

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1538

By: Representative Jordan

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE §19-4-1609 TO AUTHORIZE PROCEDURES FOR THE DISBURSEMENT OF PERSONAL SERVICES MATCHING BY STATE INSTITUTIONS OF HIGHER LEARNING; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code §19-4-1609 is hereby amended to read as follows:

"19-4-1609. State-supported institutions of higher learning.

(a) (1) Pursuant to administrative procedures established by the Chief Fiscal Officer of the State, each state-supported institution of higher learning may request a salary and personal services matching disbursement procedure. This procedure shall be requested, in writing from the executive head, communicated to the Chief Fiscal Officer by which, effective July 1, 1989, or at a date in accordance with the request, each payroll for all of its salaries payable to employees of the institution and personal services matching for employees of the institution may be disbursed by the institution and paid from state agency bank funds of the institution, subject to reimbursement and correction of reporting as provided in this section.

(2) (A) The Chief Fiscal Officer of the State may approve such salary and personal services matching disbursement procedure and vouchers for such reimbursement if he determines that each institution has complied with all administrative procedures established by the Chief Fiscal Officer.

(B) (i) The Chief Fiscal Officer may revoke any such approval by transmitting a thirty-day notice to the executive head of the institution when the Chief Fiscal Officer finds that internal administrative procedures and controls of the institution are not adequate.

(ii) The Legislative Joint Auditing Committee shall advise the Chief Fiscal Officer and keep him informed regarding any of its findings which may be relevant to such determination regarding these institutions.

(b) (1) Upon completion of salary and personal services matching disbursements by the institution, the disbursing officer or other appropriate official of the institution shall forward to the Chief Fiscal Officer of the State a copy of the payroll as disbursed.

(2) The copy of the payroll shall contain an indication of which salary and personal services matching amounts are to be charged to funds in the State Treasury and shall include a request for reimbursement to the institution for such amounts as are properly payable from State Treasury funds.

(3) At such time as the Chief Fiscal Officer examines the copy of the payroll forwarded to him for determining the reimbursable amount, he shall also review it in order to discover any erroneous or improper payments as provided for by law. He shall forward to the disbursing official of the institution the identification of any erroneous or improper payments he may discover. The liability for those payments shall be with the executive head of that institution and its bonded disbursing officer, or his designated bonded assistant.

(c) All salaries and personal services matching shall be subject to the restrictions and controls provided by law. However, where this method of salary and personal services matching disbursing is approved, the administrative procedures of the Chief Fiscal Officer of the State for its effectuation shall be followed, but no preexpenditure procedures or voucher examination and approval shall be required for salary and personal services matching disbursements of an institution which is approved to follow this procedure.

SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 4. EMERGENCY. It is hereby found and determined by the General Assembly that those provisions of the General Accounting and Budgetary Procedures Law that apply to institutions of higher education except personal services matching from the pre-expenditure procedures applicable to vouchers, and that an implementing authorization under which State institutions of higher learning may be approved to disburse personal services matching in accordance with law, and thereafter seek reimbursement from the State Treasury for the portion thereof properly chargeable to State Treasury funds is needed, and will result in substantial savings and administrative costs associated with handling personal services matching; that the effectiveness of this act on July 1, 1989 is essential to the operation of institutions of higher learning and that in the event of an extension of the Regular Session the delay in the effective date of this act be beyond July 1, 1989 could work irreparable harm upon the proper administration and providing of essential governmental programs. Therefore, an emergency is hereby declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 1989.

