench, and thereby preserve both the integrity of judges, and public confidence in the courts. In performing its functions, the Commission strives to maintain the necessary balance between judicial independence and public accountability.

The Arkansas Judicial Discipline and Disability Commission created a Judicial Ethics Advisory Committee on July 1, 1991. This committee issues advisory opinions to all judges and judicial candidates on matters concerning ethical issues. The committee allows individuals to receive advice on how to act appropriately in future matters.



Agency Commentary

The Arkansas Judicial Discipline and Disability Commission receives and investigates information and complaints about the possible ethical misconduct or disability of Arkansas judges. The Commission's mission is to help enforce high standards of judicial conduct on and off the bench, in so doing preserving both the integrity of judges and public confidence in the judicial system.

The Commission requests a reallocation of \$21,000 in both fiscal years 2012 and 2013 from Maintenance and Operations to the Miscellaneous Commitment Item for "Mileage for Investigator." In addition, the Agency requests to change the name of this Miscellaneous Commitment Item from "Mileage for Investigator" to "Investigator Expenses." Although this Miscellaneous Commitment Item is currently only used to account for the Investigator Mileage Expenses, the agency would like to use this Commitment Item to pay for all Investigator Related Expenses, not only including mileage, but also for expenses related to witnesses, witness fees, printing cost, postage, cellular phones, office supplies and travel expense such as hotel and food purchases. The Commission would like to maintain the current levels of appropriation in Operating Expenses, Conference & Travel Expense and Professional Fees.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
JUDICIAL DISCIPLINE & DISABILITY COMMISSION

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	3	1	4	67 %
Black Employees	0	2	2	33 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			2	33 %
Total Employees			6	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Mission Statement	A.C.A. §16-10-404	Y	Y	10	Required by Law
Annual Report	A.C.A. §16-10-404	Y	Y	150	Required by Law

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010					FY2010 - 2011						
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
6	6	0	6	0	0.00 %	6	6	0	6	0	0.00 %	6	6	0	6	0	0.00 %

Analysis of Budget Request

Appropriation: 913 - Judicial Discipline - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Judicial Discipline & Disability Commission receives and investigates information and complaints about the possible ethical misconduct or disability of Arkansas judges. The Commission's purpose is to help enforce the high standards of judicial on and off the bench, and thereby preserve both the integrity of judges, and public confidence in the courts. In performing its functions, the Commission strives to maintain the necessary balance between judicial independence and public accountability. This appropriation is funded entirely by General Revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

Base Level includes appropriation and general revenue funding of \$649,487 each year with 6 Regular Positions.

The Commission's Change Level request includes changing the title of the Miscellaneous Commitment Item from "Mileage for Investigator" to "Investigator Expenses." Additionally, the Commission requests a reallocation of \$21,000 from the Operating Expenses Line Item to the newly titled Miscellaneous Commitment Item for Investigator Expenses. This request will enable the Commission to capture all Investigation related expenses (including both travel and non travel related expenses) in one line item.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 913 - Judicial Discipline - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	339,537	342,197	347,484	345,568	345,568	345,568	345,568	345,568	345,568
#Positions		6	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	91,528	96,896	95,435	97,782	97,782	97,782	97,782	97,782	97,782
Operating Expenses	5020002	102,295	106,267	106,267	106,267	85,267	85,267	106,267	85,267	85,267
Conference & Travel Expenses	5050009	8,125	8,125	8,125	8,125	8,125	8,125	8,125	8,125	8,125
Professional Fees	5060010	17,049	84,665	84,665	84,665	84,665	84,665	84,665	84,665	84,665
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Investigator Expenses*	5900046	7,080	7,080	7,080	7,080	28,080	28,080	7,080	28,080	28,080
Total		565,614	645,230	649,056	649,487	649,487	649,487	649,487	649,487	649,487
Funding Sources										
General Revenue	4000010	565,614	645,230		649,487	649,487	649,487	649,487	649,487	649,487
Total Funding		565,614	645,230		649,487	649,487	649,487	649,487	649,487	649,487
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		565,614	645,230		649,487	649,487	649,487	649,487	649,487	649,487

The FY11 Budget Amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-11 biennium.

*Agency requests miscellaneous commitment item title change from "Mileage for Investigator" to "Investigator Expenses".

Change Level by Appropriation

Appropriation: 913 - Judicial Discipline - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	649,487	6	649,487	100.0	649,487	6	649,487	100.0
C04	Reallocation	0	0	649,487	100.0	0	0	649,487	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	649,487	6	649,487	100.0	649,487	6	649,487	100.0
C04	Reallocation	0	0	649,487	100.0	0	0	649,487	100.0

Justification

C04	The Commission requests to change the description of the Miscellaneous Commitment Item from "Mileage for Investigator" to "Investigator Expenses." Although this Miscellaneous Commitment Item is currently only used for to account for the Investigator Mileage Expenses, the Commission would like to use this Commitment Item to pay for all Investigator Related Expenses, not only for mileage related expenses, but also all Investigator related office and travel expenses. Accordingly, the Commission also requests a reallocation of appropriation in the amount of \$21,000 in both fiscal years 2012 and 2013 from the Maintenance and Operations line item to the newly titled Miscellaneous Commitment Item for Investigator Expenses.
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LAW ENFORCEMENT STANDARDS & TRAINING

Enabling Laws

Act 150 of 2010
A.C.A. §12-9-101 et seq.

History and Organization

As the dynamics of law enforcement continue to rapidly change, the Commission on Law Enforcement Standards and Training, recognizing its responsibility to the citizens of our State by maintaining and enforcing standards for employment, is committed to providing the law enforcement profession in the State of Arkansas with the very best training available, utilizing the latest in law enforcement instructional methods, techniques, and technology, emphasizing professional ethics and personal accountability.

The Arkansas Law Enforcement Training Academy was established by the 1963 Arkansas General Assembly with the passage of Act 526. No funds were appropriated for the operation of the Academy at that time. For the next two years, concerned and interested law enforcement administrators worked diligently towards establishing an academy which would provide training to law enforcement officers in the state.

In 1965, Act 514 provided the necessary appropriations for the operations of the Academy. In that year also, Act 172 amended the act which originally created the Academy and placed it under the supervision and the direction of a board composed of three members appointed by the Governor.

Land which was owned by the United States Government and utilized as the Shumaker Ordinance Plant was converted to private enterprise by Brown & Root of Houston, Texas. It was decided that a portion of this land would be donated to the State Department of Education with the understanding that 13.6 acres would be used for a law enforcement training academy. As a result, the Academy was provided with permanent facilities at East Camden. The original structure, which is a part of the current facility, was formerly utilized as Bachelor Officers Quarters at the Naval Depot. It was modified and converted to provide food, lodging and training to law enforcement officers of the state.

The International Paper Company donated to the Arkansas Law Enforcement Training Academy 56.9 acres adjoining the Arkansas Law Enforcement Training Academy property in 1971. On August 26, 1986, 2.21 acres were donated to the Academy by Highland Resources Incorporated, formerly known as HRI Resources, Inc. This increased the total acreage to 72.71 acres, more or less.

The State of Arkansas purchased 28.68 acres adjoining the Arkansas Law Enforcement Training Academy property in 1996, increasing the total acreage of the Arkansas Law Enforcement Training Academy to a total of approximately 101.39 acres. This additional acreage was purchased for the purpose of the construction and operation of a Driving Training Course at the Arkansas Law Enforcement Training Academy.

Class 68-A was the first class to be conducted in the East Camden facility. The three-week course was conducted January 28 - February 16 and was composed of thirty-four officers.

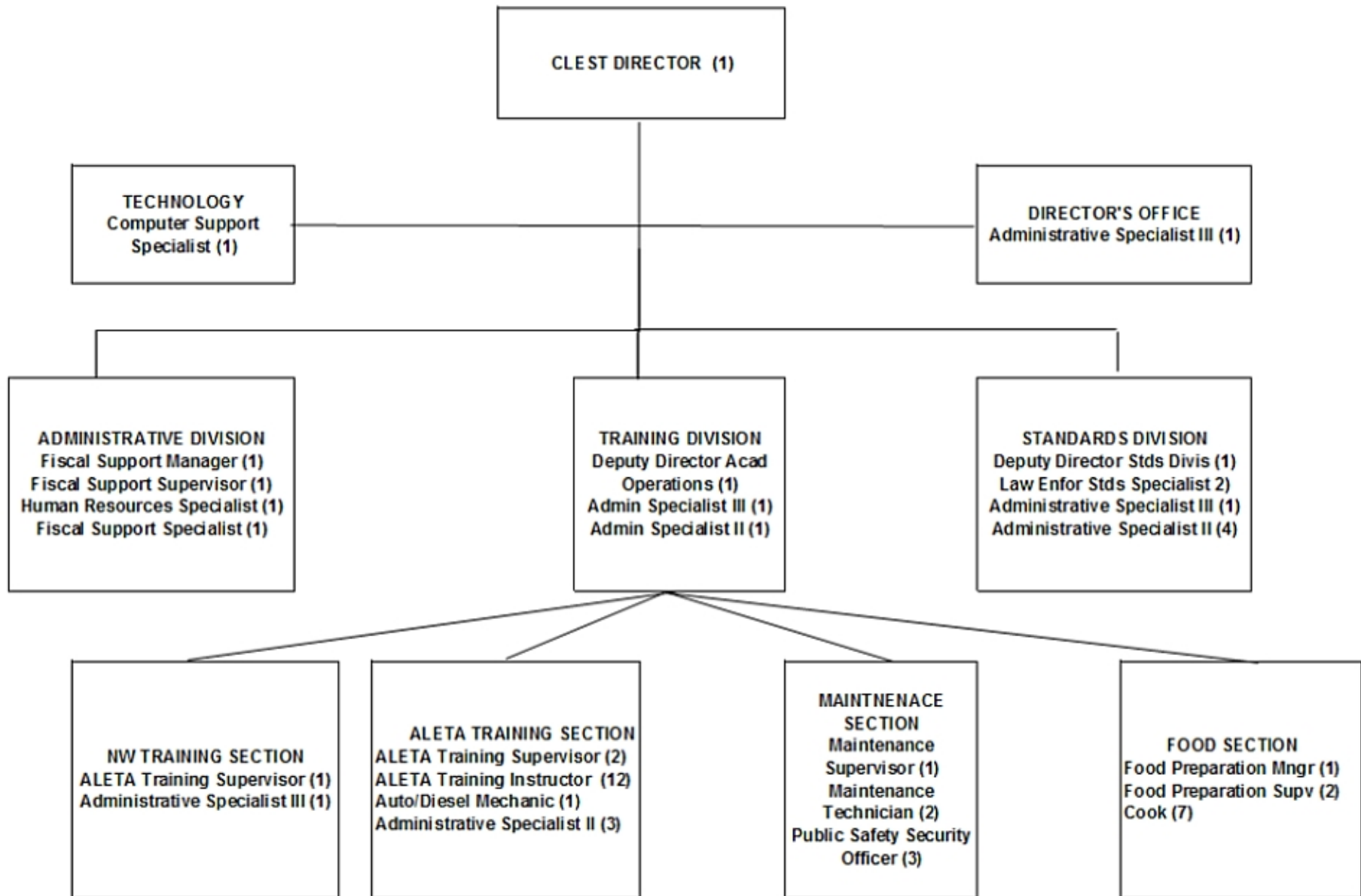
In the early 1970's it was realized the existing facilities were inadequate. Plans were made and approved for the construction of new facilities valued at \$1.3 million dollars. This project was completed in March, 1976.

The Executive Commission on Law Enforcement Standards was created by House Bill 577 enacted by the Seventieth General Assembly, which was signed by Governor David Pryor on March 18, 1975 and became known as Act 452 of 1975, and later compiled as AR Statute Ann. 42-1001-1009, and presently Arkansas Code of 1987 Annotated 12-9-101 through 12-9-109.

The Act granted the Executive Commission the power to establish reasonable minimum standards for selection and training of law enforcement officers in Arkansas, to certify officers as being qualified by training and education, to examine and evaluate instructors and courses of instruction and certify the extent of qualifications respectively.

The Commission was composed of five members appointed by the Governor to five-year terms, which were staggered. Act 452 requires the Commission to meet formally at least four times a year, adopt rules and regulations to govern its operations, select one of its members as Chairman and is authorized to enter in contracts or do such things as may be necessary and incidental to the administration of the Act. The Minimum Standards became effective January 1, 1978.

Act 45 of 1981 abolished the Department of Public Safety and transferred the Arkansas Law Enforcement Training Academy from the agency to the newly created Arkansas Commission on Law Enforcement Standards and Training, consisting eventually and presently of nine members. The same act abolished the Executive Commission on Law Enforcement Standards and transferred that agency to the Arkansas Commission on Law Enforcement Standards and Training. The Act became effective July 1, 1981.



Agency Commentary

Due to the need to complete current projects, accomplish our mission, and meet the statutory requirements set forth in A.C.A. §12-9-107 for the Commission on Law Enforcement Standards and Training, it is imperative that the State of Arkansas make a commitment to the law enforcement community. Properly funding the ongoing projects and maintaining the physical plant at the East Camden facility will accomplish this commitment.

The Agency is requesting the following for FY2012 and FY2013:

Operations (172)

1. \$4,000 in Capital Outlay appropriation each year for cost of sales tax on new vehicles.
2. \$18,000 increase in Operating Expenses appropriation each year for increases in food costs.
3. \$35,379 Reallocation of Resources between General Ledger codes in Operating Expenses each year to more accurately reflect anticipated expenses.
4. Title changes on four (4) positions for corrections to the pay plan study.

Drug Detection Training - Federal (2NH)

Since the Agency has not received any federal funding for this appropriation since FY2005, the Agency requests to discontinue this appropriation.

Special Training - Cash (D48)

1. \$31,325 in Capital Outlay appropriation each year for replacement of old and broken equipment.
2. \$100,000 in Operating Expenses appropriation each year to cover the costs of increased tuition paid to SAU Tech for students enrolled at the Academy.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS COMMISSION ON LAW ENFORCEMENT STANDARDS AND TRAINING
FOR THE YEAR ENDED JUNE 30, 2008

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	23	25	48	91 %
Black Employees	2	2	4	8 %
Other Racial Minorities	1	0	1	1 %
Total Minorities			5	9 %
Total Employees			53	100 %

Cash Fund Balance Description as of June 30, 2010

Fund Account	Balance	Type	Location
1080200	\$431,037	Checking	Farmers Bank & Trust, Camden

Statutory/Other Restrictions on use:

A.C.A. 19-6-109(c) All nonrevenue receipts from the sale of property or income shall be credited to the fund from which the agency draws its support.

Statutory Provisions for Fees, Fines, Penalties:

n/a

Revenue Receipts Cycle:

Funds are deposited in bank account when received.

Fund Balance Utilization:

Funds are being used for purchase of uniforms and food for students. Also to pay tuition to SAU Tech for a 28 credit hour program to all students that complete basic police training at Arkansas Law Enforcement Training Academy at Camden or Springdale.

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	A.C.A. §12-9-101	N	N	120	As required by Arkansas Code

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
172 Law Enforcement Standards-Operations	3,081,356	54	3,197,301	54	3,209,801	54	3,164,506	54	3,186,506	54	3,186,506	54	3,164,506	54	3,186,506	54	3,186,506	54
D48 Special Training-Cash	316,206	0	500,000	0	400,000	0	368,675	0	500,000	0	500,000	0	368,675	0	500,000	0	500,000	0
NOT REQUESTED FOR THE BIENNIUM																		
2NH Drug Detection Training-Federal	0	0	0	0	46,273	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	3,397,562	54	3,697,301	54	3,656,074	54	3,533,181	54	3,686,506	54	3,686,506	54	3,533,181	54	3,686,506	54	3,686,506	54

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	335,366	8.8	431,037	10.8		291,037	7.6	291,037	7.6	291,037	7.6	292,362	7.6	161,037	4.3	161,037	4.4
General Revenue	4000010	3,081,356	80.5	3,197,301	80.2		3,164,506	82.7	3,186,506	82.8	3,164,506	82.7	3,164,506	82.7	3,186,506	85.7	3,164,506	85.6
Cash Fund	4000045	411,877	10.8	360,000	9.0		370,000	9.7	370,000	9.6	370,000	9.7	370,000	9.7	370,000	10.0	370,000	10.0
Total Funds		3,828,599	100.0	3,988,338	100.0		3,825,543	100.0	3,847,543	100.0	3,825,543	100.0	3,826,868	100.0	3,717,543	100.0	3,695,543	100.0
Excess Appropriation/(Funding)		(431,037)		(291,037)			(292,362)		(161,037)		(139,037)		(293,687)		(31,037)		(9,037)	
Grand Total		3,397,562		3,697,301			3,533,181		3,686,506		3,686,506		3,533,181		3,686,506		3,686,506	

Special Training-Cash (D48) - FY11 Budget exceeds Authorized appropriation in Operating Expenses due to a transfer from the Cash Fund Holding Account.

Variance in fund balances is due to unfunded appropriation in Law Enforcement Standards - Operations (172).

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
54	53	1	54	0	1.85 %	54	54	0	54	0	0.00 %	54	53	1	54	0	1.85 %

Analysis of Budget Request

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue appropriation provides for the operations of the Commission on Law Enforcement Standards and Training (CLEST). CLEST provides basic training for new officers and specialized training for certified police officers at the Arkansas Law Enforcement Training Academy (ALETA) near East Camden and in Springdale, while providing field training classes as requested around the state. CLEST and ALETA's goal is to establish the role of the law enforcement officer as a professional, thereby presenting the citizens of the State of Arkansas with officers who have the knowledge and skills to detect, prevent and reduce crime.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total \$22,000 each year and reflect the following:

- \$18,000 increase in Operating Expenses appropriation each year for increases in food costs.
- \$4,000 in Capital Outlay appropriation each year for cost of sales tax on new vehicles.
- \$35,379 Reallocation of Resources between General Ledger codes in Operating Expenses each year to more accurately reflect anticipated expenses.
- Title changes on four (4) positions for corrections to the pay plan study.

The Executive Recommendation provides for the Agency Request for appropriation only, with no increase in general revenue funding.

Appropriation Summary

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,739,301	1,826,744	1,795,739	1,780,222	1,780,222	1,780,222	1,780,222	1,780,222	1,780,222
#Positions		54	54	54	54	54	54	54	54	54
Personal Services Matching	5010003	560,844	593,707	611,563	611,434	611,434	611,434	611,434	611,434	611,434
Operating Expenses	5020002	769,481	760,710	777,859	760,710	778,710	778,710	760,710	778,710	778,710
Conference & Travel Expenses	5050009	2,855	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	3,428	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	5,447	4,000	12,500	0	4,000	4,000	0	4,000	4,000
Total		3,081,356	3,197,301	3,209,801	3,164,506	3,186,506	3,186,506	3,164,506	3,186,506	3,186,506
Funding Sources										
General Revenue	4000010	3,081,356	3,197,301		3,164,506	3,186,506	3,164,506	3,164,506	3,186,506	3,164,506
Total Funding		3,081,356	3,197,301		3,164,506	3,186,506	3,164,506	3,164,506	3,186,506	3,164,506
Excess Appropriation/(Funding)		0	0		0	0	22,000	0	0	22,000
Grand Total		3,081,356	3,197,301		3,164,506	3,186,506	3,186,506	3,164,506	3,186,506	3,186,506

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 172 - Law Enforcement Standards-Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	3,164,506	54	3,164,506	100.0	3,164,506	54	3,164,506	100.0
C01	Existing Program	22,000	0	3,186,506	100.7	22,000	0	3,186,506	100.7
C04	Reallocation	0	0	3,186,506	100.7	0	0	3,186,506	100.7
C14	Title Change	0	0	3,186,506	100.7	0	0	3,186,506	100.7

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	3,164,506	54	3,164,506	100.0	3,164,506	54	3,164,506	100.0
C01	Existing Program	22,000	0	3,186,506	100.7	22,000	0	3,186,506	100.7
C04	Reallocation	0	0	3,186,506	100.7	0	0	3,186,506	100.7
C14	Title Change	0	0	3,186,506	100.7	0	0	3,186,506	100.7

Justification

C01	Change level of \$4,000 is needed each year of the biennium in Commitment Item 512:00:11 for cost of sales tax on new vehicles. \$18,000 in Commitment Item 502:00:02 is requested for increase in food cost.
C04	Agency has reallocated \$35,379 of Operating Expense appropriation between GL codes to more accurately reflect anticipated expenses.
C14	Title requests are agency specific and are corrections from the pay plan study.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Law Enforcement Standards & Training Commission

Program: Law Enforcement Standards-Operations

Act #: 150 Section(s) #: 2 & 5

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0950 Funds Center: 172 Fund: HUA Functional Area: SFTY

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

There will be no funds available for carry forward.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

There are no funds available for carry forward.

Note from DFA – Office of Budget: The portion of Special Language that requires this report is no longer necessary.

Terry Bolton
Director

08-26-2010
Date

Analysis of Budget Request

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

The Commission on Law Enforcement Standards and Training uses this cash appropriation for Operating Expenses and Capital Outlay associated with Special Training. Fees are collected from state agencies for the use of the Training Academy's facilities for special training of their police officers and for meals purchased by the Fire Training Academy for students enrolled in training. The Commission uses this appropriation to buy uniforms (up to \$40,000 annually pursuant to A.C.A. §12-9-111), purchase equipment and supplies, and for facility maintenance.

The Agency's Change Level requests total \$131,325 each year and reflect the following:

- \$100,000 increase in Operating Expenses appropriation each year to cover the costs of increased tuition paid to SAU Tech for students enrolled at the Academy.
- \$31,325 in Capital Outlay appropriation each year to replace and/or purchase kitchen equipment and grounds maintenance equipment.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	316,206	468,675	368,675	368,675	468,675	468,675	368,675	468,675	468,675
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	31,325	31,325	0	31,325	31,325	0	31,325	31,325
Total	316,206	500,000	400,000	368,675	500,000	500,000	368,675	500,000	500,000
Funding Sources									
Fund Balance 4000005	335,366	431,037		291,037	291,037	291,037	292,362	161,037	161,037
Cash Fund 4000045	411,877	360,000		370,000	370,000	370,000	370,000	370,000	370,000
Total Funding	747,243	791,037		661,037	661,037	661,037	662,362	531,037	531,037
Excess Appropriation/(Funding)	(431,037)	(291,037)		(292,362)	(161,037)	(161,037)	(293,687)	(31,037)	(31,037)
Grand Total	316,206	500,000		368,675	500,000	500,000	368,675	500,000	500,000

Special Training-Cash (D48) - FY11 Budget exceeds Authorized appropriation in Operating Expenses due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: D48 - Special Training-Cash
Funding Sources: 108 Law Enforcement Standards and Training - Cash

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	368,675	0	368,675	100.0	368,675	0	368,675	100.0
C01	Existing Program	131,325	0	500,000	135.6	131,325	0	500,000	135.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	368,675	0	368,675	100.0	368,675	0	368,675	100.0
C01	Existing Program	131,325	0	500,000	135.6	131,325	0	500,000	135.6

Justification

C01	Equipment has to be replaced due to age or malfunction, therefore \$31,325 is requested in Commitment Item 512:00:11, Capital Outlay. Operating Expenses have been increased \$100,000 to incorporate Cash Letter appropriation increase approved by PEER in FY10 and FY11. Appropriation is needed to cover increased student fees collected and corresponding increases in tuition paid to SAU-Tech.
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Analysis of Budget Request

Appropriation: 2NH - Drug Detection Training-Federal

Funding Sources: FES - Law Enforcement Standards and Training

The Commission on Law Enforcement Standards and Training provides street level and advanced training to police officers/investigators in the field of drug investigation. Federal Grant funds are received from the United States Department of Justice for this program and are administered by the Department of Finance and Administration - Office of Intergovernmental Services.

The Agency has not received federal funding for this program since FY2005. Therefore, the Agency requests a discontinuation of this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2NH - Drug Detection Training-Federal

Funding Sources: FES - Law Enforcement Standards and Training

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	0	45,773	0	0	0	0	0	0
Conference & Travel Expenses 5050009	0	0	500	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	0	0	46,273	0	0	0	0	0	0

THIS APPROPRIATION IS NOT REQUESTED FOR THE 2011-2013 BIENNIUM.

MARTIN LUTHER KING, JR COMMISSION

Enabling Laws

Act 56 of 2010
A.C.A. §25-24-101 et seq.

History and Organization

The Martin Luther King, Jr. Commission was created by Act 1216 of 1993. The Commission is an offspring of the Martin Luther King Federal Holiday Commission and was established under then Governor Bill Clinton by executive order. The Commission was created to promote the legacy and philosophy of Dr. Martin Luther King, Jr. Initially, the Commission had one staff person, and was housed within the Governor's Office at the State Capitol. Then Governor Jim Guy Tucker appointed the 25-member board and recommended that Tracy Steele serve as Executive Director. Senator Steele served as Executive Director until November 2006, and in March, 2008, a new Executive Director, DuShun Scarbrough, was appointed by the Commission. The current headquarters for the Commission is 501 Woodlane, Suite 122S, Little Rock, AR 72201.

In 1997, a mission statement, a stated purpose, goals and objectives, and the Junior Commission Board were developed. Because of its limited resources, a consensus determined that the Commission would focus on youth oriented projects first, and then expand. Violence and crime among youth was one of the critical concerns with the people of Arkansas. Then Governor Jim Guy Tucker called a special legislative session to deal with the problem of juvenile crime. The Commission formed the Junior Commission Board, which is composed of Arkansas high school and college students who have demonstrated strong qualities of leadership and community service. The Junior Commissioners have particular influence in advising the Commission in projects dealing with youth.

Mission Statement

The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans.

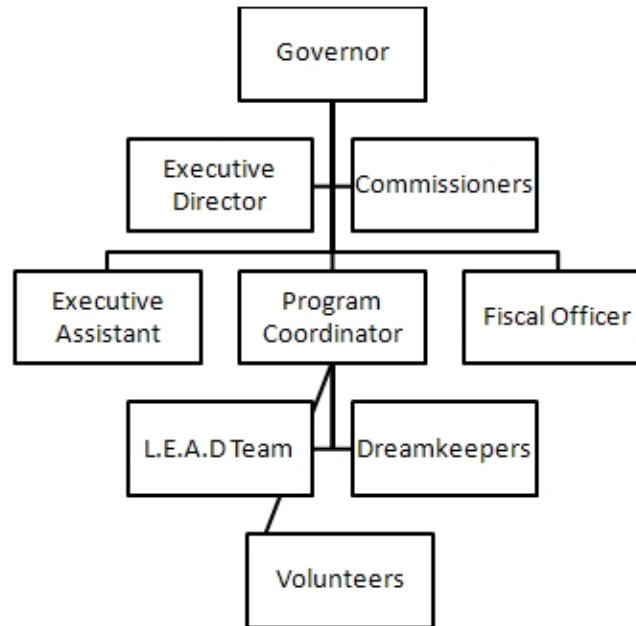
Purpose

The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill, among all citizens

- Promote principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.
- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King’s holiday

The Martin Luther King, Jr. Commission continues to reach out to people throughout the state until Dr. King’s dream is accepted and realized by every Arkansan.



Agency Commentary

The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill among all citizens
- Promote Dr. King's principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.
- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King's holiday
- The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans

The Commission is guided by Dr. King's teachings and philosophy of love, tolerance, and nonviolence. It strives for social improvement in Arkansas, helping communities and organizations achieve new levels of leadership and public service.

The Commission works directly with youth and others, encouraging them to embrace alternatives to violence and discover their common humanity. Through activities that stress racial and cultural diversity, the Commission offers Arkansas youth a new understanding of the important roles they play in the communities, now and in the future.

The Martin Luther King, Jr. Commission is requesting Base Level for the 2011-2013 biennium, and is not requesting additional appropriation at this time. Base Level for FY12 and FY13 is \$237,393. The appropriation is used to further the organization's efforts to enhance the awareness of peace and harmonious living among all Arkansans.

The Martin Luther King, Jr. Commission is requesting Base Level of \$61,522 for the Cash Appropriation for 2011-2013.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
MARTIN LUTHER KING, JR. COMMISSION
FOR THE YEAR ENDED JUNE 30, 2008

Findings

Review of financial transactions and internal controls of the Agency revealed a general lack of knowledge and application of State accounting and record retention policies as well as a failure by management to provide for adequate internal controls related to bank balances, equipment, receipts and expenditures. Failure to maintain a qualified and trained staff that ensures adequate policies and procedures are in place has jeopardized the assets of the Agency. Weaknesses noted during our review include the following:

- The Agency was unable to provide bank statements, cancelled checks and reconciliations for the fiscal year ended June 30, 2008.
- Supporting documentation for 69 of 80 expenditures totaling \$88,650 could not be located. Subsequent to our review, the Agency obtained 27 invoices totaling \$65,997 from various vendors. One invoice obtained was from the Peabody Hotel of Little Rock in the amount of \$8,564. The invoice was an expense of the Commission's Drum Major Leadership Conference in January 2008. Analysis of the invoice revealed two Commission employees, who reside in Little Rock, had hotel charges of \$1,325 and 10 other individuals had hotel charges of \$2,760. The Agency was unable to provide an explanation or justification for the charges for the 10 individuals.
- The Agency did not tag all capital assets adequately to ensure proper identification. Also, numerous instances were noted where complete data related to the asset was not entered into AASIS when the asset was received, making it difficult to positively identify and verify the existence of the assets. In addition, the Agency was unable to provide supporting documentation for nine equipment purchases totaling \$9,838.
- Prenumbered receipts were not used to properly account for donations and event ticket sales. Also, prior to March 5, 2008, no receipt documentation was maintained.

Review of a PayPal account established on October 9, 2008 revealed donations totaling \$1,504 were received through June 22, 2009, but had not been transferred to the Commission's checking account.

Recommendations

Seek appropriate financial management training for personnel and maintain an effective system of internal controls to ensure assets are properly safeguarded and financial documentation is maintained.

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	25 %
Black Employees	2	1	3	75 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	75 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
125 Martin Luther King - State Operations	190,990	4	237,350	4	229,477	4	237,393	4	237,393	4	237,393	4	237,393	4	237,393	4	237,393	4
54S Martin Luther King - Treasury Cash	34,282	0	61,517	0	61,050	0	61,522	0	61,522	0	61,522	0	61,522	0	61,522	0	61,522	0
Total	225,272	4	298,867	4	290,527	4	298,915	4	298,915	4	298,915	4	298,915	4	298,915	4	298,915	4

Funding Sources		%		%		%		%		%		%		%		%		%		
Fund Balance	4000005	6,324	2.6	20,269	6.8		0	0.0		0	0.0		0	0.0		0	0.0		0	0.0
General Revenue	4000010	173,790	70.8	214,502	71.8		214,545	71.8		214,545	71.8		214,545	71.8		214,545	71.8		214,545	71.8
Cash Fund	4000045	65,427	26.6	64,096	21.4		84,370	28.2		84,370	28.2		84,370	28.2		84,370	28.2		84,370	28.2
Total Funds		245,541	100.0	298,867	100.0		298,915	100.0		298,915	100.0		298,915	100.0		298,915	100.0		298,915	100.0
Excess Appropriation/(Funding)		(20,269)		0			0			0			0			0			0	
Grand Total		225,272		298,867			298,915			298,915			298,915			298,915			298,915	

The FY11 Budget amount in Martin Luther King - State Operations (125) and Martin Luther King - Treasury Cash (54S) exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
4	3	1	4	0	25.00 %	4	4	0	4	0	0.00 %	4	4	0	4	0	0.00 %

Analysis of Budget Request

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Martin Luther King, Jr. Commission was established by Arkansas Code Annotated §24-24-101. The Commission consists of thirteen (13) members: five (5) members appointed by the Governor; four (4) members appointed by the President Pro Tempore of the Senate; and four (4) members appointed by the Speaker of the House of Representatives. The Governor shall select annually a chair from the membership of the commission.

The responsibility of the Commission is to promote racial harmony, understanding, respect and goodwill among all citizens; promote principles of nonviolence; promote awareness and appreciation of the civil rights movement and advocacy of the principles and legacy of Dr. King; develop, coordinate, and advise the Governor and the General Assembly of appropriate ceremonies and activities related to Dr. King's birthday; and to receive donations and contributions from individuals and public and private organizations to carry out its responsibilities. Funding to support the activities of the Commission is derived from General Revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency requests Base Level appropriation for the 2011-2013 biennium.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	108,777	142,754	139,986	142,754	142,754	142,754	142,754	142,754	142,754
#Positions		4	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	39,339	51,711	46,606	51,754	51,754	51,754	51,754	51,754	51,754
Operating Expenses	5020002	42,574	42,585	42,585	42,585	42,585	42,585	42,585	42,585	42,585
Conference & Travel Expenses	5050009	300	300	300	300	300	300	300	300	300
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		190,990	237,350	229,477	237,393	237,393	237,393	237,393	237,393	237,393
Funding Sources										
General Revenue	4000010	173,790	214,502		214,545	214,545	214,545	214,545	214,545	214,545
Cash Fund	4000045	17,200	22,848		22,848	22,848	22,848	22,848	22,848	22,848
Total Funding		190,990	237,350		237,393	237,393	237,393	237,393	237,393	237,393
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		190,990	237,350		237,393	237,393	237,393	237,393	237,393	237,393

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

One of the responsibilities of the Commission is to receive donations and contributions in order to carry out its duties of promoting racial harmony, understanding, respect and goodwill, with these revenues deposited into a cash fund account pursuant to Arkansas Code Annotated §25-24-102. The Commission continues to apply for grants in support of community-based programs and services for the prevention of youth crime and violence.

The Agency Base Level request is \$61,522 for both years of the biennium. There are four (4) Extra Help positions authorized for this appropriation. Base Level consists of Extra Help (\$15,900), Personal Services Matching (\$1,698), Operating Expenses (\$38,924), Travel (\$2,000), and Professional Fees (\$3,000).

Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Extra Help	5010001	1,873	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
#Extra Help		1	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	143	1,693	1,226	1,698	1,698	1,698	1,698	1,698	1,698
Operating Expenses	5020002	27,266	38,924	38,924	38,924	38,924	38,924	38,924	38,924	38,924
Conference & Travel Expenses	5050009	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		34,282	61,517	61,050	61,522	61,522	61,522	61,522	61,522	61,522
Funding Sources										
Fund Balance	4000005	6,324	20,269		0	0	0	0	0	0
Cash Fund	4000045	48,227	41,248		61,522	61,522	61,522	61,522	61,522	61,522
Total Funding		54,551	61,517		61,522	61,522	61,522	61,522	61,522	61,522
Excess Appropriation/(Funding)		(20,269)	0		0	0	0	0	0	0
Grand Total		34,282	61,517		61,522	61,522	61,522	61,522	61,522	61,522

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

PAROLE BOARD

Enabling Laws

Act 165 of 2010
A.C.A. §16-93-201, et seq.

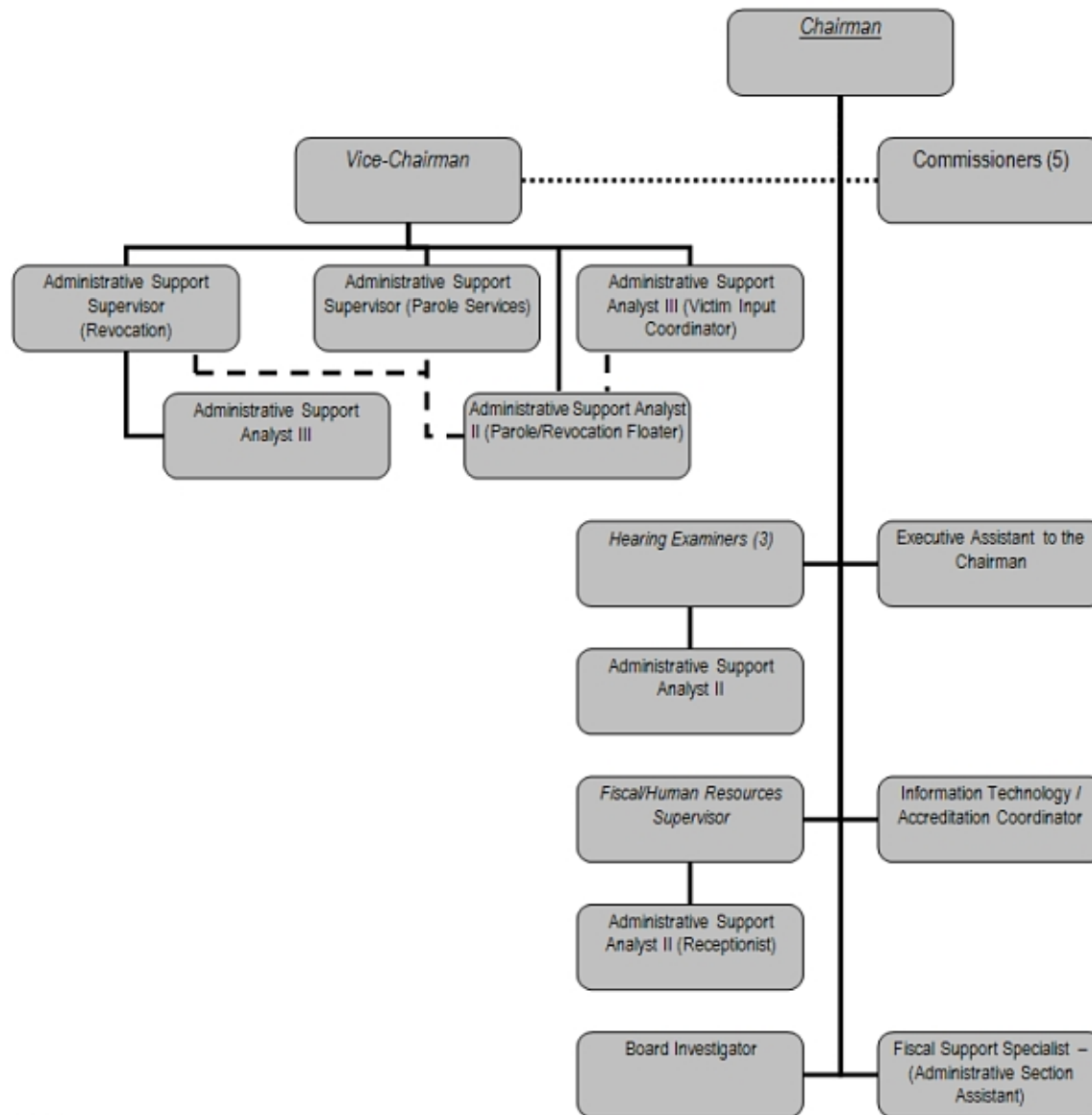
History and Organization

The Parole Board is dedicated to the process of promoting public safety by the return of offenders into the community through supervised, conditional release. The goal is to guide and monitor the transition from confinement to the successful completion of supervision within the community. The State Board of Parole and Community Rehabilitation was created by Acts 937 of 1989, with three (3) full-time members and four (4) part-time members.

During the 79th General Assembly Regular Session the name of the State Board of Parole and Community Rehabilitation was changed to the Post Prison Transfer Board. This was followed by Act 285 & 361 of 1995, to provide that the Post Prison Transfer Board be comprised of five (5) full-time members and two (2) part-time members. Act 979 of 1999, authorized a change to six (6) full-time members and one (1) part-time member. The staff consisted of three (3) Revocation Hearing Examiners and seven (7) Clerks for a total of 16 authorized positions.

During the 85th General Assembly Regular Session, Act 1033 of 2005 changed the name of the Post Prison Transfer Board to the Parole Board and authorized three (3) additional clerical staff. The staff consisted of three (3) Revocation Hearing Examiners, five (5) Administrative Assistants, three (3) Secretaries, one (1) Management Project Analyst and one (1) Agency Manager for a total of 19 authorized positions.

During the 86th General Assembly Regular Session, Act 697 of 2007 authorized two (2) additional support staff members and changed the composition of the Board to seven (7) full-time members to be appointed from the state at large by the Governor and confirmed by the Senate. The support staff consists of one (1) Executive Assistant to the Director, three (3) Hearing Examiners, one (1) Investigator, one (1) Fiscal Support Supervisor, one (1) Information Technology/Accreditation Coordinator, two (2) Administrative Support Supervisors, one (1) Fiscal Support Specialist, three (3) Administrative Support Specialists II and two (2) Administrative Support Specialist III for a total of 22 authorized positions.



Notes

- (1) All Board members report to the Governor through their designee, the Board Chairman
- (2) The Parole/Revocation Floater will report to the Vice-Chairman, with their workload assigned as indicated.
- (3) Positions that are in *italics* have supervisory responsibility.

Agency Commentary

The Arkansas Parole Board (APB) is responsible for conducting parole hearings throughout the State, make decisions on conditional release of inmates for correctional facilities, and review all pardon and executive clemency applications and make non-binding recommendations to the Governor. They are responsible to grant, deny, suspend, and revoke parole in accordance with legislative criteria: the risk posed to the community by the offender's potential to re-offend and the rehabilitation and reintegration of the offender back into the community. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

Over the last 10 years, the parole caseload has grown 167.4%. Arkansas' parole system is challenged by the continued increase in the number of offenders released under parole supervision. During the past five (5) years, the number of supervised parolees has increased by 48.5%. According to Arkansas Department of Correction (ADC), the prison population on June 30, 2008 was 14,700. During FY08, 12,178 individuals were given parole consideration by means of a hearing or file review by the Board, with 5,603 being face-to-face interviews.

The Department of Community Correction (DCC) Institutional Release staff prepare case records for us which helps APB members in conducting Arkansas Department of Correction inmate case reviews and hearings to determine parole, as required by Arkansas Code Annotated § 16-93-203. Depending on the date of a crime or sentence, some inmates are transfer eligible (TE) and other are parole eligible (PE). Some inmates are not eligible for parole, but may be considered for release under clemency laws.

The Arkansas Parole Board is requesting a Base Level budget for the 2011-2013 biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
PAROLE BOARD

Findings

Recommendations

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Employment Summary

	Male	Female	Total	%
White Employees	4	5	9	45 %
Black Employees	4	7	11	55 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			11	55 %
Total Employees			20	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	ACA §16-93-202	Y	Y	22	Information Purposes

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
22	20	2	22	0	9.09 %	22	20	2	22	0	9.09 %	22	20	2	22	0	9.09 %

Analysis of Budget Request

Appropriation: 306 - Parole Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Parole Board consists of seven members, which are appointed by the Governor and confirmed by the Senate for a seven-year term. Board members regularly conduct parole hearings throughout the State of Arkansas and make decisions on conditional releases of inmates in correctional facilities. The Board is also responsible for reviewing all pardon and executive clemency applications and making non-binding recommendations to the Governor. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

The funding for Parole Board is from general revenue. The Parole Board is authorized to receive assistance from the Department of Correction (DOC) and the Department of Community Correction (DCC), as provided by Section 3 of Act 165 of 2010.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency Request is for Base Level for the 2011-2013 biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 306 - Parole Board Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,155,477	1,192,019	1,228,405	1,186,197	1,186,197	1,186,197	1,186,197	1,186,197	1,186,197
#Positions		22	22	22	22	22	22	22	22	22
Personal Services Matching	5010003	309,301	353,093	342,156	369,380	369,380	369,380	369,380	369,380	369,380
Operating Expenses	5020002	275,209	270,056	300,847	270,056	270,056	270,056	270,056	270,056	270,056
Conference & Travel Expenses	5050009	1,527	2,500	3,000	2,500	2,500	2,500	2,500	2,500	2,500
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	500	880	0	0	0	0	0	0
Total		1,741,514	1,818,168	1,875,288	1,828,133	1,828,133	1,828,133	1,828,133	1,828,133	1,828,133
Funding Sources										
General Revenue	4000010	1,741,514	1,818,168		1,828,133	1,828,133	1,828,133	1,828,133	1,828,133	1,828,133
Total Funding		1,741,514	1,818,168		1,828,133	1,828,133	1,828,133	1,828,133	1,828,133	1,828,133
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,741,514	1,818,168		1,828,133	1,828,133	1,828,133	1,828,133	1,828,133	1,828,133

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

ARKANSAS PUBLIC DEFENDER COMMISSION

Enabling Laws

Act 285 of 2010

A.C.A. §16-87-201 - 214; Act 1193 of 1993

History and Organization

The Arkansas Public Defender Commission was created by Act 1193 of 1993 (codified at Ark. Code Ann. §§ 16-87-201 through 214) in response to the Arkansas Supreme Court's ruling in Independence County v. State, 312 Ark. 472, 850 S.W.2d 842 (1993). In that case, the Court held that insuring indigents a right to counsel was a function of the State of Arkansas, and not a county obligation.

Prior to passage of the Act, each of Arkansas' seventy-five counties bore the responsibility of providing and paying for the representation of indigent criminal defendants within their district. The county system resulted in a myriad of systems, providing varying levels of representation among the counties. After passage of the Act, the Commission began the takeover of the public defender system in order to help rectify this inconsistency in representation, as well as to address a number of other problems regarding the representation of indigent criminal defendants in Arkansas.

Initially, the Commission was only charged with monitoring county-based public defender systems throughout the State, overseeing a small Capital, Conflict and Appellate Office (CCA), and insuring that certain minimum standards established by the Commission were met by appointed counsel. However, since its creation, almost without exception, the Commission's duties and responsibilities have been expanded at each Legislative Session.

In 1995, the staffing of the CCA office was increased to better meet the needs of capital murder defendants throughout the state.

With the passage of Act 1341 of 1997, the State began taking over the funding of the public defender system. Prior to the passage of this Act, the counties were still responsible for paying for indigent representation. However, pursuant to Act 1341, as of January 1, 1998, the State assumed the responsibility of paying the salaries of public defender attorneys, some support staff, and all private attorneys appointed to represent indigent criminal defendants. The Commission also began paying all expenses for expert assistance furnished to indigent defendants, including: psychiatrists, psychologists, pathologists, investigators, mitigation specialists, translators, weapons experts and handwriting experts, just to name a few. As a part of the State take-over, the Commission was likewise given additional duties. Those new duties included: allocating resources; recommending to the Judges whom to employ as public defenders; assuming control over and

maintaining all personnel and payroll documentation; disbursing payroll; and paying any and all costs associated with indigent representation by private attorneys whom the Commission certified to handle various types of cases and then appointed in the appropriate case.

The Commission's duties and responsibilities in connection with the appointment and compensation of private attorneys appointed to represent indigent criminal defendants are numerous, costly and time-consuming. However, these appointments are necessary for several reasons. For example: the local public defender may have a conflict; the case may be such that the local public defender does not have the necessary skills to handle it; or caseloads and scheduling may require the appointment of outside counsel.

With respect to the appointment of private attorneys, the Commission has established a certification procedure whereby private attorneys apply for differing levels of certification based upon their level of experience. After reviewing the applications and supporting documentation, the attorneys are certified to handle the types of cases commensurate with their level of expertise.

When a conflict arises, the trial courts contact the Commission director to make the necessary appointments. The Commission maintains up-to-date lists of attorneys certified for and interested in appointments for various types of cases in various regions of the state, and continually adds more attorneys to the list through training and education. Additionally, the Commission requires detailed invoices from these attorneys which are reviewed very carefully by the Commission staff prior to compensation. While the trial court signs the order for payment of these fees, except with respect to Rule 37.5 appointed counsel (as discussed below), the amount paid is set by the Commission based on numerous factors, including the type of case involved.

Also with the passage of Act 1341 of 1997, and Act 925 of 1997 (now Arkansas Rules of Criminal Procedure, Rule 37.5), the Commission's duties and responsibilities were greatly expanded to include qualifying attorneys and paying any and all expenses relating to the representation of individuals under a sentence of death who are pursuing State post-conviction relief. These expenses include attorneys' fees, investigators' fees, experts' fees, and any other fees or expenses incurred during post-conviction proceedings. In an effort to assist the trial courts, the Commission has created a list of attorneys willing, and qualified, to accept this type of appointment. However, unlike trial fees and expenses discussed above, these fees are still set by the various judges throughout the State. Thus, an over-generous trial judge may thwart the Commission's efforts to maintain fiscal responsibility. Just as the Commission now sets the fees for indigent representation of those whose loss of liberty is at stake, the Commission needs to establish the fees to be paid in Rule 37.5 cases. Such a procedure allows for both uniformity and fiscal responsibility.

During the 1999 Legislative Session, the Ombudsman Division was created within the Commission. At the time of its creation, there were eight (8) social workers and three (3) support staff within this division. However, due to budget cuts, there is now only one (1) Ombudsman position and no support staff within the Division. The Ombudsman is charged with insuring that children sentenced to Division of Youth Services' (DYS) custody are safe, both physically and mentally, and are receiving necessary services. The Ombudsman works closely with the courts, providers, DYS and children's families to ensure the best outcome for the child; hence, the State. Importantly, this is the one area where the Commission is allowed to take a pro-active stance by guiding children and their parents in hopes of preventing these children from becoming future clients of the Commission.

The Legislative Session of 2001 was a very busy one for the Commission. Due to the enormously heavy caseload of defendants per public defender, twenty-two (22) additional attorney positions were authorized by Act 1799 of 2001. By splitting some of these positions into job shares, the Commission has been able to more efficiently and effectively provide adequate representation throughout the State. However, despite the Commission's best efforts, in some Judicial Districts, attorney/defendant caseloads remain untenable and well beyond the standard recommended by the American Bar Association.

Also in 2001, the Commission: (1) set up conflict offices around the State to save on costs for conflicts appointments; (2) helped secure legislation so that part-time public defenders could receive additional compensation for appellate work; (3) gained the authority to set compensation for private attorney appointments rather than having local judges attend to same (a much-needed cost saving measure) and (4) helped secure legislation setting forth the types of cases in which a public defender may or may not be appointed. Indeed, due to the Commission's assumption of the responsibility of setting the compensation for private attorney appointments, it was able to return \$253,158.03 to the State Treasury in June of 2002.

In 2003, the Commission was instrumental in the passage of Act 1778 which assessed a ten dollar fee to be charged and collected on each and every bail bond written by the various bail bond companies doing business in the State. This money is deposited into the Public Defender User Fee Fund.

With the passage of Act 2093 of 2005, two new positions in the Washington County Drug Court were added allowing the Commission to provide a public defender and drug court administrator for Washington County. These positions, previously federally funded, are now being funded out of fees collected by the various courts from criminal defendants given probation or a suspended sentence, as well as from the bail bond user fees.

The Legislative Session of 2005 was also very beneficial for the Commission. Act 2093 provided the commission with two additional attorney positions and one paralegal position so that a conflicts office could be established in Northwest Arkansas to serve Benton, Washington, Carroll, Madison, Crawford and Sebastian counties. This office has proven very beneficial not only in saving the State money, but by helping the Courts run more smoothly in these counties. However, due to the ever increasing caseload of these new employees, additional positions are needed to continue and expand the benefits achieved by this conflicts office.

In 2005, the Commission also received two of the four mitigation specialist positions requested in order to comply with the unequivocal directive of the United States Supreme Court in *Wiggins v. Smith*, 539 U.S. 510 (2003). In *Wiggins*, the Supreme Court made it absolutely clear that all cases involving the death penalty require the use of a mitigation specialist.

Finally, during the 2005 Session, the Commission, in conjunction with the Counties, was able to advance legislation adding an additional ten (10) dollar fee on all bail bond collections. Of this additional fee, seven (7) dollars goes to the Commission and three (3) dollars goes to the Counties to help them defray the costs they contribute for indigent defense.

During the 2007 Session, the Commission was provided an additional 20 positions. These much-needed positions included: 2 interpreters, 2 mitigation specialists, 1 CCA attorney, 1 CCA paralegal, and 11 trial public defender attorneys. Also because the Legislature determined that Dependent Neglect Appeals could best be handled by the Commission, two additional attorney positions and one paralegal position were added to the Commission. Finally, because the Commission had never done this type of case due to its civil, rather than criminal nature, the Commission was instrumental in securing special language in legislation allowing the Commission to assume this responsibility.

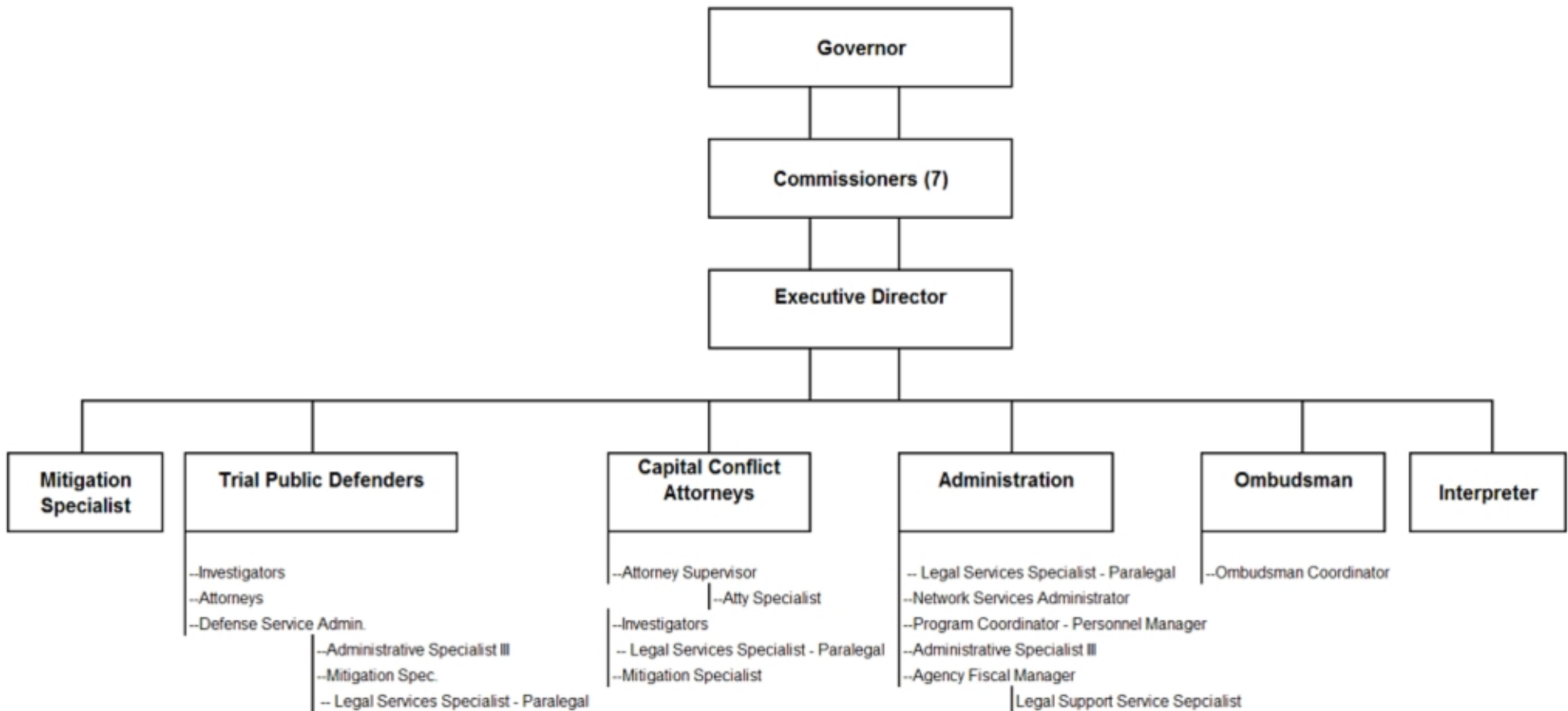
In the 2009 Legislative Session, the Commission received one legal support specialist and three Public Defenders positions.

In Fiscal Year 2010, the Arkansas Supreme Court ruled in *Arkansas Public Defender Commission v. Muhammad, et al.*, 2010 Ark. 120 that the APDC was statutorily obligated to pay all reasonable and necessary expenses in cases wherein a defendant is found to be indigent regardless of whether his or her attorney was retained or appointed.

In addition to the duties set forth above, the Commission has myriad other duties which may be less familiar to the general public. For example, the Commission is responsible for representing children in state custody, including foster children, who are subject to police interrogation. The Commission also handles adult protective services cases in which DHS seeks to take custody of an elderly person, as well as alcohol and mental commitments, as needed. Further, the Commission has a full-time attorney at the Arkansas State Hospital to represent persons who have been committed to the institution. Finally, the Commission has been called upon to represent children in truancy proceedings, and persons charged with failure to pay child support.

Obviously, the Arkansas Public Defender Commission's duties cover a broad spectrum. Indeed, it is often said that Public Defenders are the third leg of the Criminal Justice system, with Judges and Prosecutors being the other two. The Commission welcomes these additional duties, responsibilities, authority, and obligations as the Commission's objective has been, and remains, to insure that all persons facing a risk of loss of liberty are provided effective and constitutionally-mandated representation. The Commission's requests for this biennial budget are made with this preeminent goal in mind.

The Commission consists of seven members who are attorneys, a County Judge and a Circuit Judge. Each of the Commissioners is appointed by the Governor.



Agency Commentary

All of the Public Defender Commission's ("Commission") change level requests are made with the goal of increasing the availability, the effectiveness, and the efficiency of both the Commission, the Trial Public Defender's Offices throughout the State of Arkansas, the Capital Conflicts Office and the Dependent Neglect Appellate Office. While being mindful of our Constitutional mandate of providing effective representation, these requests are made in an effort to more efficiently and effectively expend the State's limited resources. Finally, the requests are made in light of recent United States Supreme Court decisions, and Arkansas Supreme Court opinions which substantially affect the role of the attorneys and their representation of clients. Courts have increasingly scrutinized the effectiveness of counsel and have been

particularly critical of over-burdensome caseloads and the lack of resources provided for the representation of indigent defendants. The Commission is aware of the need to provide finality to its cases as well as to provide effective assistance to counsel; hence, the following requests are made with those objectives in mind.

Public Defenders, like prosecutors, are essential to the workings of the Judicial System. Approximately 90% of the persons prosecuted by the State of Arkansas are represented by public defenders or appointed counsel. Without an effective public defender standing beside a criminal defendant, the court system in Arkansas could not function properly. Obviously, our public defenders do more than merely stand beside their clients. An inability to function effectively as a public defender or to proceed on cases would serve no one. If the public defender system fails, the entire court system fails. If we are unprepared due to unmanageable caseloads or inadequate funding, justice is compromised for all parties.

Trial Public Defender

Personnel

The Commission is requesting one mitigation specialist position to be located in Northwest Arkansas to work with the Fourth (Washington & Madison County), Twelfth (Sebastian County), Nineteenth - East & West (Benton & Carroll County), and Northwest Conflicts offices' death penalty cases. At the present time there is no mitigation specialist specifically assigned to this area nor do any of the offices have a county funded mitigation specialist position.

In *Wiggins v. Smith*, 539 U.S. 510, 123 S.Ct. 2527 (2003), the United States Supreme Court held that in all death cases, a mitigation specialist must thoroughly and exhaustively research the capital defendant's social history. The court opined that strategic defense decisions must not, and cannot, be made absent such an investigation. Indeed, *Wiggins* stands for the proposition that a defendant in a capital case who does not have the services of a mitigation specialist has received ineffective assistance of counsel and is entitled to a new trial. Thus, in no uncertain terms, *Wiggins* dictates that a mitigation specialist be appointed to each and every death penalty case.

At this time, the Commission is unable to provide a staff mitigation specialist in every case. Because of the nature of death penalty defense and the exhaustive work required to prepare for the penalty phase, our mitigation specialists are stretched to the breaking point. Further, several of our capital cases have multiple defendants and each defendant must have his own mitigation specialist. If we cannot provide a staff mitigation specialist to each capital defendant, we are required to hire a private mitigation specialist at costs ranging from \$45 to \$75 an hour. Clearly, paying a person's salary at the rate of \$20.01 an hour is more cost effective, especially when contemplating the thousands of hours expended in the preparation of the penalty phase of a death case. Because the number of capital cases filed has drastically increased over the past several years, it is anticipated that this cost will once again rise significantly.

Further, merely finding private mitigation specialists in this state is becoming exceedingly difficult. Indeed, there are very few private mitigation specialists available for hire. While we have attempted to address this problem by conducting training for mitigation specialists, we have still been unable to keep up with the numbers we need. Thus, in some instances we have had to go out of state to find a mitigation specialist, clearly causing our costs to rise.

M & O Request

We are requesting a small increase to allow for the necessary equipment for the one new employee requested. We will need office furniture, supplies, membership fees, subscription dues, and computer.

Public Defender State Operations

Personnel

The Commission is requesting five (5) positions: three (3) Public Defender I positions, one (1) Legal Service Specialist and one (1) Public Defender Coordinator.

In an effort to contain and control costs the Commission proposes to establish an actual "conflicts" office in the Capital, Conflicts and Appeals (CCA) division within the office. In FY10, the cost of providing Professional Services exceeded \$1,600,000. These overall costs include attorneys appointed due to a conflict, various experts, investigators and mitigation specialists. Of this amount, approximately 56%, or \$900,000 represents the cost of hiring private attorneys to take the cases of defendants with whom the local public defenders have a legal and ethical conflict of interest. Usually these cases involve serious felonies, such as where multiple people are arrested for murder, aggravated robbery or delivery of controlled substances. There were nearly 300 such appointments in FY10. An attorney can't represent defendants who have conflicting interests for any reason, to do so is unethical and would require reversal of the cases of any defendant represented by the conflicted attorney. Several years ago the Arkansas Supreme Court reversed a death penalty because the trial attorney had an actual conflict of interest, Shendan V. State 959 s.w.2d 29(1998).

The hourly rates, established by the Commission, and paid when private attorneys are necessary, are from \$60 to \$110. The range is in recognition of the differing degrees of severity of cases. Because our staff attorneys are paid at a significantly lower rate, we have found it is cost effective to hire people rather than appoint private attorneys to handle every conflict. Further, there is an ability to contain and project costs if a staff attorney handles a case rather than a private attorney. The efficacy of this method has been proven by the establishment of conflicts offices in Northwest Arkansas, and Pulaski and Jefferson Counties.

For the foregoing reasons, the Commission would like to expand the CCA office to cover conflicts other than capital murder. With the present staffing in the CCA office and the number of Capital cases filed each year, our CCA attorneys can represent no one other than those

defendants charged with Capital murder. By adding three attorneys and a paralegal to the office here we would be able to more efficiently and economically provide representation for the myriad of conflicts we get. Three attorneys cannot be expected to handle significant caseloads from all over the state without support staff to assist them. Most of the conflicts we are seeing at this time arise from the following districts: 6th (Pulaski + Perry Counties), 9E (Clark County), 10th (Ashley, Bradley, Chicot, Desha and Drew Counties), 16th (Cleburne, Fulton, Independence, Izard and Stone Counties), 18W (Montgomery and Polk Counties), and 19W (Benton). Of the approximately 300 conflict appointments mentioned earlier, almost 180 were from these districts alone. The locations of these districts vary widely as does the availability of access to local private attorneys to appoint. Often, due to the lack of local lawyers, we have to send qualified private attorneys from distant regions of the State - further exacerbating costs. While we cannot anticipate where the demand will arise in the coming biennium, locating these conflict staff attorneys in Central Arkansas would allow us the flexibility to assign attorneys to meet the demand statewide. If the need changes from the present time we will still be able to cover it.

M & O Request

We are requesting a small increase to allow for the necessary start up equipment for the five new employees requested in this same budget. We will need office furniture, supplies, membership fees, subscription dues, and computers to open up the offices.

Professional Fees

The Commission is requesting additional appropriation and funds in our Professional Fee line item. The Professional Fee line item is used to pay our Conflict Attorneys, Expert Witnesses, additional Mitigation Specialists, Investigators and medical/psychological examiners. It is anticipated that from the Arkansas Supreme Court ruling in Arkansas Public Defender Commission v. Muhammad, et al., 2010 Ark. 120 will generate hundreds of requests annually. The opinion ruled that the Arkansas Public Defender Commission (APDC) was statutorily obligated to pay all reasonable and necessary expenses in cases wherein a defendant is found to be indigent regardless of whether his or her attorney was retained or appointed. For the foregoing reason, the APDC is requesting an appropriation of \$500,000 for each year of the biennium to cover anticipated Professional Services Expenses relating to the Muhammad opinion.

The request includes one (1) Public Defender Coordinator position with related Regular Salaries, Personal Services Matching and Operating Expenses to help manage, verify and ensure accountability for the anticipated requests. Currently the Executive Director shares a secretary with all eight Capital Conflicts attorneys. This new position would assist the Executive Director.

The Commission is developing a procedure to deal solely with retained attorney requests. This procedure will be in place to evaluate qualifications, type of cases and fees charged and expenses collected. Because of the current lack of sufficient support staff, it is absolutely essential that a Program Coordinator is obtained to handle this enormous task and to ensure that resources are providently expended. This person would make certain that all information required by the Commission in its new procedure was provided and accurate before

submitting it to the Executive Director for review. He or she would contact the requesting attorney to supply any missing information or data. Again, it is anticipated that there will be a great many requests and, at present, the Commission simply does not have a staff person with time available to assume this responsibility.

Performance Audit Findings

Use of Commission Staff and Private Attorneys for Indigent Defense Representation

Arkansas Public Defender Commission

(July 1, 2008 – June 30, 2009) - Issued 01-08-2010

Findings and Conclusions:

- Professional development, employee turnover, and large attorney caseloads are not significant factors in the Commission’s need to retain private attorneys.
- The Commission lacked supporting documentation of their assertion that the appointment of private attorneys was necessary because of conflicts of interest within the office. However, our review of court dockets for selected cases at 4 district offices selected for site visits supported the assertion.
- Private attorney hours charged comprised 3.69% of the Commission’s total attorney hours and private attorney fees paid were within the prescribed fee range of the Commission.
- The Attorney Certification List, used to identify private attorney certification levels, was incomplete with 8.5% of the listed attorneys not having a certification level identified.

Recommendations:

- The Commission retain documentation of why private attorneys are necessary.
- Document the reasoning for employing a particular private attorney(s) when a private attorney(s) is retained repetitively.
- Verify the accuracy of and update the Attorney Certification List on an annual basis.

Employment Summary

	Male	Female	Total	%
White Employees	144	130	274	93 %
Black Employees	9	8	17	6 %
Other Racial Minorities	2	2	4	1 %
Total Minorities			21	7 %
Total Employees			295	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Reports	ACA §16-87-203	Y	Y	40	Required by Law

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1VA Ombudsman Program	87,610	1	86,845	1	88,013	1	86,122	1	86,122	1	86,122	1	86,122	1	86,122	1	86,122	1
337 Public Defender-Operations	1,911,487	17	1,961,652	17	1,964,077	17	1,960,481	17	2,875,156	22	2,510,082	18	1,960,481	17	2,853,156	22	2,510,082	18
530 Public Defender -Trial Office	18,934,931	219	19,286,515	219	19,465,934	219	19,258,957	219	19,319,320	220	19,319,320	220	19,258,957	219	19,314,920	220	19,314,920	220
Total	20,934,028	237	21,335,012	237	21,518,024	237	21,305,560	237	22,280,598	243	21,915,524	239	21,305,560	237	22,254,198	243	21,911,124	239

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	2,896,598	11.9	3,343,932	13.8	2,977,657	13.1	2,977,657	12.5	2,977,657	12.7	1,495,758	7.0	1,495,758	6.7	1,495,758	6.8	
State Central Services	4000035	11,817,994	48.7	12,069,443	49.6	10,924,712	47.9	11,899,750	50.0	11,534,676	49.3	10,929,112	51.3	11,877,750	53.3	11,534,676	52.6	
Bail Bond Fees	4000115	1,458,124	6.0	1,100,000	4.5	1,100,000	4.8	1,100,000	4.6	1,100,000	4.7	1,100,000	5.2	1,100,000	4.9	1,100,000	5.0	
State Administration of Justice	4000470	6,908,027	28.5	6,908,027	28.4	6,908,027	30.3	6,908,027	29.1	6,908,027	29.5	6,908,027	32.4	6,908,027	31.0	6,908,027	31.5	
Transfer from DHS-DYS	4000515	95,963	0.4	86,467	0.4	86,122	0.4	86,122	0.4	86,122	0.4	86,122	0.4	86,122	0.4	86,122	0.4	
User / Attorney Fees	4000725	1,101,254	4.5	804,800	3.3	804,800	3.5	804,800	3.4	804,800	3.4	804,800	3.8	804,800	3.6	804,800	3.7	
Total Funds		24,277,960	100.0	24,312,669	100.0	22,801,318	100.0	23,776,356	100.0	23,411,282	100.0	21,323,819	100.0	22,272,457	100.0	21,929,383	100.0	
Excess Appropriation/(Funding)		(3,343,932)		(2,977,657)		(1,495,758)		(1,495,758)		(1,495,758)		(18,259)		(18,259)		(18,259)		
Grand Total		20,934,028		21,335,012		21,305,560		22,280,598		21,915,524		21,305,560		22,254,198		21,911,124		

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
233	231	2	233	0	0.86 %	237	235	2	237	0	0.84 %	237	236	1	237	0	0.42 %

Analysis of Budget Request

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

The Ombudsman Division of the Arkansas Public Defender Commission was created during the 82nd General Assembly for the purpose of insuring that children placed within the custody of the Department of Human Services (DHS) - Division of Youth Services are receiving necessary services designed to keep them safe both mentally and physically. One position in the Ombudsman Division of the Arkansas Public Defender Commission is funded from funds transferred by the DHS. This transfer is for the benefit of the Juvenile Ombudsman Program of the Public Defender Commission. There is also a transfer of funds from the Public Defender's Trial Public Defender appropriation.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Commission's Request provides for Base Level for the 2011-2013 biennium.

The Executive Recommendation provides for the Commission Request.

Appropriation Summary

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	69,755	68,282	69,839	67,682	67,682	67,682	67,682	67,682	67,682
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	17,855	18,563	18,174	18,440	18,440	18,440	18,440	18,440	18,440
Total		87,610	86,845	88,013	86,122	86,122	86,122	86,122	86,122	86,122
Funding Sources										
Fund Balance	4000005	10,284	18,637		18,259	18,259	18,259	18,259	18,259	18,259
Transfer from DHS-DYS	4000515	95,963	86,467		86,122	86,122	86,122	86,122	86,122	86,122
Total Funding		106,247	105,104		104,381	104,381	104,381	104,381	104,381	104,381
Excess Appropriation/(Funding)		(18,637)	(18,259)		(18,259)	(18,259)	(18,259)	(18,259)	(18,259)	(18,259)
Grand Total		87,610	86,845		86,122	86,122	86,122	86,122	86,122	86,122

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

The Arkansas Public Defender Commission was established in 1993 to address a variety of problems and concerns related to the representation of indigent criminal defendants in Capital Conflicts and Appeals to the Supreme Court in the State of Arkansas. The State Operations appropriation is funded from the State Central Services Fund.

In Arkansas Public Defender Commission v. Muhammad, et al., 2010 Ark. 120., the Arkansas Supreme Court ordered that the Public Defender Commission was responsible for expenses in cases where the defendant is found to be indigent, regardless of whether his or her attorney was retained or appointed.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Commission's Change Level Request totaling \$914,675 in FY2012 and \$892,675 in FY2013 reflects the following:

- Regular Salaries and Personal Services Matching increases of \$341,770 each year to support three (3) Public Defender I (G025N/N901) positions, one (1) Public Defender Program Coordinator (G122C/C120) and one (1) Legal Services Specialist (G179C/C117). The Public Defender positions would be used to reduce the amount currently being spent on contract attorneys for cases where the local public defender has a conflict of interest. The Public Defender Program Coordinator would analyze, coordinate, and ensure accountability for retained attorney requests for public assistance as required by the Muhammad opinion. Currently, the Executive Director shares a secretary with eight Capital Conflicts attorneys. The Legal Services Specialist position would be assigned to assist the Executive Director, allowing the existing staff secretary to better serve these attorneys.
- Reclassification of one (1) Drug Court Administrator (X019C/C124) to Administrative Services Manager (G076C/C124) to more accurately reflect the work being performed. This change will result in no additional appropriation or funding.
- Operating Expenses of \$64,505 in FY2012 and \$42,505 in FY2013 to provide support for additional staff, including computers and related software, telecommunications and network expenses, rent, mileage, meals & lodging, office supplies and subscription dues.
- Conference & Travel Expenses increase of \$8,400 each year for conference & seminar fees, meals and lodging for the additional positions requested.
- Professional Fees of \$500,000 each year in anticipation of hundreds of annual requests for expenses resulting from the Muhammad opinion.

The Executive Recommendation provides for increases above Base Level totaling \$549,601 each year as follows:

- Regular Salaries and Personal Services Matching of \$49,601 each year for one (1) Public Defender Program Coordinator (G122C/C120) to ensure accountability for retained attorney requests for public assistance resulting from the Muhammad opinion.
- Reclassification of one (1) Drug Court Administrator (X019C/C124) to Administrative Services Manager (G076C/C124).
- Professional Fees of \$500,000 each year for requests for expenses resulting from the Muhammad opinion.

Appropriation Summary

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,065,233	1,085,364	1,096,130	1,084,391	1,348,972	1,121,723	1,084,391	1,348,972	1,121,723
#Positions		17	17	17	17	22	18	17	22	18
Extra Help	5010001	2,120	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		2	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	280,256	301,160	292,819	300,962	378,151	313,231	300,962	378,151	313,231
Operating Expenses	5020002	219,189	218,438	218,438	218,438	282,943	218,438	218,438	260,943	218,438
Conference & Travel Expenses	5050009	19,689	19,690	19,690	19,690	28,090	19,690	19,690	28,090	19,690
Professional Fees	5060010	325,000	325,000	325,000	325,000	825,000	825,000	325,000	825,000	825,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,911,487	1,961,652	1,964,077	1,960,481	2,875,156	2,510,082	1,960,481	2,853,156	2,510,082
Funding Sources										
State Central Services	4000035	1,911,487	1,961,652		1,960,481	2,875,156	2,510,082	1,960,481	2,853,156	2,510,082
Total Funding		1,911,487	1,961,652		1,960,481	2,875,156	2,510,082	1,960,481	2,853,156	2,510,082
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,911,487	1,961,652		1,960,481	2,875,156	2,510,082	1,960,481	2,853,156	2,510,082

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 337 - Public Defender-Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,960,481	17	1,960,481	100.0	1,960,481	17	1,960,481	100.0
C01	Existing Program	899,570	5	2,860,051	145.9	891,070	5	2,851,551	145.5
C08	Technology	15,105	0	2,875,156	146.7	1,605	0	2,853,156	145.5
C10	Reclass	0	0	2,875,156	146.7	0	0	2,853,156	145.5

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,960,481	17	1,960,481	100.0	1,960,481	17	1,960,481	100.0
C01	Existing Program	549,601	1	2,510,082	128.0	549,601	1	2,510,082	128.0
C08	Technology	0	0	2,510,082	128.0	0	0	2,510,082	128.0
C10	Reclass	0	0	2,510,082	128.0	0	0	2,510,082	128.0

Justification

C01	On May 13, 2010, the Arkansas Supreme Court ruled in Arkansas Public Defender Commission v. Muhammad, et al., 2010 Ark. 120, that the Arkansas Public Defender Commission (APDC) was statutorily obligated to pay all reasonable and necessary expenses in cases wherein a defendant is found to be indigent regardless of whether his or her attorney was retained or appointed. For the foregoing reason, the APDC is requesting an appropriation of \$500,000 for each year of the biennium to cover anticipated Professional Services Expenses relating to the Muhammad opinion. The request includes one (1) position with related Salary and Personal Service Match and Operating Expenses to help manage, verify and ensure accountability for the anticipated requests. In an effort to contain and control costs the Commission proposes to establish an actual "conflicts" office in the Capital, Conflicts and Appeals (CCA) division within the office. These overall costs include attorneys appointed due to a conflict with the local public defenders. Usually these cases involve serious felonies, such as where multiple people are arrested for murder, aggravated robbery or delivery of controlled substances. With the present staffing in the CCA office and the number of Capital cases filed each year, our CCA attorneys can represent no one other than those defendants charged with Capital Murder. By adding three (3) attorneys and one (1) paralegal to the office, we would be able to more efficiently and economically provide representation for the myriad of conflicts appointments we make annually. The request for the new additional positions includes Salary and Personnel Service Match and Operating Expenses. The Operating Expense of \$64,505 and \$42,505 in FY2012 and FY2013 is for additional office furniture, office supplies, membership fees, subscription and due, telephone and parking cost associated for the overall five (5) new positions.
C08	The five new positions in FY2012 will require a computer, software and connection to the internet. The estimate for this request is \$15,105 in FY2012. The internet connection is \$26.75 per month or \$1,605 per year for the five positions. This request will not be needed if the positions are not added. The computers can be found in the Commission's IT Plan in the IT Support Cost section Future Hardware Purchases, and the software is found in the IT Support Cost under section Future Software Purchases.
C10	The needs of the agency have changed since the Pay Plan Implementation and the Commission has implemented some minor internal reorganization changes in duties, responsibilities, and reporting structure to better facilitate internal controls.

Analysis of Budget Request

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

The Trial Public Defender Office of the Arkansas Public Defender Commission was created by Act 1341 of 1997 and provides for the establishment of a statewide public defender system in Arkansas. The Trial Public Defender Office operates under the supervision of the Executive Director of the Arkansas Public Defender Commission. Duties of all public defenders are to provide for competent, effective, and uniform representation of indigent criminal defendants throughout the State. The Commission utilizes over sixty-one (61) job share positions.

The Trial Public Defender Office is funded in part from a share of those funds remitted by the cities and counties from court costs and filing fees for deposit into the State Administration of Justice Fund. A portion of those funds is then allocated for deposit into the State Central Services Fund for the benefit of the Public Defender Commission per Arkansas Code §16-10-310. Arkansas Code §17-19-301 (e) allows for a fee to be charged and collected by all bail bond companies on each bond. The additional revenue helps defray the cost of the public defender system, both statewide and in each individual county.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Commission's Change Level Request totaling \$60,363 in FY2012 and \$55,963 in FY2013 reflects the following:

- Regular Salaries and Personal Services Matching of \$47,462 each year for one (1) Mitigation Specialist (G146C/C119) to serve in Northwest Arkansas. Pursuant to the U.S. Supreme Court decision in *Wiggins v. Smith*, 539 U.S. 510, 123 S. Ct. 2527 (2003), each capital defendant must have their social history thoroughly researched by counsel, or they may be entitled to a new trial. Currently, the Commission outsources this research in the northwest region at two to three times the hourly rate of an equivalent state employee. However, in cases where multiple capital defendants are charged in the same crime, the Commission would still be required to contract this research for all but one defendant in order to avoid a conflict of interest.
- Operating Expenses increases of \$12,901 in FY2012 and \$8,501 in FY2013 for purchase of a computer and related software, telecommunications and network expenses, rent, mileage, meals & lodging, office supplies and subscription dues to support this new employee.

The Executive Recommendation provides for the Commission Request.

Appropriation Summary

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	13,408,906	13,460,010	13,671,351	13,392,842	13,428,396	13,428,396	13,392,842	13,428,396	13,428,396
#Positions	219	219	219	219	220	220	219	220	220
Extra Help 5010001	11,894	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
#Extra Help	2	3	3	3	3	3	3	3	3
Personal Services Matching 5010003	3,494,341	3,709,255	3,677,333	3,748,865	3,760,773	3,760,773	3,748,865	3,760,773	3,760,773
Operating Expenses 5020002	280,257	279,750	279,750	279,750	292,651	292,651	279,750	288,251	288,251
Conference & Travel Expenses 5050009	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Professional Fees 5060010	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Public Defender Comm. Prgms. 5900046	769,734	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000
Bail Bond Co. Public Def. Prgm. 5900047	217,299	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	18,934,931	19,286,515	19,465,934	19,258,957	19,319,320	19,319,320	19,258,957	19,314,920	19,314,920
Funding Sources									
Fund Balance 4000005	2,886,314	3,325,295		2,959,398	2,959,398	2,959,398	1,477,499	1,477,499	1,477,499
State Central Services 4000035	9,906,507	10,107,791		8,964,231	9,024,594	9,024,594	8,968,631	9,024,594	9,024,594
Bail Bond Fees 4000115	1,458,124	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
State Administration of Justice 4000470	6,908,027	6,908,027		6,908,027	6,908,027	6,908,027	6,908,027	6,908,027	6,908,027
User / Attorney Fees 4000725	1,101,254	804,800		804,800	804,800	804,800	804,800	804,800	804,800
Total Funding	22,260,226	22,245,913		20,736,456	20,796,819	20,796,819	19,258,957	19,314,920	19,314,920
Excess Appropriation/(Funding)	(3,325,295)	(2,959,398)		(1,477,499)	(1,477,499)	(1,477,499)	0	0	0
Grand Total	18,934,931	19,286,515		19,258,957	19,319,320	19,319,320	19,258,957	19,314,920	19,314,920

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 530 - Public Defender -Trial Office
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	19,258,957	219	19,258,957	100.0	19,258,957	219	19,258,957	100.0
C01	Existing Program	57,342	1	19,316,299	100.3	55,642	1	19,314,599	100.3
C08	Technology	3,021	0	19,319,320	100.3	321	0	19,314,920	100.3

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	19,258,957	219	19,258,957	100.0	19,258,957	219	19,258,957	100.0
C01	Existing Program	57,342	1	19,316,299	100.3	55,642	1	19,314,599	100.3
C08	Technology	3,021	0	19,319,320	100.3	321	0	19,314,920	100.3

Justification

C01	The Commission is requesting one (1) new position, a Mitigation Specialist for our north west conflict's office. This request reflects the Salary and Personnel Service Match and the Operating Expenses for this one position. The Operating Expenses of \$9,880 and \$8,180 in FY12 and FY13 is for office furniture, office supplies, telephone, parking, and mileage reimbursement for the one additional position. Pursuant to Wiggins v. Smith, 539 U.S. 510, 123 S. Ct. 2527, 156 L.Ed.2d471, (2003), the United States Supreme Court mandated that any and all death cases must have a mitigation specialist, thus the request for the additional position. This request will not be needed if the position is not added.
C08	The one new position in FY2012 will require a computer, software and connection to the internet. The estimate for this is request is \$3,021. The internet connection is \$26.75 per month or \$321 per year. This request will not be needed if the position is not added. The computers can be found in the Commission's IT Plan in the IT Support Cost section Future Hardware Purchases, and the software is found in the IT Support Cost under section Future Software Purchases.

AR SCIENCE AND TECHNOLOGY AUTHORITY

Enabling Laws

Act 117 of 2010
A.C.A. 15-3-101 - A.C.A. 15-3-405

History and Organization

The Arkansas Science & Technology Authority (the Authority) was created by Act 859 of 1983: "There is hereby established for the State of Arkansas the Arkansas Science & Technology Authority, hereinafter referred to as "The Authority," which shall have the powers, functions and duties, as herein provided, to be the instrumentality of this State to exert leadership in and give directions to a broad spectrum of programs and services designed to gain for this State and its people the benefits and opportunities to be realized through advanced science and technology."

The Authority's vision, mission, goals and core values are derived from its strategic planning process and are established by the Authority's Board in the "Board of Directors Operating Guide," dated November 20, 2009.

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity and (6) We will value diversity among ourselves and our customers.

The Arkansas Science & Technology Authority is comprised of a Board of Directors and staff. The 14-member Board is appointed by the Governor to staggered four-year terms. The Authority has a 12-person staff, which includes ten professional and two clerical positions. The Authority has one private grant funded position and five federally-funded positions.

The Board makes all decisions concerning the allocation of monies to projects funded under the Authority's programs, except the Technology Transfer Assistance Grants Program where the Board approves funding to the program and the Director approves individual project funding. Recommendations are made to the Board by three standing committees comprised exclusively of members of the Board. The committees deal respectively with sponsored projects, research and commercialization, and manufacturing extension. The Board's Executive Committee deals with proposals with deadlines and actions required between regularly scheduled meetings. The standing committees are further supported by three advisory committees.

Staff activities are designed to support the goals of the Authority's Board of Directors.

The Assistant Director of Finance, assisted by the Finance Program Coordinator and the Research Program Coordinator is responsible for managing programs involving Seed Capital Investments, Technology Development, Technology Transfer Assistance Grants, Basic Research Grants, Applied Research Grants, Research Matching Grants, Research Infrastructure Grants, Business Incubator Technology Certifications, and Centers for Applied Technology. These activities are overseen by the Board's Research and Commercialization Committee. The Assistant Director and Program Managers also provide technical assistance to (1) Arkansas Manufacturing Solutions, a state-federal partnership under the federal Manufacturing Extension Partnership, (2) and the Research and Development Tax Credit activities under the Consolidated Incentive Act.

The Assistant Director of Research, assisted by the Information Technology Manager and the Database Analyst, is responsible for the Authority's initiative to become paperless, provide electronic applications for all programs, automate agency workflows, maintain the Authority's database, and prepare analytical reports. The Assistant Director of Research is also responsible for projects with deadlines, supports the Assistant Director of Commercialization with research-oriented programs, and assists in overseeing the NSF EPSCoR grant. These activities are overseen by the Board's Executive Committee.

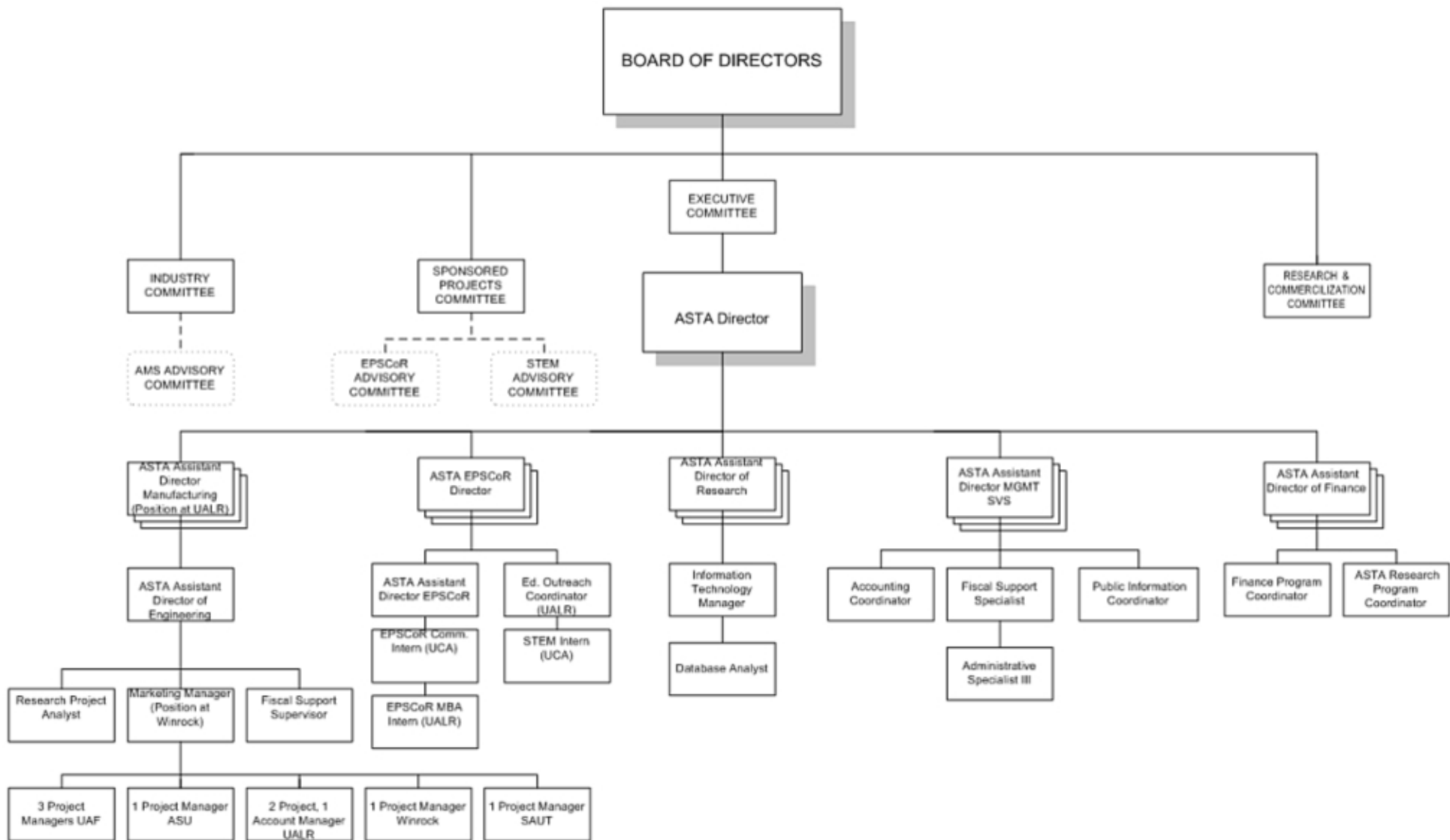
The ASTA EPSCoR Director, assisted by the ASTA Assistant Director EPSCoR, is responsible for managing the Authority's ASSET Initiative and STEM (Science, Technology, Engineering and Mathematics) projects. The ASSET Initiative is a project jointly funded by a grant from the National Science Foundation's EPSCoR Program and by state matching support. The EPSCoR Director assisted by the EPSCoR Assistant Director manages the grant and three Winthrop Rockefeller Foundation STEM (Science, Technology, Engineering, and Mathematics) Education grants. These activities are overseen by the Board's Sponsored Projects Committee.

Arkansas Manufacturing Solutions, a cooperative agreement between the National Institute of Standards and Technology and the Authority, is headed by the ASTA Assistant Director of Manufacturing, whose position is administratively at UALR, but housed at the Authority. The

Assistant Director of Manufacturing is responsible for three federally funded positions housed at the Authority: the Science & Technology Authority Assistant Director for Engineering, Research Project Analyst and the Fiscal Support Supervisor. They are responsible for the management and administration of the Cooperative Agreement. Seven Project Managers, who are supervised by the Assistant Director for Engineering, and are located at Universities and non-profits throughout the state are responsible for the delivery of services. The activities are overseen by the Board's Industry Committee.

The Assistant Director of Management Services is responsible for the day-to-day operations of the Authority and is assisted by the Accounting Supervisor, Fiscal Support Specialist, the Administrative Specialist III and the Public Information Coordinator. The Accounting Supervisor is responsible for the fiscal activities of the Authority. The Fiscal Support Specialist is responsible for the procurement and personnel activities of the Authority as well as support of the Authority Board and Directors. The Administrative Specialist III is responsible for administrative support for the Authority's programs and cooperative agreements and assists the Fiscal Support Specialist. The Public Information Coordinator is responsible for all external communications and public information activities for the Authority. Management Services are overseen by the Board's Executive Committee.

The Executive Director is the chief executive officer and has overall responsibility for the Authority's programs and staff activities. The Executive Director is selected by the Board and serves at the pleasure of the Governor.



Agency Commentary

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity, and (6) We will value diversity among ourselves and our customers.

The Arkansas Science & Technology Authority's (Authority) program commentary is derived from the Authority's vision, mission, goals and core values that were created in its strategic planning process and are established by the Authority's Board in the "Board of Directors Operating Guide," dated November 20, 2009.

GOAL 1: ENSURE THE AVAILABILITY OF THE NEXT GENERATION OF ARKANSANS WITH SCIENCE, ENGINEERING AND MATHEMATICS SKILLS NECESSARY FOR A COMPETITIVE 21ST CENTURY WORKFORCE.

The Authority, with grant support from the Winthrop Rockefeller Foundation, will empower teachers to generate enthusiasm in STEM classrooms around the State using projects, such as robotics competition and summer academies, that interest and engage students in the STEM curriculum. These efforts result not only in increased student competence in STEM skill sets but also produce increases in STEM career choices for these students as they advance. The Authority requests an increase of \$3,000 in Operating Expenses, and due to current grants expiring, the Authority requests a reduction of \$111,000 in Grants and Aid in FY12 and a reduction of \$233,000 in Operating Expenses, Professional Fees, and Grants & Aid in FY13.

GOAL 2: MAXIMIZE THE PRODUCTION OF SCIENTIFIC AND ENGINEERING TALENT AND RESEARCH INNOVATIONS AS BUILDING BLOCKS FOR THE 21ST CENTURY ECONOMY.

The Authority continues to manage the cooperative agreement with the National Science Foundation for the EPSCoR program. The cooperative agreement has established the Arkansas ASSET Initiative (**A**dvancing and **S**upporting **S**cience, **E**ngineering and **T**echnology). This project is designed to strengthen developing research areas in Arkansas with economic development potential. The initiative is a multi-

institutional, interdisciplinary, state-wide program. An integral component of the five-year research project is entrepreneurial training, support for commercialization of new technologies, and an educational outreach program that targets the STEM pipeline needed to support the advanced technologies workforce.

The ASSET Initiative project covers more than one of the Authority's five goals. The match for the project, for budget purposes, is included in goal 3.

GOAL 3: INVEST IN RESEARCH INNOVATIONS THAT BUILD KNOWLEDGE-BASED INDUSTRIES FOR ARKANSAS'S 21ST CENTURY ECONOMY.

The Authority offers three programs: Technology Transfer Assistance Grants (TTAG) support enterprises participating in the federal Small Business Innovation Research Program; the Technology Development Program (TD) supports enterprises developing new technologies; and the Seed Capital Investment Program (SCIP) provides start-up working capital.

The Authority requests an additional position of Executive Assistant to the Director to provide direct support to the Authority's President and Board of Directors. This position will assist the Assistant Director of Management Services with the Human Resources functions. This will increase Regular Salaries and Personal Services Matching \$45,807 each year.

The Authority requests \$15,882 in FY12 and \$24,307 in FY13 for Operating Expenses; \$13,400 each year for Conference & Travel and; \$4,000 each year for Professional Fees. The requested increases are for rent expense, software maintenance, software licenses, computer and computer equipment replacement; increase in Conference Travel to attend state and national conferences to learn best practices in various areas including electronic communications, information technology, and management; and to attend the annual state Science & Technology Institute Conference and the annual National Association of Seed and Venture Fund Conference. The Authority requests an increase of \$4,000 for Professional Fees for consultants to automate its application and workflow processes for statutory programs.

The Authority Board of Directors requests \$156,975 each year from General Revenue to support TTAG and Technology Development Programs and an additional \$800,000 matching funds to support research under the second year of a five-year, \$20 million National Science Foundation research grant. The Board also requests \$292,653 per year to support research matching projects.

The Board also requests \$292,653 per year from General Revenue for Seed Capital Investments.

The Board requests authority to spend up to \$1.9 million per year from the Seed Capital Investment Fund (a cash fund).

GOAL 4: STRENGTHEN ARKANSAS COMPANIES' CAPACITY TO INNOVATE, CREATE WEALTH, EXPAND KNOWLEDGE-BASED JOBS AND COMPETE GLOBALLY.

The Authority continues its state-federal technology partnership with the National Institute of Standards and Technology (NIST). The partnership allows the Authority, through the function of its Arkansas Manufacturing Solutions (AMS), to continue to meet the expressed needs of Arkansas manufacturers and provide them with the tools to become world-class competitors. AMS continues to provide technology support to the state's manufacturers through TTAG grants. The Arkansas Innovation Marketplace (AIM), provided by AMS, is a web-based market place that globally connects Arkansas innovators with potential buyers, investors, distributors and manufacturers seeking breakthrough technological advancements. Arkansas AIM is part of the national USA Innovation Marketplace Initiative and the Planet Eureka International Innovation Network.

The Authority requests a reallocation from this appropriation to a new AMS client (cash) to separate the client portion from the federal portion. Federal funds are derived from a cooperative agreement between the agency and NIST. The client revenue is derived from service agreements and training class revenue. Separating the two sources of funds will simplify tracking of federal funds and allow better accountability of program revenues. The reallocation of \$1,118,382 for both years includes \$192,322 for Regular Salaries and Personal Services Matching for each year for transfer of three (3) positions from appropriation 919. Also included are Operating Expenses of \$82,946, Conference & Travel Expenses of \$31,860, Professional Fees of \$60,500, Grants Y Aid of \$440,000, and Field Services of \$310,754. The Authority requests an increase of \$72,408 for FY12 and \$112,408 for FY13 to meet service agreement requirements, including \$16,954 and \$14,500 each year for Operating Expenses and Professional Fees; respectively. An increase of \$40,954 for FY12 and \$80,954 for FY13 is requested for Field Services.

The Authority requests an increase of \$5,000 each year for the remaining federal portion for Operating Expenses.

The Authority Board of Directors requests \$257,182 per year from General Revenue as state match for AMS.

GOAL 5: EXTEND SCIENCE AND TECHNOLOGY EXPERTISE TO TAKE ADVANTAGE OF EMERGING OPPORTUNITIES IN PARTNERSHIP WITH OTHER PROGRAMS, SERVICES AND ORGANIZATIONS.

The Authority continues to collaborate on economic development projects with AEDC and ADFA. The agencies, through a shared process, manage projects involving the Venture Capital Investment Trust, Equity Investment Tax Credit, and Research and Development Tax Credits. The Authority extends its expertise by membership on at least 13 boards and commissions.

The Authority requests a continuation of two federal grants received under the American Recovery & Reinvestment Act (ARRA), the Arkansas Industrial Energy Clearinghouse (AIEC) and the State Health Information Exchange Program (HIE).

The AIEC serves the state's manufacturing industry with technical and environmental assistance, information, and expertise with the objective of energy conservation and greenhouse gas reductions. The Authority requests continuation of this grant for FY12 at \$87,190. This grant expires in FY12.

The HIE through the Office of Health Information Technology, will seek to expand and encourage the use of information technology and electronic health and medical records among healthcare providers such as doctors and hospitals. The request for continuation is at \$7,909,401 each year. This grant expires in FY14.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
AR SCIENCE AND TECHNOLOGY AUTHORITY

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	6	7	13	76 %
Black Employees	1	1	2	12 %
Other Racial Minorities	0	2	2	12 %
Total Minorities			4	24 %
Total Employees			17	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	A.C.A. §15-3-123	Y	Y	4	Detail operations and transactions conducted in previous fiscal year. Posted on website; printed by request only.
ARMF Biennial Report	A.C.A. §15-3-206	Y	Y	1	Report investments from the Arkansas Research Matching Fund. Posted on website; printed by request only.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1FA Rockefeller-IMSST-Cash in Treasury	600,250	0	487,236	0	284,563	0	284,563	0	176,563	0	176,563	0	284,563	0	51,563	0	51,563	0
1ND AR Manufacturing Extention Network-St	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
34G Seed Capital Investment-Cash in Treasury	76,347	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0
35K AR EPSCoR-Federal	2,038,564	2	3,091,575	2	3,065,767	2	3,066,622	2	3,066,622	2	3,066,622	2	3,066,622	2	3,066,622	2	3,066,622	2
38X St Industrial Assessment-Federal	18,742	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
678 Science & Tech-St Operations	1,712,040	12	1,777,817	12	1,818,075	12	1,777,376	12	2,656,465	13	1,856,465	13	1,777,376	12	2,664,890	13	1,864,890	13
83R ARRA AIEC	4,109	0	206,190	0	0	0	0	0	7,996,591	2	7,996,591	2	0	0	7,909,401	2	7,909,401	2
84W New AMS - Cash in Treasury	0	0	0	0	0	0	0	0	1,190,790	3	1,190,790	3	0	0	1,230,790	3	1,230,790	3
919 AR Manufacturing Extension Network-Fed	1,514,636	3	2,054,448	3	2,055,022	3	2,054,492	3	941,110	0	941,110	0	2,054,492	3	941,110	0	941,110	0
NOT REQUESTED FOR THE BIENNIUM																		
38W Industrial Energy Efficiency	37,853	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	6,259,723	17	9,799,448	17	9,405,609	17	9,365,235	17	18,210,323	20	17,410,323	20	9,365,235	17	18,046,558	20	17,246,558	20

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	3,285,998	35.4	2,999,661	23.5			2,978,061	29.3	1,737,276	8.3	1,737,276	8.6	1,629,276	18.7	2,785,739	13.5	2,785,739	14.0
General Revenue	4000010	1,969,222	21.2	2,034,999	15.9			2,034,558	20.0	2,913,647	13.9	2,113,647	10.5	2,034,558	23.4	2,922,072	14.2	2,122,072	10.7
Federal Revenue	4000020	3,368,270	36.3	4,701,477	36.8			3,091,622	30.4	4,032,732	19.2	4,032,732	20.0	3,091,622	35.5	4,032,732	19.5	4,032,732	20.3
Cash Fund	4000045	645,159	7.0	2,365,636	18.5			2,076,563	20.4	3,075,031	14.6	3,075,031	15.2	1,951,563	22.4	2,990,031	14.5	2,990,031	15.1
Federal Funds-ARRA	4000244	4,109	0.0	206,190	1.6			0	0.0	7,996,591	38.1	7,996,591	39.6	0	0.0	7,909,401	38.3	7,909,401	39.9
Third Party Reimbursement	4000490	0	0.0	469,546	3.7			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers / Adjustments	4000683	0	0.0	0	0.0			0	0.0	1,240,785	5.9	1,240,785	6.1	0	0.0	0	0.0	0	0.0
Total Funds		9,272,758	100.0	12,777,509	100.0			10,180,804	100.0	20,996,062	100.0	20,196,062	100.0	8,707,019	100.0	20,639,975	100.0	19,839,975	100.0
Excess Appropriation/(Funding)		(3,013,035)		(2,978,061)				(815,569)		(2,785,739)		(2,785,739)		658,216		(2,593,417)		(2,593,417)	
Grand Total		6,259,723		9,799,448				9,365,235		18,210,323		17,410,323		9,365,235		18,046,558		17,246,558	

The FY11 Budget amount for Rockefeller-IMSST-Cash in Treasury (1FA) exceeds the authorized amount due to a transfer from the Cash Fund Holding Account.
 The FY11 Budget amount for AR EPSCoR-Federal (35K) exceeds the authorized amount due to a transfer from the Miscellaneous Federal Grant Holding Account.
 Variances in fund balances are due to unfunded appropriation in AR Manufacturing Extension Network-Fed (919) and appropriation not requested for Industrial Energy Efficiency (38W).

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
18	17	1	18	0	5.56 %	17	14	3	17	0	17.65 %	17	16	1	17	0	5.88 %

Analysis of Budget Request

Appropriation: 1FA - Rockefeller-IMSST-Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Arkansas Science and Technology Authority with grant support from the Winthrop Rockefeller Foundation (WRF) continues the transition of the science teaching mini-grant and teachers-student interactive technology grant programs through Arkansas Community Foundation affiliates, supporting the development of a web-based application for access to teaching curriculum materials, and enabling teachers to generate enthusiasm in science, technology, engineering, and mathematics (STEM) classrooms around the State using projects which interest and engage students in STEM curriculum.

The Authority requests an increase of \$3,000 for FY12 in Operating Expenses to meet grant requirements. Due to current grants ending, the Authority requests a reduction of \$111,000 in Grants & Aid in FY12 and a reduction of \$233,000 in Operating Expenses, Professional Fees, and Grants and Aid in FY13.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 1FA - Rockefeller-IMSST-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	17,812	42,760	2,000	2,000	5,000	5,000	2,000	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	35,944	54,624	35,000	35,000	35,000	35,000	35,000	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	546,494	389,852	247,563	247,563	136,563	136,563	247,563	51,563	51,563
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		600,250	487,236	284,563	284,563	176,563	176,563	284,563	51,563	51,563
Funding Sources										
Fund Balance	4000005	441,113	432,649		411,049	411,049	411,049	303,049	411,049	411,049
Cash Fund	4000045	591,786	465,636		176,563	176,563	176,563	51,563	51,563	51,563
Total Funding		1,032,899	898,285		587,612	587,612	587,612	354,612	462,612	462,612
Excess Appropriation/(Funding)		(432,649)	(411,049)		(303,049)	(411,049)	(411,049)	(70,049)	(411,049)	(411,049)
Grand Total		600,250	487,236		284,563	176,563	176,563	284,563	51,563	51,563

Budget exceeds Authorized Appropriation in Operating Expenses, Professional Fees, and Grants & Aid due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 1FA - Rockefeller-IMSST-Cash in Treasury
Funding Sources: NST - Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	284,563	0	284,563	100.0	284,563	0	284,563	100.0
C01	Existing Program	3,000	0	287,563	101.1	0	0	284,563	100.0
C03	Discontinue Program	(111,000)	0	176,563	62.0	(233,000)	0	51,563	18.1

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	284,563	0	284,563	100.0	284,563	0	284,563	100.0
C01	Existing Program	3,000	0	287,563	101.1	0	0	284,563	100.0
C03	Discontinue Program	(111,000)	0	176,563	62.0	(233,000)	0	51,563	18.1

Justification

C01	Agency requests increase of \$3,000 in Operating Expenses in FY12 for Educational Supplies & Materials to meet the program requirements.
C03	Agency requests reductions in FY12 and FY13 due to program ending in FY13.

Analysis of Budget Request

Appropriation: 1ND - AR Manufacturing Extension Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority Technology and Manufacturing Extension Program plans strategic state investments and support in Manufacturing Extension, Technology Transfer, and Applied Research through proposal and application evaluations. The goal is to meet manufacturers needs and and increase their global competitiveness. The Technology and Manufacturing Program is funded by general revenue.

The Agency requests Base Level of \$257,182 for each year of the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ND - AR Manufacturing Extension Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Manufacturing Ext Network 5900046	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Total	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Funding Sources									
General Revenue 4000010	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Total Funding	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182

Analysis of Budget Request

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Arkansas Science and Technology Authority (ASTA) requests continuation of the Base Level appropriation of \$1,900,000 each year of the 2011-2013 biennium for the Seed Capital Investment Program. Funds are loaned to businesses, with a maximum amount of \$500,000 for any one project. As businesses repay the loans, ASTA deposits the repayments into a revolving fund. This program will be used for investments in technology-based businesses in accordance with Arkansas Code §15-3-101 through §15-3-123.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Investments	5120013	76,347	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total		76,347	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Funding Sources										
Fund Balance	4000005	1,349,201	1,326,227		1,326,227	1,326,227	1,326,227	1,326,227	1,326,227	1,326,227
Cash Fund	4000045	53,373	1,900,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total Funding		1,402,574	3,226,227		3,226,227	3,226,227	3,226,227	3,226,227	3,226,227	3,226,227
Excess Appropriation/(Funding)		(1,326,227)	(1,326,227)		(1,326,227)	(1,326,227)	(1,326,227)	(1,326,227)	(1,326,227)	(1,326,227)
Grand Total		76,347	1,900,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

Analysis of Budget Request

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

The Experimental Program to Stimulate Competitive Research (EPSCoR), funded by the National Science Foundation is a statewide multi-university collaborative research initiative addressing two research areas: 1) plant-based bioproduction and 2) wireless nanosensors. Plant-based bioproduction is a project which targets biochemical pathways in plants - harnessing and enhancing the production power in plants. Wireless nanosensors are a project which links the potential commercial applications of inexpensive nanosensors with wireless data collection and analysis.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Authority requests Base Level appropriation of \$3,066,622 for FY12 and for FY13.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	155,545	155,363	157,522	155,363	155,363	155,363	155,363	155,363	155,363
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	38,563	42,654	39,687	42,701	42,701	42,701	42,701	42,701	42,701
Operating Expenses	5020002	165,590	96,183	71,183	71,183	71,183	71,183	71,183	71,183	71,183
Conference & Travel Expenses	5050009	3,334	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333
Professional Fees	5060010	36,878	40,667	40,667	40,667	40,667	40,667	40,667	40,667	40,667
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	1,638,654	2,753,375	2,753,375	2,753,375	2,753,375	2,753,375	2,753,375	2,753,375	2,753,375
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,038,564	3,091,575	3,065,767	3,066,622	3,066,622	3,066,622	3,066,622	3,066,622	3,066,622
Funding Sources										
Federal Revenue	4000020	2,038,564	3,091,575		3,066,622	3,066,622	3,066,622	3,066,622	3,066,622	3,066,622
Total Funding		2,038,564	3,091,575		3,066,622	3,066,622	3,066,622	3,066,622	3,066,622	3,066,622
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,038,564	3,091,575		3,066,622	3,066,622	3,066,622	3,066,622	3,066,622	3,066,622

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

The FY11 Budget exceeds Authorized Appropriation in Operating Expenses due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 38X - St Industrial Assessment-Federal

Funding Sources: FST - ASTA Federal Programs

This program provides several Arkansas industrial plants with extensive energy assessments and will enable these industries to identify energy and money saving opportunities. Each project includes follow up technical and implementation assistance and evaluation of actual energy savings. Funding will pass through the Arkansas Energy Office to Arkansas Manufacturing Solutions (AMS), a program of the Authority. AMS will work with the Department of Mechanical Engineering at the University of Arkansas at Fayetteville to conduct the energy analysis, plant assessments and measurement of energy savings.

The Agency requests Base Level appropriation for the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 38X - St Industrial Assessment-Federal

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	18,742	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total	18,742	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Funding Sources									
Federal Revenue 4000020	18,742	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Total Funding	18,742	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	18,742	25,000		25,000	25,000	25,000	25,000	25,000	25,000

Analysis of Budget Request

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority was created to develop and promote Arkansas' technological resources and to encourage the use of advanced technology in the State's business and agricultural communities. The Authority offers a variety of programs emphasizing three areas: project financing, company financing, and technology extension/development. This appropriation is funded by general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflect the FY11 line item maximum.

The Authority requests Base Level appropriation of \$1,777,376 each year and Change Level requests of \$879,089 in FY12 and \$887,514 in FY13. The Change Level requests are as follows:

- An additional position (Executive Assistant to the Director) to provide direct support to the agency's President and Board of Directors and assist the Assistant Director of Management Services with the Human Resources functions of the agency. These functions are presently handled by the Administrative Support Specialist and the Fiscal Support Specialist. The increase in Regular Salaries and Personal Services Matching each fiscal year is \$45,807.
- An increase in Operating Expenses of \$15,882 in FY12 and \$24,307 in FY13 for office rent expense, software maintenance and software licenses, computer and computer equipment replacement, upgrade data security and disaster recovery; these items can be found on the Operations Hardware and Software tabs of the agency's IT plan.
- An increase of \$13,400 each fiscal year for Conference & Travel to attend state and national conferences to learn best practices in various areas including electronic communications, information technology, and management; and to attend the annual state Science & Technology Institute Conference and the annual National Association of Seed and Venture Fund Conference.
- An increase of \$4,000 each fiscal year for Professional Fees for consultants to automate its application and workflow processes for statutory programs.
- An increase in the Technology Development line item of \$800,000 each fiscal year in state matching funds for research under the second year of a five-year, \$20 million National Science Foundation Grant. The project is designed to strengthen developing research areas in Arkansas with economic development potential.

The Executive Recommendation provides for the Agency Request except for the increase in the Technology Development line item which is recommended at Base Level. Furthermore, the request for Technology Development is recommended from the General Improvement Fund.

Appropriation Summary

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	587,507	611,144	632,314	610,627	644,488	644,488	610,627	644,488	644,488
#Positions		12	12	12	12	13	13	12	13	13
Extra Help	5010001	1,754	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	166,661	188,204	180,496	188,280	200,226	200,226	188,280	200,226	200,226
Operating Expenses	5020002	182,870	196,988	206,961	196,988	212,870	212,870	196,988	221,295	221,295
Conference & Travel Expenses	5050009	14,167	14,400	27,223	14,400	27,800	27,800	14,400	27,800	27,800
Professional Fees	5060010	16,800	12,800	16,800	12,800	16,800	16,800	12,800	16,800	16,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Technology Development	5900046	156,975	156,975	156,975	156,975	956,975	156,975	156,975	956,975	156,975
Seed Capital Investments	5900047	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Total		1,712,040	1,777,817	1,818,075	1,777,376	2,656,465	1,856,465	1,777,376	2,664,890	1,864,890
Funding Sources										
General Revenue	4000010	1,712,040	1,777,817		1,777,376	2,656,465	1,856,465	1,777,376	2,664,890	1,864,890
Total Funding		1,712,040	1,777,817		1,777,376	2,656,465	1,856,465	1,777,376	2,664,890	1,864,890
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,712,040	1,777,817		1,777,376	2,656,465	1,856,465	1,777,376	2,664,890	1,864,890

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 678 - Science & Tech-St Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,777,376	12	1,777,376	100.0	1,777,376	12	1,777,376	100.0
C01	Existing Program	874,897	1	2,652,273	149.2	876,489	1	2,653,865	149.3
C08	Technology	4,192	0	2,656,465	149.5	11,025	0	2,664,890	149.9

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,777,376	12	1,777,376	100.0	1,777,376	12	1,777,376	100.0
C01	Existing Program	74,897	1	1,852,273	104.2	76,489	1	1,853,865	104.3
C08	Technology	4,192	0	1,856,465	104.4	11,025	0	1,864,890	104.9

Justification

C01	The agency requests change levels of \$874,897 in FY12 and \$876,489 in FY13. This includes a request for an additional position, an Executive Assistant to the Director. This position would provide direct support to the agency's President and Board of Directors and assist the Assistant Director of Management Services with the HR functions of the agency. These functions are presently handled by the Administrative Support Specialist and the Fiscal Support Specialist. The increase in Regular Salaries and Personal Services Matching each FY is \$45,807. The agency requests an increase in Operating Expenses of \$11,690 in FY12 and \$13,282 in FY13 for an increase in rent expense, software maintenance and software licenses. The agency requests an increase in Conference & Travel of \$13,400 each FY to attend state and national conferences to learn best practices in fiscal, electronic communications, information technology and management areas; and to attend the annual state Science & Technology Institute Conference and the annual National Association of Seed and Venture Fund Conference. The agency requests an increase of \$4,000 each FY in Professional Fees for consultants to automate its application and workflow processes for statutory programs. The agency requests an increase in the Technology Development line item of \$800,000 each FY to support research under the second year of a five-year, \$20 million National Science Foundation Grant. This project is designed to strengthen developing research areas in Arkansas with economic development potential.
C08	The agency requests an increase of \$4,192 in FY12 and \$11,025 in FY13 in Operating Expenses to maintain a three year replacement cycle for 7 of the agency's computers and 1 file server and to upgrade data security and disaster recovery; these items can be found on the Operations Hardware and Software tabs of the agency's IT plan.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Science and Technology Authority

Program: Science & Tech-St Operations

Act #: 117 Section(s) #: 3 & 11

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0327 Funds Center: 678 Fund: HUA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

All funds will be spent.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

All funding was expensed in FY2010.

Note from DFA – Office of Budget: The portion of Special Language that requires this report is no longer necessary.

Dr. John W. Ahlen

President

08-26-2010

Date

Analysis of Budget Request

Appropriation: 83R - ARRA AIEC

Funding Sources: FST - Federal Funds-ARRA

This appropriation was established through the authority of the Miscellaneous Federal Grant Holding Account during the 2009-2011 biennium. The agency received two (2) subgrants under the American Recovery & Reinvestment Act (ARRA) for the Arkansas Industrial Energy Clearinghouse (AIEC) and the State Health Information Exchange Program (HIE).

The primary function of the AIEC is to serve the state's manufacturing industry with technical and environmental assistance, information, and expertise. The objective is to facilitate energy conservation and greenhouse gas reductions.

The Agency Requests a continuation of this grant for FY12 at \$87,190. This grant expires in FY12.

The Health Information Exchange Program (HIE) through the Office of Health Information Technology, will seek to expand and encourage the use of information technology and electronic health and medical records among healthcare providers such as doctors and hospitals.

The Agency Requests the continuation of HIE for the 2011-2013 biennium at \$7,909,401 each year. This appropriation includes two positions. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 83R - ARRA AIEC

Funding Sources: FST - Federal Funds-ARRA

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
ARRA of 2009 5900052	4,109	206,190	0	0	7,996,591	7,996,591	0	7,909,401	7,909,401
Total	4,109	206,190	0	0	7,996,591	7,996,591	0	7,909,401	7,909,401
Funding Sources									
Federal Funds-ARRA 4000244	4,109	206,190		0	7,996,591	7,996,591	0	7,909,401	7,909,401
Total Funding	4,109	206,190		0	7,996,591	7,996,591	0	7,909,401	7,909,401
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,109	206,190		0	7,996,591	7,996,591	0	7,909,401	7,909,401

This Appropriation established through the authority of the Miscellaneous Federal Program Act.

Change Level by Appropriation

Appropriation: 83R - ARRA AIEC
Funding Sources: FST - Federal Funds-ARRA

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	7,996,591	2	7,996,591	100.0	7,909,401	2	7,909,401	100.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C16	ARRA	7,996,591	2	7,996,591	100.0	7,909,401	2	7,909,401	100.0

Justification

C16	The agency received a subgrant from the Arkansas Energy Office to facilitate Arkansas industry's pursuit of energy conservation and greenhouse gas reductions. Arkansas Manufacturing Solutions (AMS) will partner with the University of Arkansas to develop and maintain the Arkansas Industrial Energy Clearinghouse (AIEC). This project is an online service to support and promote industrial energy-efficiency developments in Arkansas. The agency requests continuation of this grant for FY12 at \$87,190, this grant expires in FY12. The Health Information Exchange (HIE) cooperative agreement program is a subgrant from the Department of Finance & Administration to support the Office of Health Information Technology to encourage the use of electronic health records among healthcare providers such as doctors and hospitals. In meeting milestones established under the cooperative agreement the office will seek to expand and encourage the use of information technology and electronic health/medical records. It is hoped the increased use of information technology will create a safer, more-efficient healthcare system. The agency requests continuation of HIE for the 2011-2013 biennium at \$7,909,401 each year.
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Analysis of Budget Request

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Agency requests a reallocation from appropriation 919 Arkansas Manufacturing Extension Network of \$1,190,790 for FY12 and \$1,230,790 in FY13. This request separates the client (cash), the revenue portion of the AR Manufacturing Extension Network from the federal funded portion. Federal funds are derived from a cooperative agreement between the agency and the U.S. Department of Commerce National Institute of Standards & Technology (NIST). The client revenue is derived from service agreements and training class revenue. Separating the two sources of funds will simplify tracking of federal funds and allow better accountability of program revenues.

The reallocation of \$1,118,382 for FY12 and FY13 includes \$192,322 for Regular Salaries and Personal Services Matching and transfers three positions each year from appropriation 919. The reallocation also includes Operating Expenses of \$82,946, Conference & Travel Expenses of \$31,860, Professional Fees of \$60,500, Grants & Aid of \$440,000 and Field Services of \$310,754 each year.

The Agency requests a Change Level of \$72,408 in FY12 and \$112,408 in FY13 to meet the requirements of the service agreements. This includes an increase of \$16,954 and \$14,500 each year of the biennium for Operating Expenses and Professional Fees; respectively. An increase of \$40,954 for FY12 and \$80,954 in FY13 for Field Services is requested.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	0	0	146,782	146,782	0	146,782	146,782
#Positions	0	0	0	0	3	3	0	3	3
Personal Services Matching 5010003	0	0	0	0	45,540	45,540	0	45,540	45,540
Operating Expenses 5020002	0	0	0	0	99,900	99,900	0	99,900	99,900
Conference & Travel Expenses 5050009	0	0	0	0	31,860	31,860	0	31,860	31,860
Professional Fees 5060010	0	0	0	0	75,000	75,000	0	75,000	75,000
Grants and Aid 5100004	0	0	0	0	440,000	440,000	0	440,000	440,000
Field Services 5900046	0	0	0	0	351,708	351,708	0	391,708	391,708
Total	0	0	0	0	1,190,790	1,190,790	0	1,230,790	1,230,790
Funding Sources									
Fund Balance 4000005	0	0		0	0	0	0	1,048,463	1,048,463
Cash Fund 4000045	0	0		0	998,468	998,468	0	1,038,468	1,038,468
Transfers / Adjustments 4000683	0	0		0	1,240,785	1,240,785	0	0	0
Total Funding	0	0		0	2,239,253	2,239,253	0	2,086,931	2,086,931
Excess Appropriation/(Funding)	0	0		0	(1,048,463)	(1,048,463)	0	(856,141)	(856,141)
Grand Total	0	0		0	1,190,790	1,190,790	0	1,230,790	1,230,790

Agency Request reallocations of Base Level appropriation and positions from 919 AR Manufacturing Extension Network-Fed to appropriation 84W - New AMS - Cash in Treasury to separate the client (cash), the revenue portion of the AR Manufacturing Extension Network from the federal funded portion.

Change Level by Appropriation

Appropriation: 84W - New AMS - Cash in Treasury
Funding Sources: NST - Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C02	New Program	72,408	0	72,408	100.0	112,408	0	112,408	100.0
C04	Reallocation	926,060	0	998,468	1,378.9	926,060	0	1,038,468	923.8
C07	Agency Transfer	192,322	3	1,190,790	1,644.6	192,322	3	1,230,790	1,094.9

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
C02	New Program	72,408	0	72,408	100.0	112,408	0	112,408	100.0
C04	Reallocation	926,060	0	998,468	1,378.9	926,060	0	1,038,468	923.8
C07	Agency Transfer	192,322	3	1,190,790	1,644.6	192,322	3	1,230,790	1,094.9

Justification

C02	The agency requests an increase of \$72,408 in FY12 and \$112,408 in FY13 to meet the requirements of the service agreements. The agency requests an increase of \$16,954 and \$14,500 each FY for Operating Expenses and Professional Fees; respectively. The agency requests an increase of \$40,954 in FY12 and \$80,954 in FY13 for Field Services.
C04	The agency requests a reallocation of resources to separate federal funding (NIST Cooperative Agreement) from AMS client (cash) revenue. Federal funds are derived from a cooperative agreement between the agency and NIST. The client revenue is derived from service agreements and training class revenue. Separating the two sources of funds will simplify federal funds tracking and alleviate the need to maintain separate books from AASIS.
C07	The agency requests a transfer of three positions budgeted to appropriation 919 Arkansas Manufacturing Solutions (AMS) to the new AMS Cash appropriation (84W).

Analysis of Budget Request

Appropriation: 919 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. The program is funded by the U.S. Department of Commerce National Institute of Standards and Technology (NIST) and third party reimbursements for field services and technical support from manufacturers supported under this grant.

The Agency requests a reallocation to separate the client (cash), the revenue portion of the AR Manufacturing Extension Network from the federal funded portion. Federal funds are derived from a cooperative agreement between the agency and the U.S. Department of Commerce National Institute of Standards & Technology (NIST). Client funding is derived from service agreements and training class revenue.

The reallocation of \$1,118,382 for FY12 and FY13 includes \$192,322 for Regular Salaries and Personal Services Matching and transfers three positions each year to appropriation 84W New AMS. The reallocation also includes Operating Expenses of \$82,946, Conference & Travel Expenses of \$31,860, Professional Fees of \$60,500, Grants & Aid of \$440,000 and Field Services of \$310,754 each year.

The Agency requests a Change Level of \$5,000 each year of the biennium for Operating Expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 919 - AR Manufacturing Extention Network-Fed

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	129,506	146,782	149,555	146,782	0	0	146,782	0	0
#Positions		3	3	3	3	0	0	3	0	0
Personal Services Matching	5010003	38,361	45,496	43,297	45,540	0	0	45,540	0	0
Operating Expenses	5020002	121,992	177,946	177,946	177,946	100,000	100,000	177,946	100,000	100,000
Conference & Travel Expenses	5050009	18,747	31,860	31,860	31,860	0	0	31,860	0	0
Professional Fees	5060010	182,165	60,500	60,500	60,500	0	0	60,500	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	292,393	440,000	440,000	440,000	0	0	440,000	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Field Services	5900046	731,472	1,151,864	1,151,864	1,151,864	841,110	841,110	1,151,864	841,110	841,110
Total		1,514,636	2,054,448	2,055,022	2,054,492	941,110	941,110	2,054,492	941,110	941,110

Funding Sources										
Fund Balance	4000005	1,444,457	1,240,785		1,240,785	0	0	0	0	0
Federal Revenue	4000020	1,310,964	1,584,902		0	941,110	941,110	0	941,110	941,110
Third Party Reimbursement	4000490	0	469,546		0	0	0	0	0	0
Total Funding		2,755,421	3,295,233		1,240,785	941,110	941,110	0	941,110	941,110
Excess Appropriation/(Funding)		(1,240,785)	(1,240,785)		813,707	0	0	2,054,492	0	0
Grand Total		1,514,636	2,054,448		2,054,492	941,110	941,110	2,054,492	941,110	941,110

Agency Request reallocations of Base Level appropriation and positions from 919 AR Manufacturing Extention Network-Fed to appropriation 84W - New AMS - Cash in Treasury to separate the client (cash), the revenue portion of the AR Manufacturing Extention Network from the federal funded portion.

Change Level by Appropriation

Appropriation: 919 - AR Manufacturing Extention Network-Fed
Funding Sources: FST - ASTA Federal Programs

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	2,054,492	3	2,054,492	100.0	2,054,492	3	2,054,492	100.0
C01	Existing Program	5,000	0	2,059,492	100.2	5,000	0	2,059,492	100.2
C04	Reallocation	(926,060)	0	1,133,432	55.2	(926,060)	0	1,133,432	55.2
C07	Agency Transfer	(192,322)	(3)	941,110	45.8	(192,322)	(3)	941,110	45.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	2,054,492	3	2,054,492	100.0	2,054,492	3	2,054,492	100.0
C01	Existing Program	5,000	0	2,059,492	100.2	5,000	0	2,059,492	100.2
C04	Reallocation	(926,060)	0	1,133,432	55.2	(926,060)	0	1,133,432	55.2
C07	Agency Transfer	(192,322)	(3)	941,110	45.8	(192,322)	(3)	941,110	45.8

Justification

C01	The agency requests an increase of \$5,000 each FY for Operating Expenses for Other rent and leases.
C04	The agency requests a reallocation of resources to separate federal funding (NIST Cooperative Agreement) from AMS client (cash) funding. Client revenue is derived from service agreements and training class revenue. Separating the two funding sources will simplify federal funds tracking and alleviate the need to maintain separate books from AASIS.
C07	The agency requests a transfer of three positions budgeted to appropriation 919 to the New AMS Cash appropriation (84W).

Appropriation Summary

Appropriation: 38W - Industrial Energy Efficiency

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	31,389	0	0	0	0	0	0	0	0
Grants and Aid 5100004	6,464	0	0	0	0	0	0	0	0
Total	37,853	0	0	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	51,227	0		0	0	0	0	0	0
Total Funding	51,227	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	(13,374)	0		0	0	0	0	0	0
Grand Total	37,853	0		0	0	0	0	0	0

THIS APPROPRIATION NOT REQUESTED FOR THE 2011-2013 BIENNIUM.

The fund balance will be expensed in FY11 via an appropriation transfer from the Cash Fund Holding Account approved during the 2010 August PEER.

ARKANSAS SENTENCING COMMISSION

Enabling Laws

Act 283 of 2010
A.C.A. §16-90-801 - 16-90-804

History and Organization

"The purpose of the Arkansas Sentencing Commission is to establish, maintain and revise sentencing guidelines and to monitor and assess the effect of legislation and policy on correctional resources, and to educate the criminal justice community and the public regarding sentencing laws and policy."

As defined in Acts 532 and 550 of 1993, the Arkansas Sentencing Commission's powers and duties are:

- To adopt the initial sentencing standards grid and seriousness reference table within the new sentencing structure and to make any necessary revisions thereto;
- To establish transfer eligibility for the offenses at the seriousness levels with the more serious offenders serving one-half of their sentences and the less serious serving one-third;
- To monitor compliance with standards, assess impact on correctional resources and determine if the state sentencing policy is furthered;
- To make legislative recommendations on revisions to the target offense group, classifications of crimes, and appropriate changes to sentencing laws, policies and/or practices;
- "Strategic planning" with the Board of Correction to further the goals of equitable sentencing and rational use of correctional resources;
- Gather data relative to sentencing in coordination with the Administrative Office of the Courts, the Arkansas Crime Information Center, the circuit clerks of the State and the Departments of Correction and Community Correction;
- To develop a research and analysis system to determine the feasibility, impact on resources and budget consequences of proposed and existing legislation affecting sentence length.

The Commission is composed of nine voting members: three circuit judges, two prosecuting attorneys, two defense attorneys, and two members of the general public. The Commission currently has five full time staff positions. The Executive Director is responsible for compiling the work of the Commission and drafting suggested legislation. The Assistant Director and Legal Services Specialist are responsible for monitoring, data entry, data transference and analysis, impact studies and research on various sentencing practices. The Assistant Director also serves as the Agency Fiscal Officer. The Legal Services Specialist is also responsible for educational efforts, legal research and some

special projects. The Administrative Specialist III provides administrative, secretarial, and accounting support to the staff and commission. The Legal Support Specialist conducts data collection from judicial districts throughout the State and, under the direction of the Assistant Director, conducts legal research on special projects.

The Commission has adopted the initial sentencing grid and the seriousness reference table, and continues to establish transfer eligibility for all offenses created or modified by the General Assembly after each biennial legislative session, and also reviews and revises the guidelines as deemed necessary by the Commission.

The Commission also provides prison population projections and impact assessments for proposed legislation for the General Assembly during each biennial legislative session.

Data collection and analysis continues to be of great importance to the Commission. The lack of any standard form of reporting requires Commission staff to manually collect certain data by researching criminal case files in each of the State's seventy-five counties.

The Sentencing Commission continues to work with the Departments of Correction and Community Correction in developing a continuum of sanctions which will make the most efficient use of the correctional resources of the State.

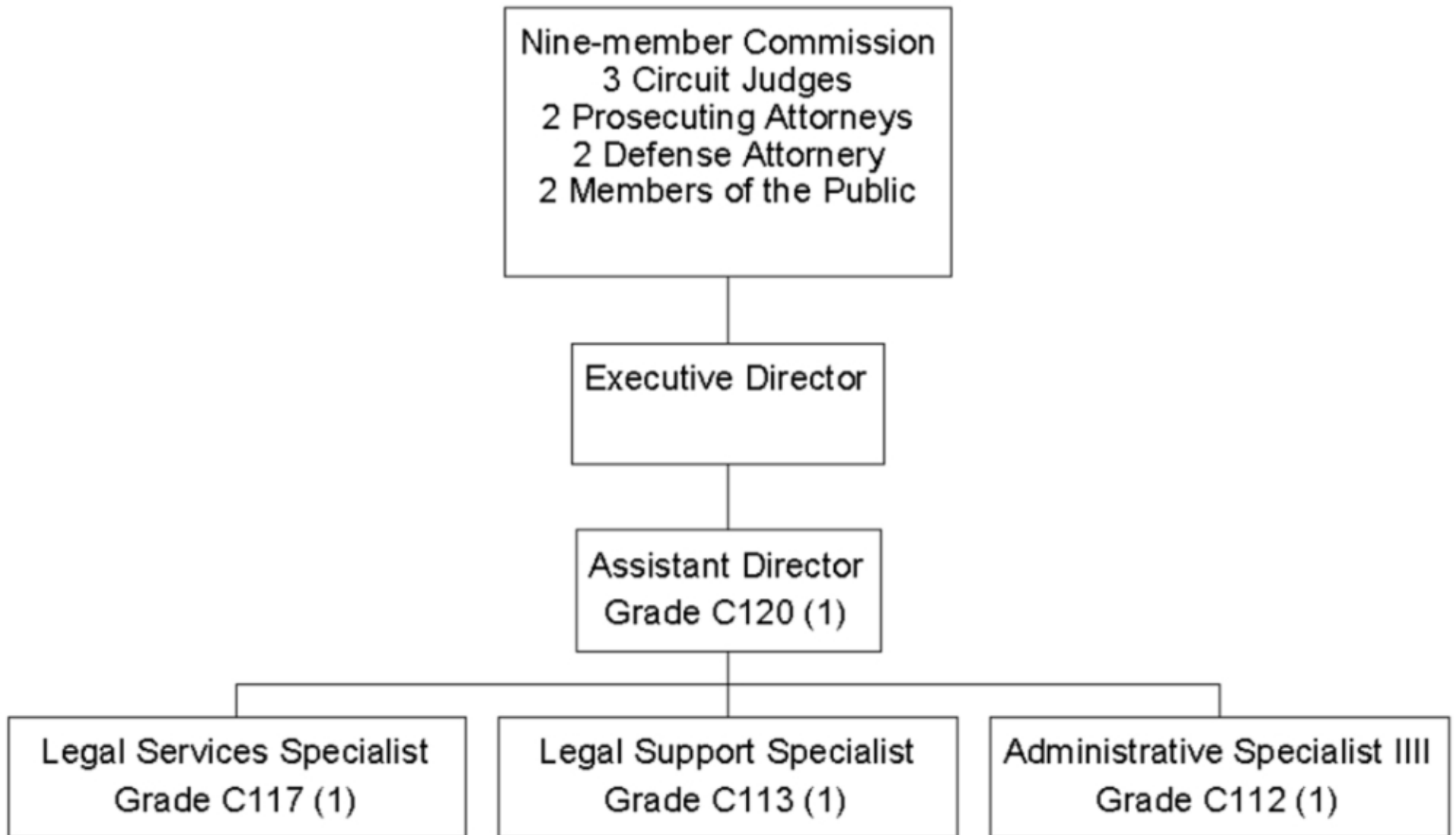
The Sentencing Commission provides daily research assistance to judges, defense attorneys and prosecutors throughout the State. The Commission provides timely updates on new developments in criminal law to all criminal justice constituents.

The Commission provides monthly training for court personnel, clerks and administrative personnel in the prosecuting attorneys' offices who collect and distribute data. This training helps improve the accuracy of court data which is used by several different criminal justice agencies in the State.

The Commission also provides continuing legal education training for lawyers practicing in the criminal field. This training emphasizes all segments of the criminal justice system and the correctional resources of the State. This training also helps the Commission carry out its legislative mandate to work with the Board of Corrections in making the best use of the correctional resources of the State.

One of the training sessions includes segments on programs available at the Department of Correction (DOC), understanding the time computations on sentences and transfer eligibility, Parole Board procedures, and a tour of the local Department of Community Correction facility with an emphasis on the therapeutic community treatment model available for offenders with substance abuse behavior. Increased knowledge and understanding of the available alternative sanctions help divert nonviolent offenders from the more costly prison beds. This training is certified by the Arkansas Supreme Court for Continuing Legal Education credit.

The Commission works with the Departments of Correction and Community Correction in producing projections on the inmate, parole and probation populations of the State. Commission staff monitors these projections for accuracy on a monthly basis. The Commission also does extensive analysis and tracking of sentencing trends.



Agency Commentary

The Arkansas Sentencing Commission has submitted one Change Level request for the up-coming biennium. The Change Level request includes a \$3,677 net increase for fiscal year 2012 and \$677 for fiscal year 2013. The increases over Base Level are mainly for printing costs of publishing the sentencing guidelines bench book which is furnished to judges, prosecuting attorneys and defense attorneys throughout the State. This book is updated each biennium to include changes made to criminal laws during the previous legislative session. The majority of the costs are incurred during the first year of the biennium. The additional requests for in-state travel are to cover the increased cost of conducting data collection from circuit clerk's offices throughout the State. This information is needed for accurately monitoring sentencing practices and policies in the state's criminal courts and to aid in various legislative inquiries.

In keeping with the Governor's instructions, the agency has reallocated funds in order to offset part of the requested increases.

This biennium request represents a decrease in requested appropriation from the previous biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SENTENCING COMMISSION

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	0	4	4	100 %
Black Employees	0	0	0	0 %

Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Sentencing Seminar Manual	N/A	N	N	300	Used in continuing legal education of attorney and judges on correctional resources of the State
ASC Administration Training Manual	N/A	N	N	300	Train criminal justice practitioners on justice system
Commission Biennial Report	ACA §16-90-802 (e)(2)(A)	N	Y	50	Legislative mandate and for information on commission activities and findings.
Departure Report Form	ACA §16-90-804	N	N	1,000	Court use when departing from the sentencing standards
Sentencing Standards Grid, Offenses Seriousness Rankings, and Related Material	ACA §16-90-802 et seq	N	N	1,250	Policy manual for sentencing standards used by criminal justice practitioners in criminal proceedings (also available on the Internet.)

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
5	5	0	5	0	0.00 %	5	4	1	5	0	20.00 %	5	4	1	5	0	20.00 %

Analysis of Budget Request

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Sentencing Commission was established by Act 532 & 550 of 1993 as codified at Arkansas Code 16-90-801 - 16-90-804 for the purpose of instituting sentencing standards to ensure that sanctions imposed following conviction are proportional to the seriousness of the offense of conviction and the extent of the offender's criminal history. The Commission has developed the sentencing grid, the seriousness reference table and established transfer eligibility for all offenses. The Commission provides impact assessments of proposed legislation for the Governor and General Assembly through a professional service contract with the Institute on Crime, Justice and Correction. This contract also has provided training to the staff of the Sentencing Commission and the Department of Correction in the use of a software program that is utilized in data analysis of criminal justice laws, policies and procedures. The Commission consists of nine (9) Commissioners that are appointed by the Governor for a five-year term.

This is the operating appropriation of the Commission. It is funded entirely by General Revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum. The Base Level request for Regular Salaries does include board member stipend payments.

The Base Level Request is \$373,247 for both fiscal years of the 2011-2013 biennium.

The Change Level Requests submitted are \$3,677 in FY2012 and \$677 in FY2013. This change level request represents an increase in FY2012 of \$3,000 for printing and publishing the sentencing guidelines benchbook. This book is updated each biennium to include changes made to criminal laws made during the previous legislative session. Additionally, \$677 is needed for travel due to increased costs of collecting data from the circuit clerk's offices throughout the state.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	196,513	200,543	217,784	217,756	217,756	217,756	217,756	217,756	217,756
#Positions	5	5	5	5	5	5	5	5	5
Personal Services Matching 5010003	59,839	63,602	66,156	67,193	67,193	67,193	67,193	67,193	67,193
Operating Expenses 5020002	67,804	64,748	83,340	64,748	68,425	64,748	64,748	65,425	64,748
Conference & Travel Expenses 5050009	4,376	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Professional Fees 5060010	16,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	344,532	352,443	390,830	373,247	376,924	373,247	373,247	373,924	373,247
Funding Sources									
General Revenue 4000010	344,532	352,443		373,247	376,924	373,247	373,247	373,924	373,247
Total Funding	344,532	352,443		373,247	376,924	373,247	373,247	373,924	373,247
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	344,532	352,443		373,247	376,924	373,247	373,247	373,924	373,247

Change Level by Appropriation

Appropriation: 806 - Sentencing Commission State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	373,247	5	373,247	100.0	373,247	5	373,247	100.0
C01	Existing Program	3,677	0	376,924	101.0	677	0	373,924	100.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	373,247	5	373,247	100.0	373,247	5	373,247	100.0
C01	Existing Program	0	0	373,247	100.0	0	0	373,247	100.0

Justification

C01	An increase in operating expenses is requested due to an increase in printing costs, \$3,000 for FY2012, and in-state travel expenses, \$677 for both FY2012 and FY2013. The printing costs cover publishing the sentencing guidelines benchbook that is furnished to judges, prosecuting attorneys and defense attorneys throughout the state. This book is updated each biennium to include changes made to criminal laws during the previous legislative session. The majority of the costs are incurred during the first year of the biennium. The increases in travel is due to the increased cost of conducting data collection from circuit clerk's offices throughout the state. This information is needed for accurately monitoring sentencing practices and policies in the state's criminal courts and to aide in various legislative inquiries.
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ARKANSAS STATE POLICE

Enabling Laws

Act 219 of 2010
A.C.A. §12-8-101 et seq.

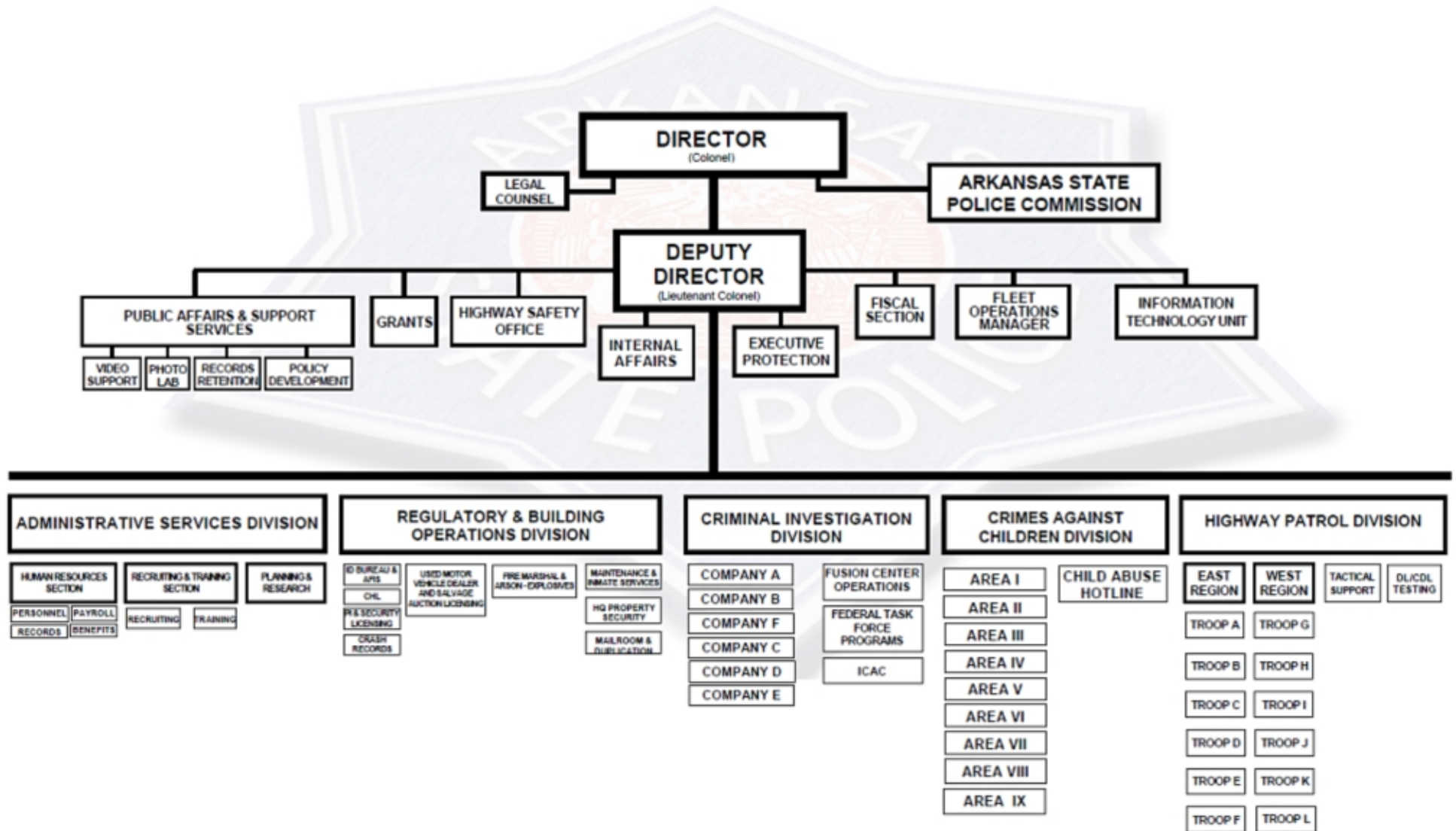
History and Organization

The Department of Arkansas State Police evolved from the original Arkansas State Rangers created in 1935. Act 231 of 1945 abolished the Arkansas State Police Department and created the current Department of Arkansas State Police. Act 38 of 1971 transferred the Arkansas State Police to the Department of Public Safety as the Police Services Division. The Department remained as an operating Division of the Department of Public Safety until Act 45 of 1981 abolished the Department of Public Safety and the Department of Arkansas State Police (ASP) was returned to its status as a separate agency.

The statutory responsibilities of the Department of Arkansas State Police are described in A.C.A. §12-8-101 et seq. Stated simply, the Department of Arkansas State Police is responsible for enforcement of the traffic laws, criminal laws, investigation of motor vehicular crashes, cases of child abuse, maltreatment and neglect, protection of the public and public property and apprehension of criminals. Additionally, the ASP is responsible for driver's license testing and other regulatory functions.

The Director of the Arkansas State Police is appointed by the Governor (A.C.A. §12-8-104). The Director's primary duties are: to promote rules and regulations necessary for the efficient operation of the Arkansas State Police; supervise and control for the purpose of discipline and proper management of all members and employees of the Arkansas State Police; and to appoint, with approval of the Arkansas State Police Commission, all members of the Arkansas State Police.

The Arkansas State Police Commission is composed of seven (7) members appointed by the Governor for a term of seven (7) years, each with the advice and consent of the Arkansas Senate. Act 149 of 1999 now requires that four (4) of the Commissioners be appointed from the congressional districts with three (3) being appointed at large, and no more than two (2) Commissioners being appointed from the same congressional district. Terms are staggered so that one term expires January 14 each year. One member (elected by the Commission) serves as Chairman. The Arkansas State Police Commission is required to conduct monthly meetings and is empowered (A.C.A. §12-8-103) to approve or disapprove each promotion or demotion and review each application for employment. In addition, the Commission hears appeals and approves or disapproves any disciplinary action and acts as administrators for the Arkansas State Police Uniformed Employee Health Plan (A.C.A. §12-8-210).



Agency Commentary

The Director's Office provides overall administration of the agency and directly manages the Arkansas's Highway Safety Office, Agency Fiscal Management, Executive Protection, Legal Services, Grants Management, Fleet Management, Information Technology, Public Affairs and Support Services and Internal Affairs. The Director, in consultation with the Deputy Director, oversees the daily operations of the agency.

The Department of Arkansas State Police (ASP) is organized into five (5) divisions: the Highway Patrol Division, the Administrative Services Division, the Regulatory & Building Operations Division, the Crimes Against Children Division and the Criminal Investigation Division.

The Highway Patrol Division (HPD) is comprised of twelve (12) troop headquarters located throughout the state. The HPD is responsible for patrolling the Arkansas highway system, responding to calls for service, and investigating motor vehicle crashes. Included within some troops are personnel assigned to Interstate Criminal Patrol teams. These teams place a special focus on identifying criminal activity traveling the Arkansas Highway System. The HPD also coordinates canine activities, including handler training throughout the agency. The HPD administers Arkansas driver's license testing and commercial driver's license testing programs. The HPD also manages the agency's tactical and air support unit, which includes the SWAT Team, Crisis Negotiation Team, Mobile Incident Command Center, and the Ballistic Engineered Armored Response Vehicle (BEAR). Aviation assets are managed by HPD providing both fixed wing and rotor wing aircraft for a multitude of law enforcement and executive protection missions.

The Administrative Services Division (ASD) operates the human resource functions for the agency which includes recruiting, hiring, promotions and all personnel transactions. The ASD conducts all trooper applicant testing and competitive promotional testing. The ASD coordinates and provides training throughout the agency, including troop school and in-service training. The ASD administers the uniformed officers' health insurance plan and monitors the ASP Retirement System.

The Regulatory & Building Operations Division (RBOD) is responsible for regulatory administration concerning licensing/permits for used motor vehicles dealers, concealed handguns, private investigators, security guards, alarm technicians, and fireworks establishments. The Division manages the Arkansas's Automated Fingerprint Identification System (AFIS) and Identification Bureau (ID). AFIS/ID is responsible for collection of all arrest records for the state as well as all non-criminal justice related background checks. Also, the State Fire Marshal Office and Crash Records Repository are located within the RBOD.

The Crimes Against Children Division (CACD) is comprised of the Child Abuse Hotline Section and the Investigation Section.

- The hotline operates 24 hours a day and seven days a week with a toll free number for the public and mandated reporters to report child maltreatment and other crimes against children (800-482-5964). The hotline receives over 4,000 calls per month. Investigations

are launched from the reports meeting the criteria of state and federal statutes. Calls are either dispatched to the Department of Human Services, Children and Family Services Division or Arkansas State Police CACD.

- The Investigation Section is comprised of nine (9) areas throughout Arkansas, responsible for the receipt and investigation of reports involving sexual abuse and severe physical maltreatment of children. The CACD Investigation Section works with law enforcement to prosecute crimes against children.

The Criminal Investigation Division (CID) is comprised of six (6) companies located throughout Arkansas. The Division provides investigative support to city, county, state and federal law enforcement agencies. CID manages the "Morgan Nick" Critical Incident Command Center, and the Internet Crimes Against Children Unit. The Division investigates white collar crimes and cases of public corruption via referrals from the Division of Legislative Audit or through various Prosecuting Attorneys.

The State of Arkansas Fusion Center is located within the Arkansas State Police Central Headquarters facility in Little Rock, Arkansas. The mission of the Arkansas State Fusion Center is to provide an integrated, multi-discipline, information sharing network to collect, analyze, and disseminate information to stakeholders in a timely manner in order to protect the citizens and the critical infrastructure of Arkansas.

A total of 1,039 full time personnel positions and 20 Extra Help positions are requested for the biennium.

Appropriation 519 - State Police Operations

This is the primary operating appropriation for the Department of Arkansas State Police. Change level requests are:

1. Arkansas State Police (ASP) requests funding and appropriation for an FY12 Troop School, which includes the restoration of 29 commissioned positions. Troop School is needed to maintain current staffing levels and the integrity of the Agency's mission by providing timely response to call for services and meet legislative mandates. Anticipated cost is \$2,113,720 for FY12 and \$2,129,380 in FY13.

In addition, the Agency requests an FY13 Troop School utilizing attrition positions. Anticipated operating cost is \$389,365.

2. ASP requests funding and appropriation for 20 new positions plus 3 growth pool positions received in FY 10. These positions include:
 - 6 ASP Executive Security Guards
 - 1 Information Systems Coordinator

- 1 Systems Coordination Analyst II
- 2 ASP Majors
- 4 Administrative Specialist II
- 2 CACD Hotline Operators
- 3 ASP/CACD Senior Investigators
- 1 Telecommunication Specialist

These positions are needed to staff a variety of essential job duties within the Agency. Anticipated cost is \$1,124,060 in FY12 and \$1,136,490 in FY13.

3. ASP requests funding and appropriation for the new State of Arkansas Fusion Center for recurring costs and maintenance of equipment and software. Anticipated cost is \$218,369 both years of the biennium.
4. ASP requests funding and appropriation for increased operating expenses at two (2) new ASP properties: Troop K Headquarters in Hot Springs and the ASP Hanger located at the Little Rock Airport. This will help with increased utilities, maintenance and insurance costs. Anticipated cost is \$106,600 both years of the biennium.
5. ASP requests funding and appropriation for Travel and Training expenses for the biennium. Requests include mandated training (state and federal) for all aspects of ASP operations. Anticipated cost is \$163,455 both years of the biennium.
6. ASP requests funding and appropriation for the purchase of 388 Tasers in FY12 and 194 in FY13. This tool provides an officer with an additional use of force option less than lethal. Anticipated cost is \$400,000 in FY12 and \$200,000 in FY13.
7. ASP requests funding and appropriation for Disaster Recovery expenses for the biennium. ASP will establish a Disaster Recovery location for all Agency IT data at the ASP Hanger. This will include fiber, server, and router. Anticipated cost is \$175,000 in FY12 and \$36,000 in FY13.
8. ASP requests funding and appropriation for Information Technology needs. Requests include recurring costs and maintenance of equipment and software, replacement of dated equipment, and transition to INA for online programs. Anticipated cost is \$268,575 in FY12 and \$90,950 in FY13.

9. ASP requests appropriation only for the Fleet Rotation Maintenance. Appropriation is needed to equip, repair, and maintain agency vehicles. Anticipated cost is \$747,700 in FY12 and \$668,700 in FY13. Funding is Special Revenue.
10. ASP requests appropriation only for Used Motor Vehicles Operations. Appropriation is needed for operating expenses and training. Anticipated cost is \$15,400 both years of the biennium. Funding is Special Revenue.
11. ASP requests appropriation only for PI/Security Operations. Appropriation is needed to update the PI/Security database and training. Anticipated cost is \$27,854 both years of the biennium. Funding is Special Revenue.

519 Summary

Total Appropriation Change Level request in FY12 is \$5,347,703.

Total New General Revenue request in FY12 is \$4,556,749.

Total Appropriation Change Level request in FY13 is \$4,780,158.

Total New General Revenue request in FY13 is \$4,068,204.

Appropriation 345 - AFIS Operations, Maintenance & Equipment

This appropriation is for operation and maintenance of the Automated Fingerprint Identification System (AFIS). The AFIS system provides computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the state with the technology to quickly and accurately process fingerprint records through twenty-one (21) remote livescan stations located across the state.

The Agency requests appropriation of \$4,771,250 in FY12 and \$2,761,250 in FY13. Base is \$1,126,350 both years of the biennium. Change level requests are \$3,644,900 in FY12 and \$1,634,900 in FY13 and include:

- Operating Expenses of \$1,079,900 both years of the biennium for INA fees, FBI fees, software changes, and mobile AFIS units.
- Capital Outlay of \$2,565,000 in FY12 and \$555,000 in FY13 for electronic fingerprint capture stations, AFIS hardware upgrades, and fingerprint storage.

This appropriation is funded through Special Revenues collected from fees for Criminal History Background Checks.

Appropriation 521 - ASP Federal Programs

This appropriation is utilized by ASP to support the operations of federal grants. The Agency is requesting \$1,017,297 in FY12 and \$1,018,917 in FY13. Base is \$549,687 both years of the biennium. Change level requests are \$467,610 in FY12 and \$469,230 in FY13.

We anticipate receiving federal funding for two (2) Internet Crimes Against Children grants. Change level requests are:

- Decrease in Overtime and Personal Services Matching.
- Increase in Capital Outlay for computers and analyst notebooks in FY12 and for a server in FY13.
- Establish ARRA appropriation for salary, fringe, and grants/aid.

This appropriation is only used for federal expenditures authorized through grant awards.

Appropriation 524 - Confiscated Funds

This appropriation is utilized for State and Federal Asset Forfeitures.

We request Base Level each year of the biennium.

Appropriation 526 - Criminal Background Checks

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from special revenues collected from fees for Criminal History Background Checks and federal charges for FBI background checks.

The Agency requests appropriation of \$3,343,825 in FY12 and \$3,099,225 in FY13. Base is \$2,418,825 in FY12 and \$2,424,225 in FY13. Change level requests are \$925,000 in FY12 and \$675,000 in FY13 and include:

- \$525,000 both years of the biennium in Operating Expenses for FBI fees and computer replacement.
- \$400,000 in Capital Outlay in FY12 and \$150,000 in FY13 for software upgrades to the Criminal Background Check System.

Appropriation 1AJ - ASP Methamphetamine Federal Grant (MIG)

This appropriation is utilized by ASP to support the operations of federal methamphetamine grants. This appropriation is only used for federal expenditures authorized through grant awards.

The agency requests appropriation of \$715,931 both years of the biennium. Base is \$457,026. Change level request is \$258,905 both years of the biennium which includes:

- \$72,145 in Overtime expenses
- \$21,644 in Personal Services Matching
- \$54,362 in Conference & Travel expenses
- \$70,754 in Professional Fees
- \$40,000 in Capital Outlay to purchase four (4) covert surveillance systems

Appropriation 1FD - Highway Safety Program (State)

This appropriation is utilized by ASP through the Highway Safety Office to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. This appropriation is funded from Special Revenues collected through the Child Passenger Protection Fund.

We request Base Level each year of the biennium.

Appropriation 1FJ - Highway Safety Program (Federal)

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded primarily with federal funds from the National Highway Traffic Safety Administration (NHTSA).

The Agency requests appropriation of \$43,418,683 in FY12 and \$43,426,198 in FY13. Base is \$36,308,537 in FY12 and \$36,315,512 in FY13. Change level requests are \$7,110,146 in FY12 and \$7,110,686 in FY13 which includes:

- 1 new position - Highway Safety Program Specialist
- \$541,392 in Overtime
- \$162,417 in Personal Services Matching
- \$4,124,474 in Operating Expenses
- \$278,912 in Conference and Travel Expenses

- \$108,867 in Professional Fees
- \$350,000 in Grants/Aid
- \$1,494,000 in Capital Outlay

Agency received new federal funding for Child Safety/Booster Seat. Agency will be utilizing Primary Seatbelt funds to purchase In-Car Digital Video Download System, driving simulators, and the development of E-Citation.

Appropriation 2EG - Homeland Security

This appropriation is utilized for the Department of Homeland Security grants. This appropriation is funded 100% with federal funds.

The Agency requests appropriation of \$383,291 both years of the biennium. Base is \$133,291. Change level request is \$250,000 which includes:

- \$250,000 in Capital Outlay for 10 replicators.

Appropriation 9KA - ASP AWIN General Revenue

This appropriation is utilized for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with General Revenue to the Arkansas State Police and expensed by the Department of Information Services.

The Agency requests appropriation of \$7,599,194 in FY12 and \$7,099,194 in FY13. Base is \$6,088,994 both years of the biennium. Change level requests are \$1,510,200 in FY12 and \$1,010,200 in FY13.

- \$63,200 in Operating Expenses
- \$25,000 in Conference and Travel Expenses
- \$450,000 in Professional Fees
- \$1,000,000 in Capital Outlay in FY12 and \$500,000 in FY13
- Reallocation of \$28,000 in Data Processing to Operating Expenses

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE POLICE
FOR THE YEAR ENDED JUNE 30, 2008

Findings	Recommendations
None	None

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE POLICE RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2009

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	538	247	785	83 %
Black Employees	81	71	152	16 %
Other Racial Minorities	7	2	9	1 %
Total Minorities			161	17 %
Total Employees			946	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
ASP Uniformed Employee Health Insurance Plan	Act 219 of 2010	Y	Y	1	Required by Statute

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1AJ Methamphetamine Investigation - Federal	41,953	0	708,685	0	533,144	0	457,026	0	715,931	0	715,931	0	457,026	0	715,931	0	715,931	0
1FD Highway Safety Program - State	253,014	1	308,201	1	305,800	1	307,793	1	307,793	1	307,793	1	308,378	1	308,378	1	308,378	1
1FJ Highway Safety Program - Federal	10,938,257	11	45,087,190	13	36,309,485	13	36,308,537	13	43,418,683	14	43,418,683	14	36,315,512	13	43,426,198	14	43,426,198	14
2EG Homeland Security-Federal	345,618	0	1,040,889	0	1,415,500	0	133,291	0	383,291	0	383,291	0	133,291	0	383,291	0	383,291	0
345 Automated Fingerprint Identification System (AFIS)	1,481,487	0	2,126,350	0	2,126,350	0	1,126,350	0	4,771,250	0	2,126,350	0	1,126,350	0	2,761,250	0	1,681,350	0
519 ASP-Operations	76,047,040	979	75,342,797	962	86,137,693	989	74,422,110	959	79,769,813	1,011	74,422,110	959	74,939,970	959	79,720,128	1,011	74,939,970	959
521 Various Federal Programs	4,397,265	3	4,842,645	3	1,345,403	0	549,687	0	1,017,297	3	1,017,297	3	549,687	0	1,018,917	3	1,018,917	3
524 Confiscated Funds Transfer	0	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0
526 Criminal Background Checks	1,317,190	9	2,514,627	10	2,503,974	9	2,418,825	10	3,343,825	10	2,881,325	10	2,424,225	10	3,099,225	10	2,761,725	10
9KA AR Wireless Information Network (AWIN)	5,661,208	0	6,088,994	0	6,088,994	0	6,088,994	0	7,599,194	0	6,088,994	0	6,088,994	0	7,099,194	0	6,088,994	0
Total	100,483,032	1,003	141,060,378	989	139,766,343	1,012	124,812,613	983	144,327,077	1,039	134,361,774	987	125,343,433	983	141,532,512	1,039	134,324,754	987

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	12,015,012	10.7	12,254,188	8.0	11,724,938	8.5	11,724,938	7.7	11,724,938	8.0	12,828,693	9.2	7,467,839	5.1	11,366,193	7.8	
General Revenue	4000010	58,126,278	51.6	62,212,412	40.7	61,905,577	45.0	67,972,526	44.8	61,905,577	42.5	62,293,971	44.6	67,372,375	45.7	62,293,971	42.6	
Federal Revenue	4000020	12,121,088	10.8	47,714,595	31.2	37,473,541	27.2	45,073,377	29.7	45,073,377	30.9	37,480,516	26.8	45,080,892	30.5	45,080,892	30.8	
Special Revenue	4000030	19,677,561	17.5	19,662,910	12.9	19,221,962	14.0	19,221,962	12.7	19,221,962	13.2	19,840,049	14.2	19,840,049	13.4	19,840,049	13.6	
DFA Motor Vehicle Acquisition	4000184	3,195,050	2.8	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Federal Funds-ARRA	4000244	3,629,637	3.2	3,987,102	2.6	0	0.0	486,825	0.3	486,825	0.3	0	0.0	488,445	0.3	488,445	0.3	
Other	4000370	1,174,448	1.0	1,099,725	0.7	1,403,816	1.0	1,403,816	0.9	1,403,816	1.0	1,345,578	1.0	1,345,578	0.9	1,345,578	0.9	
Special State Asset Forfeiture	4000465	0	0.0	3,000,000	2.0	3,000,000	2.2	3,000,000	2.0	3,000,000	2.1	3,000,000	2.1	3,000,000	2.0	3,000,000	2.0	
Transfer from DHS	4000510	2,798,146	2.5	2,854,384	1.9	2,911,472	2.1	2,911,472	1.9	2,911,472	2.0	2,969,710	2.1	2,969,710	2.0	2,969,710	2.0	
Total Funds		112,737,220	100.0	152,785,316	100.0	137,641,306	100.0	151,794,916	100.0	145,727,967	100.0	139,758,517	100.0	147,564,888	100.0	146,384,838	100.0	
Excess Appropriation/(Funding)		(12,254,188)		(11,724,938)		(12,828,693)		(7,467,839)		(11,366,193)		(14,415,084)		(6,032,376)		(12,060,084)		
Grand Total		100,483,032		141,060,378		124,812,613		144,327,077		134,361,774		125,343,433		141,532,512		134,324,754		

Appropriations 1FD, 1FJ, 519 and 526 - The increase in Base Level from FY12 to FY13 is due to an anticipated increase in health insurance rates. Appropriations 1AJ, 1FJ and 521 - FY11 Budget exceeds Authorized due to a transfer from the Miscellaneous Federal Grant Holding Account. Appropriations 1FD and 526 - The FY11 Budget exceeds Authorized due to salary and matching rate adjustments during the 2009-2011 biennium. Appropriation 521 - The FY11 Budgeted number of positions exceeds Authorized due to a transfer from the Miscellaneous Federal Grant Holding Account. Appropriation 526 - The FY11 Budgeted number of positions exceeds Authorized due to single salary section in appropriation act.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,104	949	29	978	126	14.04 %	1,012	960	37	997	15	5.14 %	1,012	952	37	989	23	5.93 %

Analysis of Budget Request

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

This program is specifically targeted at methamphetamine laboratory investigation and the Environmental Protection Agency requirements for the dismantling and disposal of equipment and chemicals used in the manufacture of methamphetamine. This appropriation is used for federal expenditures authorized through grant awards.

The Agency's Change Level requests total \$258,905 each year and reflect the following:

- Overtime and Personal Services Matching increases of \$93,789 each year for meth lab investigations and clean-up.
- Conference and Travel Expenses increase in the amount of \$54,362 each year for training required as a condition of receiving federal grants.
- Professional Fees increase of \$70,754 each year for physical examinations of officers to be certified for meth lab clean-up.
- Capital Outlay of \$40,000 each year to purchase covert outdoor surveillance systems.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	4,324	48,349	24,374	23,339	44,983	44,983	23,339	44,983	44,983
Overtime	5010006	18,999	149,943	77,798	77,798	149,943	149,943	77,798	149,943	149,943
Operating Expenses	5020002	2,422	240,258	315,341	240,258	240,258	240,258	240,258	240,258	240,258
Conference & Travel Expenses	5050009	7,858	103,790	49,428	49,428	103,790	103,790	49,428	103,790	103,790
Professional Fees	5060010	8,350	136,957	66,203	66,203	136,957	136,957	66,203	136,957	136,957
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	29,388	0	0	40,000	40,000	0	40,000	40,000
Total		41,953	708,685	533,144	457,026	715,931	715,931	457,026	715,931	715,931
Funding Sources										
Federal Revenue	4000020	41,953	708,685		457,026	715,931	715,931	457,026	715,931	715,931
Total Funding		41,953	708,685		457,026	715,931	715,931	457,026	715,931	715,931
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		41,953	708,685		457,026	715,931	715,931	457,026	715,931	715,931

FY11 Budget exceeds Authorized Appropriation in Overtime, Personal Services Matching, Conference and Travel, Professional Fees and Capital Outlay due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1AJ - Methamphetamine Investigation - Federal
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	457,026	0	457,026	100.0	457,026	0	457,026	100.0
C01	Existing Program	218,905	0	675,931	147.9	218,905	0	675,931	147.9
C08	Technology	40,000	0	715,931	156.6	40,000	0	715,931	156.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	457,026	0	457,026	100.0	457,026	0	457,026	100.0
C01	Existing Program	218,905	0	675,931	147.9	218,905	0	675,931	147.9
C08	Technology	40,000	0	715,931	156.6	40,000	0	715,931	156.6

Justification

C01	Anticipated federal Meth grant FY12 and FY13. Grant will provide for clandestine laboratory certification training and safety equipment to local officers throughout the state. Grant funding will train and equip law enforcement officers to safely respond to methamphetamine sites. The enhanced training will improve the response efficiency and timeliness to hazardous sites.
C08	Grant funding will purchase four (4) covert outdoor surveillance systems at \$10,000 each. IT Plan: Project - Meth.

Analysis of Budget Request

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

Arkansas State Police utilizes this program, through the Highway Safety Office, to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. This appropriation is funded from special revenues collected through the Arkansas Child Passenger Protection Fund.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Request provides for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	56,774	59,574	57,233	59,123	59,123	59,123	59,123	59,123	59,123
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	16,602	26,540	26,480	26,583	26,583	26,583	27,168	27,168	27,168
Operating Expenses	5020002	4,425	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	175,213	210,987	210,987	210,987	210,987	210,987	210,987	210,987	210,987
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		253,014	308,201	305,800	307,793	307,793	307,793	308,378	308,378	308,378
Funding Sources										
Fund Balance	4000005	526,310	549,224		551,023	551,023	551,023	559,430	559,430	559,430
Special Revenue	4000030	275,928	310,000		316,200	316,200	316,200	322,600	322,600	322,600
Total Funding		802,238	859,224		867,223	867,223	867,223	882,030	882,030	882,030
Excess Appropriation/(Funding)		(549,224)	(551,023)		(559,430)	(559,430)	(559,430)	(573,652)	(573,652)	(573,652)
Grand Total		253,014	308,201		307,793	307,793	307,793	308,378	308,378	308,378

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

The increase in Base Level Personal Services Matching from FY12 to FY13 is due to an anticipated increase in health insurance rates.

Analysis of Budget Request

Appropriation: 1FJ - Highway Safety Program - Federal

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded with federal funds from the National Highway Traffic Safety Administration (NHTSA).

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Change Level requests total \$7,110,146 in FY12 and \$7,110,686 in FY13 and reflect the following:

- Regular Salaries and Personal Services Matching increase in the amount of \$50,084 in FY12 and \$50,624 in FY13 due to the Agency's request to add one (1) new ASP Highway Safety Program Specialist for the Motorcycle Safety Program.
- Overtime and Personal Services Matching increase in the amount of \$703,809 each year for anticipated increases in federal grants.
- Operating Expenses increase in the amount of \$4,124,474 each year for data processing equipment and supplies for various highway safety programs and development of the E-Citation program.
- Conference and Travel Expenses increase in the amount of \$278,912 each year for training required as a condition of funding.
- Professional Fees increase in the amount of \$108,867 each year for the Child Safety and Booster Seat program and the E-Citation program.
- Grants and Aid increase in the amount of \$350,000 each year for the Child Safety and Booster Seat program.
- Capital Outlay in the amount of \$1,494,000 each year for equipment to be purchased for various highway safety programs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	435,877	528,468	493,036	521,219	553,468	553,468	521,219	553,468	553,468
#Positions		11	13	13	13	14	14	13	14	14
Extra Help	5010001	11,588	55,000	82,000	55,000	55,000	55,000	55,000	55,000	55,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	210,956	652,138	366,279	364,147	544,399	544,399	371,122	551,914	551,914
Overtime	5010006	340,365	868,013	326,621	326,621	868,013	868,013	326,621	868,013	868,013
Operating Expenses	5020002	544,694	3,602,437	1,641,648	1,641,649	5,766,123	5,766,123	1,641,649	5,766,123	5,766,123
Conference & Travel Expenses	5050009	38,572	292,186	53,274	53,274	332,186	332,186	53,274	332,186	332,186
Professional Fees	5060010	2,567,582	3,342,750	3,333,883	3,333,883	3,442,750	3,442,750	3,333,883	3,442,750	3,442,750
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	6,729,841	30,012,744	30,012,744	30,012,744	30,362,744	30,362,744	30,012,744	30,362,744	30,362,744
Capital Outlay	5120011	58,782	5,733,454	0	0	1,494,000	1,494,000	0	1,494,000	1,494,000
Total		10,938,257	45,087,190	36,309,485	36,308,537	43,418,683	43,418,683	36,315,512	43,426,198	43,426,198
Funding Sources										
Federal Revenue	4000020	10,938,257	45,087,190		36,308,537	43,418,683	43,418,683	36,315,512	43,426,198	43,426,198
Total Funding		10,938,257	45,087,190		36,308,537	43,418,683	43,418,683	36,315,512	43,426,198	43,426,198
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		10,938,257	45,087,190		36,308,537	43,418,683	43,418,683	36,315,512	43,426,198	43,426,198

FY11 Budget exceeds Authorized Appropriation in Regular Salaries, Personal Services Matching, Overtime, Operating Expenses, Conference and Travel, Professional Fees and Capital Outlay due to transfers from the Miscellaneous Federal Grant Holding Account.

The increase in Base Level Personal Services Matching from FY12 to FY13 is due to an anticipated increase in health insurance rates.

Change Level by Appropriation

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	36,308,537	13	36,308,537	100.0	36,315,512	13	36,315,512	100.0
C01	Existing Program	2,019,489	1	38,328,026	105.6	2,020,029	1	38,335,541	105.6
C02	New Program	500,000	0	38,828,026	106.9	500,000	0	38,835,541	106.9
C08	Technology	4,590,657	0	43,418,683	119.6	4,590,657	0	43,426,198	119.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	36,308,537	13	36,308,537	100.0	36,315,512	13	36,315,512	100.0
C01	Existing Program	2,019,489	1	38,328,026	105.6	2,020,029	1	38,335,541	105.6
C02	New Program	500,000	0	38,828,026	106.9	500,000	0	38,835,541	106.9
C08	Technology	4,590,657	0	43,418,683	119.6	4,590,657	0	43,426,198	119.6

Justification

C01	Received federal funding from NHTSA Section 405 for Occupant Protection. New position requested for Motorcycle Safety Program.
C02	ASP Highway Safety anticipates receiving new federal funds for Child Safety and Booster Seat Program.
C08	Utilization of Primary Seatbelt funds to purchase in-car digital video download system, laptop computers, driving simulators, in-car video cameras, TraCS server, develop E-Citation Program, and Automatic Vehicle Location Program. IT Plan: Projects - E-Citation, TraCS, TSS

Analysis of Budget Request

Appropriation: 2EG - Homeland Security-Federal

Funding Sources: FLA - ASP Federal

This appropriation is utilized for Department of Homeland Security Grants.

The Agency's Change Level requests total \$250,000 each year and reflect the following:

- \$36,883 Reallocation between GL codes in Operating Expenses each year to more accurately reflect anticipated expenses.
- Capital Outlay in the amount of \$250,000 each year to purchase port replicators and customized hubs to interface between law enforcement agencies databases for the Fusion Center.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2EG - Homeland Security-Federal

Funding Sources: FLA - ASP Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	36,358	71,391	938,700	71,391	71,391	71,391	71,391	71,391	71,391
Conference & Travel Expenses	5050009	47,408	130,261	61,900	61,900	61,900	61,900	61,900	61,900	61,900
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	261,852	839,237	414,900	0	250,000	250,000	0	250,000	250,000
Total		345,618	1,040,889	1,415,500	133,291	383,291	383,291	133,291	383,291	383,291
Funding Sources										
Federal Revenue	4000020	345,618	1,040,889		133,291	383,291	383,291	133,291	383,291	383,291
Total Funding		345,618	1,040,889		133,291	383,291	383,291	133,291	383,291	383,291
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		345,618	1,040,889		133,291	383,291	383,291	133,291	383,291	383,291

FY11 Budget exceeds Authorized Appropriation in Conference and Travel and Capital Outlay due to transfers from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 2EG - Homeland Security-Federal
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	133,291	0	133,291	100.0	133,291	0	133,291	100.0
C04	Reallocation	0	0	133,291	100.0	0	0	133,291	100.0
C08	Technology	250,000	0	383,291	287.6	250,000	0	383,291	287.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	133,291	0	133,291	100.0	133,291	0	133,291	100.0
C04	Reallocation	0	0	133,291	100.0	0	0	133,291	100.0
C08	Technology	250,000	0	383,291	287.6	250,000	0	383,291	287.6

Justification

C04	\$36,883 Reallocation between GL codes in Operating Expenses each year to more accurately reflect anticipated expenses.
C08	Purchase port replicators for the State of Arkansas Fusion Center. IT Plan: Project - Fusion Center

Analysis of Budget Request

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

The AFIS system provides state of the art computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the state with the technology to quickly and accurately process fingerprint records through twenty-two (22) remote live-scan stations located across the state. This appropriation is funded through special revenues collected from fees for Criminal History Background Checks.

The Agency's Change Level requests total \$3,644,900 in FY12 and \$1,634,900 in FY13 and reflect the following:

- Operating Expenses increase in the amount of \$1,079,900 each year for increases in the costs of data processing system maintenance and Information Network of Arkansas (INA) transaction fees and purchase of mobile AFIS units.
- Capital Outlay of \$2,565,000 in FY12 and \$555,000 in FY13 for the purchase of electronic fingerprint capture stations, AFIS hardware upgrades and fingerprint storage.

The Executive Recommendation provides for Capital Outlay of \$1,000,000 in FY12 and \$555,000 in FY13.

Appropriation Summary

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	778,650	1,115,250	1,115,250	1,115,250	2,195,150	1,115,250	1,115,250	2,195,150	1,115,250
Conference & Travel Expenses	5050009	4,171	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	698,666	1,000,000	1,000,000	0	2,565,000	1,000,000	0	555,000	555,000
Total		1,481,487	2,126,350	2,126,350	1,126,350	4,771,250	2,126,350	1,126,350	2,761,250	1,681,350
Funding Sources										
Fund Balance	4000005	2,549,686	2,936,693		3,110,343	3,110,343	3,110,343	4,283,993	639,093	3,283,993
Special Revenue	4000030	1,868,494	2,300,000		2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Total Funding		4,418,180	5,236,693		5,410,343	5,410,343	5,410,343	6,583,993	2,939,093	5,583,993
Excess Appropriation/(Funding)		(2,936,693)	(3,110,343)		(4,283,993)	(639,093)	(3,283,993)	(5,457,643)	(177,843)	(3,902,643)
Grand Total		1,481,487	2,126,350		1,126,350	4,771,250	2,126,350	1,126,350	2,761,250	1,681,350

Change Level by Appropriation

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,126,350	0	1,126,350	100.0	1,126,350	0	1,126,350	100.0
C01	Existing Program	175,000	0	1,301,350	115.5	175,000	0	1,301,350	115.5
C08	Technology	3,469,900	0	4,771,250	423.6	1,459,900	0	2,761,250	245.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	1,126,350	0	1,126,350	100.0	1,126,350	0	1,126,350	100.0
C01	Existing Program	0	0	1,126,350	100.0	0	0	1,126,350	100.0
C08	Technology	1,000,000	0	2,126,350	188.8	555,000	0	1,681,350	149.3

Justification

C01	FBI fee increases due to the volume of transactions.
C08	Biennial Capital Outlay includes electronic fingerprint stations, AFIS upgrades, fingerprint storage, latent fingerprint stations, and hardware for national fingerprint file. IT Plan: Major Application - AFIS

Analysis of Budget Request

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is the primary operating account for the Department of Arkansas State Police. Approximately 70% of the total funding comes from general revenue. The remaining 30% is derived from a variety of sources, including federal reimbursement, DWI/Court Awards, transfer from Department of Human Services to support the Crimes Against Children Division (CACD), miscellaneous revenue sources and a broad spectrum of special revenue.

Special revenue sources include Arkansas Drivers License Fees, Commercial Drivers License Fees, license fees for security guards and private investigators, permit fees for concealed weapons and used motor vehicle dealer license fees.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency's Change Level requests total \$5,347,703 with general revenue funding of \$4,556,749, in FY12 and \$4,780,158 with general revenue funding of \$4,068,204, in FY13 and reflects the following:

- Regular Salaries and Personal Services Matching increases of \$2,839,237 in FY12 and \$2,867,317 in FY13 for restoration of twenty nine (29) Trooper positions, the addition of twenty (20) new positions and three (3) Growth Pool positions throughout the Agency's five (5) divisions, and reclassification of four (4) positions to more accurately reflect the work being performed.
- Extra Help increase of \$9,178 each year for Troop Schools and the associated Personal Services Matching.
- Operating Expenses increase in the amount of \$2,030,883 in FY12 and \$1,605,208 in FY13 for the following:
 1. One (1) Troop School each year
 2. Costs of maintenance of equipment and software for the new State Fusion Center
 3. Increased utilities, maintenance and insurance costs at two (2) new ASP properties, Troop K Headquarters in Hot Springs and the ASP Hanger located at the Little Rock Airport
 4. The purchase of 388 tasers in FY12 and 194 in FY13 to provide officers with an additional less than lethal use of force option
 5. To establish a Disaster Recovery location for all Agency IT data at the ASP Hanger, including fiber, server, and router
 6. Information Technology needs including recurring costs and maintenance of equipment and software, replacement of dated equipment, and transition to INA for online programs;
 7. Equip, repair, and maintain agency vehicles
 8. Update the PI/Security database.

- Conference and Travel Expenses increase in the amount of \$163,455 each year for training (state and federal) for all aspects of ASP operations.
- Professional Fees increase in the amount of \$30,000 each year for vendor contracting for in-house Troop School training.
- Capital Outlay in the amount of \$275,000 in FY12 and \$105,000 in FY13 for equipment purchases for the Disaster Recovery location, IT needs and vehicle equipping.

The Executive Recommendation provides for Base Level with the reclassification of four (4) positions.

Appropriation Summary

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	41,942,890	42,921,543	44,014,971	42,351,900	44,208,964	42,351,900	42,351,900	44,208,964	42,351,900
#Positions		979	962	989	959	1,011	959	959	1,011	959
Extra Help	5010001	109,217	110,000	152,347	110,000	119,178	110,000	110,000	119,178	110,000
#Extra Help		18	18	18	18	18	18	18	18	18
Personal Services Matching	5010003	21,446,843	22,012,284	24,700,780	22,268,240	23,250,413	22,268,240	22,786,100	23,796,353	22,786,100
Overtime	5010006	67,139	102,288	341,258	102,288	102,288	102,288	102,288	102,288	102,288
Operating Expenses	5020002	7,532,250	9,168,682	15,387,037	9,168,682	11,199,515	9,168,682	9,168,682	10,773,890	9,168,682
Conference & Travel Expenses	5050009	98,339	96,000	273,200	96,000	259,455	96,000	96,000	259,455	96,000
Professional Fees	5060010	50,008	200,000	404,600	200,000	230,000	200,000	200,000	230,000	200,000
Data Processing	5090012	0	0	20,000	0	0	0	0	0	0
Claims	5110015	762,000	0	0	0	0	0	0	0	0
Capital Outlay	5120011	3,913,354	607,000	718,500	0	275,000	0	0	105,000	0
Covert Ops	5900047	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Total		76,047,040	75,342,797	86,137,693	74,422,110	79,769,813	74,422,110	74,939,970	79,720,128	74,939,970

Funding Sources										
Fund Balance	4000005	6,389,330	5,667,085		5,477,013	5,477,013	5,477,013	5,639,286	4,848,332	5,639,286
General Revenue	4000010	52,465,070	56,123,418		55,816,583	60,373,332	55,816,583	56,204,977	60,273,181	56,204,977
Federal Revenue	4000020	27,632	22,288		25,000	25,000	25,000	25,000	25,000	25,000
Special Revenue	4000030	15,664,449	15,052,910		14,427,512	14,427,512	14,427,512	15,039,199	15,039,199	15,039,199
DFA Motor Vehicle Acquisition	4000184	3,195,050	0		0	0	0	0	0	0
Other	4000370	1,174,448	1,099,725		1,403,816	1,403,816	1,403,816	1,345,578	1,345,578	1,345,578
Transfer from DHS	4000510	2,798,146	2,854,384		2,911,472	2,911,472	2,911,472	2,969,710	2,969,710	2,969,710
Total Funding		81,714,125	80,819,810		80,061,396	84,618,145	80,061,396	81,223,750	84,501,000	81,223,750
Excess Appropriation/(Funding)		(5,667,085)	(5,477,013)		(5,639,286)	(4,848,332)	(5,639,286)	(6,283,780)	(4,780,872)	(6,283,780)
Grand Total		76,047,040	75,342,797		74,422,110	79,769,813	74,422,110	74,939,970	79,720,128	74,939,970

The increase in Base Level Personal Services Matching from FY12 to FY13 is due to an anticipated increase in health insurance rates.

Change Level by Appropriation

Appropriation: 519 - ASP-Operations
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	74,422,110	959	74,422,110	100.0	74,939,970	959	74,939,970	100.0
C01	Existing Program	3,303,215	47	77,725,325	104.4	3,328,595	47	78,268,565	104.4
C06	Restore Position/Approp	147,388	3	77,872,713	104.6	149,008	3	78,417,573	104.6
C08	Technology	1,897,100	2	79,769,813	107.2	1,302,555	2	79,720,128	106.4

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	74,422,110	959	74,422,110	100.0	74,939,970	959	74,939,970	100.0
C01	Existing Program	0	0	74,422,110	100.0	0	0	74,939,970	100.0
C06	Restore Position/Approp	0	0	74,422,110	100.0	0	0	74,939,970	100.0
C08	Technology	0	0	74,422,110	100.0	0	0	74,939,970	100.0
C14	Title Change	0	0	74,422,110	100.0	0	0	74,939,970	100.0

Justification

C01	Agency requesting to restore 29 positions and 18 new positions. Agency is requesting to have a Troop School both years of the biennium, increased training/travel, Professional Fees, Operating Expenses for the State of Arkansas Fusion Center, and increased operating costs for Troop K and Hangar.
C06	Restoration of 3 growth pool positions: 2 CACD Sr. Investigators and 1 Information Systems Coordinator.
C08	Agency requests 2 new IT positions: Information Systems Coordinator and Systems Coordination Analyst. Technology requests include establishment of disaster recovery for the agency, converting PI/Security and Fire Marshal to INA, purchase of computers, printers, tasers, routers, server, and software maintenance. IT Plan: IT Support Item - Hardware, Software
C14	Agency is requesting a position title change from State Police Trooper 1st Class to ASP Trooper 1st Class for consistency in the Agency's position naming convention.

Analysis of Budget Request

Appropriation: 521 - Various Federal Programs

Funding Sources: ASP - Federal

This federally funded appropriation is utilized by Arkansas State Police to support various programs received as grants from the United States Department of Justice. The Agency anticipates receiving federal funding from two (2) Internet Crimes Against Children grants.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Change Level requests total \$467,610 in FY12 and \$469,230 in FY13 and reflect the following:

- Discontinuation of Overtime and Personal Service Matching appropriation due to anticipated federal grant awards.
- Grants and Aid decrease in the amount of (\$40,871) each year due to anticipated federal grant awards.
- Capital Outlay of \$26,000 each year for the purchase of two computers, two notebook computers and a server for the Internet Crimes Against Children Task Force.
- ARRA of 2009 in the amount of \$486,825 in FY12 and \$488,445 in FY13 for the restoration of three (3) ARRA positions; Forensic Specialist, Senior Intelligence Analyst and Administrative Specialist III. Salary and associated Personal Services Matching (\$156,882) and M&O (\$329,943) for the Internet Crimes Against Children Task Force.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 521 - Various Federal Programs

Funding Sources: ASP - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching	5010003	5,303	1,003	23,499	1,003	0	0	1,003	0	0
Overtime	5010006	34,054	3,341	75,000	3,341	0	0	3,341	0	0
Operating Expenses	5020002	358,694	162,793	521,964	162,793	162,793	162,793	162,793	162,793	162,793
Conference & Travel Expenses	5050009	48,158	142,586	172,622	142,586	142,586	142,586	142,586	142,586	142,586
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	119,165	239,964	199,093	239,964	199,093	199,093	239,964	199,093	199,093
Capital Outlay	5120011	202,254	305,856	353,225	0	26,000	26,000	0	26,000	26,000
ARRA of 2009	5900052	3,629,637	3,987,102	0	0	486,825	486,825	0	488,445	488,445
Total		4,397,265	4,842,645	1,345,403	549,687	1,017,297	1,017,297	549,687	1,018,917	1,018,917
Funding Sources										
Federal Revenue	4000020	767,628	855,543		549,687	530,472	530,472	549,687	530,472	530,472
Federal Funds-ARRA	4000244	3,629,637	3,987,102		0	486,825	486,825	0	488,445	488,445
Total Funding		4,397,265	4,842,645		549,687	1,017,297	1,017,297	549,687	1,018,917	1,018,917
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		4,397,265	4,842,645		549,687	1,017,297	1,017,297	549,687	1,018,917	1,018,917

FY11 Budget exceeds Authorized Appropriation Grants & Aid and ARRA of 2009 due to transfers from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 521 - Various Federal Programs
Funding Sources: ASP - Federal

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	549,687	0	549,687	100.0	549,687	0	549,687	100.0
C03	Discontinue Program	(45,215)	0	504,472	91.8	(45,215)	0	504,472	91.8
C08	Technology	26,000	0	530,472	96.5	26,000	0	530,472	96.5
C16	ARRA	486,825	3	1,017,297	185.1	488,445	3	1,018,917	185.4

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	549,687	0	549,687	100.0	549,687	0	549,687	100.0
C03	Discontinue Program	(45,215)	0	504,472	91.8	(45,215)	0	504,472	91.8
C08	Technology	26,000	0	530,472	96.5	26,000	0	530,472	96.5
C16	ARRA	486,825	3	1,017,297	185.1	488,445	3	1,018,917	185.4

Justification

C03	Elimination of Overtime (\$3,341) and associated Personal Services Matching (\$1,003). Reduction of Grants & Aid (\$40,871).
C08	In FY12, purchase two (2) Apple Pro Computers and two (2) Analyst Notebooks. In FY13, purchase server. IT Plan: Project - ICAC
C16	Restoration of 3 ARRA positions; Forensic Specialist, Senior Intelligence Analyst and Administrative Specialist III. Salary and associated Personal Services Matching (\$156,882) and M&O (\$329,943) for the Internet Crimes Against Children Task Force.

Analysis of Budget Request

Appropriation: 524 - Confiscated Funds Transfer

Funding Sources: TPC - Court Awards Fund

The Department of Arkansas State Police is authorized, after seeking the approval of the Chief Fiscal Officer of the State, to request transfer from the appropriation made herein for "Confiscated Funds Transfer" to the Maintenance and General Operations classifications established in the operations appropriation (Appropriation 519) of the Department of Arkansas State Police, and may be used for motor vehicle purchases and associated taxes and/or motor vehicle equipping/renovation costs, agency operational needs and capital improvements for the Department of Arkansas State Police. Fund transfers may be requested from the Court Awards Fund to the Department of Arkansas State Police Fund in the same amount and for the same purposes as the appropriation transfer requested under the provisions of this section. The provisions of this section are subject to prior review and approval of the Arkansas Legislative Council or Joint Budget Committee.

The Agency Request provides for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 524 - Confiscated Funds Transfer

Funding Sources: TPC - Court Awards Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Investments/Transfers 5110020	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funding Sources									
Special State Asset Forfeiture 4000465	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Funding	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Analysis of Budget Request

Appropriation: 526 - Criminal Background Checks

Funding Sources: SEF - State Police Equipment Fund

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from special revenues collected from the fees for Criminal History Background Checks and the federal charge for FBI Background Checks.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Change Level requests total \$925,000 for FY12 and \$675,000 for FY13 and reflect the following:

- Operating Expenses in the amount of \$525,000 each year for increases in requests for background checks and computer replacement.
- Capital Outlay of \$400,000 in FY12 and \$150,000 in FY13 for software upgrades to the Criminal Background Check System.

The Executive Recommendation provides the following:

- Operating Expenses increase in the amount of \$262,500 each year.
- Capital Outlay of \$200,000 in FY12 and \$75,000 in FY13.

Appropriation Summary

Appropriation: 526 - Criminal Background Checks

Funding Sources: SEF - State Police Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	191,760	223,643	215,996	221,443	221,443	221,443	221,443	221,443	221,443
#Positions		9	10	9	10	10	10	10	10	10
Personal Services Matching	5010003	81,357	141,634	138,628	148,032	148,032	148,032	153,432	153,432	153,432
Operating Expenses	5020002	1,040,039	2,033,650	2,033,650	2,033,650	2,558,650	2,296,150	2,033,650	2,558,650	2,296,150
Conference & Travel Expenses	5050009	4,034	15,700	15,700	15,700	15,700	15,700	15,700	15,700	15,700
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	100,000	0	400,000	200,000	0	150,000	75,000
Total		1,317,190	2,514,627	2,503,974	2,418,825	3,343,825	2,881,325	2,424,225	3,099,225	2,761,725
Funding Sources										
Fund Balance	4000005	2,549,686	3,101,186		2,586,559	2,586,559	2,586,559	2,345,984	1,420,984	1,883,484
Special Revenue	4000030	1,868,690	2,000,000		2,178,250	2,178,250	2,178,250	2,178,250	2,178,250	2,178,250
Total Funding		4,418,376	5,101,186		4,764,809	4,764,809	4,764,809	4,524,234	3,599,234	4,061,734
Excess Appropriation/(Funding)		(3,101,186)	(2,586,559)		(2,345,984)	(1,420,984)	(1,883,484)	(2,100,009)	(500,009)	(1,300,009)
Grand Total		1,317,190	2,514,627		2,418,825	3,343,825	2,881,325	2,424,225	3,099,225	2,761,725

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium. The FY11 Budget Number of Positions exceeds the Authorized Number due to single salary section in appropriation act. The increase in Base Level Personal Services Matching from FY12 to FY13 is due to an anticipated increase in health insurance rates.

Change Level by Appropriation

Appropriation: 526 - Criminal Background Checks
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	2,418,825	10	2,418,825	100.0	2,424,225	10	2,424,225	100.0
C01	Existing Program	500,000	0	2,918,825	120.7	500,000	0	2,924,225	120.6
C08	Technology	425,000	0	3,343,825	138.2	175,000	0	3,099,225	127.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	2,418,825	10	2,418,825	100.0	2,424,225	10	2,424,225	100.0
C01	Existing Program	250,000	0	2,668,825	110.3	250,000	0	2,674,225	110.3
C08	Technology	212,500	0	2,881,325	119.1	87,500	0	2,761,725	113.9

Justification

C01	Increases in volume of FBI Criminal Background Checks.
C08	To purchase 12 computers each year of the biennium. Software upgrades to Criminal Background System. IT Plan: Major Application: AFIS

Analysis of Budget Request

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: ASP - AWIN General Revenue

This appropriation is used for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with general revenue.

The Agency's Change Level requests total \$1,510,200 in FY12 and \$1,010,200 in FY13 and reflect the following:

- Operating Expenses in the amount of \$35,200 each year to support expenses incurred in the provision of communications services to State first responder personnel, emergency repairs and increased utility expenses necessary to prevent an interruption of services to State agencies.
- Conference and Travel Expenses in the amount of \$25,000 each year for training costs.
- Professional Fees increases in the amount of \$450,000 each year for third party consulting contracts to assist in FCC compliance.
- Reallocation in the amount of \$28,000 each year from Data Processing to Operating Expenses. The Office of Accounting has determined that these expenditures should properly be made from the Operating Expenses line item.
- Capital Outlay of \$1,000,000 in FY12 and \$500,000 in FY13 for equipment shelter and tower repair/replacement.

The Executive Recommendation provides for Base Level with the reallocation of \$28,000 each year from Data Processing to Operating Expenses.

Funding for the Capital Outlay of \$1,000,000 in FY12 and \$500,000 in FY13 for equipment shelter and tower repair/replacement will be addressed through the General Improvement Fund.

Appropriation Summary

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: ASP - AWIN General Revenue

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	5,661,208	6,060,994	6,060,994	6,060,994	6,124,194	6,088,994	6,060,994	6,124,194	6,088,994
Conference & Travel Expenses	5050009	0	0	0	0	25,000	0	0	25,000	0
Professional Fees	5060010	0	0	0	0	450,000	0	0	450,000	0
Data Processing	5090012	0	28,000	28,000	28,000	0	0	28,000	0	0
Capital Outlay	5120011	0	0	0	0	1,000,000	0	0	500,000	0
Total		5,661,208	6,088,994	6,088,994	6,088,994	7,599,194	6,088,994	6,088,994	7,099,194	6,088,994
Funding Sources										
General Revenue	4000010	5,661,208	6,088,994		6,088,994	7,599,194	6,088,994	6,088,994	7,099,194	6,088,994
Total Funding		5,661,208	6,088,994		6,088,994	7,599,194	6,088,994	6,088,994	7,099,194	6,088,994
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		5,661,208	6,088,994		6,088,994	7,599,194	6,088,994	6,088,994	7,099,194	6,088,994

Change Level by Appropriation

Appropriation: 9KA - AR Wireless Information Network (AWIN)
Funding Sources: ASP - AWIN General Revenue

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	6,088,994	0	6,088,994	100.0	6,088,994	0	6,088,994	100.0
C01	Existing Program	27,450	0	6,116,444	100.5	27,450	0	6,116,444	100.5
C04	Reallocation	0	0	6,116,444	100.5	0	0	6,116,444	100.5
C08	Technology	1,482,750	0	7,599,194	124.8	982,750	0	7,099,194	116.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	6,088,994	0	6,088,994	100.0	6,088,994	0	6,088,994	100.0
C01	Existing Program	0	0	6,088,994	100.0	0	0	6,088,994	100.0
C04	Reallocation	0	0	6,088,994	100.0	0	0	6,088,994	100.0
C08	Technology	0	0	6,088,994	100.0	0	0	6,088,994	100.0

Justification

C01	Biennial increases for energy costs, spare parts, civil work, training, and consulting fees.
C04	Moved data processing commitment item 12 to commitment item 02. Re-aligned general ledger codes to reflect biennial budget.
C08	Tower replacement for AWIN. IT Plan: Major Application - AWIN

AR DEPARTMENT OF VETERANS' AFFAIRS

Enabling Laws

Act 278 of 2010
Act 221 of 2010
A.C.A. §20-81-102 et seq.

History and Organization

Act 343 of 1925 created our Agency as the Arkansas Service Bureau to aid World War Veterans and Veterans of American Wars to obtain government benefits and for other purposes.

Act 234 of 1945 renamed our Agency to the Arkansas Veterans' Service Office and changed our responsibilities to assisting all veterans and their dependents in securing their rights and benefits under all laws, both state and federal.

Act 536 of 1975 appropriated funds to the Arkansas Veterans' Service Office for assisting the seventy-five (75) counties in paying salaries and/or expenses of County Veterans Service Officers who meet the training qualifications, the scheduled numbers of working hours per month and other qualifications prescribed or as may be prescribed by our office.

Act 377 of 1975 created the Governor's Task Force on Veterans' Affairs to study any and all matters relating to and affecting the affairs of veterans in the state of Arkansas as requested by the Governor or as deemed necessary by the Task Force, and to make recommendations to the Governor on request or as deemed appropriate by the majority of the members of the Task Force.

Act 619 of 1977 authorized the Arkansas Veterans' Service Office to establish and maintain an Arkansas Veterans' Home in the building formerly used by the School for the Blind and Deaf located at 20th and Madison Streets, Little Rock, Arkansas.

Act 324 of 1979, codified in A.C.A. §20-81-102 et seq., renamed our Agency as the Arkansas Department of Veterans' Affairs, which would assume all the duties and responsibilities of the Arkansas Veterans Service Office as well as to supervise the operation of the Arkansas Veterans' Home; supervise the activities, training and testing of all the County Veterans Service Officers in each county and to create a Governor's Task Force on Veterans' Affairs.

Act 432 of 1985, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to require the Arkansas Department of Veterans'

Affairs to promulgate guidelines for admission to the Arkansas Veterans' Home and to conform to federal requirements necessary to qualify the Arkansas Veterans' Home as a Nursing Home and Domiciliary for veterans.

Act 431 of 1985, codified in A.C.A. §20-81-107, authorized the Arkansas Department of Veterans' Affairs to accept the donation of real property for use as Veterans Cemeteries.

Act 157 of 1987, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to provide for the conversion of the Arkansas Veterans' Home to a Nursing Home and Domiciliary for veterans without the necessity of obtaining a certificate of need.

Act 733 of 1987 appropriated funds to supplement private donations for expansion of the Little Rock, Fayetteville and Fort Smith National Cemeteries.

Act 670 of 1991, amended A.C.A. §20-81-104(b)(4) to authorize members of the Governor's Task Force on Veterans' Affairs to attend conventions, conferences or meetings of recognized veterans organizations.

Act 136 of 1993 amended A.C.A. §20-81-104 to change the name of the Governor's Task Force on Veterans' Affairs to the Governor's Commission on Veterans' Affairs.

Act 719 of 1993 amended A.C.A. §20-81-103 regarding the qualifications for appointment of the Director of the Department of Veterans' Affairs.

Act 235 of 1997 amended A.C.A. §20-81-112 by authorizing the Arkansas Department of Veterans' Affairs to establish and operate an Arkansas State Veterans' Cemetery system.

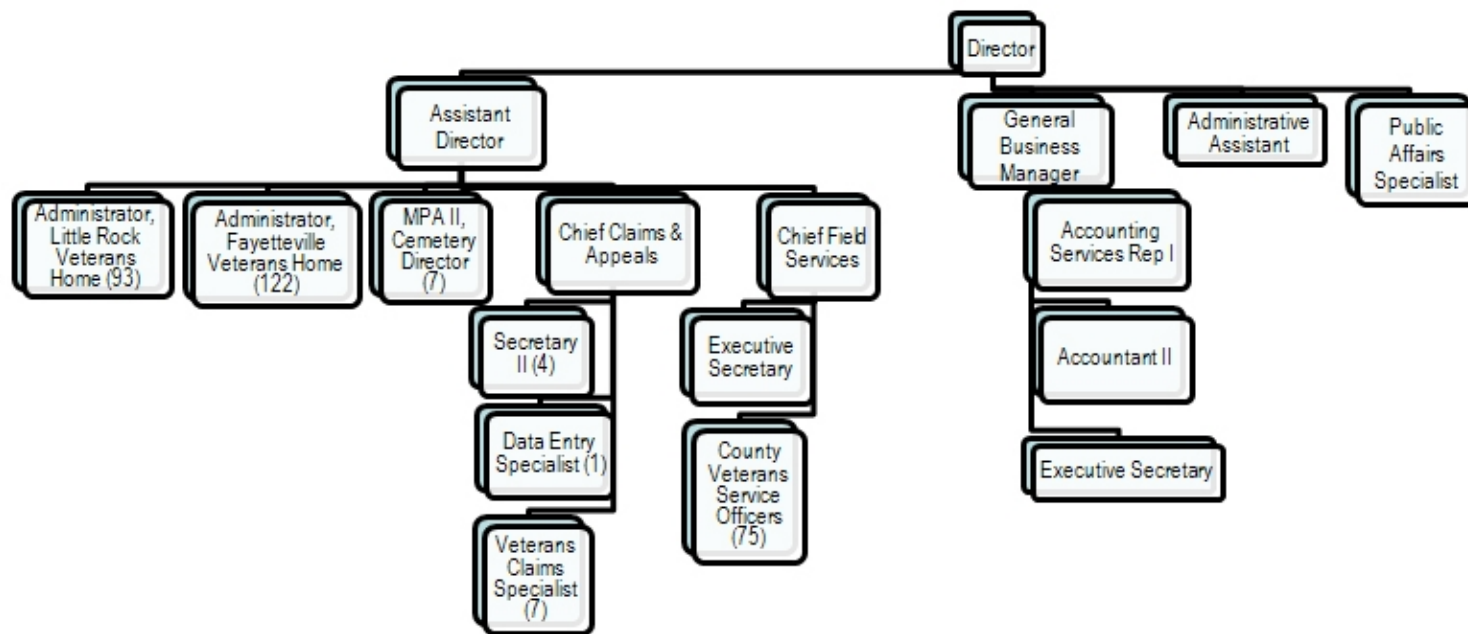
MISSION

The mission of this Agency is to ensure that veterans, their dependents and survivors receive the maximum benefits to which they are entitled under federal and state laws.

SERVICES PERFORMED

- Assist veterans, their dependents and survivors in their claims with the U.S. Department of Veterans Affairs (USDVA) for benefits they are entitled to under Title 38, United States Code.
- Supervise the activities, training and testing of a network of County Veterans Service Officers (CVSOs). There are 75 counties with county veterans service officers who are trained and supervised by this agency to serve veterans, their dependents and survivors.

- Establish, implement and maintain a program for providing financial assistance to counties to help defray the salaries and/or expenses of the CVSOs.
- Establish, operate and maintain the Arkansas Veterans' Cemetery system.
- Maintain the Little Rock Veterans' Home, which houses a 61-bed intermediate care nursing facility and a 55-bed Veterans' Domiciliary facility. This facility, which was opened in 1980, serves honorably discharged veterans who have become disabled and are unemployable.
- Maintain the Fayetteville Veterans' Home that opened in June 2006 that houses a 108 bed skilled care nursing facility.
- Participate on such boards, committees and/or projects which relate to the Agency's mission or as directed by a competent state authority.
- To promulgate rules and regulations as deemed necessary.



Agency Commentary

Arkansas Department of Veterans' Affairs

The goal of this agency is to assist all veterans, their dependents, and survivors in securing available benefits. Additionally, the Agency

provides nursing and domiciliary care to Arkansas Veterans by operating a 116 bed facility in Little Rock and a 108 bed facility in Fayetteville. The Agency also operates the State Veterans Cemetery in North Little Rock and will be breaking ground on a new Cemetery in Birdeye in the fall of 2010.

Appropriation 224: Administrative and Veterans Claims/Advocacy Services

This appropriation is utilized to provide administrative support services to ensure that all of the operational objectives are met. Additionally, this appropriation is used to provide Veterans Claims and Advocacy services by counseling advocating at both the state and national level and by training 75 County Veterans Service Officers and 7 service officers to provide assistance.

The Agency is requesting Base Level.

Appropriation 225: Little Rock Home

This appropriation is utilized to operate a Long-Term Care and Domiciliary facility in Little Rock by providing a professional staff of healthcare and support providers, by continuing training for the entire staff and by providing equipment and supplies necessary to adequately maintain the aging facility.

The Agency is requesting the following change levels above Base Level:

- Regular Salaries and Matching: Increase in appropriation of \$110,342 and general revenue funding in the amount of \$121,914 each year.
 - The request includes restoration and reclassification of two (2) Security Officers(T087C/C106) to Public Safety Security Officers (T084C/C110) which were not budgeted during FY2011. These positions are necessary for the enforcement of traffic, criminal laws and parking violations at the facility.
 - Restoration of one (1) Licensed Practical Nurse (L069C/C113). We anticipate our census of residents to increase in the biennium and this position will be needed to provide direct care to the residents.
 - The Agency also requests the reclassification of six (6) Food Preparation Technician (S089C/C102) positions and one (1) Food Preparation Specialist (S085C/C104) to Cooks (S086C/C104). All the positions are performing the same tasks and should be classified as such. This was not addressed in the pay plan. The new supervisor feels that this will help recruit more qualified applicants.

Appropriation 2QD: Fayetteville Veterans' Home

This appropriation is utilized to operate a Long-Term Care and Skilled Care Facility in Fayetteville by providing a professional staff of health care and support providers, by continuing training for the entire staff and by providing equipment and supplies necessary to adequately maintain the facility.

The Agency is requesting the following change levels above Base Level:

- Regular Salaries and Personal Services Matching: Increase in appropriation only of \$38,780 each year of the biennium.
 - The request includes the restoration of one Licensed Practical Nurse (L069C/C113) position that was not budgeted in FY2011.
 - The Agency is also requesting to reclassify two positions. We would like to request one (1) Public Safety Security Officer (T084C/C110) be reclassified to Security Officer Supervisor (T084C/C113). The incumbent has been performing the duties of supervisor. This reclassification will correct the inequity and will have the same organizational elements as the Arkansas Veterans' Home in Little Rock. The second request is that one (1) Administrative Specialist III (C056C/C112) be reclassified to Health Records Specialist (C056C/C115). Just prior to the pay plan this position was upgraded, but it was after the extract. The incumbent has taken on more responsibility and is now in charge of Medicare and Medicaid billing. This new classification more accurately describes her job duties.

Appropriation 490: Veterans' Cemeteries - State*

This appropriation is used to maintain the veterans cemeteries by providing sufficient staffing to maintain the facilities and grounds, by developing standardized procedures to ensure consistent care of facilities and grounds, and by creating an interment program responsive to the needs of veterans and their survivors. Since the Veterans' Cemetery - Birdeye (Appropriation 56T) is projected to become operational in the fall of 2011, the Agency requests to combine that appropriation with this appropriation. *The Agency requests an appropriation title change to "Veterans' Cemeteries - State" to reflect the addition of the Veterans' Cemetery at Birdeye. Both cemeteries will utilize this appropriation.

The Agency is requesting the following change levels above Base Level:

- Regular Salaries and Personal Services Matching: Increase in appropriation and General Revenue funding of \$318,857 each year of the biennium.

North Little Rock:

- This request includes the addition of one (1) Administrative Specialist III (C056C/C112) to assist the Administrative Analyst and represent the cemetery at interments, and one (1) Heavy Equipment Operator (S060C/C109) to help address an increase in burials that prison labor is currently being used to address.
- The Agency requests the reclassification of two positions. One (1) Records Management Analyst (C043C/C113; position was cross-graded from a Maintenance Technician S046C/C113 during FY2010) to an Administrative Analyst (C037C/C115) and one (1) ADVA Program Coordinator (G185C/C117) to the new title of Veterans Cemetery Director (C119). This will put both cemeteries with the same organizational elements. This was not anticipated during the pay plan. We only had one cemetery and now have new leadership at the North Little Rock cemetery. We believe these changes will provide continuity within our Agency.

Birdeye:

- The Agency requests to reallocate Veterans' Cemetery - Birdeye (Appropriation 56T) to this appropriation.
 - This request enables the Agency to staff the new cemetery and includes the addition of four (4) Heavy Equipment Operator positions (S060C/C109), one (1) Maintenance Supervisor (S033C/C115), one (1) Administrative Analyst (C037C/C115) and one (1) Administrative Specialist III (C056C/C112).
 - The Agency is also requesting the reclassification of one (1) ADVA Program Coordinator (G185C/C117) to the new title of Veterans Cemetery Director (C119). This will put both cemeteries with the same organizational elements.
- Operating Expenses: Increase in appropriation and General Revenue funding in the amount of \$44,775 each year of the biennium.

North Little Rock:

- The Agency requests \$2,290 each year of the biennium. The Agency has experienced an increase in our water & sewage costs. This will ensure that the cemetery will continue to irrigate the turf to maintain the appearance of the cemetery.
- Increase of \$5,000 in each year for shop & industrial supplies. The cemetery has a fleet of aging equipment under the new Capital Outlay threshold. The increase is needed to purchase replacement mowers, belts, hardware, etc.
- Increase in the amount of \$4,000 each year for fuel purchases. This request represents the increase in the price of gasoline.
- Increase of \$9,560 each year to start a turf management program. Currently, the Agency has not been able to apply a fertilizer and pre-emergent program. This will greatly enhance the appearance of the turf at the Cemetery. These requests are in accordance with federal regulations of the National Cemetery Association.

Birdeye:

- The Agency request provides to duplicate the proposed Operating Expenses budget of the North Little Rock Veterans' Cemetery. This will provide parity between the two cemeteries.

Appropriation 38R: Little Rock Veterans' Home Cash Fund

This appropriation is utilized to help support operations of the Arkansas Veterans' Home maintained by the Agency. This appropriation is funded by cash and federal funds that are then transferred to Appropriation 225.

The Agency is requesting Base Level.

Appropriation 38S: Veterans' Cemeteries - Cash**

This appropriation is utilized to help provide land improvements to Veterans Cemetery maintained by the Agency. This request is 100% funded by burial fees. **The Agency requests an appropriation title change to "Veterans' Cemeteries - Cash" to reflect the addition of the Veterans' Cemetery in Birdeye. Both cemeteries will utilize this appropriation.

The Agency is requesting the following change levels above Base Level:

- Capital Outlay: Increase in appropriation only in the amount of \$130,000 each year. This request is necessary to restore capital outlay appropriation and for continued improvement projects anticipated by the Agency.

Appropriation 56T: Veterans' Cemetery - Birdeye

This appropriation is used to maintain the Veterans' Cemetery in Birdeye providing sufficient staffing to maintain the cemetery facilities and grounds, by developing standardized procedures to ensure consistent care of facilities and grounds, and by creating an interment program responsive to the needs of veterans and their survivors.

The Agency proposes to merge this appropriation with Veterans' Cemeteries - State* and to discontinue this appropriation.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF VETERANS' AFFAIRS
 FOR THE YEAR ENDED JUNE 30, 2008

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	36	74	110	56 %
Black Employees	16	56	72	37 %
Other Racial Minorities	4	10	14	7 %
	Total Minorities		86	44 %
	Total Employees		196	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	NA	N	N	0	NA

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
224 State Operations	1,349,994	23	1,405,263	23	1,391,203	23	1,418,576	23	1,418,576	23	1,418,576	23	1,418,576	23	1,418,576	23	1,418,576	23
225 Veterans' Home Division - State	3,965,573	92	4,258,980	88	4,398,261	92	4,292,764	88	4,403,106	91	4,393,164	91	4,292,764	88	4,403,106	91	4,393,164	91
2QD Fayetteville Veterans' Home	5,769,434	96	6,826,518	98	6,756,118	99	6,883,442	98	6,922,222	99	6,922,222	99	6,883,442	98	6,922,222	99	6,922,222	99
38R LR Veterans' Home - Cash In Treasury	18,501	0	292,245	0	352,795	0	292,245	0	292,245	0	292,245	0	292,245	0	292,245	0	292,245	0
38S Veterans' Cemeteries - Cash In Treasury*	25,085	0	135,000	0	135,000	0	15,000	0	145,000	0	145,000	0	15,000	0	145,000	0	145,000	0
490 Veterans' Cemeteries - State*	277,008	6	289,865	6	286,432	6	333,992	7	747,624	16	569,659	12	333,992	7	747,624	16	569,659	12
56T Veterans' Cemetery Expenses	26,098	1	94,127	1	94,266	1	50,000	0	0	0	0	0	50,000	0	0	0	0	0
Total	11,431,693	218	13,301,998	216	13,414,075	221	13,286,019	216	13,928,773	229	13,740,866	225	13,286,019	216	13,928,773	229	13,740,866	225

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	172,098	1.5	141,776	1.0	1,240,815	7.7	1,240,815	7.5	1,240,815	7.6	2,860,116	16.1	2,691,336	14.9	2,691,336	15.1
General Revenue	4000010	2,315,295	20.0	2,438,724	16.8	2,452,037	15.2	2,937,583	17.7	2,645,484	16.2	2,452,037	13.8	2,937,583	16.3	2,645,484	14.9
Federal Revenue	4000020	1,093,612	9.4	1,028,854	7.1	1,093,612	6.8	1,093,612	6.6	1,093,612	6.7	1,093,612	6.2	1,093,612	6.1	1,093,612	6.2
Cash Fund	4000045	3,322,863	28.7	5,691,121	39.1	5,696,671	35.3	5,696,671	34.3	5,696,671	34.9	5,696,671	32.1	5,696,671	31.5	5,696,671	32.0
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	686,332	5.9	692,845	4.8	692,845	4.3	692,845	4.2	692,845	4.2	692,845	3.9	692,845	3.8	692,845	3.9
VA Reimbursement	4000731	3,983,269	34.4	4,549,493	31.3	4,958,583	30.7	4,958,583	29.8	4,958,583	30.4	4,958,583	27.9	4,958,583	27.4	4,958,583	27.9
Total Funds		11,573,469	100.0	14,542,813	100.0	16,134,563	100.0	16,620,109	100.0	16,328,010	100.0	17,753,864	100.0	18,070,630	100.0	17,778,531	100.0
Excess Appropriation/(Funding)		(141,776)		(1,240,815)		(2,848,544)		(2,691,336)		(2,587,144)		(4,467,845)		(4,141,857)		(4,037,665)	
Grand Total		11,431,693		13,301,998		13,286,019		13,928,773		13,740,866		13,286,019		13,928,773		13,740,866	

The FY11 Budget amounts for State Operations (Appropriation 224), Fayetteville Veterans' Home (Appropriation 2QD), and Veterans' Cemeteries - State* (Appropriation 490) exceed authorized due to salary and matching rate adjustments during the 2009-2011 biennium.

Variances in fund balances due to unfunded appropriation.

*Reflects Agency Request for appropriation title changes related to the merger of the Veterans' Cemetery at Birdeye (Appropriation 56T) with these appropriations.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
216	184	18	202	14	14.81 %	221	194	11	205	16	12.22 %	221	196	20	216	5	11.31 %

Analysis of Budget Request

Appropriation: 224 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Veterans' Affairs assists Arkansas veterans, their dependents and survivors in securing their rights and benefits under Federal and State laws. The Department supervises the activities, training, and testing of County Veterans Service Officers and provides financial assistance to counties to defray their salaries and expenses. This appropriation provides for the administrative costs of the Department and is funded by general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency's Request provides for Base Level for the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 224 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	753,380	784,036	775,253	782,541	782,541	782,541	782,541	782,541	782,541
#Positions	23	23	23	23	23	23	23	23	23
Personal Services Matching 5010003	242,471	265,153	259,876	279,961	279,961	279,961	279,961	279,961	279,961
Operating Expenses 5020002	64,556	68,444	68,444	68,444	68,444	68,444	68,444	68,444	68,444
Conference & Travel Expenses 5050009	4,101	4,130	4,130	4,130	4,130	4,130	4,130	4,130	4,130
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	281,927	283,500	283,500	283,500	283,500	283,500	283,500	283,500	283,500
Capital Outlay 5120011	3,559	0	0	0	0	0	0	0	0
Total	1,349,994	1,405,263	1,391,203	1,418,576	1,418,576	1,418,576	1,418,576	1,418,576	1,418,576
Funding Sources									
General Revenue 4000010	1,349,994	1,405,263		1,418,576	1,418,576	1,418,576	1,418,576	1,418,576	1,418,576
Total Funding	1,349,994	1,405,263		1,418,576	1,418,576	1,418,576	1,418,576	1,418,576	1,418,576
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,349,994	1,405,263		1,418,576	1,418,576	1,418,576	1,418,576	1,418,576	1,418,576

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: 225 - Veterans' Home Division - State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Little Rock Veterans' Home is responsible for providing Intermediate Nursing and Domiciliary care to honorably discharged wartime and/or service connected disabled veterans. The Little Rock Home was founded in 1980 and has a present capacity of 116 residents. Funding for the Little Rock Veterans' Home consists of general revenue, maintenance fees provided by the residents, and a federal per diem reimbursement from the U.S. Department of Veterans Affairs.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level Requests of \$110,342 in appropriation and \$121,914 in general revenue funding provides for increases in Regular Salaries & Personal Services Matching as follows:

- Restoration and Reclassification of two (2) Security Officers (T087C/C106) to Public Safety Security Officers (T084C/C110) which were not budgeted in FY2011 due to funding constraints, but are necessary to provide law enforcement for the facility.
- Restoration of one (1) Licensed Practical Nurse (L069C/C113) which was also not budgeted in FY2011.
- Reclassification of six (6) Food Preparation Technicians (S089C/C102) and one (1) Food Preparation Specialist (S085C/C104) to Cooks (S086C/C104) in order to better reflect the work being performed and to recruit more qualified applicants.

The Executive Recommendation provides for the following changes to Base Level:

- Restoration two (2) Security Officers (T087C/C106) without reclassification and one (1) Licensed Practical Nurse (L069C/C113). These restorations are provided as appropriation only.
- Reclassification of six (6) Food Preparation Technicians (S089C/C102) and one (1) Food Preparation Specialist (S085C/C104) to Cooks (S086C/C104) with appropriation and additional general revenue of \$7,780 each year.

Appropriation Summary

Appropriation: 225 - Veterans' Home Division - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,337,686	2,427,428	2,483,374	2,455,047	2,533,776	2,525,648	2,455,047	2,533,776	2,525,648
#Positions		92	88	92	88	91	91	88	91	91
Extra Help	5010001	28,920	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000
#Extra Help		4	4	7	7	7	7	7	7	7
Personal Services Matching	5010003	817,434	961,738	930,812	967,903	999,516	997,702	967,903	999,516	997,702
Overtime	5010006	10,666	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Operating Expenses	5020002	579,029	590,738	595,800	590,738	590,738	590,738	590,738	590,738	590,738
Conference & Travel Expenses	5050009	1,412	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	30,000	64,275	64,275	64,275	64,275	64,275	64,275	64,275	64,275
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	152,126	160,801	270,000	160,801	160,801	160,801	160,801	160,801	160,801
Capital Outlay	5120011	8,300	0	0	0	0	0	0	0	0
Total		3,965,573	4,258,980	4,398,261	4,292,764	4,403,106	4,393,164	4,292,764	4,403,106	4,393,164
Funding Sources										
General Revenue	4000010	662,195	649,469		649,469	771,383	657,249	649,469	771,383	657,249
Intra-agency Fund Transfer	4000317	3,303,378	3,609,511		3,631,723	3,631,723	3,631,723	3,631,723	3,631,723	3,631,723
Total Funding		3,965,573	4,258,980		4,281,192	4,403,106	4,288,972	4,281,192	4,403,106	4,288,972
Excess Appropriation/(Funding)		0	0		11,572	0	104,192	11,572	0	104,192
Grand Total		3,965,573	4,258,980		4,292,764	4,403,106	4,393,164	4,292,764	4,403,106	4,393,164

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 225 - Veterans' Home Division - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	4,292,764	88	4,292,764	100.0	4,292,764	88	4,292,764	100.0
C01	Existing Program	55,488	2	4,348,252	101.3	55,488	2	4,348,252	101.3
C06	Restore Position/Approp	37,132	1	4,385,384	102.2	37,132	1	4,385,384	102.2
C10	Reclass	17,722	0	4,403,106	102.6	17,722	0	4,403,106	102.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	4,292,764	88	4,292,764	100.0	4,292,764	88	4,292,764	100.0
C01	Existing Program	55,488	2	4,348,252	101.3	55,488	2	4,348,252	101.3
C06	Restore Position/Approp	37,132	1	4,385,384	102.2	37,132	1	4,385,384	102.2
C10	Reclass	7,780	0	4,393,164	102.3	7,780	0	4,393,164	102.3

Justification

C01	Restore two Security Officers (T087C/C106).
C06	Restore one (1) Licensed Practical Nurse (L069C/C113).
C10	Reclassify two (2) Security Officers (T087C/C106) to Public Safety Security Officers (T084C/C110) and six (6) Food Preparation Technician (S089C/C102) positions and one Food Preparation Specialist (S085C/C104) to Cooks (S086C/C104).

Analysis of Budget Request

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

The Fayetteville Veterans' Home is responsible for providing Intermediate and Skilled Nursing care to honorably discharged wartime and/or service connected disabled Veterans. During the 2003-2005 biennium, the Arkansas Department of Veterans' Affairs received state and federal appropriation and funding to construct this new Veterans' Home to serve the needs of Veterans in northwest Arkansas. The Fayetteville Home opened to residents in June 2006 and has a present capacity of 108 residents. Continuing operations of the Home are supported by Medicare, Medicaid, maintenance fees provided by the residents, and a federal per diem reimbursement from the U.S. Department of Veterans Affairs.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level Request of \$38,780 each year in Regular Salaries and Personal Services Matching provide for:

- Restoration of (1) Licensed Practical Nurse (L069C/C113) that was not budgeted in FY2011, but that the Agency anticipates will be needed in the future due to an increasing number of residents.
- Reclassification of one (1) Public Safety Security Officer (T084C/C110) to Security Officer Supervisor (T072C/C113) and one (1) Administrative Specialist III (C056C/C112) to Health Records Specialist (C030C/C115) to more accurately reflect the work being performed.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	2,451,626	2,853,445	2,831,879	2,897,021	2,924,898	2,924,898	2,897,021	2,924,898	2,924,898
#Positions	96	98	99	98	99	99	98	99	99
Extra Help 5010001	51,532	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help	6	7	7	7	7	7	7	7	7
Personal Services Matching 5010003	954,309	1,105,796	1,056,962	1,119,144	1,130,047	1,130,047	1,119,144	1,130,047	1,130,047
Overtime 5010006	0	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Operating Expenses 5020002	2,037,419	2,107,027	2,107,027	2,107,027	2,107,027	2,107,027	2,107,027	2,107,027	2,107,027
Conference & Travel Expenses 5050009	2,435	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
Professional Fees 5060010	44,430	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	227,683	475,000	475,000	475,000	475,000	475,000	475,000	475,000	475,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	5,769,434	6,826,518	6,756,118	6,883,442	6,922,222	6,922,222	6,883,442	6,922,222	6,922,222
Funding Sources									
Fund Balance 4000005	121,995	131,388		1,227,079	1,227,079	1,227,079	2,717,380	2,678,600	2,678,600
Federal Revenue 4000020	1,093,612	1,028,854		1,093,612	1,093,612	1,093,612	1,093,612	1,093,612	1,093,612
Cash Fund 4000045	1,797,037	3,653,650		3,653,650	3,653,650	3,653,650	3,653,650	3,653,650	3,653,650
Other 4000370	686,332	692,845		692,845	692,845	692,845	692,845	692,845	692,845
VA Reimbursement 4000731	2,201,846	2,546,860		2,933,636	2,933,636	2,933,636	2,933,636	2,933,636	2,933,636
Total Funding	5,900,822	8,053,597		9,600,822	9,600,822	9,600,822	11,091,123	11,052,343	11,052,343
Excess Appropriation/(Funding)	(131,388)	(1,227,079)		(2,717,380)	(2,678,600)	(2,678,600)	(4,207,681)	(4,130,121)	(4,130,121)
Grand Total	5,769,434	6,826,518		6,883,442	6,922,222	6,922,222	6,883,442	6,922,222	6,922,222

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 2QD - Fayetteville Veterans' Home
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	6,883,442	98	6,883,442	100.0	6,883,442	98	6,883,442	100.0
C06	Restore Position/Approp	37,133	1	6,920,575	100.5	37,133	1	6,920,575	100.5
C10	Reclass	1,647	0	6,922,222	100.6	1,647	0	6,922,222	100.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	6,883,442	98	6,883,442	100.0	6,883,442	98	6,883,442	100.0
C06	Restore Position/Approp	37,133	1	6,920,575	100.5	37,133	1	6,920,575	100.5
C10	Reclass	1,647	0	6,922,222	100.6	1,647	0	6,922,222	100.6

Justification

C06	Restore one Licensed Practical Nurse (L09C/C113) not budgeted in FY2011.
C10	Reclassify one (1) Public Safety Security Officer (T084C/C110) to Security Officer Supervisor (T072C/C113) and one Administrative Specialist III (C056C/C112) to Health Records Specialist (C030C/C115).

Analysis of Budget Request

Appropriation: 38R - LR Veterans' Home - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

This appropriation is used to help support the operations of the Little Rock Veterans' Home maintained by the Agency, and is funded by cash funding that is accumulated from the monthly maintenance fees charged to Veterans residing in the homes. This fund also includes federal per diem reimbursements from the U.S. Department of Veterans Affairs. Funding is transferred to the Little Rock Veterans' Home appropriation as needed.

The Agency's Request provides for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 38R - LR Veterans' Home - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	18,501	142,245	202,795	142,245	142,245	142,245	142,245	142,245	142,245
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		18,501	292,245	352,795	292,245	292,245	292,245	292,245	292,245	292,245
Funding Sources										
Fund Balance	4000005	48,902	102		0	0	0	0	0	0
Cash Fund	4000045	1,491,656	1,899,021		1,899,021	1,899,021	1,899,021	1,899,021	1,899,021	1,899,021
Intra-agency Fund Transfer	4000317	(3,303,378)	(3,609,511)		(3,631,723)	(3,631,723)	(3,631,723)	(3,631,723)	(3,631,723)	(3,631,723)
VA Reimbursement	4000731	1,781,423	2,002,633		2,024,947	2,024,947	2,024,947	2,024,947	2,024,947	2,024,947
Total Funding		18,603	292,245		292,245	292,245	292,245	292,245	292,245	292,245
Excess Appropriation/(Funding)		(102)	0		0	0	0	0	0	0
Grand Total		18,501	292,245		292,245	292,245	292,245	292,245	292,245	292,245

Analysis of Budget Request

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury*

Funding Sources: NVA - ADVA Cash in Treasury

This appropriation is cash funded by burial fees that the Agency has accumulated specifically for use at the State Veterans' Cemetery located in North Little Rock, AR. This appropriation is utilized to support the operations of, and to provide land improvements for, the Arkansas State Veterans' Cemetery.

In addition to Base Level, the Agency's Change Level Request provides to change the title of this appropriation to "Veterans' Cemeteries - Cash" to reflect the addition of the new Veterans' Cemetery at Birdeye, and for \$130,000 each year in Capital Outlay to provide for replacement and purchase of equipment for cemetery improvements.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury*

Funding Sources: NVA - ADVA Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	3,609	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conference & Travel Expenses	5050009	2,688	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	18,788	120,000	120,000	0	130,000	130,000	0	130,000	130,000
Total		25,085	135,000	135,000	15,000	145,000	145,000	15,000	145,000	145,000
Funding Sources										
Fund Balance	4000005	1,201	10,286		13,736	13,736	13,736	142,736	12,736	12,736
Cash Fund	4000045	34,170	138,450		144,000	144,000	144,000	144,000	144,000	144,000
Total Funding		35,371	148,736		157,736	157,736	157,736	286,736	156,736	156,736
Excess Appropriation/(Funding)		(10,286)	(13,736)		(142,736)	(12,736)	(12,736)	(271,736)	(11,736)	(11,736)
Grand Total		25,085	135,000		15,000	145,000	145,000	15,000	145,000	145,000

*The Agency requests to change the title of this appropriation from "Veterans' Cemetery - Cash" to "Veterans' Cemeteries - Cash" to reflect the addition of the Veterans' Cemetery in Birdeye, Arkansas.

Change Level by Appropriation

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury*
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	130,000	0	145,000	966.7	130,000	0	145,000	966.7

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	15,000	0	15,000	100.0	15,000	0	15,000	100.0
C01	Existing Program	130,000	0	145,000	966.7	130,000	0	145,000	966.7

Justification

C01	Capital Outlay: Increase in appropriation only of \$130,000 each year of the biennium for the purchase of a modular building to store equipment and to purchase replacement equipment.
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Analysis of Budget Request

Appropriation: 490 - Veterans' Cemeteries - State*

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 270 of 1999 authorized appropriation for the construction of a State Veterans' Cemetery. This appropriation is used to provide for the daily operations and grounds maintenance for the Cemetery and is funded from general revenue.

Act 913 of 2007 established the appropriation for purchase and construction of a National Veterans' Affairs Cemetery in Cross, St. Francis, or Poinsett County. One hundred (100) acres of land was purchased in Birdeye, Arkansas (Cross County) for the future site of the cemetery. Archeological, boundary/topographical, and geotech/geological surveys were completed to ensure the site is appropriate for the construction and development of a cemetery. The state is to be granted federal reimbursement for the construction of the cemetery less the cost of the land. The Cemetery is not currently under construction, but is expected to be completed and opened by the fall of 2011. Initial funding was derived from general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Change Level Requests totaling \$413,632 in appropriation and general revenue funding each year reflect the following:

- Appropriation title change to "Veterans' Cemeteries - State" to reflect the reallocation of Veterans' Cemetery - Birdeye (Appropriation 56T) to this appropriation.
- Regular Salaries and Personal Services Matching of \$318,857 each year to support:
 - North Little Rock - one (1) Administrative Specialist III (C056C/C112) to assist the Administrative Analyst and represent the cemetery at interments; one (1) Heavy Equipment Operator (S060C/C109) to help address an increase in burials that prison labor is currently being used to address; reclassification of one (1) Maintenance Technician (S046C/C113; cross graded to a Records Management Analyst C043C/C113 in FY2010) to an Administrative Analyst (C037C/C115), and one (1) ADVA Program Coordinator (G185C/C117) reclassified to the new title of Veterans Cemetery Director (C119) to more accurately reflect work being performed;
 - Birdeye - Four (4) Heavy Equipment Operators (S060C/C109), one (1) Maintenance Supervisor (S033C/C115), one (1) Administrative Analyst (C037C/C115), and one (1) Administrative Specialist III (C056C/C112) to staff the cemetery; and a reallocation and reclassification of one (1) ADVA Program Coordinator (G185C/C117) from Veterans Cemetery - Birdeye (Appropriation 56T) to this appropriation and the new title of Veterans Cemetery Director (C119). This would provide a commensurate staffing level with that requested for the North Little Rock Veterans' Cemetery.

- Operating Expenses increase of \$94,775, which includes a \$50,000 reallocation from Veterans' Cemetery - Birdeye (Appropriation 56T), for turf irrigation (due to increased water/sewage costs), shop and industrial supplies (mowers, hardware, etc.), fuel costs, and in order to start a turf management program (fertilizer and pre-emergent) in accordance with federal regulations of the National Cemetery Association for both cemeteries.

The Executive Recommendation provides for the following:

- Appropriation title change and merger of Veterans' Cemetery - Birdeye (Appropriation 56T) to this appropriation.
- In addition to Base Level appropriation, positions and general revenue funding for the North Little Rock Veterans' Cemetery, reclassification of one (1) Maintenance Technician (S046C/C113) to an Administrative Analyst (C037C/C115) with an additional \$1,782 each year in appropriation and general revenue funding, and a title change for the ADVA Program Coordinator (G185C/C117) to the new title Veterans' Cemetery Manager (C117).
- \$183,885 in additional appropriation and general revenue funding each year, as well as a reallocation of \$50,000 in Operating Expenses and general revenue funding each year from Veterans' Cemetery - Birdeye (Appropriation 56T) to duplicate positions and operations of the North Little Rock Veterans' Cemetery for the Veterans' Cemetery at Birdeye.

Appropriation Summary

Appropriation: 490 - Veterans' Cemeteries - State*

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	167,183	170,626	170,786	202,875	429,115	333,019	202,875	429,115	333,019
#Positions	6	6	6	7	16	12	7	16	12
Personal Services Matching 5010003	56,968	66,164	62,571	78,042	170,659	130,490	78,042	170,659	130,490
Operating Expenses 5020002	52,857	53,075	53,075	53,075	147,850	106,150	53,075	147,850	106,150
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	277,008	289,865	286,432	333,992	747,624	569,659	333,992	747,624	569,659
Funding Sources									
General Revenue 4000010	277,008	289,865		383,992	747,624	569,659	383,992	747,624	569,659
Total Funding	277,008	289,865		383,992	747,624	569,659	383,992	747,624	569,659
Excess Appropriation/(Funding)	0	0		(50,000)	0	0	(50,000)	0	0
Grand Total	277,008	289,865		333,992	747,624	569,659	333,992	747,624	569,659

*The Agency requests to change the title of this appropriation from "Veterans' Cemetery - State" to "Veterans' Cemeteries - State" to reflect the reallocation of Veterans' Cemetery - Birdeye (Appropriation 56T) to this appropriation. This includes \$44,127 in Base Level general revenue funding for one (1) position and \$50,000 for Operating Expenses.

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 490 - Veterans' Cemeteries - State*
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	333,992	7	333,992	100.0	333,992	7	333,992	100.0
C01	Existing Program	353,764	9	687,756	205.9	353,764	9	687,756	205.9
C04	Reallocation	50,000	0	737,756	220.9	50,000	0	737,756	220.9
C10	Reclass	9,868	0	747,624	223.8	9,868	0	747,624	223.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	333,992	7	333,992	100.0	333,992	7	333,992	100.0
C01	Existing Program	183,885	5	517,877	155.1	183,885	5	517,877	155.1
C04	Reallocation	50,000	0	567,877	170.0	50,000	0	567,877	170.0
C10	Reclass	1,782	0	569,659	170.6	1,782	0	569,659	170.6
C14	Title Change	0	0	569,659	170.6	0	0	569,659	170.6

Justification

C01	NORTH LITTLE ROCK - Regular Salaries and related Matching: Increase in appropriation and general revenue funding to add one (1) Administrative Specialist III (C056C/C112) and one (1) Heavy Equipment Operator (S060C/C109) positions. BIRDEYE - Add seven positions to staff the new cemetery. The request includes four (4) Heavy Equipment Operators (S060C/C109), one (1) Maintenance Supervisor (S033C/C115), one (1) Administrative Analyst (C037C/C115) and one (1) Administrative Specialist III (C056C/C112). BOTH CEMETERIES - Operating Expense: Increase in appropriation and general revenue funding of \$94,775 each year of the biennium. The request includes increases in water & sewage, fuel purchases, shop & industrial supplies, and seed fertilizer & control agents for both cemeteries.
C04	Reallocate \$50,000 in Operating Expenses from Veterans' Cemetery - Birdeye (Appropriation 56T) to this appropriation to provide identical budgets for both cemeteries.
C10	Reclassify two (2) ADVA Program Coordinators (G185C/C117) to new job title Veterans Cemetery Director (C119). Also, reclassify one (1) Records Management Analyst (C043C/C113; position was cross-graded from a Maintenance Technician S046C/C113 during FY2010) to position title Administrative Analyst (C037C/C115).
C14	The Executive Recommendation provides for a title change for the two (2) ADVA Program Coordinators to Veterans' Cemetery Managers.

Analysis of Budget Request

Appropriation: 56T - Veterans' Cemetery Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 913 of 2007 established the appropriation for purchase and construction of a National Veterans' Affairs Cemetery in Cross, St. Francis, or Poinsett County. One hundred (100) acres of land was purchased in Birdeye, Arkansas (Cross County) for the future site of the cemetery. Archeological, boundary/topographical, and geotech/geological surveys were completed to ensure the site is appropriate for the construction and development of a cemetery. The State is to be granted federal reimbursement for the construction of the cemetery less the cost of the land. The Cemetery is not currently under construction, but is expected to be completed and opened by the fall of 2011. Initial funding was derived from general revenue.

The Agency's Request provides to reallocate this appropriation to Veterans' Cemeteries - State (Appropriation 490) and to discontinue this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 56T - Veterans' Cemetery Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,101	32,249	32,990	0	0	0	0	0	0
#Positions		1	1	1	0	0	0	0	0	0
Personal Services Matching	5010003	8,314	11,878	11,276	0	0	0	0	0	0
Veterans' Cemetery Expenses	5900046	14,683	50,000	50,000	50,000	0	0	50,000	0	0
Total		26,098	94,127	94,266	50,000	0	0	50,000	0	0
Funding Sources										
General Revenue	4000010	26,098	94,127		0	0	0	0	0	0
Total Funding		26,098	94,127		0	0	0	0	0	0
Excess Appropriation/(Funding)		0	0		50,000	0	0	50,000	0	0
Grand Total		26,098	94,127		50,000	0	0	50,000	0	0

THIS APPROPRIATION NOT REQUESTED FOR THE 2011-2013 BIENNIUM. The Agency requests to reallocate this appropriation to Veterans' Cemeteries - State (Appropriation 490).

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 56T - Veterans' Cemetery Expenses
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C04	Reallocation	(50,000)	0	0	0.0	(50,000)	0	0	0.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C04	Reallocation	(50,000)	0	0	0.0	(50,000)	0	0	0.0

Justification

C04	Request to reallocate this appropriation to Veterans' Cemeteries - State (Appropriation 490) and discontinue this appropriation.
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VETERANS' CHILD WELFARE SERVICE OFFICE

Enabling Laws

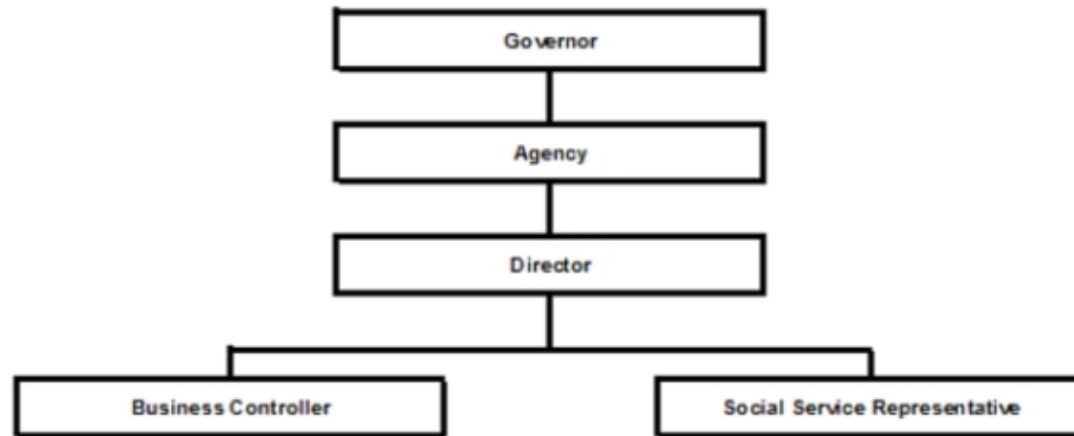
Act 36 of 2010
A.C.A. §20-81-101

History and Organization

The American Legion Child Welfare Division originated as a unit of the American Legion in 1923 to provide aid to the needy children of hospitalized and deceased veterans. Funds were provided through the American Legion Posts and Auxiliary Units.

Act 189 of 1969 changed the name of the Agency to the Arkansas Veterans Child Welfare Service Office. The Agency was put under the supervision of a Director appointed by the Governor upon written recommendation by the governing body of the American Legion Department of Arkansas. The Agency was delegated the responsibility of establishing temporary and interim welfare assistance for the minor age children of hospitalized and recently deceased Honorably Discharged Veterans who reside in Arkansas.

Act 100 of 1997 allowed our Agency to assist children of Honorably Discharged Arkansas Veterans who are deceased, hospitalized or medically incapacitated. Funds for the Agency are procured by funded appropriation from the State of Arkansas and from the American Legion Posts and Auxiliary Units through memorials, donations and contributions received throughout the year.



Agency Commentary

The Veterans Child Welfare Service Office is delegated the responsibility of providing temporary assistance to the minor age children of Honorably Discharged Veterans if recently deceased, hospitalized or medically incapacitated. Funding for this Agency consists of general revenue funding. The Agency consists of three (3) positions: Veterans Child Welfare Director, Business Operations Specialist, and Fiscal Support Specialist.

The Agency is requesting Base Level for the 2011-2013 biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS VETERANS' CHILD WELFARE SERVICE
 FOR THE YEAR ENDED JUNE 30, 2009

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	NA	N	N	0	NA

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
3	2	1	3	0	33.33 %	3	1	2	3	0	66.67 %	3	1	2	3	0	66.67 %

Analysis of Budget Request

Appropriation: 064 - Vet Child Welfare Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Veterans' Child Welfare Service offers temporary financial assistance to the minor children of recently deceased, hospitalized or medically incapacitated veterans with limited or no income, until a more permanent source of income is established. Veterans and their families are eligible for assistance for up to three months with rent or house payments and utilities. The staff also counsels with families and refers them to other agencies for further assistance. The program is also subsidized by the American Legion and its Auxiliary. This appropriation is funded from general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Agency Request provides for Base Level for the 2011-2013 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 064 - Vet Child Welfare Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	66,613	102,925	102,748	102,925	102,925	102,925	102,925	102,925	102,925
#Positions		2	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	26,180	34,738	34,535	34,800	34,800	34,800	34,800	34,800	34,800
Operating Expenses	5020002	1,999	2,132	2,512	2,132	2,132	2,132	2,132	2,132	2,132
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	42,296	44,746	44,746	44,746	44,746	44,746	44,746	44,746	44,746
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		137,088	184,541	184,541	184,603	184,603	184,603	184,603	184,603	184,603
Funding Sources										
General Revenue	4000010	137,088	184,541		184,603	184,603	184,603	184,603	184,603	184,603
Total Funding		137,088	184,541		184,603	184,603	184,603	184,603	184,603	184,603
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		137,088	184,541		184,603	184,603	184,603	184,603	184,603	184,603

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

WORKERS' COMPENSATION COMMISSION

Enabling Laws

Act 129 of 2010

Act 130 of 2010

Constitution of Arkansas Amendment 7

Constitution of Arkansas Amendment 26

History and Organization

Workers' compensation insurance is directed to the moral, social and economic benefits of protecting employers, employees, and their dependents from financial burdens imposed by job-related injury and disease. Arkansas law provides that employers in categories not specifically exempted must provide insurance coverage for employee costs incurred as a result of job-related accidents and disease.

The Arkansas Workers' Compensation Commission (WCC) enforces the workers' compensation law to ensure that all covered employer's secure insurance coverage from commercial carriers or through self-insurance programs. In addition, the Commission regulates workers' compensation awards to insure that benefit providers make correct and timely payments to eligible claimants.

The extent of disability and the fairness of total compensation can be an item of dispute among the parties involved. The Arkansas Workers' Compensation Commission, through its three Commissioners and a staff of Administrative Law Judges, adjudicates disputed workers' compensation cases with binding decisions that can be appealed to the Arkansas Court of Appeals and the Arkansas Supreme Court.

The constitutional authority for the organization and operation of the Arkansas Workers' Compensation Commission is found in Amendment No. 26 to the Constitution of the State of Arkansas, which was adopted by the people at the General Election held November 8, 1938. The amendment provides that the General Assembly shall have the power to enact laws prescribing the amount of compensation to be paid by employers for injuries to or death of employees and to provide the means, methods and forum for adjudicating claims under said law.

Pursuant to the constitutional authority, the people of the State of Arkansas, acting under the Initiated and Referendum amendment (Amendment 7) to the Constitution of Arkansas, adopted Initiated Act No. 4 of 1948 known as the Workmen's Compensation Law. The Act, together with certain amendments, now comprises the workers' compensation law of this state.

The Commission

The three-member commission is responsible for the administration of the workers' compensation law in Arkansas. The Commissioners are appointed by the Governor for a term of six years. One of the Commissioners represents the interests of labor, another management, and the Chairman acts as a neutral party, representing the interests of the public.

The administrative and regulatory functions of the Arkansas Workers' Compensation Commission include monitoring all claims and benefit payments to injured workers, processing settlements, lump sum payments, and requests for changes of physicians; ensuring that employers maintain required insurance coverage; approving applications of employers to act as self-insurers; and participating in programs to explain the functions of the Commission to the general public. The divisions that assist in carrying out these functions are: Adjudication, Administrative Services, Clerk of the Commission, Data Processing, Health and Safety, Legal Advisor, Medical Cost Containment, Operations and Compliance, Self-Insurance, Special Funds, and Support Services. These divisions operate under the direction of a Chief Executive Officer.

Adjudication

It is the function and responsibility of the Adjudication Division to see that the primary purposes of the workers' compensation laws are accomplished. Specifically, that timely temporary and permanent disability benefits are paid to all legitimately injured workers who suffer an injury or disease arising out of and in the course of their employment, together with reasonable and necessary medical expenses, before returning them to the work force.

The Division is currently staffed by twelve (12) Administrative Law Judges (ALJs), and nine (9) Administrative Assistants as support staff. Nine (9) ALJs have offices in Little Rock, two (2) are in Fort Smith, and one (1) is located in Springdale.

Based upon the number of claims filed within each county, Arkansas has been divided into six (6) geographic districts. Administrative Law Judges travel throughout the state within an assigned district and conduct hearings when disputes arise between injured employees and their employers and/or insurance carriers. Cases are assigned according to the county in which the incident occurred. Pulaski County cases are assigned to all ALJs who have offices in Little Rock as a means of balancing the overall caseload.

Clerk of the Commission

The Clerk's office was established to serve as a conduit for filing, processing and internal routing of pleadings, legal documents and other notices received by the Workers' Compensation Commission. This office is responsible for the assignment of all cases to the Administrative Law Judges and Legal Advisors. In addition, the Clerk maintains the required dockets for cases appealed to the Full Commission, prepares the record/transcripts for lodging with the Court of Appeals, reviews the record on appealed cases, certifies record composition, and certifies copies of documents from the commission files requested in writing from interested parties.

Administrative Services

Fiscal Section:

The Commission's operations are funded from a premium tax (limited by law to three percent) on workers' compensation premiums paid by insurance companies writing workers' compensation policies, companies qualifying as self-insurers, and all public employers. The Fiscal Section of the Administrative Services Division disburses these funds. All purchasing, accounting, investments, travel and budget analyses are the responsibility of this division.

Human Resources Section:

The Human Resources section of the Administrative Services Division is responsible for developing, implementing and monitoring Commission human resource systems and policy, as well as payroll transactions. Job announcement, interviewing and selection of applicants, performance evaluation, leave accounting, quality management, training and the switchboard are administered by the division. In addition, human resources coordinates with the Office of Personnel Management, provides support to the Chief Executive Officer in the compilation and analysis of Commission personnel budget requests, and counsels with agency management and staff regarding the resolution of sensitive issues associated with performance, discipline, promotion, and selection or other related matters.

Information Technology

The IT Division is responsible for the automation of the Commission. The backbone of the system is an in-house developed application that captures data from the inception of a claim and maintains and updates this data throughout the life of the claim. The Division currently maintains databases consisting of reported claims, employers, insurance carriers and adjusters, and various other supporting databases.

Health and Safety

Act 796 of 1993 created the Health and Safety Division that serves as a resource center on safety issues pertinent to employers and employees in Arkansas. Within the Division are the following sections: Accident Prevention Section, Hazardous Employer Section, Job Safety Information Section, and Education and Training Section.

Legal Advisor

The Legal Advisor Division is a dispute resolution system created to provide legal information and assistance to interested parties who have questions concerning the Arkansas workers' compensation law. The Legal Advisors are attorneys who know both the law and the procedures through which the parties must navigate during the claims process. The Division gives presentations at various conferences and meetings, and will make on-site visits to businesses when invited to do so. The Legal Advisors serve as a link between unrepresented claimants and insurance adjusters, and often help resolve problems before they escalate into issues that must be litigated.

Legal Advisors also conduct mediations, legal advisor conferences, and assist the Commission staff.

Medical Cost Containment

The major function of this Division is to oversee the Medical Fee Schedule, which limits the reimbursement to providers for treatment rendered to injured workers and the administration of the Comprehensive Managed Care Program (including requests for changes of physician), which was established by Act 796 of 1993.

Operations and Compliance

The Operations section of this Division is concerned primarily with the processing of compensation claims filed directly with the Commission by parties other than the employer receives and establishes files for all First Reports of Injury. The Compliance section is the investigative arm of the Commission, making certain all employers under the law have secured payment of compensation. Act 796 of 1993 provided for Certificates of Non-Coverage (CnC), which are processed by the Compliance section.

Self-Insurance

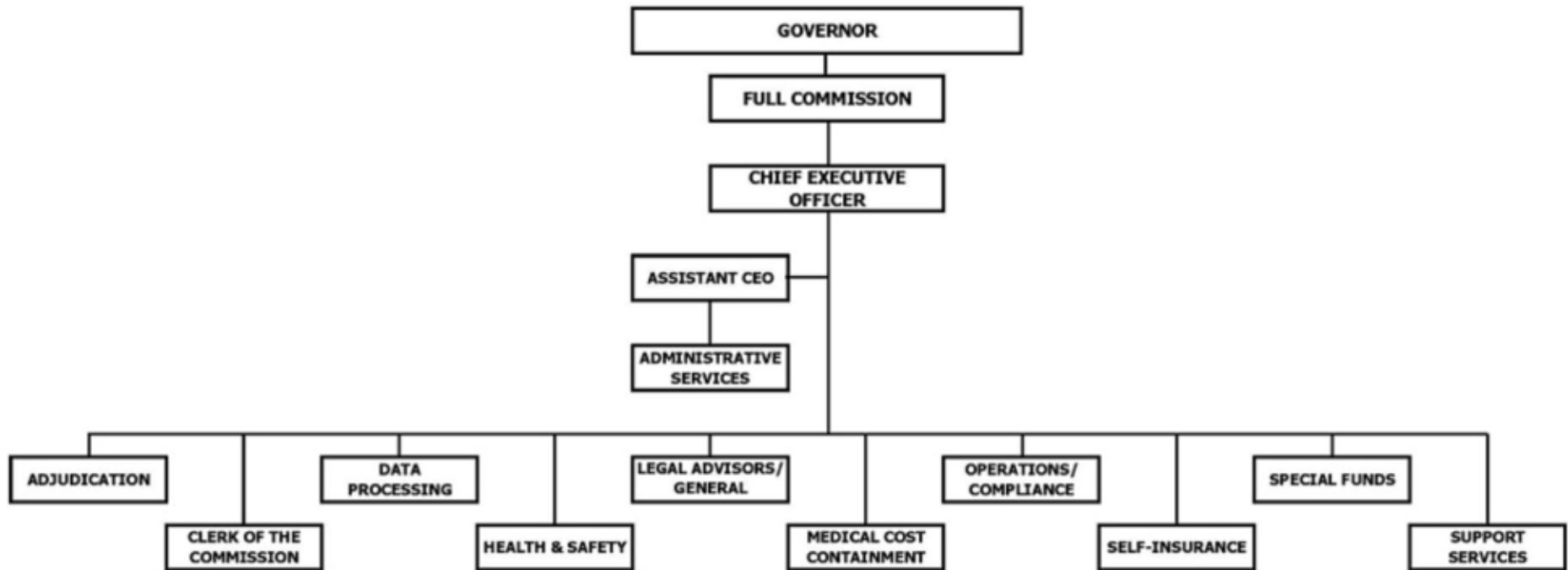
The Commission's Self-Insurance Division is responsible for the administration and regulation of the Self-Insurance Program in Arkansas. Commission Rule 099.05 governs the operation of the program. The Division processes the applications for individual self-insurance, group self-insurance, group members, and applications for third-party administrators. The Division prepares an annual renewal evaluation on both individual self-insurers and group self-insurers, subject to Commission approval, to renew the Certificate of Authority for Self-Insurance. The Division prepares annual renewal evaluations on third-party administrators, subject to Commission approval, for renewal of their Certificate of Authority to act as a Third-Party Administrator. The Division also collects the workers' compensation premium tax from the self-insurers and group self-insurers. The Division also administers Rule 099.39 (report card monitoring) for the insurance companies, self-insurers and TPA's.

Special Funds

The Special Funds Division is comprised of two individual funds, the Second Injury Trust Fund and the Death and Permanent Total Disability Trust Fund. The Second Injury Trust Fund was statutorily created to encourage employment of disabled workers by limiting, in the event of subsequent injury, the employer's liability for permanent disability benefits. Act 1415 of 2007 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Death and Permanent Total Disability Trust Fund pays weekly benefits to permanent and totally disabled workers or dependents of deceased workers after the workers' compensation insurer has paid indemnity liability of a threshold amount that is equal to 325 times the maximum total disability rate at the time of the injury.

Support Services

This division coordinates the annual educational conference programs for the Commission. Support Services prepares the agency biennial report from information compiled by the IT Division. This Division is responsible for maintaining and operating all mailroom activities for the Commission and supporting the District offices. Support Services oversees the Commissions security and maintenance of its buildings.



Agency Commentary

The Arkansas Workers' Compensation Commission operates with four appropriations. These are:

- Appropriation 866 - Seminar
- Appropriation 203 - Death & Permanent Total Disability Claims
- Appropriation 355 - WCC Administration
- Appropriation 356 - Second Injury Claims

Appropriation 866 - Seminar

The Commission annually hosts AWCC Educational Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conferences.

The Commission is requesting only the continuation of Base Level for each year of the biennium.

Appropriation 113- Annuities

The Commission is requesting to discontinue this appropriation due to lack of participation.

Appropriation 203 - Death and Permanent Total Disability Claims

This appropriation contains three parts:

- Refund of Taxes - To address premium tax overpayments
- Claims - The Commission is requesting continuation at Base Level for each year of the biennium
- Investments - The Commission is requesting continuation at Base Level for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer

Appropriation 355 - WCC Administration

This appropriation is to pay expenditures related to the operation of the Commission such as Regular Salaries and Personal Services Matching for all Commission employees, Operating Expenses, Conference Fees and Travel, Professional Fees, and Capital Outlay. Included in Base Level are 153 positions each year. The change level requests include the following:

- Operating Expenses - \$63,500 is requested as a change level increase for utilities, minor building repairs and maintenance, debt service, and fuel costs.
- Capital Outlay - \$30,000 is requested as a change level increase. This increase will be necessary to purchase a new vehicle as a replacement of an existing vehicle if needed and for additions to our law library.
- Computer Hardware/Software - \$182,700 is requested for each year of the biennium, this is a change level decrease of \$170,800. This request is in accordance with the Commission's information technology plan.
- Personnel - The Commission is requesting a change level reclass of \$6,763 for the first year of the biennium and \$10,057 for the second year, this will correct a position's incorrect classification on the Pay Plan. This request includes Salaries and Matching.

- Investments - The Commission is requesting continuation at Base Level for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer.
- Personnel - The Commission is requesting discontinuing five positions due to consolidation of job duties these positions are no longer needed and to retain the monthly matching insurance expense. This request will result in a change level decrease of \$159,302. This request includes Salaries and Matching.

Appropriation 356 - Second Injury Claims

This appropriation contains two parts:

- Refund of Taxes - To refund premium tax overpayments
- Claims - The Commission is requesting continuation at Base Level for each year of the biennium

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 WORKERS' COMPENSATION COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2009

Findings

Insufficient segregation of duties and a lack of controls over the receipting of funds for and issuance of certificates of non-coverage have placed Agency assets at risk. Because a significant amount of cash is received as payment for certificates of non-coverage, segregation of duties and good internal controls are essential to insure that all cash received is deposited timely and intact.

Recommendations

Strengthen controls over the issuance of certificates of non-coverage and segregate duties to the extent possible.

Employment Summary

	Male	Female	Total	%
White Employees	33	55	88	76 %
Black Employees	5	21	26	22 %
Other Racial Minorities	0	2	2	2 %
	Total Minorities		28	24 %
	Total Employees		116	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	11-9-208	N	N	25	To meet the requirements of ACA 11-9-208 and to have sufficient copies for interested parties.
Biennial Report	11-9-208	Y	Y	50	To meet the requirements of Act 1276 and ACA 11-9-208 and to have sufficient copies for interested parties.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
113 Purchase Annuities	0	0	4,000,000	0	4,000,000	0	4,000,000	0	0	0	0	0	4,000,000	0	0	0	0	0
203 Refunds and Claims	14,481,764	0	163,750,000	0	163,750,000	0	163,750,000	0	163,750,000	0	163,750,000	0	163,750,000	0	163,750,000	0	163,750,000	0
355 Administration	10,051,829	122	27,897,821	153	28,092,578	153	27,890,327	153	27,660,488	148	27,653,725	148	27,890,327	153	27,663,782	148	27,653,725	148
356 Second Injury Claims	1,005,481	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0	9,250,000	0
866 Seminar-Cash in Treasury	8,994	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0
Total	25,548,068	122	205,037,821	153	205,232,578	153	205,030,327	153	200,800,488	148	200,793,725	148	205,030,327	153	200,803,782	148	200,793,725	148

Funding Sources		%		%		%		%		%		%		%		%
Fund Balance	4000005	157,699,590	88.8	152,088,402	74.2		32,204	0.1	32,204	0.1	32,204	0.1	0	0.0	0	0.0
Cash Fund	4000045	6,375	0.0	30,000	0.0		30,000	0.1	30,000	0.1	30,000	0.1	30,000	0.1	30,000	0.1
Trust Fund	4000050	19,927,902	11.2	52,951,623	25.8		52,730,000	99.9	48,730,000	99.9	48,730,000	99.9	52,730,000	99.9	48,730,000	99.9
M & R Sales	4000340	2,603	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		177,636,470	100.0	205,070,025	100.0		52,792,204	100.0	48,792,204	100.0	48,792,204	100.0	52,760,000	100.0	48,760,000	100.0
Excess Appropriation/(Funding)		(152,088,402)		(32,204)			152,238,123		152,008,284		152,001,521		152,270,327		152,043,782	
Grand Total		25,548,068		205,037,821			205,030,327		200,800,488		200,793,725		205,030,327		200,803,782	

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium in Refunds and Claims (203) and Administration (355). Variance in fund balances due to unfunded appropriation.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
153	124	29	153	0	18.95 %	153	119	34	153	0	22.22 %	153	118	35	153	0	22.88 %

Analysis of Budget Request

Appropriation: 113 - Purchase Annuities

Funding Sources: TDP - Death & Permanent Total Disability Trust

Arkansas Code §11-9-210 authorized the Workers' Compensation Commission to fund financial obligations of the Death and Permanent Disability Trust Fund through the purchase of structured annuity contracts from insurance companies. These annuity contracts can be purchased for the benefit payments of claimants or beneficiaries.

The Base Level for this appropriation is \$4,000,000 each year of the biennium.

The Commission is requesting to discontinue this appropriation due to lack of participation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 113 - Purchase Annuities

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase Annuities 5900046	0	4,000,000	4,000,000	4,000,000	0	0	4,000,000	0	0
Total	0	4,000,000	4,000,000	4,000,000	0	0	4,000,000	0	0
Funding Sources									
Trust Fund 4000050	0	4,000,000		4,000,000	0	0	4,000,000	0	0
Total Funding	0	4,000,000		4,000,000	0	0	4,000,000	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000,000		4,000,000	0	0	4,000,000	0	0

THIS APPROPRIATION NOT REQUESTED FOR THE 2011-2013 BIENNIUM.

Change Level by Appropriation

Appropriation: 113 - Purchase Annuities
Funding Sources: TDP - Death & Permanent Total Disability Trust

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	4,000,000	0	4,000,000	100.0	4,000,000	0	4,000,000	100.0
C03	Discontinue Program	(4,000,000)	0	0	0.0	(4,000,000)	0	0	0.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	4,000,000	0	4,000,000	100.0	4,000,000	0	4,000,000	100.0
C03	Discontinue Program	(4,000,000)	0	0	0.0	(4,000,000)	0	0	0.0

Justification

C03	The Commission is requesting discontinuing this appropriation due to lack of participation.
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Analysis of Budget Request

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

The Workers' Compensation Commission administers the Death and Permanent Disability Claims Program as established by Act 221 of 1973 (ACA §11-9-301 et seq.) An employee or dependent that has received the maximum benefit of \$75,000 from his/her employer under the provisions of Act 221 of 1973 is then eligible to receive benefits payable by the Commission from this appropriation. Funding is derived from the premium taxing authority authorized in Act 393 of 1983.

The Commission requests Base Level of \$163,750,000 for each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	3,390	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Claims	5110015	14,478,374	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Investments	5120013	0	142,000,000	142,000,000	142,000,000	142,000,000	142,000,000	142,000,000	142,000,000	142,000,000
Total		14,481,764	163,750,000	163,750,000	163,750,000	163,750,000	163,750,000	163,750,000	163,750,000	163,750,000
Funding Sources										
Fund Balance	4000005	142,275,784	138,712,667		0	0	0	0	0	0
Trust Fund	4000050	10,918,647	25,037,333		25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Total Funding		153,194,431	163,750,000		25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Excess Appropriation/(Funding)		(138,712,667)	0		138,750,000	138,750,000	138,750,000	138,750,000	138,750,000	138,750,000
Grand Total		14,481,764	163,750,000		163,750,000	163,750,000	163,750,000	163,750,000	163,750,000	163,750,000

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Analysis of Budget Request

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

The Workers' Compensation Commission (WCC) Administration appropriation is comprised of all administrative and judicial functions within the Commission. Funding is derived from a premium tax (limited by law to 3%) on workers' compensation insurance premiums.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of unclassified positions reflects the FY11 line item maximum.

The Commission requests a Base Level of \$27,890,327 each year of the biennium and includes the following Change Level Requests:

- Operating Expenses increase \$63,500 each year for increases in utilities, minor building repairs and maintenance, debt service, and fuel costs
- Capital Outlay increase \$30,000 each year for purchase of a new vehicle as a replacement if needed and additions to the law library.
- Computer Software/Hardware decrease \$170,800 each year due to additional appropriation levels not being needed to maintain the Commission information technology plan
- Discontinue 5 positions; two Administrative Specialist III, two Administrative Specialist II, and one Administrative Specialist I and associated Personal Services Matching Decreases due to positions no longer being needed as a result of job duty consolidation
- Total reclass increase of \$6,763 in FY12 and \$10,057 FY13 due to one WCC ASST Chief Executive Officer requested to become unclassified, total includes Matching increases

The Executive Recommendation provides for the Agency Request with the exception of the reclassification of the WCC ASST Chief Executive Officer. Replacement of aging, high mileage vehicle will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

Appropriation Summary

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,547,636	7,531,931	7,641,620	7,484,776	7,377,356	7,371,731	7,484,776	7,380,106	7,371,731
#Positions		122	153	153	153	148	148	153	148	148
Extra Help	5010001	6,558	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	1,926,028	2,176,721	2,261,789	2,236,382	2,191,263	2,190,125	2,236,382	2,191,807	2,190,125
Overtime	5010006	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Expenses	5020002	1,336,380	1,655,609	1,655,609	1,655,609	1,719,109	1,719,109	1,655,609	1,719,109	1,719,109
Conference & Travel Expenses	5050009	32,611	96,096	96,096	96,096	96,096	96,096	96,096	96,096	96,096
Professional Fees	5060010	36,935	268,464	268,464	268,464	268,464	268,464	268,464	268,464	268,464
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	3,390	685,500	685,500	685,500	685,500	685,500	685,500	685,500	685,500
Capital Outlay	5120011	1,736	20,000	20,000	0	30,000	30,000	0	30,000	30,000
Investments	5120013	0	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Computer Software/Hardware	5900044	160,555	353,500	353,500	353,500	182,700	182,700	353,500	182,700	182,700
Total		10,051,829	27,897,821	28,092,578	27,890,327	27,660,488	27,653,725	27,890,327	27,663,782	27,653,725
Funding Sources										
Fund Balance	4000005	12,213,620	11,116,733		0	0	0	0	0	0
Trust Fund	4000050	8,952,339	16,781,088		16,600,000	16,600,000	16,600,000	16,600,000	16,600,000	16,600,000
M & R Sales	4000340	2,603	0		0	0	0	0	0	0
Total Funding		21,168,562	27,897,821		16,600,000	16,600,000	16,600,000	16,600,000	16,600,000	16,600,000
Excess Appropriation/(Funding)		(11,116,733)	0		11,290,327	11,060,488	11,053,725	11,290,327	11,063,782	11,053,725
Grand Total		10,051,829	27,897,821		27,890,327	27,660,488	27,653,725	27,890,327	27,663,782	27,653,725

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	27,890,327	153	27,890,327	100.0	27,890,327	153	27,890,327	100.0
C01	Existing Program	93,500	0	27,983,827	100.3	93,500	0	27,983,827	100.3
C03	Discontinue Program	(330,102)	(5)	27,653,725	99.2	(330,102)	(5)	27,653,725	99.2
C10	Reclass	6,763	0	27,660,488	99.2	10,057	0	27,663,782	99.2

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	27,890,327	153	27,890,327	100.0	27,890,327	153	27,890,327	100.0
C01	Existing Program	93,500	0	27,983,827	100.3	93,500	0	27,983,827	100.3
C03	Discontinue Program	(330,102)	(5)	27,653,725	99.2	(330,102)	(5)	27,653,725	99.2
C10	Reclass	0	0	27,653,725	99.2	0	0	27,653,725	99.2

Justification

C01	The Commission is requesting an additional \$63,500 to adequately fund maintenance and operation expenses due to increases in utilities, minor building repairs, debt service, and fuel costs. The Commission is requesting an additional \$30,000 in capital outlay to purchase a new vehicle as a replacement of an existing vehicle if needed and for additions to our law library.
C03	The Commission is requesting \$182,700 for computer hardware/software; this is a change level decrease of \$170,800. The Commission is requesting discontinuing five positions; this is a change level decrease of \$113,045 in Regular Salaries and \$46,257 in Matching.
C10	The Commission is requesting a change level reclass of \$6,763 for the first year of the biennium and \$10,057 for the second year, this will correct a position's incorrect classification on the Pay Plan.

Analysis of Budget Request

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

The Workers' Compensation Commission administers a Second Injury Claims Fund A.C.A. 19-5-911 for the purpose of paying claims of permanently disabled persons in accordance with Act 253 of 1979. Funding is derived from the premium taxing authority authorized by Act 393 of 1983. Act 1415 of 200 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Commission appropriation need for this program is due to claims prior to January 1, 2008.

The Commission requests Base Level of \$9,250,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2011-2012			2012-2013		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Claims 5110015	1,005,481	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Total	1,005,481	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000
Funding Sources									
Fund Balance 4000005	3,065,363	2,116,798		0	0	0	0	0	0
Trust Fund 4000050	56,916	7,133,202		7,130,000	7,130,000	7,130,000	7,130,000	7,130,000	7,130,000
Total Funding	3,122,279	9,250,000		7,130,000	7,130,000	7,130,000	7,130,000	7,130,000	7,130,000
Excess Appropriation/(Funding)	(2,116,798)	0		2,120,000	2,120,000	2,120,000	2,120,000	2,120,000	2,120,000
Grand Total	1,005,481	9,250,000		9,250,000	9,250,000	9,250,000	9,250,000	9,250,000	9,250,000

Analysis of Budget Request

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

The Workers' Compensation Commission (WCC) annually hosts the Arkansas WCC Education Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conference and contribute to "Kids Chance" scholarships. This scholarship program assists the children of employees who died as a result of a job-related accident or children of employees who were permanently and totally disabled in a compensable accident under the state workers' compensation laws. The scholarships allow students to continue their education at a vocational/technical school, college, or a university.

The Commission requests Base Level of \$144,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on available funding.

Appropriation Summary

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	3,944	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Scholarships 5100030	5,050	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	8,994	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Funding Sources									
Fund Balance 4000005	144,823	142,204		32,204	32,204	32,204	0	0	0
Cash Fund 4000045	6,375	30,000		30,000	30,000	30,000	30,000	30,000	30,000
Total Funding	151,198	172,204		62,204	62,204	62,204	30,000	30,000	30,000
Excess Appropriation/(Funding)	(142,204)	(32,204)		77,796	77,796	77,796	110,000	110,000	110,000
Grand Total	8,994	140,000		140,000	140,000	140,000	140,000	140,000	140,000