

Analysis of Budget Request

Appropriation: 468 - Operations

Funding Sources: TSC - Tobacco Settlement Commission

The Tobacco Settlement Proceeds Act (Initiated Act 1 of 2000) established funds and accounts for the deposit, investment and management of the State of Arkansas' portion of the Master Settlement Agreement with certain tobacco manufacturers. The Arkansas Tobacco Settlement Commission (ATSC) was created pursuant to Section 17 of this act to monitor and evaluate expenditures made from the four program accounts. Those program accounts are the Prevention and Cessation Program Account, the Targeted State Needs Program Account, the Arkansas Biosciences Institute Program Account and the Medicaid Expansion Program Account.

The Commission is funded from the investment earnings of the Tobacco Settlement Program Fund and Program Accounts, which are deposited as trust funds into the Arkansas Tobacco Settlement Commission Fund. The Commission is authorized to hire an independent third-party to monitor and evaluate program account expenditures and prepare a biennial report for the General Assembly and Governor by each August 1 preceding a regular session of the General Assembly. As funding permits, the Commission is also authorized to make grants in amounts not to exceed \$50,000 to non-profit and community-based organizations.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Request provides for Basel Level for the 2013-2015 biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

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Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	89,690	127,572	152,030	112,949	113,589	113,589	112,949	113,589	113,589
#Positions		3	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	32,667	41,965	44,342	39,553	39,693	39,693	39,553	39,693	39,693
Operating Expenses	5020002	50,970	84,025	197,870	84,025	84,025	84,025	84,025	84,025	84,025
Conference & Travel Expenses	5050009	946	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	423,962	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	757,663	1,187,000	1,187,000	1,187,000	1,187,000	1,187,000	1,187,000	1,187,000	1,187,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,355,898	2,443,562	2,584,242	2,426,527	2,427,307	2,427,307	2,426,527	2,427,307	2,427,307
Funding Sources										
Fund Balance	4000005	5,355,650	4,344,494		2,477,456	2,477,456	2,477,456	627,453	627,453	627,453
Transfer from Tobacco Settlement	4000590	344,742	576,524		576,524	577,304	577,304	576,524	577,304	577,304
Total Funding		5,700,392	4,921,018		3,053,980	3,054,760	3,054,760	1,203,977	1,204,757	1,204,757
Excess Appropriation/(Funding)		(4,344,494)	(2,477,456)		(627,453)	(627,453)	(627,453)	1,222,550	1,222,550	1,222,550
Grand Total		1,355,898	2,443,562		2,426,527	2,427,307	2,427,307	2,426,527	2,427,307	2,427,307