

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S3/5/97

A Bill

SENATE BILL 317

4
5 By: Senators Harriman, Beebe and Malone

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 19-4-1609 TO PROVIDE A
10 PROCESS WHEREBY PUBLIC INSTITUTIONS OF HIGHER EDUCATION
11 MAY REQUEST THE DEPARTMENT OF FINANCE AND ADMINISTRATIONS
12 APPROVAL OF PROCEDURES WHEREBY THE INSTITUTIONS CAN BE
13 REIMBURSED BY THE STATE FOR MAINTENANCE AND OPERATIONS
14 EXPENDITURES, RATHER THAN HAVING TO PROCESS STATE WARRANTS
15 TO PAY VENDORS; AND FOR OTHER PURPOSES."

Subtitle

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18 "PROVIDE THAT DEPARTMENT OF FINANCE AND
19 ADMINISTRATION MAY APPROVE PROCEDURES
20 WHEREBY PUBLIC INSTITUTIONS OF HIGHER
21 EDUCATION CAN BE REIMBURSED BY THE STATE
22 FOR MAINTENANCE AND OPERATIONS
23 EXPENDITURES."

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

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

28 "§ 19-4-1609. State-supported institutions of higher learning.

29 (a)(1) Pursuant to administrative procedures established by the Chief
30 Fiscal Officer of the State, each state-supported institution of higher
31 learning may request a salary and personal services matching and/or a
32 maintenance and general operations expense disbursement procedure. This
33 procedure shall be requested, in writing from the executive head, communicated
34 to the Chief Fiscal Officer of the State by which, effective July 1, 1989, or
35 at a date in accordance with the request, each payroll for all of its salaries
36 payable to employees and/or a maintenance and general operations expense of

1 the institution and personal services matching for employees of the
2 institution may be disbursed by the institution and paid from state agency
3 bank funds of the institution, subject to reimbursement and correction of
4 reporting as provided in this section.

5 (2)(A) The Chief Fiscal Officer of the State may approve such
6 salary and personal services matching and/or a maintenance and general
7 operations expense disbursement procedure and vouchers for such reimbursement
8 if he determines that each institution has complied with all administrative
9 procedures established by the Chief Fiscal Officer of the State.

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

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

18 (b)(1) Upon completion of salary and personal services matching and/or
19 a maintenance and general operations expense disbursements by the institution,
20 the disbursing officer or other appropriate official of the institution shall
21 forward to the Chief Fiscal Officer of the State a copy of the payroll and/or
22 a maintenance and general operations expense as disbursed.

23 (2) The copy of the payroll and/or a maintenance and general
24 operations expense shall contain an indication of which salary and personal
25 services matching and/or a maintenance and general operations expense amounts
26 are to be charged to funds in the State Treasury and shall include a request
27 for reimbursement to the institution for such amounts as are properly payable
28 from State Treasury funds.

29 (3) At such time as the Chief Fiscal Officer of the State
30 examines the copy of the payroll and/or a maintenance and general operations
31 expense forwarded to him for determining the reimbursable amount, he shall
32 also review it in order to discover any erroneous or improper payments as
33 provided for by law. He shall forward to the disbursing official of the
34 institution the identification of any erroneous or improper payments he may
35 discover. The liability for those payments shall be with the executive head
36 of that institution and its bonded disbursing officer, or his designated

1 bonded assistant.

2 (c) All salaries and personal services matching and/or a maintenance
3 and general operations expense shall be subject to the restrictions and
4 controls provided by law. However, where this method of salary and personal
5 services matching and/or a maintenance and general operations expense
6 disbursing is approved, the administrative procedures of the Chief Fiscal
7 Officer of the State for its effectuation shall be followed, but no
8 preexpenditure procedures or voucher examination and approval shall be
9 required for salary and personal services matching disbursements of an
10 institution which is approved to follow this procedure."

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

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16 SECTION 3. If any provision of this act or the application thereof to
17 any person or circumstance is held invalid, such invalidity shall not affect
18 other provisions or applications of the act which can be given effect without
19 the invalid provision or application, and to this end the provisions of this
20 act are declared to be severable.

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22 SECTION 4. All laws and parts of laws in conflict with this act are
23 hereby repealed.

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/s/Harriman et al

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