SUPPLEMENTAL AGENDA

Suspension of the Rules Request
ALC/Performance Evaluation and Expenditure Review (PEER) Subcommittee

Wednesday, January 17, 2018
10:00 a.m. , Room B, MAC

A. Cash Fund Appropriation Increase Requests – FY18
1. **Department of Veterans Affairs**
2. **Department of Correction**
3. **Arkansas Supreme Court**

B. Budget Classification Transfer Request(s) – FY18
Agriculture Department – Forestry-Rural Community Fire Protection

C. Miscellaneous Federal Grant Appropriation Request(s) – FY18
1. **Department of Human Services – Division of County Operations-Commodity Supplemental Food Program**
2. **Department of Human Services – Division of County Operations-The Emergency Food Assistance Program**

D. Merit Adjustment Fund/Pay Plan Holding Account Transfer Requests – FY18

STATE OF ARKANSAS
Department of Finance and Administration

OFFICE OF BUDGET
1509 West Seventh Street, Suite 402
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-1941
Fax: (501) 682-1086
http://www.dfa.arkansas.gov

January 12, 2018

Senator Bruce Maloch, Co-Chair
Representative David Meeks, Co-Chair
Performance Evaluation & Expenditure Review Committee
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request suspension of the rules by the committee for review of the items listed on the attached page.

We are submitting these items after the deadline for submission based on the understanding that there will be multiple months between regularly scheduled Performance Evaluation & Expenditure Review Committee meetings. The consideration of these items will help avoid the possible interruption of agency operations during this period of time.

Thank you for your consideration of this request.

Sincerely,

Larry W. Walther
Director

LWW:kb

Attachment(s)

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Agency Name	Type of Request	Amount	Justification
Arkansas Department of Emergency Management	Pay Plan	$ 54,500.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
State Military Department	Pay Plan	$ 11,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Department of Human Services - Children & Family Services	Pay Plan	$ 2,343,600.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Arkansas Board of Examiners in Counseling	Pay Plan	$ 12,643.00	Shortfall in regular salaries due to retirement payouts
Department of Human Services - Youth Services	Pay Plan	$ 350,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.

Department of Human Services - County Operations	Pay Plan	$ 5,470,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Department of Human Services - Behavioral Health Services	Pay Plan	$ 100,000.00	Additional Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Department of Human Services - Division of Medical Services	Pay Plan	$ 300,000.00	Additional Regular Salaries is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Department of Human Services - Childcare & Early Childhood Education	Pay Plan	$ 375,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Department of Human Services - Aging and Adult Services	Pay Plan	$ 540,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Arkansas Burial Association Board	Pay Plan	$ 12,500.00	Additional Regular Salaries and Personal Services Match is

			required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Arkansas Department of Labor	Pay Plan	$26,000.00	Shortfall in regular salaries due to retirement payouts
Arkansas Natural resources Commission	Pay Plan	$105,000.00	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
Educational Television Division	Pay Plan	$10,000.00	Additional Personal Services Matching appropriation is needed due to retirement match associated with extra help positions
Arkansas Agriculture Department – Forestry Rural Community Fire Protection	BCT	$165,000.00	Federal Grant (Wildfire Preparedness Community Fire Protection) allows for a purchase of a Dozer. They are replacing an open cab 1996 dozer.
Supreme Court	Cash	$10,373.00	Refund Appropriation for unused grant monies
Department of Veteran Affairs	Cash	$21,000.00	Overtime appropriation for nursing staff
Department of Correction	Cash	$15,000.00	Capital outlay appropriation fire department equipment

Arkansas Agriculture Department	Pay Plan	$61,146.00	Additional appropriation is requested due to pay plan implementation and retirement payouts.

Fund Balance
NVA 0000 $ 165,182.9
NVA 0900 $ 209,567.

STATE OF ARKANSAS

Department of Veterans Affairs
501 Woodlane Drive, Suite 230C
Little Rock, Arkansas 72201
(501) 683-1643 / FAX (501) 682-4833

Asa Hutchinson
Governor

Nate Todd
Director

January 11, 2018

Duncan Baird, Administrator
Department of Finance and Administration
Office of Budget
1509 West 7th Street, Suite 401
Little Rock, AR 72203-3278

Re: ADVA 0385 Cash Appropriation Request 501:00:06 (Overtime)

Dear Mr. Baird:

The ADVA respectfully requests $210,000 additional cash appropriation in Commitment Item 501:00:06:

Funds Center2QD / Fund NVA0000 (Fayetteville Veterans Home):	$ 75,000
Funds Center2QD / Fund NVA0900 (North Little Rock Veterans Home):	$135,000
	$210,000

The Affordable Care Act has expanded access to healthcare. This factor, combined with an aging population, is increasing the demand for nurses. Recruiting and retaining nursing staff, particularly LPNs, has been challenging. We see continued headwinds in this area during the remainder of FY2018.

Many health care facilities are offering sign-on bonuses and paying high wage rates to attract nurses. As a result of labor market challenges in the midst of opening the new State Veterans Home at North Little Rock, the ADVA is currently incurring substantially more overtime and contract labor costs than during FY17.

During the first 6 months of FY18, the ADVA expended $209,414 in overtime and $428,227 in contract labor, primarily for nursing staff, compared to $278,587 in overtime and $124,721 contract labor during the 12 months ended June 30, 2017 (FY17).

Please contact me at 501-683-1643 if you require additional information.

Respectfully,

Karen Watkins
Chief Fiscal Officer

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honor and integrity in public service

Arkansas Department of Correction

Director's Office
P.O. Box 8707
Pine Bluff, Arkansas 71611-8707
Phone: (870) 267-6200
Fax: (870) 267-6244
www.arkansas.gov/doc

1/11/18 TW

FB 31,083.30
(4H5)
0480

December 7, 2017

Mr. Larry Walthers, Director
Department of Finance and Administration
Office of Budget
1509 West Seventh Street, Suite 402
Little Rock, AR 72203

Dear Mr. Walthers,

Pursuant to the provisions of Section 31 of Act 1000 of 2017, the Arkansas Department of Correction (ADC) requests a transfer of cash appropriation from the DFA Cash Fund Holding Account to the Fire Station – Protection appropriation for FY2017 as follows:

Capital Outlay	$15,000
Total	$15,000

ADC currently has appropriation in the amount of $25,000 for operating expenses, but Act 524 of 2017 did not provide any Capital Outlay appropriation. The Fire Department has a need for additional equipment and will not be able to purchase the equipment without this appropriation. Funding is available for this request.

I am requesting that the Performance Evaluation & Expenditure Review (PEER) Committee of the Arkansas Legislative Council place this transfer request on the agenda for consideration at the earliest date possible. Thank you for your assistance in this matter.

Sincerely,

Wendy Kelley

Wendy Kelley, Director

WK/mc

PA #0032
NCS0000
FB 1/9/2018
$ 10,372.64
TW

OFFICE OF THE CLERK
Supreme Court of Arkansas
Arkansas Court of Appeals
JUSTICE BUILDING
625 MARSHALL STREET
LITTLE ROCK, ARKANSAS 72201

STACEY PECTOL
CLERK

PHONE (501) 682-6849
FAX (501) 683-4013
EMAIL Stacey.Pectol@arcourts.gov

January 4, 2018

Mr. Duncan Baird
Administrator
DFA Office of Budget
Little Rock, AR 72201

Dear Mr. Baird:

This letter is to request a Cash Fund Appropriation increase for FY2018 for Arkansas Supreme Court - BA#0032 – Fund NCS0000. The current appropriation is $9,914.00; however, the actual fund balance is $10,372.64. The following commitment item and additional amount/appropriation is needed:

Operating Expense	502:00:02	$10,373.00

This appropriation will be used to refund unused grant monies along with all interest accrued from the grant funds. According to grant guidelines, all unused funds including interest need to be returned to the Arkansas Alternative Dispute Resolution Commission. We will be returning the entire balance of $10,372.64.

Also, the current appropriation of $9,914.00 in CI-10 will be blocked to offset this increase request.

If you have any questions, please contact me at (501) 682-6256.

Sincerely,

Stacey Pectol

Stacey Pectol
Clerk

cc: Chief Justice John Dan Kemp
Marty Sullivan, Director AOC

SDP/mf

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FY18 MAINTENANCE & OPERATION
BUDGET CLASSIFICATION TRANSFERS

Agency	Classification	FY18 Agency Request	FY18 Executive Recommendation	FY18 Original Appropriation	FY17 Actual Expenditures	FY18 Authorized	Adjustment Requested	FY18 Revised Authorization	DFA-Chief Fiscal Officer Approve	DFA-Chief Fiscal Officer Disapprove	DFA IGS State Technology Planning Agency Request in compliance with IT Plan Certification (if applicable)
3. Arkansas Agriculture Department / Forestry - Rural Community Fire Protection - Federal	Operating Expenses	$ 366,566	$ 366,566	$ 366,566	$ 317,610	$ 366,566	$ (165,000)	$ 201,566	X		N/A
	Conf. & Travel Exp.	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Professional Fees	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ -	$ 30,000			
	Capital Outlay	$ -	$ -	$ -	$ 213,886	$ -	$ 165,000	$ 165,000			
	Data Processing	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Total	$396,566	$396,566	$396,566	$561,496	$396,566	$0	$396,566			

Our federal grant (Wildfire Preparedness Community Fire Protection) allows for a purchase of a Dozer; we are replacing an open cab 1996 Dozer.

FY18 REQUEST FOR LEGISLATIVE REVIEW
MISCELLANEOUS FEDERAL PROGRAMS ACT
(A.C.A. 19-7-101 ET. SEQ.)

CHANGE IN EXISTING PROGRAM

Agency	Purpose of Grant & Funding Percentages	Federal Appropriation Amount Requested	No. of Positions Requested (if any)	DFA - Chief Fiscal Officer Approve Disapprove	DFA IGS State Technology Planning Agency Request in compliance with IT Plan Certification (if applicable)
1. Department of Human Services / Division of County Operations	The Commodity Supplemental Food Program (CSFP) is a USDA program designed to provide monthly food items to seniors 60 years of age and older who meet the residency and income requirements. The goal is to improve the health of low-income elderly persons by supplementing their diets with nutritious USDA Foods. Provided food packages include a variety of foods, such as nonfat dry and shelf stable fluid milk, juice, farina, oats, ready-to-eat cereal, rice, pasta, peanut butter, dry beans, canned meat, poultry, or fish, and canned fruits and vegetables. The USDA recently approved the agency to serve an additional 1,000 clients allowing Division of Counties (DCO) to bring our approximate case load to 6,281. Counties served will increase from 30 to 39.	$108,000	N/A	X	N/A

Funding Percentages

	Federal	State	Other	Total
FY18	100	0	0	100
FY19	0	0	0	0
FY20	0	0	0	0
FY21	0	0	0	0
FY22	0	0	0	0

Anticipated Duration of Federal Funds: December 30, 2018

01

FY18 REQUEST FOR LEGISLATIVE REVIEW
MISCELLANEOUS FEDERAL PROGRAMS ACT
(A.C.A. 19-7-101 ET. SEQ.)

CHANGE IN EXISTING PROGRAM

Agency	Purpose of Grant & Funding Percentages	Federal Appropriation Amount Requested	No. of Positions Requested (if any)	DFA - Chief Fiscal Officer Approve Disapprove	DFA IGS State Technology Planning Agency Request in compliance with IT Plan Certification (if applicable)
2. Department of Human Services / Division of County Operations	The Emergency Food Assistance Program (TEFAP) is a USDA program designed to supplement foods to the citizens of Arkansas falling within 130 % of the poverty rate. This program is available in all Arkansas counties through a network of food banks and community action agencies. Expenditures are for reimbursed administrative funding to the agencies to offset the expense to distribute actual food items provided to the agencies. For the last state fiscal year over 3 million pounds of food was delivered under this program.	$51,000	N/A	X	N/A

Funding Percentages

	Federal	State	Other	Total
FY18	100	0	0	100
FY19	0	0	0	0
FY20	0	0	0	0
FY21	0	0	0	0
FY22	0	0	0	0

Anticipated Duration of Federal Funds: December 30, 2018

MERIT ADJUSTMENT FUND/PAY PLAN HOLDING ACCOUNT TRANSFERS
FOR FY18 -January PEER

BUSINESS AREA	AGENCY	FISCAL YEAR	MERIT ADJUSTMENT FUND	PAY PLAN HOLDING ACCOUNT	DATE OF TRANSFER	AMOUNT OF APPROPRIATION TRANSFER	EMERGENCY APPROVED BY CFO	PENDING ALC REVIEW	REASON FOR TRANSFER
995	Arkansas Department of Emergency Management	18		X		$ 54,500.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
975	State Military Department	18		X		$ 11,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - Children & Family Services	18		X		$ 2,343,600.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
228	Arkansas Board of Examiners in Counseling	18		X		$ 12,643.00		X	Shortfall in regular salaries due to retirement payouts
710	Department of Human Services - Youth Services	18		X		$ 350,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - County Operations	18		X		$ 5,470,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - Behavioral Health Services	18		X		$ 100,000.00		X	Additional Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - Division of Medical Services	18		X		$ 300,000.00		X	Additional Regular Salaries is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - Childcare & Early Childhood Education	18		X		$ 375,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
710	Department of Human Services - Aging and Adult Services	18		X		$ 540,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
215	Arkansas Burial Association Board	18		X		$12,500.00		X	Additional Regular Salaries is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
800	Arkansas Department of Labor	18		X		$26,000.00		X	Additional Regular Salaries is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
455	Arkansas Natural resources Commission	18		X		$105,000.00		X	Additional Regular Salaries and Personal Services Match is required due to the impact of the Pay Plan Implementation, Act 365 of 2017.
516	Educational Television Division	18		X		$10,000.00		X	Additional Personal Services Matching appropriation is needed due to retirement match associated with extra help positions
400	Arkansas Agriculture Department	18		X		$61,146.00		X	Additional appropriation is requested due to pay plan implementation and retirement payouts.
						$ 9,771,389.00			