

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
1QA AMAIT - Operations	4,678,128	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0
2SW Insurance-State Operations	9,850,528	129	11,030,218	134	10,946,522	134	11,764,061	135	11,506,519	134	11,506,519	134	11,936,793	135	11,678,229	134	11,678,229	134
2SX Fraud Investigation Unit	264,130	4	327,582	4	320,089	4	336,160	4	336,160	4	336,160	4	340,874	4	340,874	4	340,874	4
2SY St Ins Dept Criminal Investigation Division	851,610	12	980,603	12	981,402	12	1,109,814	13	1,017,692	12	1,017,692	12	1,128,546	13	1,034,423	12	1,034,423	12
2SZ Prepaid Funeral Benefits Division	252,355	4	340,537	4	336,228	4	350,558	4	350,558	4	350,558	4	356,565	4	356,565	4	356,565	4
2TA Continuing Education Program	30,321	1	30,587	1	28,666	1	35,174	1	35,174	1	35,174	1	35,865	1	35,865	1	35,865	1
2TB State Employee Claims	10,972,258	0	12,000,000	0	12,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0
2TC Governmental Bonding Board Operations	343,485	0	2,104,855	0	2,104,855	0	2,104,855	0	2,104,855	0	2,104,855	0	2,104,855	0	2,104,855	0	2,104,855	0
2TD Public Employees Claims Section	1,349,879	24	1,464,973	24	1,429,552	24	1,576,573	25	1,527,041	24	1,527,041	24	1,604,132	25	1,553,578	24	1,553,578	24
2TE Health Information Counseling	367,518	5	531,700	5	436,595	5	550,591	5	550,591	5	847,738	5	553,454	5	553,454	5	850,601	5
2TF Refunds of Overpayments	5,370,388	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0
2TG Public School Employees Claims	378,311	0	450,000	0	450,000	0	450,000	0	450,000	0	450,000	0	450,000	0	450,000	0	450,000	0
2TH County Employee Claims	26,440	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
2TJ City Employee Claims	35,016	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
2TK Consumer Info System - Cash	31,742	0	166,425	0	173,000	0	166,425	0	166,425	0	166,425	0	166,425	0	166,425	0	166,425	0
2TM Travel & Subsistence-Cash	68,360	0	88,222	0	88,222	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2TN Prepaid Funeral Contracts Recovery	24,326	0	975,675	0	0	0	1,000,000	0	1,000,000	0	500,000	0	0	0	0	0	500,000	0
4HH Criminal Background Checks-Cash	103,634	0	100,000	0	100,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0
56A Public School Insurance Program	3,095,718	0	14,000,000	0	0	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0	14,000,000	0
NOT REQUESTED FOR THE BIENNIUM																		
2HJ School Motor Vehicle Operations	990,998	0	0	0	5,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0
2HK PE/Sec School Ins Operations	2,672,301	0	0	0	9,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0
4KV AR Multi-Agcy Wkrs' Comp Trust	0	0	0	0	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	41,757,446	179	66,391,377	184	67,195,131	184	69,469,211	187	69,070,015	184	68,867,162	184	68,702,509	187	68,299,268	184	69,096,415	184

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	59,590,014	57.1	62,560,248	47.3			58,753,834	44.9	58,753,834	44.9	58,753,834	44.9	61,684,227	46.4	62,033,891	46.6	62,033,891	46.3
Federal Revenue	4000020	367,518	0.4	531,700	0.4			550,591	0.4	550,591	0.4	847,738	0.6	553,454	0.4	553,454	0.4	850,601	0.6
Special Revenue	4000030	17,632,343	16.9	18,759,692	14.2			19,102,733	14.6	19,053,201	14.6	18,553,201	14.2	18,135,006	13.6	18,084,452	13.6	18,584,452	13.9
Cash Fund	4000045	182,700	0.2	174,311	0.1			225,000	0.2	225,000	0.2	225,000	0.2	225,000	0.2	225,000	0.2	225,000	0.2
Trust Fund	4000050	9,762,804	9.4	26,104,855	19.7			26,104,855	19.9	26,104,855	19.9	26,104,855	20.0	26,104,855	19.6	26,104,855	19.6	26,104,855	19.5
Miscellaneous Revolving	4000350	5,810,155	5.6	12,250,000	9.3			12,250,000	9.4	12,250,000	9.4	12,250,000	9.4	12,250,000	9.2	12,250,000	9.2	12,250,000	9.1
Transfers / Adjustments	4000683	(98)	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%		%		%		
Workers' Comp Revolving	4000735	10,972,258	10.5	12,000,000	9.1		14,000,000	10.7	14,000,000	10.7	14,000,000	10.7	14,000,000	10.5	14,000,000	10.5	14,000,000	10.4
Total Funds		104,317,694	100.0	132,380,806	100.0		130,987,013	100.0	130,937,481	100.0	130,734,628	100.0	132,952,542	100.0	133,251,652	100.0	134,048,799	100.0
Excess Appropriation/(Funding)		(62,560,248)		(65,989,429)			(61,517,802)		(61,867,466)		(61,867,466)		(64,250,033)		(64,952,384)		(64,952,384)	
Grand Total		41,757,446		66,391,377			69,469,211		69,070,015		68,867,162		68,702,509		68,299,268		69,096,415	

Beginning Fund Balance for 2009-2010 is reduced by \$7,235,595 in accordance with adjustment specified in A.C.A. 23-61-710(c).

Budget amounts in various appropriations exceed Authorized due to salary and matching adjustments during the 2007-2009 Biennium.

Prepaid Funeral Contracts Recovery (2TN) is a biennial appropriation with Authorization of \$1,000,000 in FY08. Due to the passage of Amendment 86, the Legislative Recommendation authorizes one-half (1/2) of the total appropriation for each year.

Act 738 of 2007 transferred resources of the School Motor Vehicle Operations (2HJ) and PE/Sec School Ins Operations (2HK) to the Public School Insurance Program (56A) on July 31, 2007.

Excess funding at the foot of the Agency, Executive, and Legislative columns is reduced by \$166,425 in unfunded appropriation.

Analysis of Budget Request

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

The Arkansas Multi-Agency Insurance Trust Fund Program (AMAIT) was established by Act 1762 of 2003 (A.C.A. §25-35-101 et seq.) to reduce the costs of insurance coverage for state agencies by combining their premium dollars in purchasing broader coverage for property and vehicle insurance with higher deductibles. The program is also designed to build a growing reserve to self-insure ever larger deductible amounts allowing further reductions in policy prices.

Base Level is \$10,000,000 each year and is the Department's request.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
AMAIT 5900046	4,678,128	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total	4,678,128	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Funding Sources									
Fund Balance 4000005	9,680,409	11,212,062		11,212,062	11,212,062	11,212,062	11,212,062	11,212,062	11,212,062
Trust Fund 4000050	6,209,781	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total Funding	15,890,190	21,212,062		21,212,062	21,212,062	21,212,062	21,212,062	21,212,062	21,212,062
Excess Appropriation/(Funding)	(11,212,062)	(11,212,062)		(11,212,062)	(11,212,062)	(11,212,062)	(11,212,062)	(11,212,062)	(11,212,062)
Grand Total	4,678,128	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

Analysis of Budget Request

Appropriation: 2SW - Insurance-State Operations

Funding Sources: TSI - State Insurance Department Trust Fund

The State Insurance Department's State Operations appropriation is funded by special revenues that are authorized in A.C.A. §19-5-922. Base Level for this program is \$11,346,519 for FY10 and \$11,518,229 for FY11, with 134 positions authorized and budgeted. This includes resources of the Title Insurance Agents' Licensing Board, authorized by Act 788 of 2007 and transferred to the State Insurance Department on January 1, 2008, by Act 684 of 2007.

Thirteen Base Level positions were changed from unclassified to classified to reflect recommendations of the Pay Plan Study and salaries were adjusted accordingly. Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. 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 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.

Changes are requested as follows:

One additional position, Risk Consultant, is requested to assist with a workload that has multiplied since the Risk Management Program was initiated. Costs for salaries and matching are \$49,533 for FY10 and \$50,554 for FY11.

Extra Help of \$100,000 each year is requested to provide for extra security on the outside of the Department's offices and in parking areas.

An increase of \$100,000 each year in Professional Services for additional actuarial support during financial examinations of licensed insurers and Capital Outlay of \$25,000 each year for replacement of office equipment.

For the Department's Information Technology Program, restoration of Capital Outlay in the amount of \$135,000 each year is requested for replacement of IT equipment.

The Executive Recommendation provides for Base Level, plus Capital Outlay requests that total \$160,000 each year.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2SW - Insurance-State Operations

Funding Sources: TSI - State Insurance Department Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	5,725,576	6,135,288	5,963,073	6,470,461	6,433,129	6,433,129	6,614,773	6,576,583	6,576,583
#Positions		129	134	134	135	134	134	135	134	134
Extra Help	5010001	87,517	140,000	140,000	240,000	140,000	140,000	240,000	140,000	140,000
#Extra Help		15	19	19	19	19	19	19	19	19
Personal Services Matching	5010003	1,711,009	1,740,930	1,829,449	1,939,600	1,919,390	1,919,390	1,968,020	1,947,646	1,947,646
Overtime	5010006	294	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Operating Expenses	5020002	1,662,733	2,035,000	2,035,000	2,035,000	2,035,000	2,035,000	2,035,000	2,035,000	2,035,000
Conference & Travel Expenses	5050009	101,594	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000
Professional Fees	5060010	17,683	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Data Processing	5090012	83,746	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Capital Outlay	5120011	190,072	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Special Maintenance	5120032	35,825	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Services	5900043	234,479	386,000	386,000	486,000	386,000	386,000	486,000	386,000	386,000
Total		9,850,528	11,030,218	10,946,522	11,764,061	11,506,519	11,506,519	11,936,793	11,678,229	11,678,229

Funding Sources										
Fund Balance	4000005	30,844,247	36,059,279		32,868,466	32,868,466	32,868,466	36,179,405	36,436,947	36,436,947
Special Revenue	4000030	15,065,560	15,075,000		15,075,000	15,075,000	15,075,000	15,075,000	15,075,000	15,075,000
Total Funding		45,909,807	51,134,279		47,943,466	47,943,466	47,943,466	51,254,405	51,511,947	51,511,947
Excess Appropriation/(Funding)		(36,059,279)	(40,104,061)		(36,179,405)	(36,436,947)	(36,436,947)	(39,317,612)	(39,833,718)	(39,833,718)
Grand Total		9,850,528	11,030,218		11,764,061	11,506,519	11,506,519	11,936,793	11,678,229	11,678,229

Actual exceeds Authorized in Capital Outlay due to transfers from the Motor Vehicle Acquisition Fund..

Budget for Regular Salaries exceeds Authorized due to salary adjustments made during the 2007-2009 Biennium.

Beginning Fund Balance for 2009-2010 is reduced to \$32,868,466, which is the total value of 3 previous years' budgets, as specified in A.C.A. 23-61-710(c).

Act 684 of 2007 transferred the Title Insurance Agents' Licensing Board to the Insurance Department. The Authorized levels for Title Insurance in Act 788 of 2007 have been added into this program.

Analysis of Budget Request

Appropriation: 2SX - Fraud Investigation Unit

Funding Sources: TSI - State Insurance Department Trust Fund

The Fraud Investigation Unit was created with the passage of Act 1136 of 1993 (A.C.A. §11-9-116) to investigate allegations of fraud in workers' compensation cases. Funding is provided by special revenues collected by the Insurance Department and earmarked for this purpose.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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.

Base Level for this program is \$336,160 in the first year and \$340,874 in the second year and is the Agency Request.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2SX - Fraud Investigation Unit

Funding Sources: TSI - State Insurance Department Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	160,546	165,876	157,006	170,017	170,017	170,017	173,978	173,978	173,978
#Positions		4	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	50,205	48,300	49,677	52,737	52,737	52,737	53,490	53,490	53,490
Operating Expenses	5020002	50,680	90,406	90,406	90,406	90,406	90,406	90,406	90,406	90,406
Conference & Travel Expenses	5050009	2,699	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Professional Fees	5060010	0	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		264,130	327,582	320,089	336,160	336,160	336,160	340,874	340,874	340,874

Funding Sources										
Fund Balance	4000005	327,837	63,609		0	0	0	0	0	0
Special Revenue	4000030	0	263,973		336,160	336,160	336,160	340,874	340,874	340,874
Transfers / Adjustments	4000683	(98)	0		0	0	0	0	0	0
Total Funding		327,739	327,582		336,160	336,160	336,160	340,874	340,874	340,874
Excess Appropriation/(Funding)		(63,609)	0		0	0	0	0	0	0
Grand Total		264,130	327,582		336,160	336,160	336,160	340,874	340,874	340,874

Actual in Regular Salaries and Personal Services Matching and Budget for Regular Salaries exceed Authorized due to salary adjustments made during the 2007-2009 Biennium.

Analysis of Budget Request

Appropriation: 2SY - St Ins Dept Criminal Investigation Division

Funding Sources: TIF - Insurance Fraud Investigation Division Trust Fund

Act 337 of 1997 (A.C.A. §23-100-101 et seq.) provides for funding of an Insurance Fraud Investigation Division in the State Insurance Department to investigate suspected cases of fraud over a broad range of activities in the insurance industry in Arkansas. An annual administrative and regulatory fee exclusively to support fraud investigation efforts is collected annually from each company under the Department's jurisdiction.

One Base Level position was changed from unclassified to classified to reflect recommendations of the Pay Plan Study and salaries were adjusted accordingly. Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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.

Base Level for this program is \$1,010,692 for FY10 and \$1,027,423 for FY11, with 12 positions budgeted. Changes are requested as follows:

One additional position to serve as Deputy Director and General Counsel to manage review and oversight of an increasing caseload of criminal investigations is requested with costs for salaries and matching of \$92,122 for FY10 and \$94,123 for FY11.

Capital Outlay of \$7,000 each year for this program's share of information technology equipment replacement costs.

The Executive Recommendation provides for Base Level, plus the Capital Outlay request of \$7,000 each year.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2SY - St Ins Dept Criminal Investigation Division

Funding Sources: TIF - Insurance Fraud Investigation Division Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	553,219	592,905	584,005	687,178	614,062	614,062	702,917	628,120	628,120
#Positions		12	12	12	13	12	12	13	12	12
Personal Services Matching	5010003	171,839	162,993	172,692	197,001	177,995	177,995	199,994	180,668	180,668
Operating Expenses	5020002	107,591	171,635	171,635	171,635	171,635	171,635	171,635	171,635	171,635
Conference & Travel Expenses	5050009	15,080	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Professional Fees	5060010	1,673	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Data Processing	5090012	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Capital Outlay	5120011	2,208	6,070	6,070	7,000	7,000	7,000	7,000	7,000	7,000
Total		851,610	980,603	981,402	1,109,814	1,017,692	1,017,692	1,128,546	1,034,423	1,034,423

Funding Sources										
Fund Balance	4000005	960,498	923,870		743,267	743,267	743,267	433,453	525,575	525,575
Special Revenue	4000030	814,982	800,000		800,000	800,000	800,000	800,000	800,000	800,000
Total Funding		1,775,480	1,723,870		1,543,267	1,543,267	1,543,267	1,233,453	1,325,575	1,325,575
Excess Appropriation/(Funding)		(923,870)	(743,267)		(433,453)	(525,575)	(525,575)	(104,907)	(291,152)	(291,152)
Grand Total		851,610	980,603		1,109,814	1,017,692	1,017,692	1,128,546	1,034,423	1,034,423

Budget for Regular Salaries exceeds Authorized due to salary adjustments made during the 2007-2009 Biennium.

Analysis of Budget Request

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

Act 372 of 1997 (A.C.A. §23-40-107 et seq.) provides for administration of prepaid funeral benefit plans in the State of Arkansas and established the Division of Prepaid Funeral Benefits within the State Insurance Department for this purpose. Funding is derived from initial application or renewal fees for annual permits to sell prepaid funeral benefits.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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.

Base Level is \$350,558 for FY10 and \$356,565 for FY11 and is the Agency Request.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	180,232	186,021	179,459	191,369	191,369	191,369	196,417	196,417	196,417
#Positions		4	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	54,271	52,126	54,379	56,799	56,799	56,799	57,758	57,758	57,758
Operating Expenses	5020002	14,544	69,390	69,390	69,390	69,390	69,390	69,390	69,390	69,390
Conference & Travel Expenses	5050009	3,308	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	0	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Data Processing	5090012	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		252,355	340,537	336,228	350,558	350,558	350,558	356,565	356,565	356,565
Funding Sources										
Fund Balance	4000005	654,655	701,619		626,082	626,082	626,082	540,524	540,524	540,524
Special Revenue	4000030	299,319	265,000		265,000	265,000	265,000	265,000	265,000	265,000
Total Funding		953,974	966,619		891,082	891,082	891,082	805,524	805,524	805,524
Excess Appropriation/(Funding)		(701,619)	(626,082)		(540,524)	(540,524)	(540,524)	(448,959)	(448,959)	(448,959)
Grand Total		252,355	340,537		350,558	350,558	350,558	356,565	356,565	356,565

Actual and Budget in Regular Salaries exceed Authorized due to salary adjustments made during the 2007-2009 Biennium.

Analysis of Budget Request

Appropriation: 2TA - Continuing Education Program

Funding Sources: TIE - Insurance Continuing Education Trust Fund

The Insurance Department's Continuing Education Program has one position budgeted to process continuing education records that are required for agent license renewals. Funding is provided from continuing education application fees, as authorized in A.C.A. §23-64-308.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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 Department is requesting continuation of Base Level at \$35,174 for FY10 and \$35,865 for FY11.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TA - Continuing Education Program

Funding Sources: TIE - Insurance Continuing Education Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	21,633	22,176	20,229	25,268	25,268	25,268	25,849	25,849	25,849
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	8,688	8,411	8,437	9,906	9,906	9,906	10,016	10,016	10,016
Total		30,321	30,587	28,666	35,174	35,174	35,174	35,865	35,865	35,865
Funding Sources										
Fund Balance	4000005	664,027	726,670		746,083	746,083	746,083	760,909	760,909	760,909
Special Revenue	4000030	92,964	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		756,991	776,670		796,083	796,083	796,083	810,909	810,909	810,909
Excess Appropriation/(Funding)		(726,670)	(746,083)		(760,909)	(760,909)	(760,909)	(775,044)	(775,044)	(775,044)
Grand Total		30,321	30,587		35,174	35,174	35,174	35,865	35,865	35,865

Actual in Regular Salaries and Personal Services Matching and Budget for Regular Salaries exceed Authorized due to salary adjustments made during the 2007-2009 Biennium.

Analysis of Budget Request

Appropriation: 2TB - State Employee Claims

Funding Sources: TUW - Workers' Compensation Revolving Fund

The Insurance Department's Public Employee Claims Section is the processor of workers' compensation claims payments for employees of the State. Revolving funds derived from agency workers' compensation benefits contributions are the revenue sources for this appropriation, as authorized in A.C.A. §19-5-805. Base Level is \$12,000,000 each year. The Department is requesting the addition of \$2,000,000 each year to assure sufficient appropriation to cover the growing level of claims expenses.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TB - State Employee Claims

Funding Sources: TUW - Workers' Compensation Revolving Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Claims 5110015	10,972,258	12,000,000	12,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Total	10,972,258	12,000,000	12,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000

Funding Sources									
Workers' Comp Revolving 4000735	10,972,258	12,000,000		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Total Funding	10,972,258	12,000,000		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	10,972,258	12,000,000		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000

Analysis of Budget Request

Appropriation: 2TC - Governmental Bonding Board Operations

Funding Sources: TFB - Fidelity Bond Trust Fund

The State Insurance Department is the managing agency for the appropriation through which the Governmental Bonding Board administers the Self-Insured Fidelity Bond Program on behalf of officials and public employees of counties, municipalities, public schools, and the State of Arkansas. Funding is authorized in A.C.A. §21-2-711 and is derived from bond premiums withheld from the County Aid, Municipal Aid, and Public School funds and from premiums transferred from the fund accounts of State agencies. The Department requests that the current level of \$2,104,855 each year be continued for this appropriation.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TC - Governmental Bonding Board Operations

Funding Sources: TFB - Fidelity Bond Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	172	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	251	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Claims	5110015	343,062	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Investments	5120013	0	760,637	760,637	760,637	760,637	760,637	760,637	760,637	760,637
Professional Services	5900043	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Reinsurance	5900046	0	139,218	139,218	139,218	139,218	139,218	139,218	139,218	139,218
Total		343,485	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855

Funding Sources										
Fund Balance	4000005	3,583,009	3,860,845		3,860,845	3,860,845	3,860,845	3,860,845	3,860,845	3,860,845
Trust Fund	4000050	621,321	2,104,855		2,104,855	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855
Total Funding		4,204,330	5,965,700		5,965,700	5,965,700	5,965,700	5,965,700	5,965,700	5,965,700
Excess Appropriation/(Funding)		(3,860,845)	(3,860,845)		(3,860,845)	(3,860,845)	(3,860,845)	(3,860,845)	(3,860,845)	(3,860,845)
Grand Total		343,485	2,104,855		2,104,855	2,104,855	2,104,855	2,104,855	2,104,855	2,104,855

Analysis of Budget Request

Appropriation: 2TD - Public Employees Claims Section

Funding Sources: HUA - Miscellaneous Agencies Fund

This program is funded by transfers from the Public School Fund, the County Aid Fund, the Municipal Aid Fund, and the fund accounts of State agencies for which workers' compensation claims are administered by this Section, as authorized in A.C.A. §11-9-307.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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.

Base Level for this program is \$1,512,041 for FY10 and \$1,538,578 for FY11, with 24 positions budgeted. Requested changes are as follows:

One additional position, Labor Inspector Supervisor, to provide accident prevention services to State agencies. Total salary and matching costs are \$49,532 in the first year and \$50,554 in the second year.

Capital Outlay of \$15,000 each year for equipment replacement, of which \$5,000 each year is earmarked as this program's share of information technology equipment costs.

The Executive Recommendation provides for Base Level, plus the Capital Outlay request of \$15,000 each year.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TD - Public Employees Claims Section

Funding Sources: HUA - Miscellaneous Agencies Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries 5010000	883,250	922,737	878,570	993,836	956,504	956,504	1,016,990	978,800	978,800
#Positions	24	24	24	25	24	24	25	24	24
Personal Services Matching 5010003	278,977	276,027	284,773	316,528	304,328	304,328	320,933	308,569	308,569
Operating Expenses 5020002	179,126	233,209	233,209	233,209	233,209	233,209	233,209	233,209	233,209
Conference & Travel Expenses 5050009	5,998	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Professional Fees 5060010	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Data Processing 5090012	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Capital Outlay 5120011	2,528	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total	1,349,879	1,464,973	1,429,552	1,576,573	1,527,041	1,527,041	1,604,132	1,553,578	1,553,578
Funding Sources									
Special Revenue 4000030	1,349,879	1,464,973		1,576,573	1,527,041	1,527,041	1,604,132	1,553,578	1,553,578
Total Funding	1,349,879	1,464,973		1,576,573	1,527,041	1,527,041	1,604,132	1,553,578	1,553,578
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,349,879	1,464,973		1,576,573	1,527,041	1,527,041	1,604,132	1,553,578	1,553,578

Actual and Budget in Regular Salaries exceed Authorized due to salary adjustments made during the 2007-2009 Biennium.

Analysis of Budget Request

Appropriation: 2TE - Health Information Counseling

Funding Sources: FID - Insurance Department - Federal

The Insurance Department's Health Information Counseling Program is 100% federally funded by the U.S. Department of Health and Human Services. Its purpose is to develop and maintain a network of local volunteers to dispense information and assist senior citizens with their insurance needs.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. 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 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.

Base Level for this program is \$486,499 for FY10 and \$489,362 for FY11, with 5 positions budgeted. The Department is requesting an increase in Operating Expenses of \$8,000 each year for data processing supplies. Also requested is continuation of a miscellaneous federal grant that increases Professional Fees in the amount of \$56,092 each year, providing additional capability to contract with organizations to assist senior citizens with the various available insurance coverages.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation and provides for additional federal appropriation and anticipated funding approved for inclusion in the appropriation bills..

Appropriation Summary

Appropriation: 2TE - Health Information Counseling

Funding Sources: FID - Insurance Department - Federal

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	97,287	140,663	109,610	152,720	152,720	152,720	155,125	155,125	155,125
#Positions		5	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	36,761	47,712	39,752	54,546	54,546	54,546	55,004	55,004	55,004
Operating Expenses	5020002	112,166	130,966	274,633	138,966	138,966	282,463	138,966	138,966	282,463
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	121,304	202,759	3,000	202,759	202,759	356,409	202,759	202,759	356,409
Data Processing	5090012	0	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Capital Outlay	5120011	0	8,000	8,000	0	0	0	0	0	0
Total		367,518	531,700	436,595	550,591	550,591	847,738	553,454	553,454	850,601

Funding Sources										
Federal Revenue	4000020	367,518	531,700		550,591	550,591	847,738	553,454	553,454	850,601
Total Funding		367,518	531,700		550,591	550,591	847,738	553,454	553,454	850,601
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		367,518	531,700		550,591	550,591	847,738	553,454	553,454	850,601

Budget for Regular Salaries and Personal Services Matching exceed Authorized due to salary adjustments made during the 2007-2009 Biennium.

Actual and Budget in Professional Fees exceed Authorized due to Budget Classification Transfers and transfers from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 2TF - Refunds of Overpayments

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department requests that its Refunds of Overpayments appropriation be approved to continue at the current level of \$11,000,000 each year. This account is used to return premium taxes paid to this State in error and to return amounts that are overpaid.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TF - Refunds of Overpayments

Funding Sources: MTA - Miscellaneous Revolving Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Refunds/Reimbursements 5110014	5,370,388	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Total	5,370,388	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Funding Sources									
Miscellaneous Revolving 4000350	5,370,388	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Total Funding	5,370,388	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	5,370,388	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000

Analysis of Budget Request

Appropriation: 2TG - Public School Employees Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Public Employee Claims Section is the processor of payments for long-term workers' compensation claims filed prior to July 1, 1994, by public school employees. Revolving funds derived from employer workers' compensation benefits contributions are the revenue sources for the appropriation through which claims payments are made, as authorized in A.C.A. §19-5-1009.

The Department is requesting continuation of the Base Level of \$450,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TG - Public School Employees Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Claims 5110015	378,311	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total	378,311	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Funding Sources									
Miscellaneous Revolving 4000350	378,311	450,000		450,000	450,000	450,000	450,000	450,000	450,000
Total Funding	378,311	450,000		450,000	450,000	450,000	450,000	450,000	450,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	378,311	450,000		450,000	450,000	450,000	450,000	450,000	450,000

Analysis of Budget Request

Appropriation: 2TH - County Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Public Employee Claims Section is the processor of payments for long-term workers' compensation claims filed prior to January 1, 1985, by county employees. Revolving funds derived from employer workers' compensation benefits contributions are the revenue sources for the appropriation through which claims payments are made, as authorized in A.C.A. §19-5-1009.

The Department is requesting continuation of the Base Level of \$200,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TH - County Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Claims 5110015	26,440	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total	26,440	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources									
Miscellaneous Revolving 4000350	26,440	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding	26,440	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	26,440	200,000		200,000	200,000	200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 2TJ - City Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Public Employee Claims Section is the processor of payments for long-term workers' compensation claims filed prior to January 1, 1985, by city employees. Revolving funds derived from employer workers' compensation benefits contributions are the revenue sources for the appropriation through which claims payments are made, as authorized in A.C.A. §19-5-1009.

The Department is requesting continuation of the Base Level of \$600,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TJ - City Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Claims 5110015	35,016	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total	35,016	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Funding Sources									
Miscellaneous Revolving 4000350	35,016	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Total Funding	35,016	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	35,016	600,000		600,000	600,000	600,000	600,000	600,000	600,000

Analysis of Budget Request

Appropriation: 2TK - Consumer Info System - Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

The Department's Consumer Information System Cash Fund is used to dispense information to the public concerning the various policy types, coverages, and purchasing options offered by the insurance industry. Base Level for this program is \$166,425 each year and is the request for 2009-2011.

The current Cash in Treasury balance and previous funding support for this program were derived from a \$100 annual assessment levied on each licensed insurer, as authorized in A.C.A. §23-63-108. This assessment is no longer collected and support of consumer information through this appropriation will end when the current fund balance and earned interest have been depleted.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TK - Consumer Info System - Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	31,742	166,425	173,000	166,425	166,425	166,425	166,425	166,425	166,425
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		31,742	166,425	173,000	166,425	166,425	166,425	166,425	166,425	166,425
Funding Sources										
Fund Balance	4000005	190,285	166,425		0	0	0	0	0	0
Cash Fund	4000045	7,882	0		0	0	0	0	0	0
Total Funding		198,167	166,425		0	0	0	0	0	0
Excess Appropriation/(Funding)		(166,425)	0		166,425	166,425	166,425	166,425	166,425	166,425
Grand Total		31,742	166,425		166,425	166,425	166,425	166,425	166,425	166,425

Analysis of Budget Request

Appropriation: 2TM - Travel & Subsistence-Cash

Funding Sources: NDD - Travel and Subsistence - Cash in Treasury

The Insurance Department's Travel and Subsistence Cash Fund is currently authorized at the Base Level of \$88,222 each year. A.C.A. §23-67-220 provides for recovery of reasonable costs incurred by the Department in conducting financial examinations of entities under its jurisdiction. Part of the recovered costs are passed through this account to reimburse individual examiners for their personal expenses incurred during the examination process. The Department is requesting additions of \$11,778 each year to provide for increasing meals, lodging, and mileage costs.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2TM - Travel & Subsistence-Cash

Funding Sources: NDD - Travel and Subsistence - Cash in Treasury

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Travel & Subsistence Expenses	5900046	68,360	88,222	88,222	100,000	100,000	100,000	100,000	100,000	100,000
Total		68,360	88,222	88,222	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources										
Fund Balance	4000005	323	951		0	0	0	0	0	0
Cash Fund	4000045	68,988	87,271		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding		69,311	88,222		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)		(951)	0		0	0	0	0	0	0
Grand Total		68,360	88,222		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - Prepaid Funeral Contracts Program Recovery Fund

Act 1043 of 2001 (A.C.A. §23-40-125) established the Prepaid Funeral Contracts Recovery Program to reimburse purchasers of preneed funeral contracts who suffer financial loss due to impairment, insolvency, business interruption, or improper inactivity of a licensed prepaid funeral organization. Funding is authorized from one-time fees of not less than \$5 per contract, up to a maximum set by the State Insurance Commissioner. Such fees collected are to be deposited into the State Insurance Department Prepaid Trust Fund. A portion of these collections may be designated by the State Insurance Commissioner for transfer to the Prepaid Funeral Contracts Recovery Program Fund to pay expenses and claims incurred.

This is a biennial appropriation with a Base Level of \$1,000,000. The Agency is requesting that the Base Level be continued as a biennial appropriation.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to authorize one-half (1/2) of the total appropriation for each fiscal year.

Appropriation Summary

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - Prepaid Funeral Contracts Program Recovery Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Expenses & Claims 5900046	24,326	975,675	0	1,000,000	1,000,000	500,000	0	0	500,000
Total	24,326	975,675	0	1,000,000	1,000,000	500,000	0	0	500,000
Funding Sources									
Fund Balance 4000005	149,616	134,929		0	0	0	0	0	0
Special Revenue 4000030	9,639	840,746		1,000,000	1,000,000	500,000	0	0	500,000
Total Funding	159,255	975,675		1,000,000	1,000,000	500,000	0	0	500,000
Excess Appropriation/(Funding)	(134,929)	0		0	0	0	0	0	0
Grand Total	24,326	975,675		1,000,000	1,000,000	500,000	0	0	500,000

THIS WAS AUTHORIZED AS A BIENNIAL APPROPRIATION FOR THE 2007-2009 BIENNIUM.

Analysis of Budget Request

Appropriation: 4HH - Criminal Background Checks-Cash

Funding Sources: NDD - Criminal Background Checks - Cash in Treasury

The Insurance Department's appropriation for conducting criminal background checks was established by requests from the Cash Fund Holding Account during FY06 and FY07. This program was appropriated by the General Assembly for the 2007-2009 Biennium at the level of \$100,000 each year. Expenditures in FY08 exceeded the authorized amount and another request from the Cash Fund Holding Account was approved, with the possibility that additional authority may also be needed in FY09. Accordingly, the Department is requesting increases of \$25,000 each year to ensure sufficient resources are available to efficiently conduct this program.

Funding is provided through a \$22 fee charged to each first-time license applicant and is used to obtain criminal background data from the Arkansas State Police.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 4HH - Criminal Background Checks-Cash

Funding Sources: NDD - Criminal Background Checks - Cash in Treasury

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	103,634	100,000	100,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		103,634	100,000	100,000	125,000	125,000	125,000	125,000	125,000	125,000
Funding Sources										
Fund Balance	4000005	10,764	12,960		0	0	0	0	0	0
Cash Fund	4000045	105,830	87,040		125,000	125,000	125,000	125,000	125,000	125,000
Total Funding		116,594	100,000		125,000	125,000	125,000	125,000	125,000	125,000
Excess Appropriation/(Funding)		(12,960)	0		0	0	0	0	0	0
Grand Total		103,634	100,000		125,000	125,000	125,000	125,000	125,000	125,000

Analysis of Budget Request

Appropriation: 56A - Public School Insurance Program

Funding Sources: TPS - Public School Insurance Trust Fund

Act 738 of 2007 combined the School Motor Vehicle Operations Program and the Public Elementary and Secondary School Insurance Operations Program into the Public School Insurance Program. Authorization for the combined program is \$14,000,000, which is also the Base Level and the Agency Request.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 56A - Public School Insurance Program

Funding Sources: TPS - Public School Insurance Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Expenses and Claims	5900046	3,095,718	14,000,000	0	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Total		3,095,718	14,000,000	0	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Funding Sources										
Fund Balance	4000005	8,861,045	8,697,029		8,697,029	8,697,029	8,697,029	8,697,029	8,697,029	8,697,029
Trust Fund	4000050	2,931,702	14,000,000		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Total Funding		11,792,747	22,697,029		22,697,029	22,697,029	22,697,029	22,697,029	22,697,029	22,697,029
Excess Appropriation/(Funding)		(8,697,029)	(8,697,029)		(8,697,029)	(8,697,029)	(8,697,029)	(8,697,029)	(8,697,029)	(8,697,029)
Grand Total		3,095,718	14,000,000		14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000

Act 738 of 2007 combined the School Motor Vehicle Operations Program and the Public Elementary and Secondary School Insurance Operations Program into the Public School Insurance Program.