

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005  
4

As Engrossed: S3/3/05  
**A Bill**

HOUSE BILL 1298

5 By: Representative Childers  
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8 **For An Act To Be Entitled**

9 AN ACT TO ALLOW INTERAGENCY TRANSFERS OF FUNDS IN  
10 ORDER TO PREVENT DUPLICATION OF RECORDING  
11 EXPENDITURES; AND FOR OTHER PURPOSES.  
12

13 **Subtitle**

14 AN ACT TO ALLOW INTERAGENCY TRANSFERS OF  
15 FUNDS IN ORDER TO PREVENT DUPLICATION OF  
16 RECORDING EXPENDITURES.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 19-4-710 is amended to read as follows:  
22 19-4-710. Interagency transfers.

23 (a) To prevent the duplication of recording expenditures and revenues  
24 resulting from interagency transactions, the Chief Fiscal Officer of the  
25 State, after securing the approval of the proposed procedures by the  
26 Legislative Auditor, may provide for an interagency transfer of moneys or  
27 recognize a journal entry to charge the expenditure to the disbursing agency  
28 without creating a warrant and to identify the cash receipt by the receiving  
29 agency.

30 (b) Budget manuals prepared for the General Assembly for the biennial  
31 state budget shall identify the original revenue source of interagency  
32 transfers of funds.

33 ~~(b)(c) The phrase "interagency transfers", as As used in this section,~~  
34 "interagency transfer" means: is defined and limited to the

35 (1) The purchase of services or commodities by one (1) state  
36 agency from another state agency, or within a state agency; or



1                   (2) Other transfers of funds under § 19-5-106 or other provision  
2 of law.

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4           SECTION 2. Arkansas Code § 19-5-106(a), pertaining to the transfer of  
5 funds by the Chief Fiscal Officer, is amended to read as follows:

6           (a) The Chief Fiscal Officer of the State is authorized to direct the  
7 following transfer of funds on the books of the Treasurer of State, Auditor  
8 of State, and the Department of Finance and Administration for the following  
9 purposes:

10                   (1) To correct accounting errors;

11                   (2) To make loans to authorized funds, fund accounts, or  
12 accounts and to repay such loans when they become due and payable, all of  
13 which as may be authorized by law;

14                   (3) To reimburse the Miscellaneous Revolving Fund or successor  
15 funds, fund accounts, or accounts for the payment of claims, refunds, or  
16 other authorized disbursements as may be authorized by law;

17                   (4) For such other purposes as may be specifically authorized by  
18 law;

19                   (5) To transfer funds on deposit in the State Treasury  
20 containing operating moneys for any political entity, including any state  
21 agency, board, commission, department, institution, state-supported community  
22 college, college, or university; for any political subdivision of the state,  
23 including a regional, county, or municipal government; or for any school  
24 district to the state agency responsible for administering federal social  
25 security and state retirement programs for public employees, public school  
26 teachers as defined by law, highway employees, and state police employees in  
27 such amounts as shall be certified as being due, including any penalties due  
28 to delinquency of obligations. The head of the agency responsible for  
29 administering such programs shall certify to the Chief Fiscal Officer of the  
30 State the agencies, funds, amounts involved, and any other pertinent  
31 information. The Chief Fiscal Officer of the State shall then notify the  
32 Auditor of State and Treasurer of State of such transfers;

33                   (6) To transfer funds between ~~grantee~~ agencies and ~~sub-grantee~~  
34 within agencies in order to eliminate the double accounting of receipts and  
35 expenditures which occurs under the method of issuing vouchers;

36                   (7) If during either fiscal year of a biennium, the board

1 determines that as a result of the implementation of the Quality Management  
2 Program, that a reallocation of resources within any agency of the executive  
3 branch is necessary for the efficient and effective operation of state  
4 government, the Chief Fiscal Officer of the State, with approval of the  
5 Governor, shall have the authority to transfer or reallocate funds within  
6 such agency, board, or commission. The Chief Fiscal Officer of the State  
7 shall submit such transfers or reallocations to the Legislative Council for  
8 review prior to making any transfer or reallocation;

9 (8) If it is determined that a reallocation of resources should  
10 be made, the Chief Fiscal Officer of the State shall then initiate the  
11 necessary transfer documents to reflect the transfer or reallocation upon the  
12 fiscal records of the Treasurer of State, the Auditor of State, and the Chief  
13 Fiscal Officer of the State.

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15 /s/ Childers  
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