

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
A56 Division of Collections - Cash Operations	1,216,493	3	1,333,527	4	1,334,999	4	1,338,202	4	1,337,202	4	1,337,202	4	1,342,460	4	1,341,460	4	1,341,460	4
B99 Division of Check Cashing	248,131	3	336,312	4	338,638	4	334,138	4	333,138	4	333,138	4	337,106	4	336,106	4	336,106	4
Total	1,464,624	6	1,669,839	8	1,673,637	8	1,672,340	8	1,670,340	8	1,670,340	8	1,679,566	8	1,677,566	8	1,677,566	8

Funding Sources		%		%		%		%		%		%		%		%
Fund Balance 4000005	5,915,153	76.4	6,276,947	83.8			5,817,108	82.8	5,817,108	82.8	5,817,108	82.8	5,354,768	81.6	5,356,768	81.6
Cash Fund 4000045	1,826,418	23.6	1,210,000	16.2			1,210,000	17.2	1,210,000	17.2	1,210,000	17.2	1,210,000	18.4	1,210,000	18.4
Total Funds	7,741,571	100.0	7,486,947	100.0			7,027,108	100.0	7,027,108	100.0	7,027,108	100.0	6,564,768	100.0	6,566,768	100.0
Excess Appropriation/(Funding)	(6,276,947)		(5,817,108)				(5,354,768)		(5,356,768)		(5,356,768)		(4,885,202)		(4,889,202)	
Grand Total	1,464,624		1,669,839				1,672,340		1,670,340		1,670,340		1,679,566		1,677,566	

Analysis of Budget Request

Appropriation: A56 - Division of Collections - Cash Operations

Funding Sources: 310 - Collection Agencies Board - Cash

The State Board of Collection Agencies (SBCA) is responsible for licensing, revocation of licenses, investigation and prosecution of violations, enforcement of bonding requirements, setting and enforcing standards of ethical operations, and generally policing the activities of approximately 475 collection agencies presently operating in Arkansas. The SBCA works to reduce undesirable collection activity, fraud, misrepresentation of client funds, and unprofessional conduct.

The Board is funded with the receipts of license fees for collection agencies as set out in A.C.A §17-24-305.

Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Board requests a Change Level of \$1,000 for each year of the biennium for Conference & Travel Expenses. The increase is due to anticipated higher costs of travel and travel related expenses for staff to attend the North American Collection Agency Regulatory Association conference.

The Board also requests a reallocation of \$935 each year from Data Processing to Operating Expenses to properly classify expenses.

Executive Recommendation provides for Base Level and reallocation from Data Processing to Operating Expenses. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: A56 - Division of Collections - Cash Operations

Funding Sources: 310 - Collection Agencies Board - Cash

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	157,918	184,689	183,489	184,657	184,657	184,657	188,243	188,243	188,243
#Positions		3	4	4	4	4	4	4	4	4
Extra Help	5010001	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	48,684	51,480	54,152	55,187	55,187	55,187	55,859	55,859	55,859
Operating Expenses	5020002	38,673	59,481	59,481	60,416	60,416	60,416	60,416	60,416	60,416
Conference & Travel Expenses	5050009	3,916	4,500	4,500	5,500	4,500	4,500	5,500	4,500	4,500
Professional Fees	5060010	2,302	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Data Processing	5090012	0	935	935	0	0	0	0	0	0
Grants and Aid	5100004	965,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Claims	5110015	0	24,642	24,642	24,642	24,642	24,642	24,642	24,642	24,642
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,216,493	1,333,527	1,334,999	1,338,202	1,337,202	1,337,202	1,342,460	1,341,460	1,341,460

Funding Sources										
Fund Balance	4000005	5,471,999	5,679,650		5,446,123	5,446,123	5,446,123	5,207,921	5,208,921	5,208,921
Cash Fund	4000045	1,424,144	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Total Funding		6,896,143	6,779,650		6,546,123	6,546,123	6,546,123	6,307,921	6,308,921	6,308,921
Excess Appropriation/(Funding)		(5,679,650)	(5,446,123)		(5,207,921)	(5,208,921)	(5,208,921)	(4,965,461)	(4,967,461)	(4,967,461)
Grand Total		1,216,493	1,333,527		1,338,202	1,337,202	1,337,202	1,342,460	1,341,460	1,341,460

The FY09 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2007-2009 biennium.

Analysis of Budget Request

Appropriation: B99 - Division of Check Cashing

Funding Sources: 385 - Collection Agencies Division of Check Cashing - Cash

The Division of Check Cashing authorized by Arkansas Code Annotated §23-52-101 et seq. is responsible for licensing and regulating check cashing and deferred presentment of checks, imposing fines and penalties for violations of the check cashing laws and granting exemptions from licensing. The Division of Check Cashing currently oversees the activities of 200 check cashing companies.

Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Board requests a Change Level of \$1,000 for each year of the biennium for the Conference & Travel Expenses so field investigators may attend yearly training seminars hosted by the National Association of Consumer Credit Administrators.

The Board also requests a reallocation of resources to properly classify \$800 from Data Processing to Operating Expenses for each year of the biennium.

Executive Recommendation provides for Base Level and reallocation of Data Processing to Operating Expenses. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: B99 - Division of Check Cashing

Funding Sources: 385 - Collection Agencies Division of Check Cashing - Cash

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries 5010000	103,128	145,983	145,983	140,200	140,200	140,200	142,702	142,702	142,702
#Positions	3	4	4	4	4	4	4	4	4
Extra Help 5010001	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	37,665	44,423	46,749	47,032	47,032	47,032	47,498	47,498	47,498
Operating Expenses 5020002	39,207	69,006	69,006	69,806	69,806	69,806	69,806	69,806	69,806
Conference & Travel Expenses 5050009	395	3,300	3,300	4,300	3,300	3,300	4,300	3,300	3,300
Professional Fees 5060010	67,736	67,800	67,800	67,800	67,800	67,800	67,800	67,800	67,800
Data Processing 5090012	0	800	800	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	248,131	336,312	338,638	334,138	333,138	333,138	337,106	336,106	336,106
Funding Sources									
Fund Balance 4000005	443,154	597,297		370,985	370,985	370,985	146,847	147,847	147,847
Cash Fund 4000045	402,274	110,000		110,000	110,000	110,000	110,000	110,000	110,000
Total Funding	845,428	707,297		480,985	480,985	480,985	256,847	257,847	257,847
Excess Appropriation/(Funding)	(597,297)	(370,985)		(146,847)	(147,847)	(147,847)	80,259	78,259	78,259
Grand Total	248,131	336,312		334,138	333,138	333,138	337,106	336,106	336,106