

**DEPARTMENT OF SECURITIES (410) - 2007-09 BIENNIUM
BUDGET INFORMATION ACCORDING TO ACT 1276 of 2007**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The purpose of the Arkansas Securities Department is to enforce statutes against fraudulent and misleading sales of securities and monetary transactions by entities within its jurisdiction. These range from credit unions, mortgage companies, and check cashing companies. The Department registers companies and individuals, performs examinations and audits, conducts investigations, and disseminates information to provide assistance and protection to the general public.

TOTAL BIENNIAL BUDGET

The total budget of the 2007-09 biennium is \$18,331,131 for FY2008 and \$18,011,188 for FY2009. (\$15 million each year is to transfer revenue receipts to the State Treasury and for making refunds.)

FUNDING SOURCES

The Securities Department collects fees from security dealers, credit unions, mortgage loan companies, organizations selling prepaid funeral benefits, and check and money order sellers. The Department then deposits the money in the State Treasury as Special Revenues.

II) SIGNIFICANT CHANGES

- The State Securities Operations appropriation, funded by special revenues, for \$3,252,631 for FY2008 and \$2,932,688 for FY2009 provides for the following:
 1. Regular Salaries increased by \$128,944 the first year and \$131,532 the second year to cover additional positions.
 2. Personal Services Matching increase by approximately \$27,000 each year to cover additional positions.
 3. Operating Expenses increased by \$330,550 the first year and \$55,360 the second year for program expenses.
 4. Conference Fees & Travel increased by \$5,500 each year for travel reimbursement.
 5. Professional Fees increased by \$45,000 the first year only.
 6. Capital Outlay increased by \$54,500 the first year and \$13,500 the second year to replace obsolete and irreparable furniture and equipment.
- The Refunds and Transfers appropriation, funded by cash funds, for \$15 million each year provides for a continuation of base level.
- The Investor Education appropriation, funded by special revenues, for \$78,500 each fiscal year provides for:
 1. Operating Expenses increased by \$16,000 each year to provide additional investor education grants to schools, civic, and senior citizens groups (\$15,000 each year) & travel expenses to provide on-site instruction with the grants (\$1,000 each year).

III) ADDITIONAL POSITIONS

Total positions for FY 2007-09: 38

Total positions for FY 2007: 35

Increase/(Decrease): 3

Attorney Specialist, Grade 25

Securities Chief Examiner, Grade 23

Securities Examiner, Grade 20

IV) SPECIAL LANGUAGE

CONTINGENCY RESTRICTION: If it becomes necessary the Securities Commissioner is authorized to request the approval from the Legislative Council or JBC, Governor and the Chief Fiscal

Officer of the State to transfer appropriations in the Contingency line item to other line items within the same Section.