



STATE OF ARKANSAS  
**Department of Finance  
 and Administration**

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Arkansas Legislative Council ("ALC")  
 Senator Cecile Bledsoe, Co-Chair  
 Representative Jeffery Wardlaw, Co-Chair  
 &  
 ALC Review Subcommittee  
 Senator Scott Flipppo, Co-Chair  
 Representative, Co-Chair  
 State Capitol Building, Room 315  
 Little Rock, Arkansas 72201

Dear Co-Chairs:

Under Arkansas law, when the General Assembly is in session all non-exempt professional and consultant services ("PCS") contracts with a total initial or projected contract amount of at least fifty thousand dollars (\$50,000), and technical and general service ("TGS") contracts with a total initial or projected contract amount of at least one hundred thousand dollars (\$100,000), are required to be presented to the JBC for review. *See* Ark. Code Ann. § 19-11-1006(a)(1) and Ark. Code Ann. § 19-11-265(a)(1).

The Department of Finance and Administration ("DFA"), through its Office of State Procurement, has reviewed the PCS and TGS contracts accompanying this letter. Two contracts submitted for June review warrant special attention: (1) contract 4600036704 from the Department of Veterans Affairs ("DVA"); and (2) contract 4600042680 from the Department of Information Systems ("DIS").

The DVA contract with UAMS provides for the services of a medical director for the Fayetteville veterans home. Contract amendment 3 is being presented to extend the contract for an additional year and add the necessary funding for fiscal 2020. While the original contract and amendment 1 were presented as required in the past, amendment 2, which was to provide for the services for fiscal year 2019, was never presented for review. It appears merely to have been an oversight, as the original contract was presented for review as required by law. The agency has requested ratification for the period of the second amendment. It's request is included with the packet of documents submitted for review.

The DIS contract with Windstream was lawfully procured, but previously only provided for commodity procurements. DIS has engaged the company to provide specific conversion services in preparation of changing phone service from Centrex-based to Voice of Internet Protocol (VoIP) delivery. The work has been under way for a short time, but the contract was not recorded as allowing services to be purchased under it. DIS procurement staff have added an appropriate line item to the contract for the needed services. As the contract modification for services has yet to be approved and services are already being delivered, a ratification of the contract change has been requested. This appears merely to be a technical matter rather than any illicit contracting.

With the above noted exceptions, no facially apparent irregularity or illegality was found during the course of DFA's review of the contracts being submitted for legislative review.

