SUMMARY BUDGET INFORMATION

TABLE OF CONTENTS

VOLUME 4

		Page #
2014 Agency Fund Transfers		1
Agency Position Usage Report		2
Crime Information Center, Arkansas		3
Action Required:	(171) ACIC - Operations	13
	(35E) Electronic Logbook	16
	(739) Sex/Child Offender Registration	18
	(86Z) Scrap Metal Logbook	20
	(927) Criminal History Imprv-Federal	23
	(944) Systems Conf-Cash in Treasury	25
Crime Laboratory, State		28
Action Required:	(1ED) Crime Lab-Federal	37
	(1VM) Equipment	40
	(498) Crime Lab State	44
	(788) DNA Special	47
DFA - Alcoholic Beverage Control Administration Division		49
Action Required:	(261) ABC Administration - State Operations	56
	(911) ABC Administration - Cash Operations	59
	(F93) Spirituous & Vinous Beverages	61
DFA - Alcoholic Beverage Control Enforcement Division		62
Action Required:	(1SQ) ABC Enforcement - Federal Operations	69
	(217) ABC Enforcement - State Operations	72
DFA - Child Support Enforcement, Office of		74
Action Required:	(120) Child Support Enforcement - Operations	81
DFA - Disbursing Officer		83
Action Required:	(045) Fireman & Police Officers Pension and Relief Fund	94
	(067) Disaster Assistance Grants	96
	(070) Unemployment Compensation Claims	98
	(071) Marketing and Redistribution	100
	(131) Child Abuse/Rape/Domestic Violence Contract	102
	(133) ACH - Child Welfare Restructuring	104

			Page #
Action Required:	(139)	Information Network of Arkansas	106
	(159)	Administration of Justice Fund	108
	(1FB)	Arkansas Sheriff's Association	110
	(1GD)	Drug Enforcement and Education	112
	(1KG)	Disaster Assistance - Federal	114
	(1MK)	Baby Sharon Act Grants	116
	(1QZ)	Organ Donation Education Grants	118
	(2CU)	Department of Correction - Escapees Trial	120
	(2DX)	Fire Protection Services - Additional Funding	122
	(2MH)	US Olympic Committee	124
	(2YN)	Public Legal Aid	126
	(328)	Merit Adjustment Fund	128
	(340)	Workforce 2000	130
	(36F)	Multi-Jurisdictional Drug Crime Task Force	132
	(471)	Indigent Patient-Emergency Medical Services Program	134
	(4HJ)	Prostate Cancer	136
	(601)	Juvenile Detention Facilities	138
	(746)	Natural Resources Damages	140
	(905)	Purchase of Vehicles	142
	(914)	DFA Disbursing-Miscellaneous-CashTransfers	144
	(F94)	Ar Sheriffs' Association Grant	147
	(ACH)	Arkansas Childrens Hospital	149
	(BBP)	Blanket Bond Program	151
	(MFP)	Miscellaneous Federal Programs	153
	(MHT)	Miscellaneous Transfers	155
	(STC)	State's Contribution	157
	(VGE)	Various Grants and Expenses	165
	(VSA)	Various State Agencies	169
DFA - Management Services Division			170
Action Required:	(1DF)	Victims of Crime Justice Assistance - Federal	182
	(1GA)	Purchase / Corporate Travel Card Program	184
	(251)	Dept of Justice Non-Victim Assistance Grants - State	186
	(252)	Dept of Justice Non-Victim Assistance Grants - Federal	188
	(272)	DFA Management Services - Operations	191

Page #

Action Required: (274) Marketing and Redistribution 194
(278) Employee Benefits Division 197
(279) Information Technology 200
(2HG) Personnel Management - Employee Awards 203
(34Z) Victims of Crime Justice Assistance - State 205
(574) Statewide Payroll Paying 207
(83Q) IT Projects – Federal 209
(907) DFA Management Services - Miscellaneous Cash 211

DFA - Racing Commission 213
Action Required: (146) Division of Racing - Operations 222
(7WJ) License Applications 225

DFA - Revenue Services Division 226
Action Required: (1JN) Commercial Drivers License Program 240
(236) Individual Income Tax & Ad Valorem Property Tax Rebates 243
(237) Corporate Income Tax 245
(239) Gasoline Tax Refunds 247
(240) Interstate Motor Fuel Tax Refunds 249
(241) Miscellaneous Tax Refunds 251
(281) Revenue Services Division - Operations 254
(F10) MV Special Plates 257
(M50) Revenue Miscellaneous Cash 259

Disabled Veterans' Service Office 260
Action Required: (052) Disabled Veterans - State Operations 266

Environmental Quality, Department of 267
Action Required: (2TP) ADEQ - State Operations 286
(2TQ) ADEQ - Federal Operations 288
(2TR) Waste Water Licensing 291
(2TS) Land Reclamation 293
(2TT) Hazardous Waste Permit Program 295
(2TU) Reclamation of Abandoned Mines - State 298
(2TV) Surface Coal Mining 300
(2TW) Mining Reclamation 302
(2TX) Fee Administration 304
(2TY) Solid Waste Performance Bonds 307
(2TZ) Hazardous Waste Cleanup 309

		Page #
Action Required:	(2UA) Emergency Response Program	312
	(2UB) Asbestos Control Program	315
	(2UC) Solid Waste Mgmt/Recycling Prog	317
	(2UD) Reg. Substance Storage Tank	320
	(2UE) Petroleum Storage Tank Trust	322
	(2UF) Regulated Storage Tank Program	324
	(2UG) Landfill Post Closure Program	326
	(2UH) Waste Tire Recycling Program	328
	(2UJ) St Mktg Brd for Recyclables Prog	330
	(2UK) Environmental Education Program	332
	(2UN) Small Business Loans	334
	(2UP) Sm Bus Revolving Loan Prog Exp	336
	(2UQ) Performance Partnership Syst Exp	338
	(2UR) Environmental Settlement Trust	340
	(2US) Computer/Electronic Recycling	342
	(344) PCE Comm Admn Hearing Officer	344
	(36A) Fee Administration Non-Haz Clean Up	346
	(467) PCE Commission Expenses	348
	(F72) Performance Bond Fund	351
Geological Survey, Arkansas		352
Action Required:	(166) State Operations	365
	(169) Map Resale	368
	(210) State Geologic Mapping Program	370
	(54U) State Farm Grant	372
	(873) Geology Museum	374
	(F44) Reg for Prof Geo	376
	(N32) Geological Research - Landslide/Sinkhole	378
Health Services Permit Agency		380
Action Required:	(844) Health Serv Permit Agency-State	388
	(845) Dev Disabilities Plng Council-State	392
	(846) Dev Disabilities Plng Council-Fed	395
Law Enforcement Standards & Training, Commission on		397
Action Required:	(172) Law Enforcement Standards-Operations	408
	(86M) 911 Training & Education	412
	(C64) AG Funding - Cash	414
	(D48) Special Training-Cash	416
	(F63) Fallen Law Enforcement Officers	419

Page #

Martin Luther King, Jr. Commission 420
Action Required: (125) Martin Luther King - State Operations 428
(54S) Martin Luther King - Treasury Cash 431
Military Department, State 432
Action Required: (266) Civilian Student Training Program 445
(268) General Operations 448
(269) Military Call-up and Court Martial 451
(270) Federal Training Site 454
(275) Federal Training Site Grant 457
(34Y) Military Family Trust 460
(393) Cash Operations 463
(443) Counter Drug Asset Forfeiture 466
(455) Military Support Revolving 468
(556) Federal Armory Assistance 470
(575) Fort Chaffee Training Site 473
(576) National Guard Museum 476
(577) AR National Guard Youth Challenge Program 479
Parole Board 481
Action Required: (306) Parole Board Operations 491
Public Defender Commission, Arkansas 493
Action Required: (1VA) Ombudsman Program 503
(337) Public Defender-Operations 505
(530) Public Defender -Trial Office 509
Science and Technology Authority 511
Action Required: (1ND) AR Manufacturing Extention Network-St 522
(34G) Seed Capital Investment-Cash in Treasury 524
(35K) AR EPSCoR-Federal 526
(678) Science & Tech-St Operations 528
(84W) New AMS - Cash in Treasury 532
(85E) Energy Efficiency-Cash in Treasury 535
(919) AR Manufacturing Extension Network-Fed 537
(99Q) AR Acceleration Fund 540
(F43) STEM Education 542

Page #

Sentencing Commission, Arkansas 543
Action Required: (806) Sentencing Commission State Operations 550
State Police, Arkansas 552
Action Required: (1AJ) Methamphetamine Investigation - Federal 566
(1FD) Highway Safety Program - State 569
(1FJ) Highway Safety Program - Federal 572
(2EG) Homeland Security-Federal 575
(345) Automated Fingerprint Identification System (AFIS) 578
(519) ASP-Operations - WITH FEE INCREASE 582
(519) ASP-Operations - WITHOUT FEE INCREASE 583
(521) Various Federal Programs 586
(524) Confiscated Funds Transfer 589
(526) Criminal Background Checks 592
(9KA) AR Wireless Information Network (AWIN) 595
Veterans' Affairs, Department of 597
Action Required: (224) State Operations 610
(2QD) Fayetteville Veterans' Home 613
(38S) Veterans' Cemeteries - Cash In Treasury 616
(490) Veterans' Cemeteries - State 619
(81H) Military Funeral Honor 622
(F50) NLR Cemetery - Federal 624
(M49) Veterans' Home Cash 626
Veterans' Child Welfare Service Office 628
Action Required: (064) Vet Child Welfare Operations 634
Workers' Compensation Commission 636
Action Required: (203) Refunds and Claims 647
(355) Administration 650
(356) Second Injury Claims 653
(866) Seminar-Cash in Treasury 656
(99T) Building Repair 658

2014 AGENCY FUND TRANSFERS

For your information, the Office of Budget has enumerated the following fund transfers which were made from agency treasury fund accounts but do not appear on the Appropriation Summary as expenditures

Agency	Blanket Surety Bond Premiums ACA §21-2-710	Claims ACA §19-10-204	Workers' Compensation Administrative Cost Reimbursement ACA §11-9-307
Crime Information Center, Arkansas	$309	$0	$1,842
Crime Laboratory, State	$636	$3,487	$68
DFA - Alcoholic Beverage Control Administration Division	$55	$36,567	$0
DFA - Alcoholic Beverage Control Enforcement Division	$92	$0	$4,552
DFA - Child Support Enforcement, Office of	$3,870	$0	$7,333
DFA - Disbursing Officer	$0	$7,156	$0
DFA - Management Services Division	$2,050	$0	$373
DFA - Racing Commission	$65	$0	$0
DFA - Revenue Services Division	$5,708	$4,928	$2,837
Disabled Veterans' Service Office	$5	$0	$0
Environmental Quality, Department of	$1,755	$5,460	$243
Geological Survey, Arkansas	$134	$0	$0
Health Services Permit Agency	$41	$0	$39
Law Enforcement Standards & Training, Commission on	$249	$0	$632
Martin Luther King, Jr. Commission	$18	$0	$0
Military Department, State	$2,377	$0	$15,171
Parole Board	$92	$0	$0
Public Defender Commission, Arkansas	$1,382	$0	$0
Science and Technology Authority	$120	$0	$0
Sentencing Commission, Arkansas	$23	$0	$0
State Police, Arkansas	$4,299	$20,829	$70,403
Veterans' Affairs, Department of	$594	$1,000	$7,143
Veterans' Child Welfare Service Office	$9	$0	$0
Workers' Compensation Commission	$479	$0	$507

AGENCY POSITION USAGE REPORT

Agency	FY2014 - FY2015						3 YEAR AVERAGE(FY13,FY14,FY15)					
	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
		Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
Crime Information Center, Arkansas	75	70	5	75	0	6.67 %	75	69	5	74	1	8.00 %
Crime Laboratory, State	144	132	12	144	0	8.33 %	143	132	11	143	0	7.69 %
DFA - Alcoholic Beverage Control Administration Division	12	12	0	12	0	0.00 %	12	11	0	11	1	8.33 %
DFA - Alcoholic Beverage Control Enforcement Division	20	20	0	20	0	0.00 %	20	20	0	20	0	0.00 %
DFA - Child Support Enforcement, Office of	840	732	108	840	0	12.86 %	852	740	100	840	12	13.15 %
DFA - Disbursing Officer	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %
DFA - Management Services Division	445	385	60	445	0	13.48 %	447	383	62	445	2	14.32 %
DFA - Racing Commission	14	14	0	14	0	0.00 %	13	13	0	13	0	0.00 %
DFA - Revenue Services Division	1,480	1,373	107	1,480	0	7.23 %	1,488	1,382	99	1,481	7	7.12 %
Disabled Veterans' Service Office	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %
Environmental Quality, Department of	423	370	52	422	1	12.53 %	425	375	47	422	3	11.76 %
Geological Survey, Arkansas	29	26	3	29	0	10.34 %	29	27	3	30	-1	6.90 %
Health Services Permit Agency	11	9	2	11	0	18.18 %	11	9	1	10	1	18.18 %
Law Enforcement Standards & Training, Commission on	56	55	1	56	0	1.79 %	55	54	1	55	0	1.82 %
Martin Luther King, Jr. Commission	4	3	1	4	0	25.00 %	4	3	1	4	0	25.00 %
Military Department, State	674	475	154	629	45	29.53 %	703	494	135	629	74	29.73 %
Parole Board	24	24	1	25	-1	0.00 %	22	23	0	23	-1	-4.55 %
Public Defender Commission, Arkansas	244	242	3	245	-1	0.82 %	242	241	2	243	-1	0.41 %
Science and Technology Authority	30	22	8	30	0	26.67 %	26	20	5	25	1	23.08 %
Sentencing Commission, Arkansas	5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %
State Police, Arkansas	1,070	951	56	1,007	63	11.12 %	1,043	945	56	1,001	42	9.40 %
Veterans' Affairs, Department of	160	132	24	156	4	17.50 %	181	152	28	180	1	16.02 %
Veterans' Child Welfare Service Office	2	2	0	2	0	0.00 %	2	2	0	2	0	0.00 %
Workers' Compensation Commission	146	105	41	146	0	28.08 %	146	105	41	146	0	28.08 %

Crime Laboratory (0955) - FY13 Total Positions exceed Authorized due to 3 positions received from the Miscellaneous Federal Grant Holding Account.

Geological Survey (0420) - FY13 Budgeted Positions exceeds Authorized due to positions authorized through the Miscellaneous Federal Grant process.

Parole Board (0323) - Budgeted Number of Positions exceeds the Authorized Number due to a transfer from the Agency Growth Pool during the 2013-2015 Biennium.

Public Defender Commission (0324) - Budgeted Number of Positions exceed the Authorized Number due to transfers from the Agency Growth Pool during Fiscal Years 2013 and 2015.

Science and Technology Authority (0327) - Total Budgeted positions in FY14 exceed Authorized amount due to positions authorized from the Central Growth Pool.

ARKANSAS CRIME INFORMATION CENTER

Enabling Laws

Act 143 of 2014
A.C.A. §12-12-201 et seq.
A.C.A. §12-12-1001 et seq.
A.C.A. §12-12-901 et seq.
A.C.A. §12-12-1601 et seq.
A.C.A. §17-44-102
A.C.A. §5-64-1106
A.C.A. §8-6-607

History and Organization

The Arkansas Crime Information Center (ACIC) was created by Act 286 of 1971 with the name of Criminal Justice and Highway Safety Information Center. It was originally placed in the Department of Finance and Administration. Act 742 of 1975 transferred the agency to the Department of Public Safety. Act 375 of 1979 changed the name of the agency to the current Arkansas Crime Information Center. Act 45 of 1981 abolished the Department of Public Safety, leaving ACIC as a separate agency with all the same functions, powers and duties.

Act 1109 of 1993 expanded the authority of ACIC to administer the Computerized Criminal History Record System. This includes arrest records for all felony and Class A misdemeanor offenses, plus the judicial disposition of each record. This is the source file for all criminal history background checks.

Act 989 of 1997 expanded the authority of ACIC to administer the Sex and Child Offender Registry. This registry of sex offenders is accessible in Arkansas and by the other 49 states for authorized purposes.

Act 1250 of 1997 expanded the authority of ACIC to administer the Crime Victim Notification System. This system, commonly referred to as the VINE system, provides offender status information from all county jails and prosecuting attorneys to the victims of crime.

Administration and Organization

Under the Director, the Agency operates with four divisions. The Administration Division is responsible for office management, accounting, budget, purchasing, human resources and inventory. The Information Services Division is responsible for the technical development and

management of the ACIC mainframe applications, telecommunications, microcomputer systems and interfaces with the National Information Systems. The Operations Division is responsible for providing technical assistance to the law enforcement community; for training law enforcement agencies throughout the state; managing the Crime Victim Notification System and the JusticeXchange System; and the collection and publication of Crime Statistics. The Repository Division is responsible for Criminal History data entry, collection and management; Sex Offender Registry Management; misuse investigations; and Public Information.

Mission:

The Mission of ACIC is to provide information services to criminal justice agencies in Arkansas. If these agencies are to be effective, there must be a sharing of information. Computer technology now makes data sharing a timely and efficient process. Providing this information technology is the role of ACIC.

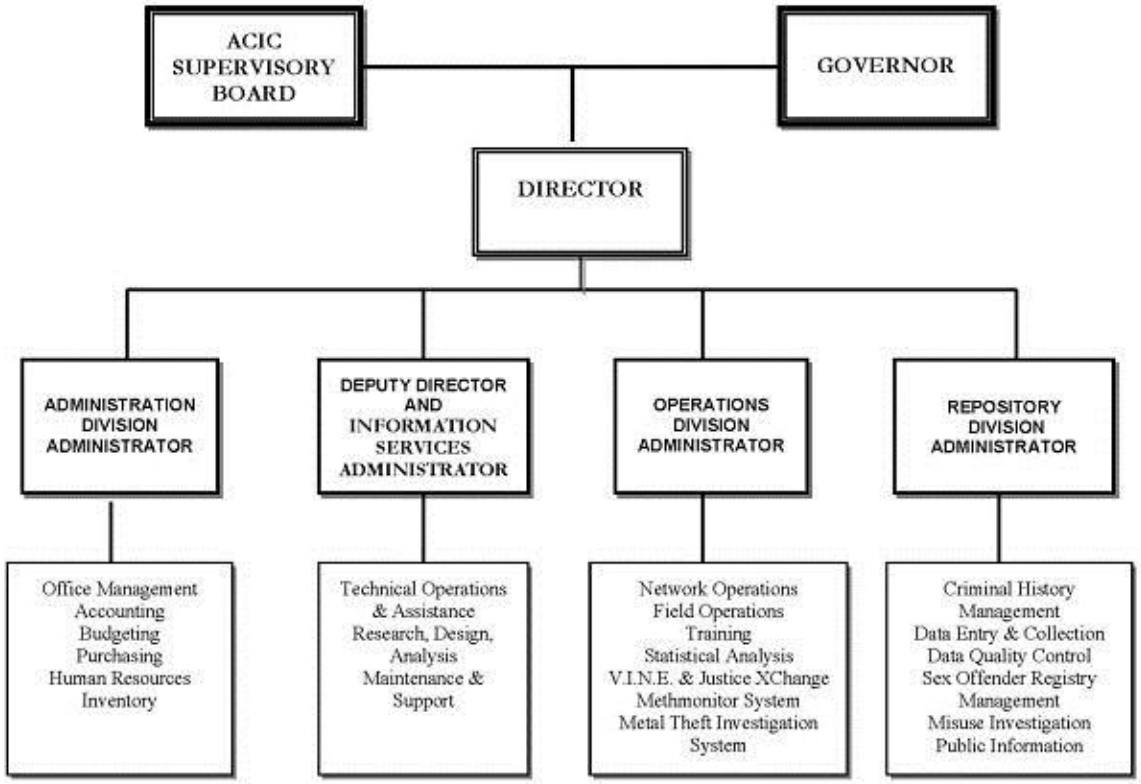
The ACIC system was developed to promote safety, the protection of property, and the equitable processing of individuals within the criminal justice system. ACIC furnishes information to governmental agencies that enforce or aid in enforcing local, state and federal laws.

Scope:

ACIC serves criminal justice agencies and officials at the local, county, state and federal levels in Arkansas. Access to information is provided through a network of over 2,000 terminals in over 260 locations statewide. ACIC also administers the state's central repository of criminal history records, the sex offender registry, collects and publishes statistics on crime and manages the crime victim notification project.

Public Benefit:

The public benefit of ACIC is to enable effective government operations and public safety through appropriate, cost-effective, coordinated, innovative and useful application of information technologies.


ACIC SUPERVISORY BOARD
GOVERNOR
DIRECTOR
ADMINISTRATION DIVISION ADMINISTRATOR
DEPUTY DIRECTOR AND INFORMATION SERVICES ADMINISTRATOR
OPERATIONS DIVISION ADMINISTRATOR
REPOSITORY DIVISION ADMINISTRATOR
Office Management
Accounting
Budgeting
Purchasing
Human Resources
Inventory
Technical Operations & Assistance
Research, Design, Analysis
Maintenance & Support
Network Operations
Field Operations
Training
Statistical Analysis
V.I.N.E. & Justice XChange
Methmonitor System
Metal Theft Investigation System
Criminal History Management
Data Entry & Collection
Data Quality Control
Sex Offender Registry Management
Misuse Investigation
Public Information

Agency Commentary

Appropriation 171- Operations

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

The Agency is requesting no increase in Operating Expenses, Conference and Travel Expenses or Professional Fees.

The Agency is requesting $50,000 each year for Capital Outlay. These requests will be used for the purchase of hardware, firewalls, servers, and routine replacement of PCs within the agency.

The Agency is requesting $500,000 each year in Contingency appropriation. This request will be used to provide for the Criminal History Information Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.

Appropriation 927 - Criminal History Improvement Program - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

The Agency is requesting a continuation of Base Level.

Appropriation 944 - Systems Conference - Cash

The Agency supports an annual ACIC Systems Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space. Expenditure of appropriation is contingent upon available funds.

Base Level is requested for this appropriation in the amount of $60,000 for FY16 and FY17.

Appropriation 739 - Sex/Child Offender Registration Program

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. 12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency is requesting a continuation of Base Level.

Appropriation 35E - Arkansas Real-Time Electronic Logbook

This appropriation is used for the operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medication used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigative tool.

The Agency is requesting a continuation of Base Level.

Appropriation 86Z - Scrap Metal Logbook

This appropriation is used to fund the Metal Theft Investigations System's maintenance and operating expenses. Law enforcement agencies use this database as an investigative tool.

A.C.A. 17-44-102(F) - Records Required for Scrap Metal Dealers. Per Act 1354 of 2013, the operator of the electronic database is responsible for providing a Compliance System to meet the reporting needs of scrap dealers and law enforcement. The Vendor, LeadsOnline, has increased their yearly fee by $25,000 to $150,000, to provide this service. The $150,000 is already being deposited to the account per A.C.A. 8-6-607(5).

The Agency is requesting an increase in appropriation of $25,000 to $150,000 in order to pay this vendor.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS CRIME INFORMATION CENTER

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
The Agency did not record accounts payable of $81,249 for software contract services obligated in the prior fiscal year for the National Incident-Based Reporting System Repository. According to R1-19-4-702 of the State Financial Management Guide, a prior-year obligation for which no remittance has been made must be recorded as an accounts payable for the prior year.	Review payments made after year-end to ensure they are recorded in the correct period and ensure that accounts payable and capital assets are recorded accurately. Agency Response: Agency Fiscal Management will be reviewing invoices more carefully to ensure prior-year accounts payables are recorded in the year the actual services or goods were received or obligated.
The Agency did not record leasehold improvements of $211,802 made to its new office location in fiscal year 2013, in noncompliance with the State Financial Management Guide's Capital Asset Guidelines Appendix.	Review payments made after year-end to ensure they are recorded in the correct period and ensure that accounts payable and capital assets are recorded accurately. Agency Response: The improvements to the Agency's office space have been properly recorded as Leasehold Improvements in the Agency Assets Listing, and Agency Fiscal Management has reviewed the Capital Asset Guidelines to ensure future procurements are handled correctly.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	21	32	53	76 %
Black Employees	4	11	15	21 %
Other Racial Minorities	2	0	2	3 %
Total Minorities			17	24 %
Total Employees			70	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Crime in Arkansas	A.C.A. §12-12-207(d)	N	N	0	Posted on the Arkansas Crime Information Center website.	0	0.00

Department Appropriation Summary

Appropriation		2013-2014 Actual	2013-2014 Pos	2014-2015 Budget	2014-2015 Pos	2014-2015 Authorized	2014-2015 Pos	2015-2016 Base Level	2015-2016 Pos	2015-2016 Agency	2015-2016 Pos	2015-2016 Executive	2015-2016 Pos	2016-2017 Base Level	2016-2017 Pos	2016-2017 Agency	2016-2017 Pos	2016-2017 Executive	2016-2017 Pos
171	ACIC - Operations	6,117,630	69	7,449,417	72	7,995,584	72	7,441,132	72	7,991,132	72	7,991,132	72	7,444,585	72	7,994,585	72	7,994,585	72
35E	Electronic Logbook	346,933	1	395,474	1	394,867	1	396,009	1	396,009	1	396,009	1	396,009	1	396,009	1	396,009	1
739	Sex/Child Offender Registration	17,822	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
86Z	Scrap Metal Logbook	125,000	0	125,000	0	125,000	0	125,000	0	150,000	0	150,000	0	125,000	0	150,000	0	150,000	0
927	Criminal History Imprv-Federal	8,403	2	148,453	2	176,700	2	134,898	2	134,898	2	134,898	2	134,898	2	134,898	2	134,898	2
944	Systems Conf-Cash in Treasury	33,215	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
NOT REQUESTED FOR THE BIENNIUM																			
85A	SAVIN Program-Federal	0	0	0	0	92,149	0	0	0	0	0	0	0	0	0	0	0	0	0
85R	SMART-Adam Walsh Act Grant	0	0	0	0	62,834	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		6,649,003	72	8,328,344	75	9,057,134	75	8,307,039	75	8,882,039	75	8,882,039	75	8,310,492	75	8,885,492	75	8,885,492	75

Funding Sources			%		%		%		%		%		%		%		%		%
Fund Balance	4000005	4,457,795	39.0	4,791,043	42.0		3,090,619	31.1	3,090,619	31.1	3,090,619	31.1	1,631,930	19.2	1,056,930	13.4	1,056,930	13.4	
General Revenue	4000010	3,785,067	33.1	3,785,664	33.2		3,805,388	38.3	3,805,388	38.3	3,805,388	38.3	3,806,976	44.9	3,806,976	48.1	3,806,976	48.1	
Federal Revenue	4000020	8,403	0.1	148,453	1.3		134,898	1.4	134,898	1.4	134,898	1.4	134,898	1.6	134,898	1.7	134,898	1.7	
Special Revenue	4000030	2,913,773	25.5	2,385,739	20.9		2,600,000	26.2	2,600,000	26.2	2,600,000	26.2	2,600,000	30.7	2,600,000	32.9	2,600,000	32.9	
Cash Fund	4000045	39,339	0.3	60,000	0.5		60,000	0.6	60,000	0.6	60,000	0.6	60,000	0.7	60,000	0.8	60,000	0.8	
M & R Sales	4000340	3,380	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Transfer State Admn of Justice	4000570	82,289	0.7	98,064	0.9		98,064	1.0	98,064	1.0	98,064	1.0	98,064	1.2	98,064	1.2	98,064	1.2	
Various Program Support	4000730	150,000	1.3	150,000	1.3		150,000	1.5	150,000	1.5	150,000	1.5	150,000	1.8	150,000	1.9	150,000	1.9	
Total Funds		11,440,046	100.0	11,418,963	100.0		9,938,969	100.0	9,938,969	100.0	9,938,969	100.0	8,481,868	100.0	7,906,868	100.0	7,906,868	100.0	
Excess Appropriation/(Funding)		(4,791,043)		(3,090,619)			(1,631,930)		(1,056,930)		(1,056,930)		(171,376)		978,624		978,624		
Grand Total		6,649,003		8,328,344			8,307,039		8,882,039		8,882,039		8,310,492		8,885,492		8,885,492		

Budget exceeds Authorized Appropriation in (35E) Electronic Logbook due to salary adjustrments during the 2013-2015 Biennium.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
75	71	4	75	0	5.33 %	75	68	7	75	0	9.33 %	75	70	5	75	0	6.67 %

Analysis of Budget Request

Appropriation: 171 - ACIC - Operations

Funding Sources: MJA - Crime Information System Fund

The Arkansas Crime Information Center is responsible for the state's law enforcement and criminal justice information management system. This appropriation is used for personal services and operating expenses of the Agency. Funding comes from general revenue and special revenue. Special revenue consists of background check fees and DWI court fines.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total $550,000 in appropriation only each year of the biennium and reflect the following:

- Capital Outlay of $50,000 each year of the biennium for the purchase of computer hardware, firewalls, servers, and routine replacement of PCs. Costs associated with these requests are documented in the Agency's IT Plan.
- Contingency of $500,000 each year of the biennium to provide for the Criminal History Program, AR Sex Offender Registry, ACIC operating system, Victim Notification Program, NIBRS (online crime statistics) program, Law Enforcement National Data Exchange (N-DEX), JusticeXchange Program or the general operation of the Agency.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 171 - ACIC - Operations

Funding Sources: MJA - Crime Information System Fund

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Regular Salaries	5010000	2,554,325	2,647,573	2,676,442	2,673,750	2,673,750	2,673,750	2,676,550	2,676,550	2,676,550
#Positions		**69**	**72**	**72**	**72**	**72**	**72**	**72**	**72**	**72**
Personal Services Matching	5010003	974,022	970,076	987,374	985,614	985,614	985,614	986,267	986,267	986,267
Operating Expenses	5020002	1,892,813	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041	1,970,041
Conference & Travel Expenses	5050009	15,571	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Professional Fees	5060010	67,415	450,692	450,692	450,692	450,692	450,692	450,692	450,692	450,692
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	50,000	50,000	50,000	0	50,000	50,000	0	50,000	50,000
Contingency	5130018	0	0	500,000	0	500,000	500,000	0	500,000	500,000
Data Processing	5900044	443,484	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035	1,201,035
Update/Expand	5900046	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Total		6,117,630	7,449,417	7,995,584	7,441,132	7,991,132	7,991,132	7,444,585	7,994,585	7,994,585
Funding Sources										
Fund Balance	4000005	4,447,243	4,745,515		3,034,352	3,034,352	3,034,352	1,550,663	1,000,663	1,000,663
General Revenue	4000010	3,438,134	3,390,190		3,409,379	3,409,379	3,409,379	3,410,967	3,410,967	3,410,967
Special Revenue	4000030	2,892,099	2,250,000		2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
M & R Sales	4000340	3,380	0		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	82,289	98,064		98,064	98,064	98,064	98,064	98,064	98,064
Total Funding		10,863,145	10,483,769		8,991,795	8,991,795	8,991,795	7,509,694	6,959,694	6,959,694
Excess Appropriation/(Funding)		(4,745,515)	(3,034,352)		(1,550,663)	(1,000,663)	(1,000,663)	(65,109)	1,034,891	1,034,891
Grand Total		6,117,630	7,449,417		7,441,132	7,991,132	7,991,132	7,444,585	7,994,585	7,994,585

Change Level by Appropriation

Appropriation: 171 - ACIC - Operations
Funding Sources: MJA - Crime Information System Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,441,132**	**72**	**7,441,132**	**100.0**	**7,444,585**	**72**	**7,444,585**	**100.0**
C05	Unfunded Appropriation	500,000	0	7,941,132	106.7	500,000	0	7,944,585	106.7
C08	Technology	50,000	0	7,991,132	107.4	50,000	0	7,994,585	107.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,441,132**	**72**	**7,441,132**	**100.0**	**7,444,585**	**72**	**7,444,585**	**100.0**
C05	Unfunded Appropriation	500,000	0	7,941,132	106.7	500,000	0	7,944,585	106.7
C08	Technology	50,000	0	7,991,132	107.4	50,000	0	7,994,585	107.4

Justification	
C05	The Agency is requesting $500,000 for each year in Contingency appropriation. This will be used to provide for the Repository Division, Network /Operations System, or the general operations of the Agency.
C08	The Agency is requesting $50,000 in Capital Outlay for each year. This will be used for Computer Hardware purchases for the Agency. IT Plan Section: PC's.

Analysis of Budget Request

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

This appropriation is used for operation of the Arkansas Real-Time Electronic Logbook program. Under this program, pharmacies log sales of over the counter medicines used in the manufacture of illegal drugs into a database. Law enforcement agencies use this database as an investigation tool. Funding for this appropriation comes from general revenue.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35E - Electronic Logbook

Funding Sources: MJA - Crime Information System Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	33,881	32,894	32,249	33,222	33,222	33,222	33,222	33,222	33,222
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	13,052	12,580	12,618	12,787	12,787	12,787	12,787	12,787	12,787
Operating Expenses	5020002	300,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
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		346,933	395,474	394,867	396,009	396,009	396,009	396,009	396,009	396,009
Funding Sources										
General Revenue	4000010	346,933	395,474		396,009	396,009	396,009	396,009	396,009	396,009
Total Funding		346,933	395,474		396,009	396,009	396,009	396,009	396,009	396,009
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		346,933	395,474		396,009	396,009	396,009	396,009	396,009	396,009

FY15 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 739 - Sex/Child Offender Registration

Funding Sources: SSC- Sex and Child Offender Registration Fund

The Sex and Child Offender Registration Fund was established in 1997 per A.C.A. §12-12-911. This appropriation is funded through fines received by those persons required to register as sex offenders. The funds are used by the Arkansas Crime Information Center for the administration of the Sex and Child Offender Registration program.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 739 - Sex/Child Offender Registration

Funding Sources: SSC- Sex and Child Offender Registration Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	17,822	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
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		17,822	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources										
Fund Balance	4000005	10,409	14,261		0	0	0	0	0	0
Special Revenue	4000030	21,674	135,739		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		32,083	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Excess Appropriation/(Funding)		(14,261)	0		0	0	0	0	0	0
Grand Total		17,822	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 86Z - Scrap Metal Logbook

Funding Sources: MJA - Crime Information System Fund

Agency uses this appropriation for maintenance and operation expenses of the Arkansas Real-Time Scrap Metal Logbook. Funds for this appropriation comes from fees collected from A.C.A. § 8-6-607(5).

The Agency's Change Level request is for $25,000 in appropriation each year of the biennium for the changes needed to the Scrap Metal Logbook system.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 86Z - Scrap Metal Logbook

Funding Sources: MJA - Crime Information System Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Scrap Metal Logbook	5900046	125,000	125,000	125,000	125,000	150,000	150,000	125,000	150,000	150,000
Total		125,000	125,000	125,000	125,000	150,000	150,000	125,000	150,000	150,000
Funding Sources										
Fund Balance	4000005	0	25,000		50,000	50,000	50,000	75,000	50,000	50,000
Various Program Support	4000730	150,000	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		150,000	175,000		200,000	200,000	200,000	225,000	200,000	200,000
Excess Appropriation/(Funding)		(25,000)	(50,000)		(75,000)	(50,000)	(50,000)	(100,000)	(50,000)	(50,000)
Grand Total		125,000	125,000		125,000	150,000	150,000	125,000	150,000	150,000

Change Level by Appropriation

Appropriation: 86Z - Scrap Metal Logbook
Funding Sources: MJA - Crime Information System Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**125,000**	**0**	**125,000**	**100.0**	**125,000**	**0**	**125,000**	**100.0**
C01	Existing Program	25,000	0	150,000	120.0	25,000	0	150,000	120.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**125,000**	**0**	**125,000**	**100.0**	**125,000**	**0**	**125,000**	**100.0**
C01	Existing Program	25,000	0	150,000	120.0	25,000	0	150,000	120.0

Justification	
C01	The Agency is requesting additional appropriation of $25,000 each year to pay vendor's increase in charges due to additional compliance reporting features and/or modifications made available to law enforcement.

Analysis of Budget Request

Appropriation: 927 - Criminal History Imprv-Federal

Funding Sources: FAC - Crime Information Center - Federal

The National Criminal History Improvement Project (NCHIP) involves the entry and quality control of criminal arrest records into the ACIC automated criminal history file. Funding comes from grants from the U.S. Department of Justice.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 927 - Criminal History Imprv-Federal

Funding Sources: FAC - Crime Information Center - Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,851	43,654	65,481	43,654	43,654	43,654	43,654	43,654	43,654
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	1,552	20,007	30,389	20,260	20,260	20,260	20,260	20,260	20,260
Operating Expenses	5020002	0	24,792	10,984	10,984	10,984	10,984	10,984	10,984	10,984
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	60,000	69,846	60,000	60,000	60,000	60,000	60,000	60,000
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		8,403	148,453	176,700	134,898	134,898	134,898	134,898	134,898	134,898
Funding Sources										
Federal Revenue	4000020	8,403	148,453		134,898	134,898	134,898	134,898	134,898	134,898
Total Funding		8,403	148,453		134,898	134,898	134,898	134,898	134,898	134,898
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		8,403	148,453		134,898	134,898	134,898	134,898	134,898	134,898

Budget exceeds Authorized Appropriation in Operating Expenses due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

The Agency supports two state wide conferences from this fund: the Systems Conference and the NIBRS (National Incidence Based Reporting System) Conference. Funding is provided by registration fees charged to participants and fees paid by vendors for rental of booth space.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 944 - Systems Conf-Cash in Treasury

Funding Sources: NCD - ACIC Conference - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	31,683	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	1,532	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
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		33,215	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Funding Sources										
Fund Balance	4000005	143	6,267		6,267	6,267	6,267	6,267	6,267	6,267
Cash Fund	4000045	39,339	60,000		60,000	60,000	60,000	60,000	60,000	60,000
Total Funding		39,482	66,267		66,267	66,267	66,267	66,267	66,267	66,267
Excess Appropriation/(Funding)		(6,267)	(6,267)		(6,267)	(6,267)	(6,267)	(6,267)	(6,267)	(6,267)
Grand Total		33,215	60,000		60,000	60,000	60,000	60,000	60,000	60,000

Appropriation Summary

Appropriation: 85A - SAVIN Program-Federal

Funding Sources: FAC - SAVIN Program Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	0	10,749	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	81,400	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		0	0	92,149	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

Appropriation Summary

Appropriation: 85R - SMART-Adam Walsh Act Grant

Funding Sources: FAC - Crime Information Center - Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	0	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	62,834	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		0	0	62,834	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

STATE CRIME LABORATORY

Enabling Laws

Act 92 of 2014
A.C.A. §12-12-301 et seq.

History and Organization

The Arkansas State Crime Laboratory (ASCL) was created by Act 517 of 1977 to provide forensic scientific support to the criminal justice system. Act 383 of 1991 created a Crime Laboratory Board that is comprised of eight members that meet quarterly. An Executive Director appointed by the Governor provides the day-to-day administration of the laboratory.

The mission of the Arkansas State Crime Laboratory is to provide the highest quality scientific services to the criminal justice community and the State of Arkansas. This is accomplished through a team of skilled and dedicated employees utilizing scientific equipment and validated methodologies appropriate to the forensic community.

The Little Rock laboratory facility, which occupies approximately 69,879 square feet, is located at #3 Natural Resources Drive in Little Rock. A storage facility, including a vehicle evidence processing garage, is located adjacent to the laboratory that occupies 5,500 square feet. These facilities are rented from the Arkansas Building Authority (ABA) for $862,749/year. This rental payment absorbs approximately 50% of the laboratory's annual Maintenance & Operations budget and decreases substantially the amount left for the day-to-day operations of the laboratory.

The ASCL has a satellite laboratory on the campus of the University of Arkansas Community College at Hope which occupies 2,304 square feet.

Funding for the laboratory is provided through general revenues allocated from the Miscellaneous Agencies Fund Account. Some funding for laboratory operations comes through the Administrative Office of the Courts as well as Special State Assets Forfeiture Funds. Federal grants are utilized to support the laboratory in order to reduce the backlog and build the laboratory infrastructure. Grant funds are also utilized to provide annual training for all laboratory personnel, which is an ASCLD/LAB accreditation requirement. A special revenue fund derived from fees charged to convicted offenders is also used to partially support the Forensic Biology Section.

The laboratory became accredited by the American Society of Crime Laboratory Directors - Lab Accreditation Board (ASCLD/LAB) in December 2004. In order to maintain accreditation, the ASCL must conduct internal audits every year and participate in an external audit every five years, as well as supply training for all analysts/examiners annually. The ASCL renewed this accreditation in 2009 and is in the process of receiving ISO17025 accreditation through ASCLD/LAB. Accreditation is just one component of the ASCL's quality assurance program which also includes proficiency testing, continuing education, and other programs to help the laboratory provide better overall service to the criminal justice system. Accreditation is a means to demonstrate to law enforcement agencies, the court system and to the public that the laboratory is meeting established standards.

The Medical Examiner's Office received accreditation August 15, 2010 through the National Association of Medical Examiners (NAME). NAME accreditation demonstrates that the Medical Examiner's Office continues to develop and maintain a high caliber of medicolegal death investigations for the State of Arkansas.

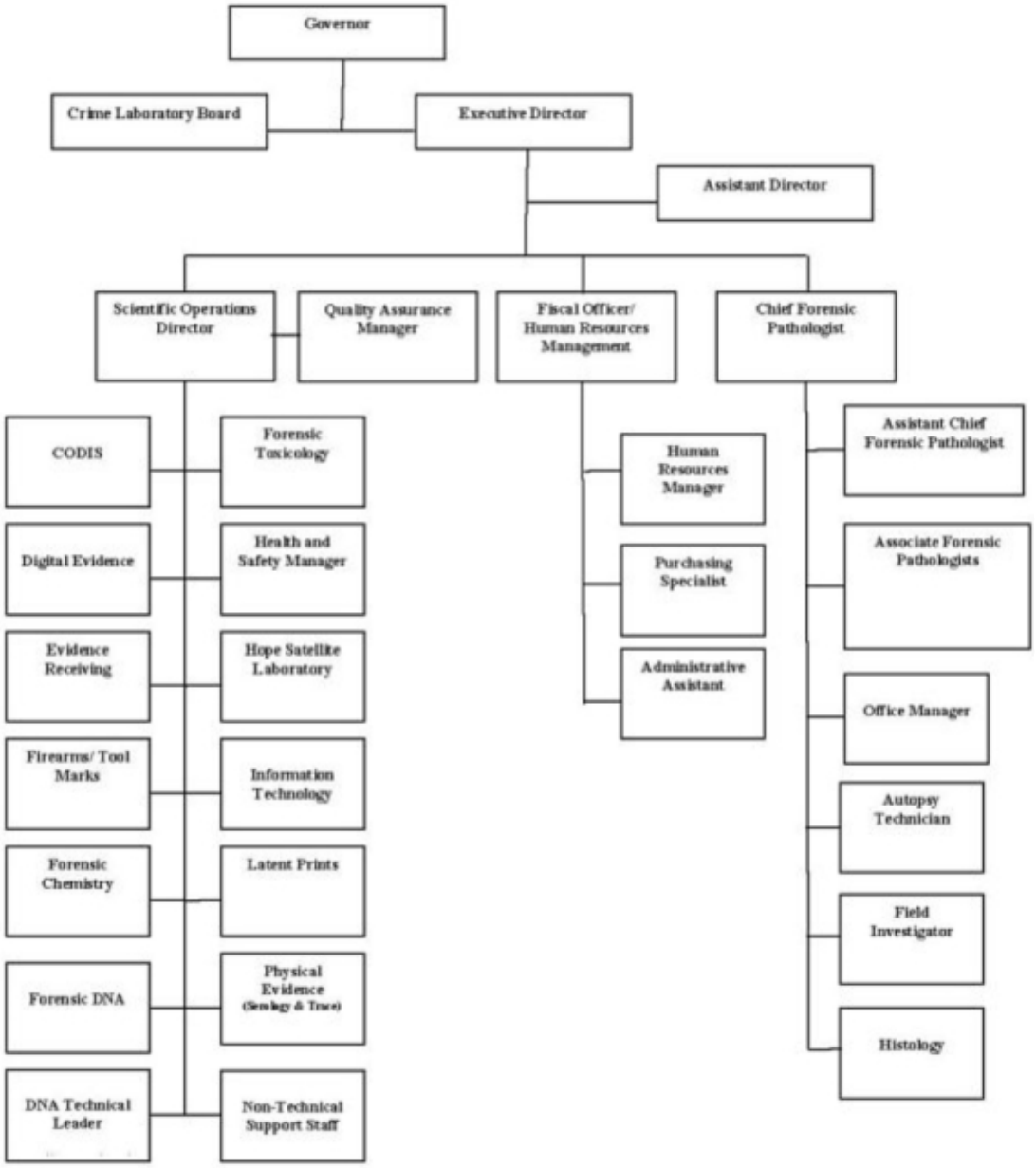
The Arkansas State Crime Laboratory (ASCL) provides forensic science services to all law enforcement agencies, prosecuting attorneys, public defenders, as well as state agencies with investigative authority. The ASCL also provides forensic science services for federal law enforcement agencies. In 2013, the laboratory received 26,086 cases. Of these cases there were 45,624 requests for analysis. One case can require multiple types of examinations that will require the services of the various disciplines in the laboratory, including autopsy services provided by the Medical Examiner's Section.

The Medical Examiner's Section performs approximately 1,400 autopsies per year and provides continual support to Coroners throughout the state.

In addition to the examination of evidence in 2013, crime laboratory analysts spent approximately 3,000 hours in the various courts throughout the State.

The ASCL provides instructors for courses being taught at the Arkansas Law Enforcement Training Academy, the Criminal Justice Institute, the Black River Training Academy, Arkansas State Police, and hospitals throughout the state. The ASCL has developed and provides training to the Arkansas Department of Correction, the Arkansas Department of Community Correction and law enforcement throughout the state for the collection of DNA samples from individuals required to provide a sample.

When requested by ASCLD/LAB, the ASCL provides subject matter experts to assist in audits of other forensic laboratories across the country.


Governor
Crime Laboratory Board
Executive Director
Assistant Director
Scientific Operations Director
Quality Assurance Manager
Fiscal Officer/ Human Resources Management
Chief Forensic Pathologist
CODIS
Digital Evidence
Evidence Receiving
Firearms/ Tool Marks
Forensic Chemistry
Forensic DNA
DNA Technical Leader
Forensic Toxicology
Health and Safety Manager
Hope Satellite Laboratory
Information Technology
Latent Prints
Physical Evidence (Serology & Trace)
Non-Technical Support Staff
Human Resources Manager
Purchasing Specialist
Administrative Assistant
Assistant Chief Forensic Pathologist
Associate Forensic Pathologists
Office Manager
Autopsy Technician
Field Investigator
Histology

Agency Commentary

The Arkansas State Crime Laboratory (ASCL) provides forensic science services to all law enforcement agencies, prosecuting attorneys, public defenders, as well as state agencies with investigative authority. The ASCL also provides forensic science services for federal law enforcement agencies. Services provided by the laboratory include the scientific analysis of evidence, written reports regarding the scientific findings of the analysis, and expert testimony in court. All forensic conclusions, both written and verbal are scientifically valid, accurate, consistent, and reliable. This standard of quality serves as the guiding principle for all technical and strategic decisions involving work undertaken by the ASCL.

The mission of the Arkansas State Crime Laboratory is to provide the highest quality scientific services to the criminal justice community and the State of Arkansas. This is accomplished through a team of skilled and dedicated employees utilizing scientific equipment and validated methodologies appropriate to the forensic community.

On December 13, 2004, the ASCL became an accredited laboratory through the American Society of Crime Laboratory Directors - Lab Accreditation Board (ASCLD/LAB) Legacy Program. In order to maintain accreditation, the ASCL must conduct internal audits every year and participate in an external audit every five years, as well as supply training for all analysts/examiners annually. The ASCL renewed this accreditation in 2009 and in 2014 received ISO17025 International Accreditation through ASCLD/LAB. Accreditation is just one component of the ASCL's quality assurance program which also includes proficiency testing, continuing education, and other programs to help the laboratory provide better overall service to the criminal justice system. Accreditation is a means to demonstrate to law enforcement agencies, the court system and to the public that the laboratory is meeting established standards.

The Medical Examiner's Office received accreditation August 15, 2010 through the National Association of Medical Examiners (NAME). NAME accreditation demonstrates that the Medical Examiner's Office continues to develop and maintain a high caliber of medicolegal death investigations for the State of Arkansas.

We are requesting the following:

Appropriation 498: State Operations

- Increase of $25,883 in Operations each year to satisfy a 3% rent increase on our facility; an increase of $78,000 each year to increase the state contract to transport victims from the northeast region and $10,000 each year in Capital Outlay to purchase/update the gas generators for the Toxicology/Forensic Chemistry sections.
- $60,000 each year in Grants and Aid to establish an accredited fellowship program with UAMS School of Pathology.
- $1,012,960 in FY16 and $1,013,082 in FY17 to cover the base level personnel costs of all the positions that work in our DNA Section

- Special and also the newly required 25% match on all positions funded by a federal grant.

Appropriation 788: DNA Section Special

All the positions were transferred to appropriation 498 State Operations due to the declining fund balance in the DNA Special Revenue Fund. Over the past 6 years we have been paying all personnel and operating costs for this section from this special revenue.

Appropriation 1ED: Federal Operations

We are requesting additional appropriation of $200,000 each year for Operating Expenses for purchasing health and laboratory supplies. We are also requesting $1,000,000 each year in Capital Outlay for purchasing equipment. Funding will be made available through the United States Department of Justice.

Appropriation 1VM: Equipment

We are requesting an additional $250,000 each year of the biennium for purchasing supplies, equipment and maintenance contracts for the lab.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
STATE CRIME LABORATORY

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	52	71	123	92 %
Black Employees	0	9	9	7 %
Other Racial Minorities	2	0	2	1 %
Total Minorities			11	8 %
Total Employees			134	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	2015-2016 Agency	Pos	2015-2016 Executive	Pos	2016-2017 Base Level	Pos	2016-2017 Agency	Pos	2016-2017 Executive	Pos
		Historical Data						**Agency Request and Executive Recommendation**											
1ED	Crime Lab-Federal	1,237,600	9	2,541,491	7	2,641,325	7	1,545,548	7	2,745,548	7	2,745,548	7	1,545,548	7	2,745,548	7	2,745,548	7
1VM	Equipment	728,431	0	750,000	0	750,000	0	750,000	0	1,000,000	0	1,000,000	0	750,000	0	1,000,000	0	1,000,000	0
498	Crime Lab State	9,794,548	119	9,865,918	120	10,154,264	120	9,962,970	120	11,149,813	137	11,149,813	137	9,967,740	120	11,154,705	137	11,154,705	137
788	DNA Special	1,743,685	15	1,991,825	17	2,084,414	17	2,003,480	17	990,520	0	990,520	0	2,003,602	17	990,520	0	990,520	0
Total		13,504,264	143	15,149,234	144	15,630,003	144	14,261,998	144	15,885,881	144	15,885,881	144	14,266,890	144	15,890,773	144	15,890,773	144
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	2,920,070	18.5	2,281,796	14.1			1,030,707	7.4	1,030,707	6.2	1,030,707	6.3	790,374	5.8	715,187	4.4	715,187	4.5
General Revenue	4000010	7,810,335	49.5	7,664,612	47.4			7,740,313	55.4	9,172,825	55.3	8,855,313	54.4	7,744,033	56.4	9,177,717	56.3	8,859,033	55.5
Federal Revenue	4000020	1,237,600	7.8	2,541,491	15.7			1,545,548	11.1	2,745,548	16.5	2,745,548	16.9	1,545,548	11.3	2,745,548	16.9	2,745,548	17.2
Special Revenue	4000030	3,183,574	20.2	3,115,054	19.3			3,075,000	22.0	3,075,000	18.5	3,075,000	18.9	3,075,000	22.4	3,075,000	18.9	3,075,000	19.3
Merit Adjustment Fund	4000055	122,469	0.8	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	16,762	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	11,081	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	484,169	3.1	576,988	3.6			576,988	4.1	576,988	3.5	576,988	3.5	576,988	4.2	576,988	3.5	576,988	3.6
Total Funds		15,786,060	100.0	16,179,941	100.0			13,968,556	100.0	16,601,068	100.0	16,283,556	100.0	13,731,943	100.0	16,290,440	100.0	15,971,756	100.0
Excess Appropriation/(Funding)		(2,281,796)		(1,030,707)				293,442		(715,187)		(397,675)		534,947		(399,667)		(80,983)	
Grand Total		13,504,264		15,149,234				14,261,998		15,885,881		15,885,881		14,266,890		15,890,773		15,890,773	

Variance in fund balance due to unfunded appropriation in (498) Crime Lab State.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
141	134	10	144	-3	4.96 %	144	131	13	144	0	9.03 %	144	132	12	144	0	8.33 %

FY13 Total Positions exceed Authorized due to 3 positions received from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

This appropriation is funded by grants from the United States Department of Justice. These funds enable the State Crime Lab to out-source backlog DNA casework thus allowing State Crime Lab analysts to process current DNA cases and keep the Lab's backlog at a minimum. These funds are also used to provide the training for analysts and medical examiners necessary for the Lab to maintain its accreditation status. Finally, these funds are used to pay for overtime for analysts that work in screening evidence for biological fluids prior to the actual DNA testing.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $1,200,000 each year of the biennium and reflect the following:

- Operating Expenses of $200,000 each year of the biennium for the increased costs of health and laboratory supplies.
- Capital Outlay of $1,000,000 each year of the biennium for replacement and purchase of additional laboratory equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ED - Crime Lab-Federal
Funding Sources: FCL - State Crime Lab Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	322,430	256,471	331,637	259,031	259,031	259,031	259,031	259,031	259,031
#Positions		**9**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**
Personal Services Matching	5010003	116,998	104,366	129,034	105,863	105,863	105,863	105,863	105,863	105,863
Overtime	5010006	0	54,493	54,493	54,493	54,493	54,493	54,493	54,493	54,493
Operating Expenses	5020002	328,989	455,000	455,000	455,000	655,000	655,000	455,000	655,000	655,000
Conference & Travel Expenses	5050009	60,721	171,161	171,161	171,161	171,161	171,161	171,161	171,161	171,161
Professional Fees	5060010	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	408,462	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000
Total		1,237,600	2,541,491	2,641,325	1,545,548	2,745,548	2,745,548	1,545,548	2,745,548	2,745,548
Funding Sources										
Federal Revenue	4000020	1,237,600	2,541,491		1,545,548	2,745,548	2,745,548	1,545,548	2,745,548	2,745,548
Total Funding		1,237,600	2,541,491		1,545,548	2,745,548	2,745,548	1,545,548	2,745,548	2,745,548
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,237,600	2,541,491		1,545,548	2,745,548	2,745,548	1,545,548	2,745,548	2,745,548

Change Level by Appropriation

Appropriation: 1ED - Crime Lab-Federal
Funding Sources: FCL - State Crime Lab Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,545,548**	**7**	**1,545,548**	**100.0**	**1,545,548**	**7**	**1,545,548**	**100.0**
C01	Existing Program	1,200,000	0	2,745,548	177.6	1,200,000	0	2,745,548	177.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,545,548**	**7**	**1,545,548**	**100.0**	**1,545,548**	**7**	**1,545,548**	**100.0**
C01	Existing Program	1,200,000	0	2,745,548	177.6	1,200,000	0	2,745,548	177.6

Justification	
C01	The Agency is requesting an additional $200,000 in Operating Expenses appropriation for purchasing health and lab supplies. Also, requesting new Capital Outlay appropriation of $1,000,000 for purchasing equipment. Funding will be made available through the United States Department of Justice.

Analysis of Budget Request

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

This appropriation is funded by Special Revenue generated from forfeitures of funds and property derived through court proceedings taken in cases involving the illegal manufacture and/or distribution of narcotics. The Arkansas State Crime Laboratory receives twenty percent (20%) of all forfeitures over the first $20,000 of forfeitures per county, per year. This appropriation is utilized to purchase equipment and replacement equipment for the regional drug labs.

The Agency's Change Level request is for $250,000 in Crime Lab Equipment/Purchasing/Replacement each year of the biennium to purchase additional supplies, equipment and maintenance contracts for the lab.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Crime Lab Equip/Pur/Replace	5900046	728,431	750,000	750,000	750,000	1,000,000	1,000,000	750,000	1,000,000	1,000,000
Total		728,431	750,000	750,000	750,000	1,000,000	1,000,000	750,000	1,000,000	1,000,000
Funding Sources										
Fund Balance	4000005	1,229,930	1,165,374		965,374	965,374	965,374	790,374	540,374	540,374
Special Revenue	4000030	663,875	550,000		575,000	575,000	575,000	575,000	575,000	575,000
Total Funding		1,893,805	1,715,374		1,540,374	1,540,374	1,540,374	1,365,374	1,115,374	1,115,374
Excess Appropriation/(Funding)		(1,165,374)	(965,374)		(790,374)	(540,374)	(540,374)	(615,374)	(115,374)	(115,374)
Grand Total		728,431	750,000		750,000	1,000,000	1,000,000	750,000	1,000,000	1,000,000

Change Level by Appropriation

Appropriation: 1VM - Equipment
Funding Sources: SCE - Crime Lab Equipment Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**750,000**	**0**	**750,000**	**100.0**	**750,000**	**0**	**750,000**	**100.0**
C01	Existing Program	250,000	0	1,000,000	133.3	250,000	0	1,000,000	133.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**750,000**	**0**	**750,000**	**100.0**	**750,000**	**0**	**750,000**	**100.0**
C01	Existing Program	250,000	0	1,000,000	133.3	250,000	0	1,000,000	133.3

Justification	
C01	The Agency is requesting additional appropriation for purchasing equipment, software and maintenance contracts.

Analysis of Budget Request

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas State Crime Laboratory was created by Act 517 of 1977, to provide forensic and scientific support to the criminal justice system in Arkansas. The Executive Director of the State Crime Lab is appointed by the Governor. Act 383 of 1991 created the State Crime Laboratory Board, made up of eight (8) members, including the Dean of the UAMS College of Medicine and seven (7) members appointed by the Governor with confirmation of the Senate. The Board members' terms are for seven (7) years. The Board has the authority to employ and remove the State Medical Examiner. The Arkansas State Crime Laboratory provides complete forensic laboratory services and corroborative testimony for the state's law enforcement and criminal justice community to assist in the apprehension and conviction of individuals involved in criminal cases. This appropriation supports primary operations for the Arkansas State Crime Laboratory. It is funded by general revenue through the Miscellaneous Agencies Fund (HUA), a portion of uniform filing fees collected in circuit court (A.C.A. § 16-10-313) and through a fund transfer from the Administration of Justice Fund.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total $1,186,843 in FY16 and $1,186,965 in FY17 with an increase in general revenue funding of $1,432,512 in FY16 and $1,433,684 in FY17, and reflect the following:

- Regular Salaries and Personal Service Matching of $1,012,960 in appropriation and general revenue funding in FY16 and $1,013,082 in appropriation and general revenue funding in FY17 for the transfer of seventeen (17) positions from 788 - DNA Special.
- Operating Expenses of $103,883 in appropriation and general revenue funding each year of the biennium to increase the contract with a transport service to transport victims from the northeast region of the state and a three percent (3%) increase from Arkansas Building Authority for rent.
- Grants and Aid of $60,000 in appropriation and general revenue funding each year of the biennium to establish an accredited fellowship program with UAMS School of Pathology.
- Capital Outlay of $10,000 in appropriation and general revenue funding each year of the biennium to purchase/update the gas generators for the Toxicology/Forensic Chemistry sections.
- $245,669 in FY16 and $246,719 in FY17 in additional general revenue funding only to assist with the reduction of special revenue funding.

The Executive Recommendation provides for Agency Request for appropriation and positions with $1,115,000 in general revenue funding each year.

Appropriation Summary

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,085,530	6,104,776	6,169,515	6,169,077	6,923,515	6,923,515	6,171,577	6,926,115	6,926,115
#Positions		**119**	**120**	**120**	**120**	**137**	**137**	**120**	**137**	**137**
Personal Services Matching	5010003	1,956,064	1,962,001	1,910,608	1,994,752	2,253,274	2,253,274	1,997,022	2,255,566	2,255,566
Operating Expenses	5020002	1,656,733	1,678,676	1,600,676	1,678,676	1,782,559	1,782,559	1,678,676	1,782,559	1,782,559
Conference & Travel Expenses	5050009	14,558	56,750	56,750	56,750	56,750	56,750	56,750	56,750	56,750
Professional Fees	5060010	63,715	63,715	141,715	63,715	63,715	63,715	63,715	63,715	63,715
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	60,000	60,000	0	60,000	60,000
Capital Outlay	5120011	17,948	0	275,000	0	10,000	10,000	0	10,000	10,000
Total		9,794,548	9,865,918	10,154,264	9,962,970	11,149,813	11,149,813	9,967,740	11,154,705	11,154,705
Funding Sources										
Fund Balance	4000005	111,305	159,264		0	0	0	0	0	0
General Revenue	4000010	7,810,335	7,664,612		7,740,313	9,172,825	8,855,313	7,744,033	9,177,717	8,859,033
Special Revenue	4000030	1,397,691	1,465,054		1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Merit Adjustment Fund	4000055	122,469	0		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	16,762	0		0	0	0	0	0	0
M & R Sales	4000340	11,081	0		0	0	0	0	0	0
Transfer State Admn of Justice	4000570	484,169	576,988		576,988	576,988	576,988	576,988	576,988	576,988
Total Funding		9,953,812	9,865,918		9,717,301	11,149,813	10,832,301	9,721,021	11,154,705	10,836,021
Excess Appropriation/(Funding)		(159,264)	0		245,669	0	317,512	246,719	0	318,684
Grand Total		9,794,548	9,865,918		9,962,970	11,149,813	11,149,813	9,967,740	11,154,705	11,154,705

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.
Budget exceeds Authorized Appropriation in Operating Expenses by authority of a Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 498 - Crime Lab State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**9,962,970**	**120**	**9,962,970**	**100.0**	**9,967,740**	**120**	**9,967,740**	**100.0**
C01	Existing Program	113,883	0	10,076,853	101.1	113,883	0	10,081,623	101.1
C02	New Program	60,000	0	10,136,853	101.7	60,000	0	10,141,623	101.7
C07	Agency Transfer	1,012,960	17	11,149,813	111.9	1,013,082	17	11,154,705	111.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**9,962,970**	**120**	**9,962,970**	**100.0**	**9,967,740**	**120**	**9,967,740**	**100.0**
C01	Existing Program	113,883	0	10,076,853	101.1	113,883	0	10,081,623	101.1
C02	New Program	60,000	0	10,136,853	101.7	60,000	0	10,141,623	101.7
C07	Agency Transfer	1,012,960	17	11,149,813	111.9	1,013,082	17	11,154,705	111.9

Justification	
C01	Agency is requesting an increase of $103,883 per year in Operating Expenses to facilitate an Arkansas Building Authority three percent (3%) rent increase ($25,883) and to increase the state contract with a transport service ($78,000) to transport victims from the northeast region. Agency is also requesting $10,000 in Capital Outlay each year to purchase gas generators for the Toxicology/Forensic Chemistry sections.
C02	The ASCL is establishing an accredited fellowship program with UAMS School of Pathology. This training program will expose new physicians to medical/legal death investigation in Arkansas. There are 37 other accredited forensic pathology training programs in the United States and most medical schools have little or no exposure to this type of curriculum. The U.S. Department of Justice has issued a report regarding the critical shortage of forensic pathologists. Arkansas will become 1 of 38 accredited fellowship programs in the United States. This will enable students from the University of Arkansas to become forensic pathologists.
C07	For the past 6 fiscal years our DNA Special Revenue fund has been able to support the forensic analysts that work in the DNA section along with all operating costs. This fund (SDN0100) collects approximately $1.1M per year through a $250 fee charged to any convicted felon and those who are required to register as a sex offender. Due to the fund balance dropping below $1M we are requesting all the base level positions be moved to general revenue. This will allow the Crime Laboratory to continue using the DNA Special Revenue fund for our operational costs. Federal grant funds (awards starting October, 2014) utilized for personnnel costs require a 25% state match. For this reason we are requesting appropriation and funding to support this match requirement for our grant positions.

Analysis of Budget Request

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

This appropriation provides for personal services and operating expenses to support the DNA database, as authorized by Act 737 of 1997, the "DNA Detection of Sexual and Violent Offenders Act", which is codified at A.C.A. § 12-12-1101 et seq. Funding for this appropriation is Special Revenue generated by a mandatory fine of not less than $250 for persons required to submit to a DNA sample under the provisions of this legislation. The sentencing court has the discretion to waive the fine, if in its opinion the imposition of the fine would cause undue hardship.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level request is for a reduction in Regular Salaries and Personal Services Matching of ($1,012,960) in FY16 and ($1,013,082) in FY17 for the transfer of seventeen (17) positions to 498 - State Operations.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	676,006	745,805	828,416	754,438	0	0	754,538	0	0
#Positions		**15**	**17**	**17**	**17**	**0**	**0**	**17**	**0**	**0**
Personal Services Matching	5010003	211,611	255,500	265,478	258,522	0	0	258,544	0	0
Operating Expenses	5020002	842,998	960,520	960,520	960,520	960,520	960,520	960,520	960,520	960,520
Conference & Travel Expenses	5050009	1,191	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	11,879	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
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		1,743,685	1,991,825	2,084,414	2,003,480	990,520	990,520	2,003,602	990,520	990,520
Funding Sources										
Fund Balance	4000005	1,578,835	957,158		65,333	65,333	65,333	0	174,813	174,813
Special Revenue	4000030	1,122,008	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Total Funding		2,700,843	2,057,158		1,165,333	1,165,333	1,165,333	1,100,000	1,274,813	1,274,813
Excess Appropriation/(Funding)		(957,158)	(65,333)		838,147	(174,813)	(174,813)	903,602	(284,293)	(284,293)
Grand Total		1,743,685	1,991,825		2,003,480	990,520	990,520	2,003,602	990,520	990,520

Change Level by Appropriation

Appropriation: 788 - DNA Special
Funding Sources: SDN - DNA Detection Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,003,480**	**17**	**2,003,480**	**100.0**	**2,003,602**	**17**	**2,003,602**	**100.0**
C07	Agency Transfer	(1,012,960)	(17)	990,520	49.4	(1,013,082)	(17)	990,520	49.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,003,480**	**17**	**2,003,480**	**100.0**	**2,003,602**	**17**	**2,003,602**	**100.0**
C07	Agency Transfer	(1,012,960)	(17)	990,520	49.4	(1,013,082)	(17)	990,520	49.4

Justification	
C07	Due to the fund balance dropping below $1M we are requesting all of the Base Level positions be moved to general revenue. This will allow the Crime Laboratory to continue using the DNA Special Revenue Fund for our operational costs.

DFA - ABC ADMINISTRATION

Enabling Laws

Act 160 of 2014
ACA §3-2-101 - §3-2-412
ACA §3-2-403; §3-4-608; §19-6-819

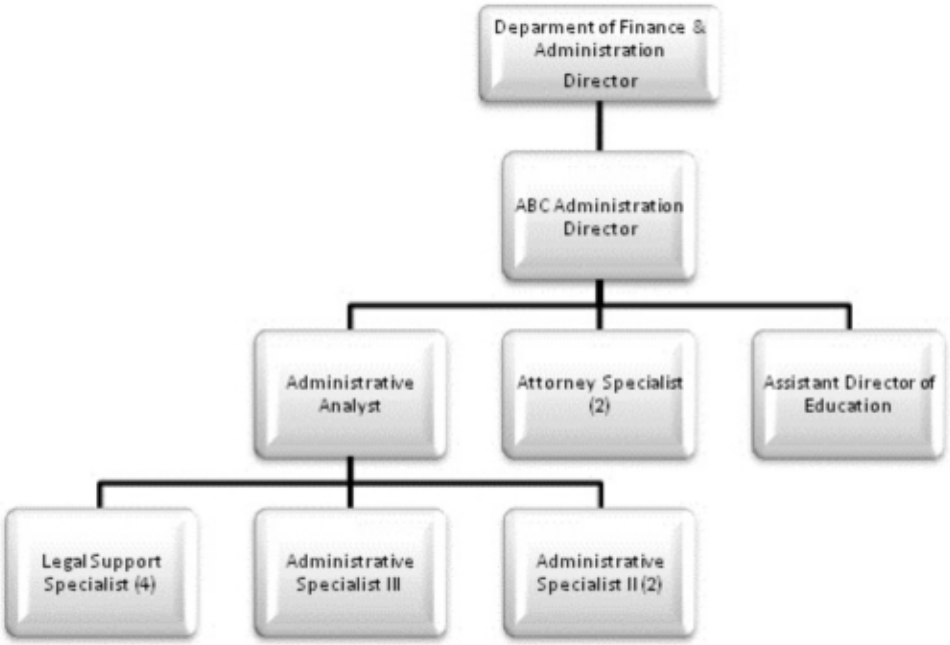
History and Organization

The Alcoholic Beverage Control Division has as its mission, such duties and assignments as have been given to it by the Arkansas General Assembly over the years. Those powers and duties can be briefly described as being the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof, in pursuit of those duties and powers.

Established with the creation of the Department of Alcoholic Beverage Control (Act 159 of 1951) the Alcoholic Beverage Control Board originally consisted of three members appointed by the Governor to serve a six year term. Membership on the Board was increased to five members with the passage of Act 343 of 1971. The Board did have statutory authority to hire the Director of the Alcoholic Beverage Control Administration Division. Since 1971, the Director has been appointed by the Director of Department of Finance and Administration with the approval of the Governor.

The Alcoholic Beverage Control Division has adopted, through statutory processes, rules and regulations which compliment, but do not contradict, laws provided by the Arkansas General Assembly. The Alcoholic Beverage Control Division receives applications, processes those applications and, depending upon whether the qualifications are met as established by law and by regulation, the permit may be issued to the applicant.

In summary, the mission of the Alcoholic Beverage Control Division is to exercise supervision and control over a system which allows for the legal distribution of alcoholic beverage products in the State of Arkansas.



Agency Commentary

The Alcoholic Beverage Control Administration Division of the Department of Finance and Administration supervises, regulates and controls the manufacture, transportation, dispensing, sale and consumption of alcoholic beverages in the State of Arkansas.

The Alcoholic Beverage Control Administration Division State Operations appropriation (261) is funded from general revenue. The agency is requesting a change over Base Level (funding and appropriation) in the amount of $1,400 each year for rent increase; ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.

The current Base Level for ABC Administration Cash Operations (911) and Special Revenue appropriation (F93) is sufficient for FY16 and FY17.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ADMINISTRATION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	3	7	10	83 %
Black Employees	0	2	2	17 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			2	17 %
Total Employees			12	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
ABC Rules and Regulations	None	N	N	725	To provide ABC Rules and Regulations information to customers with ABC permits.	0	0.00

Department Appropriation Summary

		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation		**Actual**	**Pos**	**Budget**	**Pos**	**Authorized**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**
261	ABC Administration - State Operations	860,538	12	875,958	12	871,772	12	884,539	12	885,939	12	885,939	12	884,662	12	886,062	12	886,062	12
911	ABC Administration - Cash Operations	0	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0	7,000	0
F93	Spirituous & Vinous Beverages	2,457	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
Total		862,995	12	1,182,958	12	1,178,772	12	1,191,539	12	1,192,939	12	1,192,939	12	1,191,662	12	1,193,062	12	1,193,062	12
Funding Sources			**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
Fund Balance	4000005	2,699	0.3	185,973	14.7			82,593	6.5	82,593	6.5	82,593	6.5	82,593	6.5	82,593	6.5	82,593	6.5
General Revenue	4000010	860,538	82.0	875,958	69.2			884,539	69.6	885,939	69.6	885,939	69.6	884,662	69.6	886,062	69.6	886,062	69.6
Special Revenue	4000030	185,050	17.6	200,000	15.8			300,000	23.6	300,000	23.6	300,000	23.6	300,000	23.6	300,000	23.6	300,000	23.6
Cash Fund	4000045	650	0.1	3,620	0.3			3,700	0.3	3,700	0.3	3,700	0.3	3,700	0.3	3,700	0.3	3,700	0.3
Interest	4000300	31	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		1,048,968	100.0	1,265,551	100.0			1,270,832	100.0	1,272,232	100.0	1,272,232	100.0	1,270,955	100.0	1,272,355	100.0	1,272,355	100.0
Excess Appropriation/(Funding)		(185,973)		(82,593)				(79,293)		(79,293)		(79,293)		(79,293)		(79,293)		(79,293)	
Grand Total		862,995		1,182,958				1,191,539		1,192,939		1,192,939		1,191,662		1,193,062		1,193,062	

FY15 Budget amount exceeds the authorized amount in (261) ABC Administration - State Operations due to salary and matching rate adjustments during the 2013-2015 Biennium.

Variance in fund balance is due to unfunded appropriation in (911) ABC Administration - Cash Operations.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
12	10	2	12	0	16.67 %	12	12	0	12	0	0.00 %	12	12	0	12	0	0.00 %

Analysis of Budget Request

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Alcoholic Beverage Control administers the regulation, supervision and control of the manufacture, distribution and sale of all alcoholic beverages and the issuance of permits, and the regulation thereof.

General revenue funds 100% of the Alcoholic Beverage Control Administration's operating budget. Currently 89.4% of the Agency's budget is personnel related costs with the remaining 10.6% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the Biennium is $884,539 in FY16 and $884,662 for FY17.

The Agency's Change Level Request for appropriation and general revenue funding of $1,400 in Operating Expenses each year provides for rent increases beginning in FY16.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 261 - ABC Administration - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	587,757	588,755	587,522	594,298	594,298	594,298	594,398	594,398	594,398
#Positions		**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
Extra Help	5010001	2,547	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
#Extra Help		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	191,624	190,517	187,564	193,555	193,555	193,555	193,578	193,578	193,578
Operating Expenses	5020002	77,761	88,100	88,100	88,100	89,500	89,500	88,100	89,500	89,500
Conference & Travel Expenses	5050009	849	4,986	4,986	4,986	4,986	4,986	4,986	4,986	4,986
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		860,538	875,958	871,772	884,539	885,939	885,939	884,662	886,062	886,062
Funding Sources										
General Revenue	4000010	860,538	875,958		884,539	885,939	885,939	884,662	886,062	886,062
Total Funding		860,538	875,958		884,539	885,939	885,939	884,662	886,062	886,062
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		860,538	875,958		884,539	885,939	885,939	884,662	886,062	886,062

FY15 Budget amounts in Regular Salaries and Personal Sevices Matching exceed the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 261 - ABC Administration - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**884,539**	**12**	**884,539**	**100.0**	**884,662**	**12**	**884,662**	**100.0**
C01	Existing Program	1,400	0	885,939	100.2	1,400	0	886,062	100.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**884,539**	**12**	**884,539**	**100.0**	**884,662**	**12**	**884,662**	**100.0**
C01	Existing Program	1,400	0	885,939	100.2	1,400	0	886,062	100.2

Justification	
C01	ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.

Analysis of Budget Request

Appropriation: 911 - ABC Administration - Cash Operations

Funding Sources: NAB - ABC Administration - Cash in Treasury

This appropriation is used by the Alcoholic Beverage Control (ABC) Administration Division for Operating Expenses associated with publishing the ABC "Rules, Regulations and Decisions" handbook. Cash funds received from the sale of ABC handbooks provide funding for the appropriation.

The Agency is requesting Base Level of $7,000 each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 911 - ABC Administration - Cash Operations
Funding Sources: NAB - ABC Administration - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
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		0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Funding Sources										
Fund Balance	4000005	2,699	3,380		0	0	0	0	0	0
Cash Fund	4000045	650	3,620		3,700	3,700	3,700	3,700	3,700	3,700
Interest	4000300	31	0		0	0	0	0	0	0
Total Funding		3,380	7,000		3,700	3,700	3,700	3,700	3,700	3,700
Excess Appropriation/(Funding)		(3,380)	0		3,300	3,300	3,300	3,300	3,300	3,300
Grand Total		0	7,000		7,000	7,000	7,000	7,000	7,000	7,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: F93 - Spirituous & Vinous Beverages

Funding Sources: SSV - Alcoholic Beverage Control Fund

This appropriation is used by the Alcoholic Beverage Control (ABC) Administration Division for the general operations that involve the promotion, education, training, alcohol safety awareness and enforcement activities. The special revenues that fund this appropriation are from the registration fees paid to ABC - Administration by manufacturers, importers, or producers of spirituous and vinous beverages for each different alcoholic beverage product label.

The Agency is requesting Base Level of $300,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F93 - Spirituous & Vinous Beverages
Funding Sources: SSV - Alcoholic Beverage Control Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Promotion, Education, Training S 5900046	2,457	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	2,457	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources									
Fund Balance 4000005	0	182,593		82,593	82,593	82,593	82,593	82,593	82,593
Special Revenue 4000030	185,050	200,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	185,050	382,593		382,593	382,593	382,593	382,593	382,593	382,593
Excess Appropriation/(Funding)	(182,593)	(82,593)		(82,593)	(82,593)	(82,593)	(82,593)	(82,593)	(82,593)
Grand Total	2,457	300,000		300,000	300,000	300,000	300,000	300,000	300,000

DFA - ABC ENFORCEMENT

Enabling Laws

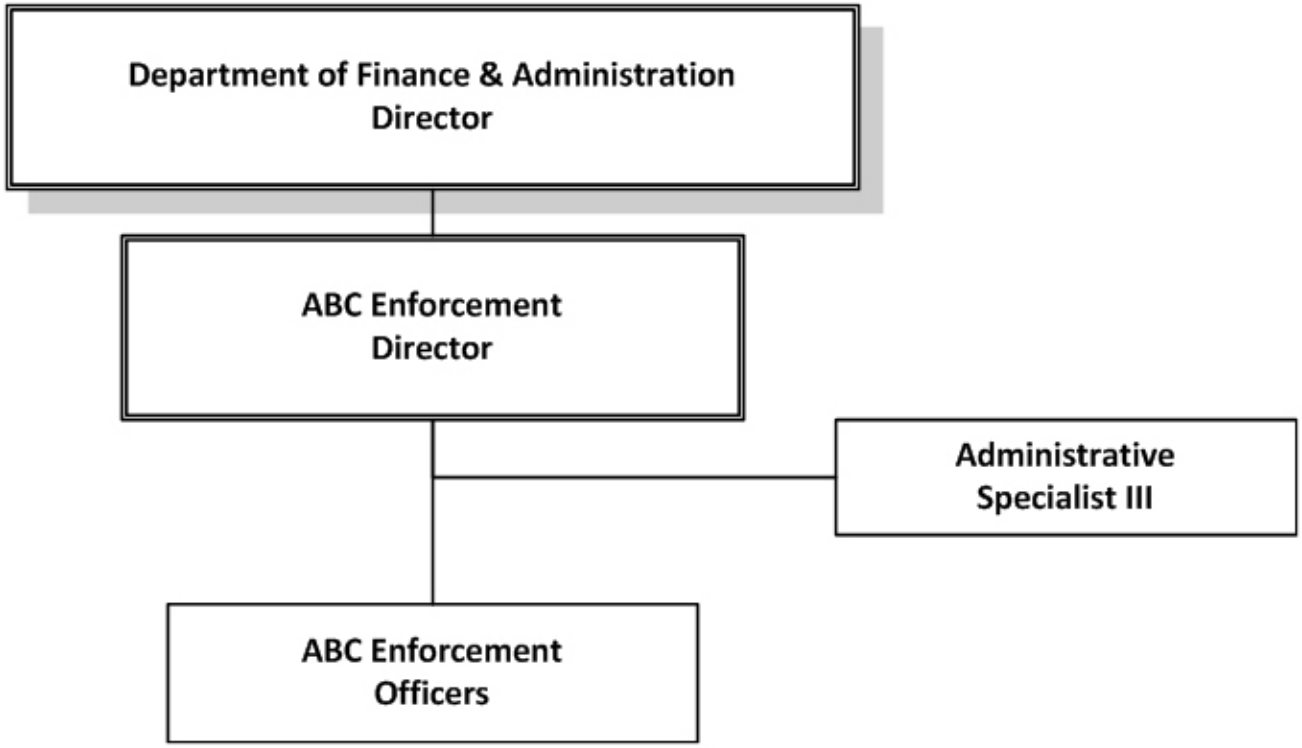
Act 102 of 2014
ACA §3-2-101 - §3-2-412

History and Organization

The mission of the Alcoholic Beverage Control Enforcement Division is to enforce all Arkansas Code Annotated Laws of the State Control Act, cigarette, sales, Rules and Regulations adopted by the Alcoholic Beverage Control Board, and the training and assistance for all law enforcement agencies as well as other organizations regarding alcoholic beverages.

Alcoholic Beverage Control Enforcement Division was established with the creation of the Alcoholic Beverage Control Department of 1935. The head of the Alcoholic Beverage Control Enforcement Division is appointed by the Director of the Department of Finance and Administration with the approval of the Governor.

In addition to enforcement, the Alcoholic Beverage Control Enforcement Division conducts background investigations of those persons, businesses and organizations who apply for licenses under the Alcoholic Beverage Control Act. The Alcoholic Beverage Control agents conduct inspections and report on permit applications in addition to the investigations of violations and apprehensions of violators. The agents also investigate and inspect the damaged shipments of any controlled beverages which have been involved in a fire, wreck, or other casualty to certify the extent and the amount of damage for the purpose of returning any taxes which have been paid to the State. The agents also answer complaints, confiscate moonshine and perform other special assignments; such as food stamp fraud when used to purchase alcoholic beverages. All Alcoholic Beverage Control Enforcement agents must be certified law enforcement officers.


Department of Finance & Administration
Director
ABC Enforcement
Director
Administrative
Specialist III
ABC Enforcement
Officers

Agency Commentary

The Alcoholic Beverage Control Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. ABC Enforcement agents are certified law enforcement officers.

The ABC Enforcement Division is funded from general revenue. The agency is requesting a change over base level (funding and appropriation) in the amount of $3,600 for FY16 and FY17.

- Capital Outlay in the amount of $2,600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of vehicles each year. Several of the current vehicles have over 100,000 miles.

- Operations $1,000 each year for rent increase; ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.

ABC Enforcement administered a federally funded program for Combating Underage Drinking that funding levels were put on hold as the Federal Government used the funds for their own internal programs. Restoration of previously authorized appropriation in the amount of $484,754 is requested in the event the program funding is reinstated for FY16 and FY17.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ENFORCEMENT

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	14	2	16	80 %
Black Employees	3	1	4	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	20 %
Total Employees			20	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Appropriation	2013-2014 Actual	2013-2014 Pos	2014-2015 Budget	2014-2015 Pos	2014-2015 Authorized	2014-2015 Pos	2015-2016 Base Level	2015-2016 Pos	2015-2016 Agency	2015-2016 Pos	2015-2016 Executive	2015-2016 Pos	2016-2017 Base Level	2016-2017 Pos	2016-2017 Agency	2016-2017 Pos	2016-2017 Executive	2016-2017 Pos
	Historical Data						**Agency Request and Executive Recommendation**											
1SQ ABC Enforcement - Federal Operations	92,163	0	0	0	484,754	0	0	0	484,754	0	484,754	0	0	0	484,754	0	484,754	0
217 ABC Enforcement - State Operations	1,297,111	19	1,307,253	20	1,312,439	20	1,310,053	20	1,313,653	20	1,313,653	20	1,310,817	20	1,314,417	20	1,314,417	20
Total	1,389,274	19	1,307,253	20	1,797,193	20	1,310,053	20	1,798,407	20	1,798,407	20	1,310,817	20	1,799,171	20	1,799,171	20
Funding Sources		**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
General Revenue 4000010	1,261,243	90.8	1,307,253	100.0			1,310,053	100.0	1,313,653	73.0	1,311,053	73.0	1,310,817	100.0	1,314,417	73.1	1,311,817	73.0
Federal Revenue 4000020	92,163	6.6	0	0.0			0	0.0	484,754	27.0	484,754	27.0	0	0.0	484,754	26.9	484,754	27.0
Merit Adjustment Fund 4000055	15,848	1.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition 4000184	20,020	1.4	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,389,274	100.0	1,307,253	100.0			1,310,053	100.0	1,798,407	100.0	1,795,807	100.0	1,310,817	100.0	1,799,171	100.0	1,796,571	100.0
Excess Appropriation/(Funding)	0		0				0		0		2,600		0		0		2,600	
Grand Total	1,389,274		1,307,253				1,310,053		1,798,407		1,798,407		1,310,817		1,799,171		1,799,171	

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
20	20	0	20	0	0.00 %	20	20	0	20	0	0.00 %	20	20	0	20	0	0.00 %

Analysis of Budget Request

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

This federally funded appropriation provides operations for the Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division, Combating Underage Drinking Program. The Program helps to reduce the availability of alcoholic beverages to minors and the consumption of alcoholic beverages by minors. Activities of the program include targeting establishments suspected of a pattern of violations of State laws governing the sale and consumption of alcohol by minors, public advertising programs to educate establishments about prohibitions and sanctions, and innovative programs to prevent and combat underage drinking.

The Agency's Change Level request of $484,754 each year of the 2015-2017 Biennium reflects restoration of previously authorized appropriation in the event federal funding is restored and consists of the following:

- Operating Expenses of $100,754
- Conference and Travel of $10,000
- Grants and Aid of $374,000

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1SQ - ABC Enforcement - Federal Operations
Funding Sources: FFC - ABC Enforcement Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	38,731	0	100,754	0	100,754	100,754	0	100,754	100,754
Conference & Travel Expenses	5050009	187	0	10,000	0	10,000	10,000	0	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	53,245	0	374,000	0	374,000	374,000	0	374,000	374,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		92,163	0	484,754	0	484,754	484,754	0	484,754	484,754
Funding Sources										
Federal Revenue	4000020	92,163	0		0	484,754	484,754	0	484,754	484,754
Total Funding		92,163	0		0	484,754	484,754	0	484,754	484,754
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		92,163	0		0	484,754	484,754	0	484,754	484,754

Change Level by Appropriation

Appropriation: 1SQ - ABC Enforcement - Federal Operations
Funding Sources: FFC - ABC Enforcement Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
C01	Existing Program	484,754	0	484,754	100.0	484,754	0	484,754	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
C01	Existing Program	484,754	0	484,754	100.0	484,754	0	484,754	100.0

Justification	
C01	This federally funded appropriation provides operations for the DFA - Alcoholic Beverage Control (ABC) Enforcement Division, Combating Underage Drinking Program. Restoration of previously authorized appropriation is requested in the event the program funding is reinstated.

Analysis of Budget Request

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. All ABC Enforcement agents are certified law enforcement officers and cover approximately 5,000 permitted outlets.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 88% of the Agency's budget is personnel related costs with the remaining 12% being maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $1,310,053 in FY16 and $1,310,817 for FY17.

The Agency's Change Level request of $3,600 each year of the biennium in appropriation and general revenue funding reflects the following:

- Operating Expenses of $1,000 each year to cover rent increases beginning in FY16.
- Capital Outlay of $2,600 each year to pay the Sales and Use Tax on replacement vehicles that are purchased through DFA Motor Vehicle Acquisition Fund. Replacement of aging, high mileage vehicles will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

The Executive Recommendation provides for the Agency Request with the exception of the $2,600 in Capital Outlay which is recommended as appropriation only.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	829,988	828,077	840,325	830,236	830,236	830,236	830,836	830,836	830,836
#Positions		**19**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**
Personal Services Matching	5010003	323,184	325,376	318,314	328,617	328,617	328,617	328,781	328,781	328,781
Operating Expenses	5020002	122,555	151,200	151,200	151,200	152,200	152,200	151,200	152,200	152,200
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	21,384	2,600	2,600	0	2,600	2,600	0	2,600	2,600
Total		1,297,111	1,307,253	1,312,439	1,310,053	1,313,653	1,313,653	1,310,817	1,314,417	1,314,417
Funding Sources										
General Revenue	4000010	1,261,243	1,307,253		1,310,053	1,313,653	1,311,053	1,310,817	1,314,417	1,311,817
Merit Adjustment Fund	4000055	15,848	0		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	20,020	0		0	0	0	0	0	0
Total Funding		1,297,111	1,307,253		1,310,053	1,313,653	1,311,053	1,310,817	1,314,417	1,311,817
Excess Appropriation/(Funding)		0	0		0	0	2,600	0	0	2,600
Grand Total		1,297,111	1,307,253		1,310,053	1,313,653	1,313,653	1,310,817	1,314,417	1,314,417

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.
FY14 Actual amount in Capital Outlay exceeds authorized amount due to transfer of appropriation and funding from DFA Motor Vehicle Acquisition.

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,310,053**	**20**	**1,310,053**	**100.0**	**1,310,817**	**20**	**1,310,817**	**100.0**
C01	Existing Program	3,600	0	1,313,653	100.3	3,600	0	1,314,417	100.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,310,053**	**20**	**1,310,053**	**100.0**	**1,310,817**	**20**	**1,310,817**	**100.0**
C01	Existing Program	3,600	0	1,313,653	100.3	3,600	0	1,314,417	100.3

Justification	
C01	$1,000 each year in operations (appropriation and funding); ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16. $2,600 each year in Capital Outlay (appropriation and funding), is requested to pay Sales & Use Tax for the replacement of vehicles each year.

DFA - CHILD SUPPORT ENFORCEMENT

Enabling Laws

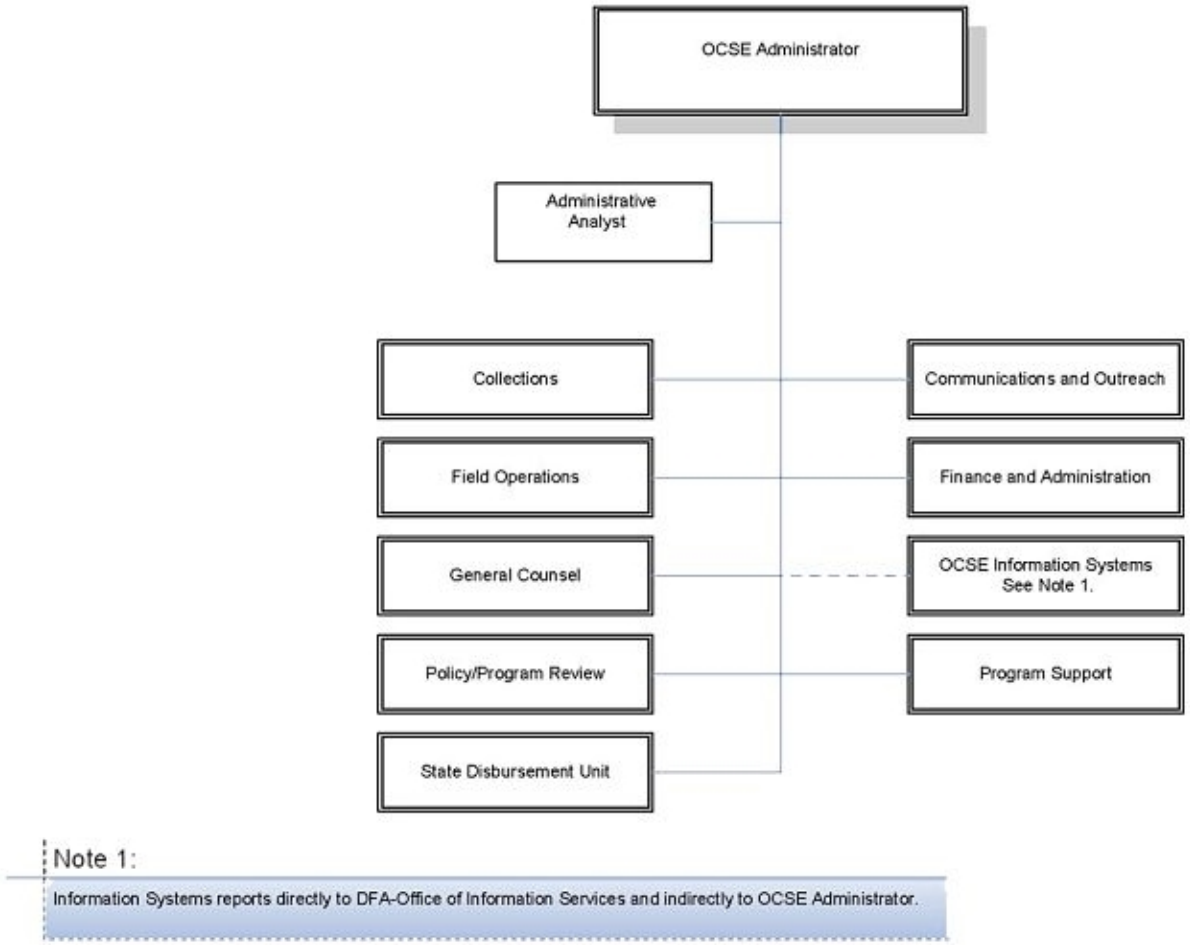
Act 161 of 2014
ACA §25-8-107
ACA §9-14-206 - 210

History and Organization

In 1975 the Social Security Act was amended by Congress to add part IV-D that established the Child Support Program. In order to receive federal funds for the Aid to Families with Dependent Children (AFDC) Program, each state had to establish and operate a child support program. The Arkansas program began in 1977. The mission of the program is to provide assistance to children and families in obtaining financial and medical support due them by requiring parents absent from the home to assume responsibility for the social and economic well-being of their children.

The program is responsible for locating parents, establishing paternity and orders for child and medical support, collecting and disbursing the support owed and bringing enforcement action when payments are not made. Workers assigned to the agency provide investigative and legal services on cases assigned to the agency, and provide the administrative and managerial support necessary for the organization to properly function. There are approximately 117,065 cases assigned. The cases originate in part from Transitional Employment Assistance (TEA), Medicaid and Foster Care cases referred by the Department of Human Services. Other cases are established as a result of citizens applying for service. The eligibility criteria for these cases require the custodian to have a minor child in his or her care. Approximately 40,959 additional cases are monitored for payment and disbursement services. The program is authorized for 840 positions.

The Office of Child Support Enforcement (OCSE) is located within the Department of Finance and Administration - Revenue Division.


OCSE Administrator
Administrative Analyst
Collections
Field Operations
General Counsel
Policy/Program Review
State Disbursement Unit
Communications and Outreach
Finance and Administration
OCSE Information Systems See Note 1.
Program Support
Note 1:
Information Systems reports directly to DFA-Office of Information Services and indirectly to OCSE Administrator.

Agency Commentary

The Office of Child Support Enforcement (OCSE) is responsible for locating absent parents, establishing paternity and orders for child support, collecting and distributing the funds to the appropriate case, disbursing the child support funds, and enforcing payment of support orders. Funding for this appropriation consists of a combination of federal reimbursement, fees for collection services, and general revenue.

The agency is requesting a change over base level in the amount of $100,000 for FY16 and FY17. Current funding levels will sufficiently cover the requested appropriation:

- Out of family reclassification of two positions:
  - E048C Education & Instruction Specialist, grade C116 and E046C Training Instructor, grade C116; both to a P027C Public Information Specialist grade C116. This request will be a zero change in appropriation and will properly classify the positions as they are currently being utilized.

- Restore Capital Outlay of $100,000 each fiscal year to replace equipment that is beyond repair, becomes obsolete or that becomes too expensive to maintain or repair.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - CHILD SUPPORT ENFORCEMENT

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

Employment Summary

	Male	Female	Total	%
White Employees	58	394	452	62 %
Black Employees	30	237	267	37 %
Other Racial Minorities	3	8	11	1 %
Total Minorities			278	38 %
Total Employees			730	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Custodial Parent Handbook	N/A	N	N	10,000	Customer Education	0	0.00
Got Kids? General Information Brochure	N/A	N	N	1,500	Public information and convenience	0	0.00
Non Custodial Parent Handbook	N/A	N	N	10,000	Customer Education	0	0.00
Paternity Acknowledgement Brochure	20-18-408 (2) (3)	N	N	15,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information.	0	0.00
Paternity Acknowledgement Form	20-18-408 (2) (3)	N	N	25,000	Federal and State law require Hospital based Paternity Acknowledgement Program and issuance of a form and information.	0	0.00
Request for Child Support Services	9-14-210(d)(2)	N	N	17,000	Public information and convenience	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
876	753	89	842	34	14.04 %	840	735	105	840	0	12.50 %	840	732	108	840	0	12.86 %

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM

STATE CONTRACTS OVER $50,000 AWARDED TO MINORITY OWNED BUSINESSES

Fiscal Year 2016

Required by A.C.A. 25-36-104

AGENCY: 0634 DFA - CHILD SUPPORT ENFORCEMENT

		Minority Type per A.C.A. 15-4-303 (2)					
Minority Business	Total Contract Awarded	African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Protech	$10,660,440				X		

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	1
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	$10,084,660
% OF MINORITY CONTRACTS AWARDED	86.42 %

Analysis of Budget Request

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

The Office of Child Support Enforcement (OCSE) is a federal/state effort to collect child support from non-custodial parents. OCSE establishes and enforces orders to collect child support. The Agency determines on a case-by-case basis which of the following services will be utilized:

- Locating the non-custodial parent
- Establishing paternity
- Establishing, modifying, and terminating support/medical obligations
- Collecting and disbursing support obligations
- Enforcing delinquent child support obligations

Funding for this appropriation consists of a combination of federal funds (66%), general revenue, fees, federal incentive payments, and state share of Temporary Assistance for Needy Families (TANF) collections (34%). Currently 55% of the Agency's budget is personnel related costs with the remaining 45% operating expenses.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $65,242,095 in FY16 and $65,280,578 for FY17.

The Agency's Change Level request of $100,000 reflects the following:

- Reclassification of two positions: one (1) Education and Instructor Specialist (C116) and one (1) Training Instruction to Public Information Specialist (C116). The request does not change the grade of the positions, nor does it increase the amount of appropriation needed for these positions.

- Capital Outlay of $100,000 each year to replace equipment that is beyond repair, becomes obsolete or that becomes too expensive to maintain or repair.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 120 - Child Support Enforcement - Operations

Funding Sources: MCE - Child Support Enforcement Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	25,217,716	27,450,349	28,210,669	27,714,227	27,714,227	27,714,227	27,745,627	27,745,627	27,745,627
#Positions		**822**	**840**	**840**	**840**	**840**	**840**	**840**	**840**	**840**
Extra Help	5010001	33,478	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		**5**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**15**
Personal Services Matching	5010003	9,843,976	10,325,134	10,451,657	10,493,731	10,493,731	10,493,731	10,500,814	10,500,814	10,500,814
Operating Expenses	5020002	14,215,448	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654	14,535,654
Conference & Travel Expenses	5050009	6,946	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	220,909	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	28,074	100,000	100,000	0	100,000	100,000	0	100,000	100,000
Data Processing and Equipment	5900046	11,441,657	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483	11,848,483
Total		61,008,204	64,909,620	65,796,463	65,242,095	65,342,095	65,342,095	65,280,578	65,380,578	65,380,578
Funding Sources										
Fund Balance	4000005	4,415,506	5,316,222		3,486,321	3,486,321	3,486,321	3,261,945	3,261,945	3,261,945
General Revenue	4000010	13,117,721	13,117,719		13,117,719	13,117,719	13,117,719	13,117,719	13,117,719	13,117,719
Federal Revenue	4000020	32,281,563	38,500,000		38,900,000	39,000,000	39,000,000	38,900,000	39,000,000	39,000,000
Non-Revenue Receipts	4000040	16,507,349	11,462,000		13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
M & R Sales	4000340	2,287	0		0	0	0	0	0	0
Total Funding		66,324,426	68,395,941		68,504,040	68,604,040	68,604,040	68,279,664	68,379,664	68,379,664
Excess Appropriation/(Funding)		(5,316,222)	(3,486,321)		(3,261,945)	(3,261,945)	(3,261,945)	(2,999,086)	(2,999,086)	(2,999,086)
Grand Total		61,008,204	64,909,620		65,242,095	65,342,095	65,342,095	65,280,578	65,380,578	65,380,578

Change Level by Appropriation

Appropriation: 120 - Child Support Enforcement - Operations
Funding Sources: MCE - Child Support Enforcement Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**65,242,095**	**840**	**65,242,095**	**100.0**	**65,280,578**	**840**	**65,280,578**	**100.0**
C01	Existing Program	100,000	0	65,342,095	100.2	100,000	0	65,380,578	100.2
C10	Reclass	0	0	65,342,095	100.2	0	0	65,380,578	100.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**65,242,095**	**840**	**65,242,095**	**100.0**	**65,280,578**	**840**	**65,280,578**	**100.0**
C01	Existing Program	100,000	0	65,342,095	100.2	100,000	0	65,380,578	100.2
C10	Reclass	0	0	65,342,095	100.2	0	0	65,380,578	100.2

Justification	
C01	Restoration of the currently authorized Capital Outlay in the amount of $100,000 to replace equipment that is becoming obsolete or equipment that is too expensive to maintain or repair. Most of the capital outlay requested will likely be needed for aging phone systems in many of our OCSE offices around the state.
C10	Out of family reclassification of an E048C Education & Instruction Specialist, grade C116 and an E046C Training Instructor, grade C116; both to a P027C Public Information Specialist grade C116. This request will be a zero change in appropriation and will properly classify the positions as they are currently being utilized.

DFA - DISBURSING OFFICER

Enabling Laws

Act 6 of 2014
Act 7 of 2014
Act 285 of 2014
AR Code §19-4-101 - §19-4-2004

History and Organization

The Department of Finance and Administration's Disbursing Officer was created when the General Assembly designated the department to be disbursing officer for any miscellaneous appropriations whose purpose was not clearly chargeable to any specific state agency. The mission is to manage the disbursing officer function in a manner that ensures that non-agency specific appropriations are disbursed in a manner that is timely, consistent with legislation, and legal under the fiscal laws of the State of Arkansas, while providing an accurate record of such disbursements.

The appropriations can generally be separated into three categories - contributions, holding accounts and special purposes. The contribution appropriations allow for legislative and executive participation in conferences, councils, associations, and organizational memberships that provide intergovernmental discussion of public issues. The holding account appropriations provide appropriation for state agencies for the following purposes:

- Personal Services Matching in the event the amount appropriated by the General Assembly is not sufficient to meet obligations
- Cash fund appropriations to allow the expenditure of funds that are not exempt from Section 7 of Act 5 of 1975, but were not specifically appropriated by the General Assembly
- Regular Salaries appropriation in the event that there is not sufficient appropriation provided for by the General Assembly for any state agency due to legislative enactments on compensation levels for the biennial period in question
- A method of distributing Marketing and Redistribution proceeds from the sale of State property
- Provide overtime compensation appropriation to agencies that have had to use overtime to complete critical projects, but had no overtime appropriation to make payments

- Provide appropriation to state agencies receiving federal grants and aid or reimbursement monies that were unanticipated at the time of the last session of the Legislature

- A method of returning appropriation to state agencies for refunds to expenditures in accordance with Act 1027 of 1979

The special purpose appropriations provide funds that are disbursed to state agencies for the following purposes:

- Disaster assistance to individuals and families in the form of grants and temporary housing, public assistance, response assistance, catastrophic loss, and hazard mitigation as authorized by Act 511 of 1973 as amended

- Reimbursement of the Department of Workforce Services for state agency unemployment benefits paid in the previous calendar quarter

- Miscellaneous grants and expenses for Planning and Development Districts, Inter-state and Intra-state Planning Organizations, Arkansas Sheriff's Association, Agriculture Marketing Grants, University of Arkansas for Medical Sciences - Child Abuse/Rape/Domestic Violence Section, University of Arkansas for Medical Sciences - Child Welfare Restructuring, and Arkansas Children's Hospital

- Reimbursements to counties all expenses incurred in holding and bringing to trial persons charged with escape from the Department of Correction

- Emergency Medical Services programs and other programs funded by the Indigent Patients Fund

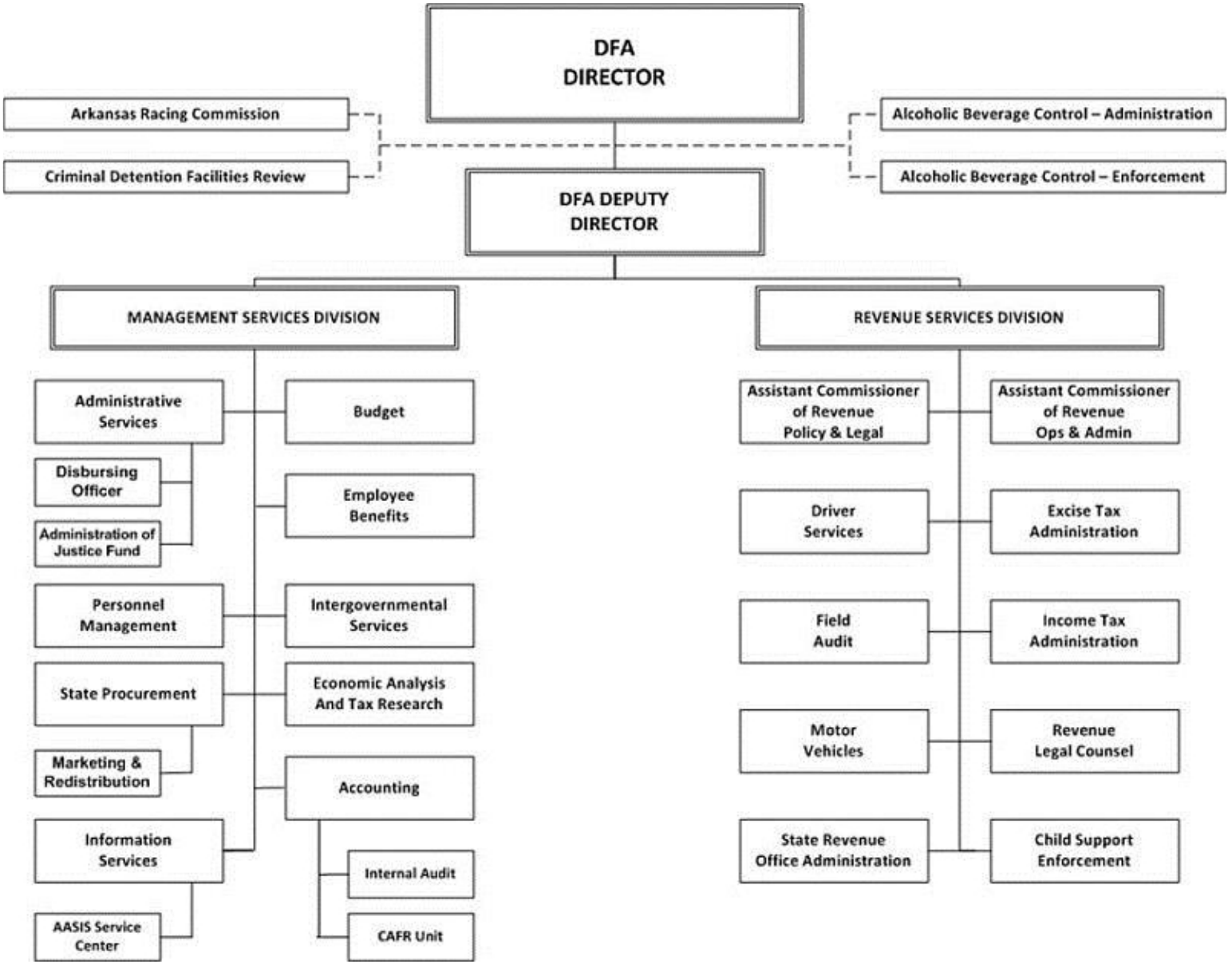
- Alleviate conditions arising in public emergencies by issuance of emergency proclamations by the Governor

- Provide both appropriation and funds for the acquisition of new and replacement vehicles for the Motor Vehicle Acquisition Program

- Provide additional funding to Arkansas Fire Departments in order to reduce homeowner insurance rates through the Fire Protection Program

- Collect uniform filing fees and court costs from City, Municipal, and County courts and distribute these funds to various State Agencies

- Distribute insurance premium taxes to police and fire departments pension programs


DFA
DIRECTOR
Arkansas Racing Commission
Criminal Detention Facilities Review
Alcoholic Beverage Control – Administration
Alcoholic Beverage Control – Enforcement
DFA DEPUTY
DIRECTOR
MANAGEMENT SERVICES DIVISION
REVENUE SERVICES DIVISION
Administrative Services
Budget
Disbursing Officer
Employee Benefits
Administration of Justice Fund
Personnel Management
Intergovernmental Services
State Procurement
Economic Analysis And Tax Research
Marketing & Redistribution
Accounting
Information Services
Internal Audit
AASIS Service Center
CAFR Unit
Assistant Commissioner of Revenue Policy & Legal
Assistant Commissioner of Revenue Ops & Admin
Driver Services
Excise Tax Administration
Field Audit
Income Tax Administration
Motor Vehicles
Revenue Legal Counsel
State Revenue Office Administration
Child Support Enforcement

Agency Commentary

The Disbursing Officer Agency is a collection of special use appropriations. The appropriations can generally be separated into three categories - contributions, reserves, and special purposes.

The Disbursing Officer is requesting the following change levels:

- Increases in State's Contributions to various organizations funded by general revenue in the amount of $20,873 for FY16 and $32,644 for FY17. This pays yearly assessments from each organization and increases as dues increase.

- Reduction of $50,000 in appropriation each year in DFA Disbursing Miscellaneous Cash Transfers appropriation (914). $25,000 each in appropriation was added in FY14/FY15 for Arkansas Nurses Association and Arkansas Tennis Association grants; which both are being handled in DFA Revenue Division Cash Appropriation (F10) for Special License Plates.

- The Agency is requesting Base Level for the State Administration of Justice Fund but with the request that the Administrative Office of the Courts take action to increase revenues and/or reduce expenditures from the State Administration of Justice Fund to a level that can be supported by the Fund. The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. The Fund still struggles to support the allocations funded in the past. During FY14 and continuing into FY15 a 25% reduction in the monthly distribution has been in place.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - DISBURSING OFFICER

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
019	Council of State Government	119,154	0	123,324	0	123,324	0	123,324	0	123,324	0	123,324	0	123,324	0	123,626	0	123,626	0
020	National Conference of State Legislatures	152,616	0	152,616	0	152,616	0	152,616	0	157,424	0	157,424	0	152,616	0	163,101	0	163,101	0
022	National Association of State Budget Officers	17,500	0	18,150	0	18,150	0	18,150	0	18,500	0	18,500	0	18,150	0	19,055	0	19,055	0
023	Southern Growth Policies Board	26,834	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0	28,200	0
024	National Governors Association	83,800	0	104,407	0	104,407	0	104,407	0	104,407	0	104,407	0	104,407	0	104,407	0	104,407	0
025	Overtime	0	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0
028	Interstate Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
030	State and Local Legal Center	6,500	0	8,065	0	8,065	0	8,065	0	8,065	0	8,065	0	8,065	0	8,065	0	8,065	0
033	Southern States Energy Board	31,027	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0	32,579	0
037	Personal Services Matching	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
040	AR Public Administration Consortium	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
045	Fireman & Police Officers Pension and Relief Fu	42,500,745	0	68,400,000	0	68,400,000	0	68,400,000	0	68,400,000	0	68,400,000	0	68,400,000	0	68,400,000	0	68,400,000	0
060	AGA/Vocational Program Certification Expenses	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
061	Fire Prevention Commission Grants	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0
066	Miscellaneous Federal Grants	0	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0	2,500,000,000	0
067	Disaster Assistance Grants	10,045,748	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0	13,250,000	0
070	Unemployment Compensation Claims	6,845,014	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0	16,000,000	0
071	Marketing and Redistribution	332,732	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0	4,500,000	0
078	Interstate Mining Compact	14,900	0	18,513	0	18,513	0	18,513	0	18,513	0	18,513	0	18,513	0	18,513	0	18,513	0
079	National Conference of Insurance Legislators	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
080	National Conference on Uniform State Laws	41,883	0	57,525	0	57,525	0	57,525	0	57,525	0	57,525	0	57,525	0	57,525	0	57,525	0
081	ACH - Hospital Payments	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0	700,000	0
092	Low Level Radioactive Waste Compact	5,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
110	Museum of Discovery Grant	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
114	Regular Salaries - Elected Officers	0	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
131	Child Abuse/Rape/Domestic Violence Contract	63,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0	363,767	0
133	ACH - Child Welfare Restructuring	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0	274,400	0
139	Information Network of Arkansas	85,540	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
159	Administration of Justice Fund	3,331,547	0	44,916,095	0	44,916,095	0	44,916,095	0	44,916,095	0	44,916,095	0	44,916,095	0	44,916,095	0	44,916,095	0
1DC	Arkansas Wine Producers Council	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0	5,000	0
1FB	Arkansas Sheriff's Association	585,012	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
1GD	Drug Enforcement and Education	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
1KG	Disaster Assistance - Federal	0	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1MK	Baby Sharon Act Grants	13,920	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
1NM	Southern Regional Education Board	201,550	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0	210,000	0
1QZ	Organ Donation Education Grants	24,851	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
1RC	National Center for State Courts	126,936	0	128,037	0	128,037	0	128,037	0	136,235	0	136,235	0	128,037	0	140,322	0	140,322	0
1XZ	The Energy Council	38,400	0	32,000	0	32,000	0	32,000	0	38,400	0	38,400	0	32,000	0	38,400	0	38,400	0
1YA	Multi-State Tax Commission	260,170	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0	275,450	0
1YB	Federation of Tax Administrators	16,908	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0	20,000	0
1YC	National Association of Attorneys General	36,143	0	37,227	0	37,227	0	37,227	0	38,344	0	38,344	0	37,227	0	39,494	0	39,494	0
1YD	Association of Racing Commissioners	17,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0	21,000	0
232	ACH - Intensive Care Nursery	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0	1,233,600	0
247	Miscellaneous Workforce Investment Programs	0	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
285	Personal Services - Payplan Adjustment	0	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0	17,000,000	0
2CU	Department of Correction - Escapees Trial	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2DA	Southern Governors Association	129,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0
2DB	Intrastate Metro Planning Grants	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0	90,000	0
2DC	Public Defender Contract	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0	34,372	0
2DE	ACH - Reproductive Health Monitoring	600,000	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
2DM	State Employees Blanket Bond Program	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DN	County Public Employees Blanket Bond Program	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DP	Municipal Public Employees Blanket Bond Progra	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DQ	Public School Employees Blanket Bond Program	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
2DT	Criminal Detention Committee Expenses	3,468	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0	18,639	0
2DV	Agricultural Marketing Grants	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0	375,000	0
2DX	Fire Protection Services - Additional Funding	12,312,468	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
2HM	Planning and Development Grants	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0	360,000	0
2MH	US Olympic Committee	2,298	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
2YN	Public Legal Aid	664,358	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0	855,432	0
2ZJ	Stipends-Various Agencies	0	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
301	Transportation of Juvenile Offenders	156,428	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0	187,000	0
328	Merit Adjustment Fund	0	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
33M	ACH - Burn Center	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
33N	Delta Regional Authority	130,086	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
340	Workforce 2000	0	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0	35,000,000	0

Department Appropriation Summary

Appropriation		Historical Data 2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	Agency Request and Executive Recommendation 2015-2016 Base Level	Pos	Agency	Pos	Executive	Pos	2016-2017 Base Level	Pos	Agency	Pos	Executive	Pos
342	Refund to Expenditures	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
36F	Multi-Jurisdictional Drug Crime Task Force	804,088	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0	5,500,000	0
471	Indigent Patient-Emergency Medical Services Pr	29,730	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
4HJ	Prostate Cancer	122,702	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0	197,750	0
515	Regular Salaries-State Employees	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
54Z	Innovation & Product Development	229,000	0	450,000	0	450,000	0	450,000	0	450,000	0	250,000	0	450,000	0	450,000	0	250,000	0
578	Arkansas Sports Hall of Fame	0	0	150,000	0	150,000	0	150,000	0	150,000	0	0	0	150,000	0	150,000	0	0	0
601	Juvenile Detention Facilities	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
746	Natural Resources Damages	0	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0	174,810	0
905	Purchase of Vehicles	707,523	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
914	DFA Disbursing-Miscellaneous-CashTransfers	8,655	0	5,100,000	0	5,100,000	0	5,100,000	0	5,050,000	0	5,050,000	0	5,100,000	0	5,050,000	0	5,050,000	0
A08	Cash Appropriation - Various Agencies	0	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0	300,000,000	0
A09	Payplan Adjustment - Various Agencies	0	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
F42	Personal Services - Payplan Extra Help	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
F94	Ar Sheriffs' Association Grant	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total		85,737,373	0	3,188,412,958	0	3,188,412,958	0	3,188,412,958	0	3,188,383,831	0	3,188,033,831	0	3,188,412,958	0	3,188,395,602	0	3,188,045,602	0

Funding Sources			%		%		%		%		%		%		%		%
Fund Balance	4000005	30,214,383	25.0	35,187,874	1.1	1,541,014	0.0	1,541,014	0.0	1,541,014	0.0	1,531,014	0.0	1,531,014	0.0	1,531,014	0.0
General Revenue	4000010	6,920,442	5.7	7,368,871	0.2	7,368,871	0.2	7,389,744	0.2	7,039,744	0.2	7,368,871	0.2	7,401,515	0.2	7,051,515	0.2
Federal Revenue	4000020	0	0.0	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3	8,000,000	0.3
Special Revenue	4000030	75,332,222	62.3	72,405,899	2.3	89,700,000	2.8	89,700,000	2.8	89,700,000	2.8	89,700,000	2.8	89,700,000	2.8	89,700,000	2.8
Cash Fund	4000045	8,655	0.0	5,100,000	0.2	5,100,000	0.2	5,050,000	0.2	5,050,000	0.2	5,100,000	0.2	5,050,000	0.2	5,050,000	0.2
Trust Fund	4000050	8,262,144	6.8	9,644,085	0.3	18,250,000	0.6	18,250,000	0.6	18,250,000	0.6	18,250,000	0.6	18,250,000	0.6	18,250,000	0.6
ASP Retirement Fund	4000113	(5,957,035)	(4.9)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Budget Stabilization Trust	4000130	9,920,469	8.2	11,307,658	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4	13,350,000	0.4
Cigarette Tax	4000140	121,212	0.1	187,910	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0	197,750	0.0
Fees	4000245	210,012	0.2	540,000	0.0	540,000	0.0	540,000	0.0	540,000	0.0	540,000	0.0	540,000	0.0	540,000	0.0
Fire/Police Pens & Relief Fund	4000252	(662,280)	(0.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Fire Protection Prem Tax Fund	4000253	(662,280)	(0.5)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Internet User Fees	4000310	144,788	0.1	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0	150,000	0.0
Inter-agency Fund Transfer	4000316	(428,555)	(0.4)	3,766,311	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	860,969	0.7	1,000,000	0.0	2,000,000	0.1	2,000,000	0.1	2,000,000	0.1	2,000,000	0.1	2,000,000	0.1	2,000,000	0.1

Funding Sources			%		%			%		%		%		%		%		%
Reimbursement	4000425	64	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Special State Asset Forfeiture	4000465	1,560,767	1.3	0	0.0		5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2	5,000,000	0.2
State Administration of Justice	4000470	34,942,656	28.9	44,657,577	1.4		45,821,527	1.4	45,821,527	1.4	45,821,527	1.4	45,821,527	1.4	45,821,527	1.4	45,821,527	1.4
Transfer from DHS	4000510	0	0.0	300,000	0.0		300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0	300,000	0.0
Transfer from DHS-DYS	4000515	400,000	0.3	400,000	0.0		400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0	400,000	0.0
Transfer to General Revenue	4000635	(4,109,777)	(3.4)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Insurance Dept	4000650	(699,244)	(0.6)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers Accounting Purposes	4000685	332,732	0.3	2,939,050,000	92.1		2,939,050,000	92.1	2,939,050,000	92.1	2,939,050,000	92.2	2,939,050,000	92.1	2,939,050,000	92.1	2,939,050,000	92.2
Transfers from Agencies	4000690	5,905,608	4.9	11,887,787	0.4		14,000,000	0.4	14,000,000	0.4	14,000,000	0.4	14,000,000	0.4	14,000,000	0.4	14,000,000	0.4
Transfers to Agencies	4000695	(41,692,705)	(34.5)	4,000,000	0.1		4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1	4,000,000	0.1
Workforce 2000	4000740	0	0.0	35,000,000	1.1		35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1	35,000,000	1.1
Total Funds		120,925,247	100.0	3,189,953,972	100.0		3,189,769,162	100.0	3,189,740,035	100.0	3,189,390,035	100.0	3,189,759,162	100.0	3,189,741,806	100.0	3,189,391,806	100.0
Excess Appropriation/(Funding)		(35,187,874)		(1,541,014)			(1,356,204)		(1,356,204)		(1,356,204)		(1,346,204)		(1,346,204)		(1,346,204)	
Grand Total		85,737,373		3,188,412,958			3,188,412,958		3,188,383,831		3,188,033,831		3,188,412,958		3,188,395,602		3,188,045,602	

Variance in fund balance is due to unfunded appropriation in (746) Natural Resources Damages.

Actuals may exceed Authorized appropriation due to Special Language authorizing transfers of appropriation and funding between State's Contributions line items (2DA, 1XZ).

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

Analysis of Budget Request

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

This appropriation is for payment of the Fireman and Police Officers' Pension and Relief Taxes, payable from the Fireman and Police Officers' Pension and Relief Fund. Funding comes from premium taxes on insurance policies (A.C.A. §24-11-301, §24-11-809).

The Agency is requesting Base Level of $68,400,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 045 - Fireman & Police Officers Pension and Relief Fund

Funding Sources: SFR - Fireman and Police Officers' Pension and Relief Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	42,500,745	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000
Total		42,500,745	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000
Funding Sources										
Fund Balance	4000005	5,329,890	5,819,992		0	0	0	0	0	0
Special Revenue	4000030	53,719,939	62,580,008		68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000
ASP Retirement Fund	4000113	(5,957,035)	0		0	0	0	0	0	0
Fire Protection Prem Tax Fund	4000253	(662,280)	0		0	0	0	0	0	0
Transfer to General Revenue	4000635	(4,109,777)	0		0	0	0	0	0	0
Total Funding		48,320,737	68,400,000		68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000
Excess Appropriation/(Funding)		(5,819,992)	0		0	0	0	0	0	0
Grand Total		42,500,745	68,400,000		68,400,000	68,400,000	68,400,000	68,400,000	68,400,000	68,400,000

Analysis of Budget Request

Appropriation: 067 - Disaster Assistance Grants

Funding Sources: MMA - Disaster Assistance Fund

This appropriation provides for disaster assistance to individuals, families, and public entities as authorized by the Disaster Relief Act of 1974 and for complying with the Arkansas Emergency Services Act of 1973 (A.C.A. §12-75-101 et seq.). Expenditures from this fund are made upon Executive Order of the Governor declaring a disaster and are utilized for individual assistance, public assistance, hazard assistance, and immediate emergency response according to the State Disaster Plan prepared and maintained by the Arkansas Department of Emergency Management. Funding for this appropriation can come from Federal funds or the Budget Stabilization Trust Fund.

The Agency is requesting Base Level of $13,250,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 067 - Disaster Assistance Grants
Funding Sources: MMA - Disaster Assistance Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	10,045,748	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total		10,045,748	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Funding Sources										
Fund Balance	4000005	2,167,621	2,042,342		0	0	0	0	0	0
Budget Stabilization Trust	4000130	9,920,469	11,207,658		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Total Funding		12,088,090	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000
Excess Appropriation/(Funding)		(2,042,342)	0		0	0	0	0	0	0
Grand Total		10,045,748	13,250,000		13,250,000	13,250,000	13,250,000	13,250,000	13,250,000	13,250,000

Analysis of Budget Request

Appropriation: 070 - Unemployment Compensation Claims

Funding Sources: TUC - Unemployment Compensation Revolving Fund

This appropriation is utilized to reimburse the Department of Workforce Services for unemployment benefits paid to former state employees. State agencies are assessed a percent of total payroll to provide funding for this appropriation. The assessment is based on a claims experience rating for each Agency.

The Agency is requesting Base Level of $16,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 070 - Unemployment Compensation Claims

Funding Sources: TUC - Unemployment Compensation Revolving Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims	5110015	6,845,014	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Total		6,845,014	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Funding Sources										
Fund Balance	4000005	7,213,265	8,592,812		0	0	0	0	0	0
Trust Fund	4000050	8,224,561	7,407,188		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Total Funding		15,437,826	16,000,000		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Excess Appropriation/(Funding)		(8,592,812)	0		0	0	0	0	0	0
Grand Total		6,845,014	16,000,000		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000

Analysis of Budget Request

Appropriation: 071 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for transfers of appropriation for state agencies for expending and disbursing the net proceeds from property sold through the Marketing and Redistribution Program (A.C.A. §25-8-106; §19-5-1010).

The Agency is requesting Base Level of $4,500,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 071 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Marketing & Redistribution Progra 5900025	332,732	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total	332,732	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Funding Sources									
Transfers Accounting Purposes 4000685	332,732	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Funding	332,732	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	332,732	4,500,000		4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000

Analysis of Budget Request

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides State reimbursement of personal service expenses for the University of Arkansas Medical Sciences, Arkansas Commission on Child Abuse, Rape, and Domestic Violence. The Commission helps coordinate efforts to review and process complaints of child abuse and neglect. This appropriation is funded by general revenue in the amount of $63,767 each year and up to $300,000 of the remaining appropriation may be funded by the Department of Human Services through a fund transfer authorized in Special Language.

The Agency is requesting Base Level of $363,767 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 131 - Child Abuse/Rape/Domestic Violence Contract

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Total		63,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767	363,767
Funding Sources										
General Revenue	4000010	63,767	63,767		63,767	63,767	63,767	63,767	63,767	63,767
Transfer from DHS	4000510	0	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding		63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		63,767	363,767		363,767	363,767	363,767	363,767	363,767	363,767

Analysis of Budget Request

Appropriation: 133 - ACH - Child Welfare Restructuring

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides for the payment of contractual services to assist multidisciplinary task coordinators throughout the State to review and process child abuse complaints.

The Agency is requesting Base Level of $274,400 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 133 - ACH - Child Welfare Restructuring
Funding Sources: HUA - Miscellaneous Agencies Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Total	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400	274,400
Funding Sources									
General Revenue 4000010	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Total Funding	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	274,400	274,400		274,400	274,400	274,400	274,400	274,400	274,400

Analysis of Budget Request

Appropriation: 139 - Information Network of Arkansas

Funding Sources: MNA - Information Network of Arkansas Fund

This appropriation provides for operating expenses of the Information Network of Arkansas, which is funded by user fees. The purpose of the Information Network of Arkansas is to provide the public access to state government information and interaction with government agencies through a user-friendly electronic medium (A.C.A. §25-27-101 et seq.; §19-5-1074).

The Agency is requesting Base Level of $150,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 139 - Information Network of Arkansas

Funding Sources: MNA - Information Network of Arkansas Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Maintenance & Operations	5900046	85,540	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total		85,540	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources										
Fund Balance	4000005	1,197,214	1,256,462		1,256,462	1,256,462	1,256,462	1,256,462	1,256,462	1,256,462
Internet User Fees	4000310	144,788	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		1,342,002	1,406,462		1,406,462	1,406,462	1,406,462	1,406,462	1,406,462	1,406,462
Excess Appropriation/(Funding)		(1,256,462)	(1,256,462)		(1,256,462)	(1,256,462)	(1,256,462)	(1,256,462)	(1,256,462)	(1,256,462)
Grand Total		85,540	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 159 - Administration of Justice Fund

Funding Sources: TAJ - State Administration of Justice Fund

The Administration of Justice Fund Section (AOJF) was established in 1995 to administer the Uniform Filing Fees and Court Cost Program. The AOJF is responsible for collecting, depositing, and distributing court fees collected at the county and municipal levels.

The Uniform Filing Fees and Court Cost Program was established by Act 1256 of 1995 (A.C.A. §16-10-306 et seq.) to remedy inequities in judicial services provided to citizens of Arkansas. This Act established the AOJF, charged it to provide forms for the remittance of court fees, and prescribed the duties of the AOJF to collect, and when appropriate, refer for civil prosecution any counties or municipalities having violated the remittance and reporting requirements of the Act.

This appropriation provides for distribution of uniform court costs and filing fees collected as well as appropriation to process any refunds necessary back to the local jurisdiction. The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures.

The Agency is requesting Base Level for the State Administration of Justice Fund but with the request that the Administrative Office of the Courts take action to increase revenues or reduce expenditures from the State Administration of Justice Fund to a level that can be supported by the Fund. The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. The Fund still struggles to support the allocations funded in the past. During FY14 and continuing into FY15 a 25% reduction in the monthly distribution has been in place.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 159 - Administration of Justice Fund

Funding Sources: TAJ - State Administration of Justice Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	3,329,577	39,916,095	39,916,095	39,916,095	39,916,095	39,916,095	39,916,095	39,916,095	39,916,095
Refunds/Reimbursements	5110014	1,970	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		3,331,547	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095
Funding Sources										
Fund Balance	4000005	1,220,348	1,163,950		0	0	0	0	0	0
Special Revenue	4000030	6,968,947	0		0	0	0	0	0	0
State Administration of Justice	4000470	33,960,585	43,752,145		44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095
Transfers to Agencies	4000695	(37,654,383)	0		0	0	0	0	0	0
Total Funding		4,495,497	44,916,095		44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095
Excess Appropriation/(Funding)		(1,163,950)	0		0	0	0	0	0	0
Grand Total		3,331,547	44,916,095		44,916,095	44,916,095	44,916,095	44,916,095	44,916,095	44,916,095

The fund balance has decreased over the past several years as a result of declining revenue and increased expenditures. During FY14 and continuing into FY15 a reduction in the monthly distribution has been in place.

Analysis of Budget Request

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

The Arkansas Sheriff's Association is funded by a $50,000 allocation from the Administration of Justice Fund and revenues generated from § 17-19-301(f)(1) which is an additional fee of six dollars ($6.00) per bail bond for giving bond for every bail bond issued by the professional bail bond company by or through its individual licensees, sheriffs, keepers of the jail, or any persons authorized to take bail under §16-84-102. These funds are transferred to the Arkansas Counties Alcohol and Drug Abuse and Crime Prevention Fund for the purpose of developing crime prevention and alcohol and drug abuse programs.

The Agency is requesting Base Level of $600,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FB - Arkansas Sheriff's Association

Funding Sources: MCD - Arkansas Counties Alcohol & Drug Abuse & Crime Prevention Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	585,012	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total		585,012	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Funding Sources										
Fund Balance	4000005	112,607	55,320		45,320	45,320	45,320	35,320	35,320	35,320
Fees	4000245	210,012	540,000		540,000	540,000	540,000	540,000	540,000	540,000
State Administration of Justice	4000470	317,713	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		640,332	645,320		635,320	635,320	635,320	625,320	625,320	625,320
Excess Appropriation/(Funding)		(55,320)	(45,320)		(35,320)	(35,320)	(35,320)	(25,320)	(25,320)	(25,320)
Grand Total		585,012	600,000		600,000	600,000	600,000	600,000	600,000	600,000

Analysis of Budget Request

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assests Forfeiture Fund

The Arkansas Drug Director establishes through rules and regulations a procedure for proper investment, use, and disposition of moneys deposited in the Special State Assets Forfeiture Fund in accordance with the intent and purposes of sub chapters 1-6 of §5-64-505. Funds shall be distributed by the Arkansas Alcohol and Drug Abuse Coordinating Council and shall be distributed for drug interdiction, eradication, education, rehabilitation, the State Crime Laboratory, and drug courts. Moneys from the fund may not supplant other local, state, or federal funds and shall not be subject to the provisions of the Revenue Stabilization Law, §19-5-101 et seq., or the Special Revenue Fund Account, § 19-5-203(2)(A).

The Agency is requesting Base Level of $5,000,000 each year of the 2015-2017 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1GD - Drug Enforcement and Education

Funding Sources: TAF - Special State Assests Forfeiture Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Drug Enforcement, Education, Tr	5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources										
Fund Balance	4000005	44,044	1,233,689		0	0	0	0	0	0
Inter-agency Fund Transfer	4000316	(371,122)	3,766,311		0	0	0	0	0	0
Special State Asset Forfeiture	4000465	1,560,767	0		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		1,233,689	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)		(1,233,689)	0		0	0	0	0	0	0
Grand Total		0	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

This federally funded appropriation provides for unanticipated Federal Disaster Assistance from the Federal Emergency Management Agency (FEMA). The Department of Finance and Administration Disbursing Officer will process claims for Individual and Family Grants Programs administered by the Department of Human Services (DHS) - County Operations.

The Agency is requesting Base Level of $8,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1KG - Disaster Assistance - Federal

Funding Sources: FDA - Disaster Assistance Federal Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total		0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Funding Sources										
Federal Revenue	4000020	0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding		0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

Analysis of Budget Request

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund

Act 279 of 2003 created an Income Tax Return check-off for the Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund and created the Arkansas Children's Catastrophic Illness Grant Program (A.C.A. §26-35-1201 et seq.; §19-5-1123).

Arkansas Children's Hospital promulgates all rules and regulations necessary for implementing the grant program for the fund and is used exclusively by the Arkansas Children's Hospital to assist with the medical expenses incurred by the families of children with catastrophic illnesses or injuries by awarding grants to the families who are liable for the medical expenses.

The Agency is requesting Base Level of $2,000,000 each year of the 2015-2017 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MK - Baby Sharon Act Grants

Funding Sources: TCH - Baby Sharon's Children's Catastrophic Illness Grant Program Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	13,920	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total		13,920	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources										
Fund Balance	4000005	14,341	10,940		0	0	0	0	0	0
Trust Fund	4000050	10,519	1,989,060		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		24,860	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		(10,940)	0		0	0	0	0	0	0
Grand Total		13,920	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Income Tax Return check-off program, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

Act 1362 of 2003 established the Organ Donation Donor Education Trust Fund to provide for organ donor education and the issuance of organ donation awareness special license plates and to provide for voluntary contributions (A.C.A. §20-17-502, 503; §26-51-451, 452; §19-5-1129).

The Director of the Department of Finance and Administration shall grant funds available and appropriated from the Organ Donor Awareness Education Trust Fund to the Arkansas Regional Organ Recovery Agency, or its successor agency, to be used for educational or informational materials and other related costs associated with informing or educating the public about organ donations and organ donation awareness.

The Agency is requesting Base Level of $200,000 each year of the 2015-2017 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1QZ - Organ Donation Education Grants

Funding Sources: TOD - Organ Donation Donor Education Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	24,851	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total		24,851	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources										
Fund Balance	4000005	1,970	1,944		0	0	0	0	0	0
Trust Fund	4000050	24,825	198,056		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding		26,795	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)		(1,944)	0		0	0	0	0	0	0
Grand Total		24,851	200,000		200,000	200,000	200,000	200,000	200,000	200,000

Special license plates provide voluntary contributions, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2CU - Department of Correction - Escapees Trial

Funding Sources: MLD - Trial Expense Assistance Fund

A.C.A. §16-92-1099 (Act 24 of 1979) established a method for the State to reimburse county governments for all costs incurred by the county in bringing to trial or trials any person or persons charged with a felony offense, with a crime committed in furtherance of, or in connection with, an escape from the Arkansas Department of Correction. Transfers from the Budget Stabilization Trust Fund provide funding for this appropriation.

The Agency is requesting Base Level of $100,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2CU - Department of Correction - Escapees Trial
Funding Sources: MLD - Trial Expense Assistance Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Reimbursements 5110014	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Budget Stabilization Trust 4000130	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

Act 10 of the First Extraordinary Session of 1992 (A.C.A. §14-284-401 et seq.; §26-57-614) established a premium tax of 1/2 of 1% to be collected by the Insurance Commissioner on policies written for coverage on real and personal property. The tax, dedicated as special revenues, is distributed by a formula set out in Act 10 to Arkansas counties. Funds distributed to counties are used by fire departments to upgrade fire protection services as a safeguard to the lives and property of Arkansas citizens.

The Agency is requesting Base Level of $15,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 2DX - Fire Protection Services - Additional Funding

Funding Sources: SFP - Fire Protection Premium Tax Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	12,312,468	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		12,312,468	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	6,303,507	6,865,460		0	0	0	0	0	0
Special Revenue	4000030	13,536,701	8,134,540		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Fire/Police Pens & Relief Fund	4000252	(662,280)	0		0	0	0	0	0	0
Total Funding		19,177,928	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(6,865,460)	0		0	0	0	0	0	0
Grand Total		12,312,468	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 2MH - US Olympic Committee

Funding Sources: TOC - US Olympic Committee Program Trust Fund

Act 471 of 1993 (A.C.A. §26-51-441) created the United States Olympic Committee Income Tax Check-Off Program. The Program began with the tax returns for the 1993 income year and each year thereafter. This check-off appears on State and corporate income tax returns.

The Director of the Department of Finance and Administration is authorized to accept any gifts, grants, bequests, devises, and donations made to the State of Arkansas for the purpose of funding the program and deposit them into the United States Olympic Committee Program Trust Fund (A.C.A. §19-5-915)

The Agency is requesting Base Level of $50,000 each year of the 2015-2017 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2MH - US Olympic Committee
Funding Sources: TOC - US Olympic Committee Program Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	2,298	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total		2,298	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources										
Fund Balance	4000005	278	219		0	0	0	0	0	0
Trust Fund	4000050	2,239	49,781		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		2,517	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)		(219)	0		0	0	0	0	0	0
Grand Total		2,298	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Income Tax Return check-off program, expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2YN - Public Legal Aid

Funding Sources: SLA - Public Legal Aid Fund

This appropriation provides grants to Legal Aid of Arkansas and to the Center for Arkansas Legal Services (A.C.A. §19-6-803) for providing financial support for public legal aid organizations and is distributed as follows:

- Forty-five percent (45%) of the fund shall be paid to Legal Aid of Arkansas; and
- Fifty-five percent (55%) of the fund shall be paid to the Center for Arkansas Legal Services.

The Agency is requesting Base Level of $855,432 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2YN - Public Legal Aid
Funding Sources: SLA - Public Legal Aid Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Grants and Aid 5100004	664,358	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Total	664,358	855,432	855,432	855,432	855,432	855,432	855,432	855,432	855,432
Funding Sources									
State Administration of Justice 4000470	664,358	855,432		855,432	855,432	855,432	855,432	855,432	855,432
Total Funding	664,358	855,432		855,432	855,432	855,432	855,432	855,432	855,432
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	664,358	855,432		855,432	855,432	855,432	855,432	855,432	855,432

Analysis of Budget Request

Appropriation: 328 - Merit Adjustment Fund

Funding Sources: MMF - Merit Adjustment Fund

This appropriation provides additional appropriation for various state agencies and Institutions of Higher Education with supplemental personal services. If agencies do not have sufficient appropriation to cover payplan, the Disbursing Officer may transfer appropriation and/or general revenue funding as needed to that Agency.

The Agency is requesting Base Level of $4,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 328 - Merit Adjustment Fund
Funding Sources: MMF - Merit Adjustment Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services-Merit Adjustme 5900046	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources									
Transfers to Agencies 4000695	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

Analysis of Budget Request

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

This appropriation was established to provide transfers of spending authority for Technical Colleges, Technical Institutes and Comprehensive Lifelong Learning Centers from the Work Force 2000 Development Fund. The Work Force 2000 Development Fund consists of those special revenues as specified in A.C.A. §19-6-301(163) and all other revenues as may be authorized by law, there to be used exclusively for the authorized educational activities of those entities as set out in A.C.A. §26-51-205(d)(1)(A) and A.C.A. §26-51-205(d)(1)(B) and as distributed under A.C.A. §26-51-205(d)(2).

The Agency is requesting Base Level for this appropriation of $30,000,000 for Technical Colleges Accreditation and $5,000,000 for Vocational Technical Accreditation each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 340 - Workforce 2000

Funding Sources: SWF - Workforce 2000 Development Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Technical Colleges Accreditation 5900047	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Vo-Tech Accreditation 5900048	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	0	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Funding Sources									
Workforce 2000 4000740	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Total Funding	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	35,000,000		35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000

Analysis of Budget Request

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

Act 1086 of 2007 created the State Drug Crime Enforcement and Prosecution Grant Fund for the purpose of creating and funding multi-jurisdictional drug crime task forces. The fund consists of Revenues generated under A.C.A. §12-17-106 (Drug crime special assessment) and any moneys authorized by the General Assembly.

The Agency is requesting Base Level of $5,500,000 each year of the 2015-2017 Biennium. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 36F - Multi-Jurisdictional Drug Crime Task Force

Funding Sources: SEP - State Drug Crime Enforcement and Prosecution Grant Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Grants and Aid	5100004	794,543	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Administation Expenses	5900046	9,545	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total		804,088	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Funding Sources										
Fund Balance	4000005	4,393,265	4,608,649		0	0	0	0	0	0
Special Revenue	4000030	1,076,905	891,351		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Inter-agency Fund Transfer	4000316	(57,433)	0		0	0	0	0	0	0
Total Funding		5,412,737	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Excess Appropriation/(Funding)		(4,608,649)	0		0	0	0	0	0	0
Grand Total		804,088	5,500,000		5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

This appropriation provides disbursement of funds for assistance in defraying the cost of hospitalization and other medical services of indigent Arkansas patients in health care facilities in Mississippi County, Poinsett County, Cross County, St. Francis County and Lee County for which the county has not received total reimbursement. Each county certifies to the Chief Fiscal Officer of the State the amount of the unreimbursed medical expenses. The amount available to each county shall be no more than 1/5 of the total funds available or the amount certified of unreimbursed medical expenses, whichever is less.

The Arkansas Racing Commission is authorized to allow each dog racing franchise holder to conduct fifteen (15) additional days of racing during each twelve-month period. All revenue derived from the pari-mutuel tax at the fifteen (15) additional days of racing authorized by subsection (a) of A.C.A. §23-111-505 after moneys have been remitted by the franchise holder to Mid-South Community College as provided by A.C.A. §23-111-517 shall be deposited with the Treasurer of State as special revenue for credit to the Indigent Patients Fund.

The Agency is requesting Base Level of $300,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 471 - Indigent Patient-Emergency Medical Services Program

Funding Sources: SGI - Indigent Patients Hospital Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Grants and Aid 5100004	29,730	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	29,730	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources									
Special Revenue 4000030	29,730	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	29,730	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	29,730	300,000		300,000	300,000	300,000	300,000	300,000	300,000

Analysis of Budget Request

Appropriation: 4HJ - Prostate Cancer

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation is funded by funds generated by Section 1(a)(4) of Act 2219 of 2005, for a grant to the Arkansas Prostate Cancer Foundation for cancer detection and research. Eight and one-third percent (8 1/3%) of the Additional Tax - Cigarettes levied in A.C.A. §26-57-1101 and Additional Tax - Tobacco products other than cigarettes levied in A.C.A. §26-57-1102 is credited to the Miscellaneous Agencies Fund for the Arkansas Prostate Cancer Foundation.

The Agency is requesting Base Level of $197,750 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4HJ - Prostate Cancer
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	122,702	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Total		122,702	197,750	197,750	197,750	197,750	197,750	197,750	197,750	197,750
Funding Sources										
Fund Balance	4000005	11,330	9,840		0	0	0	0	0	0
Cigarette Tax	4000140	121,212	187,910		197,750	197,750	197,750	197,750	197,750	197,750
Total Funding		132,542	197,750		197,750	197,750	197,750	197,750	197,750	197,750
Excess Appropriation/(Funding)		(9,840)	0		0	0	0	0	0	0
Grand Total		122,702	197,750		197,750	197,750	197,750	197,750	197,750	197,750

Analysis of Budget Request

Appropriation: 601 - Juvenile Detention Facilities

Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

Funds transferred from the Department of Human Services - Youth Services Fund Account to the Juvenile Detention Facilities Operating Fund (A.C.A. §19-5-1034) provides funding for this Department of Finance and Administration - Disbursing Officer appropriation for grants for operating expenses of fourteen local juvenile detention facilities.

The Agency is requesting Base Level of $400,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 601 - Juvenile Detention Facilities

Funding Sources: MJM - Juvenile Detention Facilities Operating Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources										
Fund Balance	4000005	239,168	239,232		239,232	239,232	239,232	239,232	239,232	239,232
Reimbursement	4000425	64	0		0	0	0	0	0	0
Transfer from DHS-DYS	4000515	400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000
Total Funding		639,232	639,232		639,232	639,232	639,232	639,232	639,232	639,232
Excess Appropriation/(Funding)		(239,232)	(239,232)		(239,232)	(239,232)	(239,232)	(239,232)	(239,232)	(239,232)
Grand Total		400,000	400,000		400,000	400,000	400,000	400,000	400,000	400,000

Analysis of Budget Request

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

A.C.A. §8-12-103 and §8-12-104 created and established a Natural Resources Damages Advisory Board and the Natural Resources Damages Trust Fund. The Advisory Board is composed of seven (7) members that serve without compensation. The Advisory Board has the powers and duties to develop projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; to request proposals for natural resource related projects; to review and evaluate proposals for natural resource related projects; to select projects for the restoration, rehabilitation, replacement, and acquisition of natural resources; and to approve payments from the Natural Resource Damages Trust Fund.

The Department of Finance and Administration - Disbursing Officer administers the fund, as authorized by the Advisory Board (A.C.A. §8-12-105). The Natural Resources Damages Trust Fund consists of all payments collected by the State for restoration, rehabilitation, replacement, or acquisition of natural resources and any money received by the State as a gift or donation to the fund or any federal moneys designated to enter the fund, and all interest earned upon moneys deposited in the fund.

The Agency is requesting Base Level of $174,810 each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 746 - Natural Resources Damages

Funding Sources: TNR - Natural Resources Damages Trust Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Total	0	174,810	174,810	174,810	174,810	174,810	174,810	174,810	174,810
Funding Sources									
Fund Balance 4000005	174,810	174,810		0	0	0	0	0	0
Total Funding	174,810	174,810		0	0	0	0	0	0
Excess Appropriation/(Funding)	(174,810)	0		174,810	174,810	174,810	174,810	174,810	174,810
Grand Total	0	174,810		174,810	174,810	174,810	174,810	174,810	174,810

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 905 - Purchase of Vehicles

Funding Sources: MMV - Motor Vehicle Aquisition Revolving Fund

The Department of Finance and Administration maintains a system that provides a complete inventory of existing state vehicles. This system monitors age of vehicles, annual mileage utilization, and maintenance costs. This program provides a priority ranking of vehicles to be purchased. A.C.A. §22-8-206 establishes guidelines for the purchase of automobiles.

The Agency is requesting Base Level of $15,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 905 - Purchase of Vehicles

Funding Sources: MMV - Motor Vehicle Aquisition Revolving Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Purchase of Vehicles	5900046	707,523	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		707,523	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	1,790,725	3,112,213		0	0	0	0	0	0
M & R Sales	4000340	860,969	1,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Transfers from Agencies	4000690	5,206,364	10,887,787		13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
Transfers to Agencies	4000695	(4,038,322)	0		0	0	0	0	0	0
Total Funding		3,819,736	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)		(3,112,213)	0		0	0	0	0	0	0
Grand Total		707,523	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

Analysis of Budget Request

Appropriation: 914 - DFA Disbursing-Miscellaneous-CashTransfers

Funding Sources: NDP - Cash in Treasury - DFA Miscellaneous

This appropriation is used to disburse funds collected on behalf of state agencies if needed. Base Level is $5,050,000 each year of the 2015-2017 biennium.

The Agency is requesting reduction in Base Level of $50,000 each year in appropriation. $25,000 each in appropriation was added in FY14/FY15 for Arkansas Nurses Association and Arkansas Tennis Association grants; which both are being handled in DFA Revenue Division Cash Appropriation (F10) for Special License Plates.

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

Appropriation Summary

Appropriation: 914 - DFA Disbursing-Miscellaneous-CashTransfers
Funding Sources: NDP - Cash in Treasury - DFA Miscellaneous

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	0	50,000	50,000	50,000	0	0	50,000	0	0
Various Expenses	5900046	8,655	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000
Total		8,655	5,100,000	5,100,000	5,100,000	5,050,000	5,050,000	5,100,000	5,050,000	5,050,000
Funding Sources										
Cash Fund	4000045	8,655	5,100,000		5,100,000	5,050,000	5,050,000	5,100,000	5,050,000	5,050,000
Total Funding		8,655	5,100,000		5,100,000	5,050,000	5,050,000	5,100,000	5,050,000	5,050,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		8,655	5,100,000		5,100,000	5,050,000	5,050,000	5,100,000	5,050,000	5,050,000

Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 914 - DFA Disbursing-Miscellaneous-CashTransfers
Funding Sources: NDP - Cash in Treasury - DFA Miscellaneous

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**5,100,000**	**0**	**5,100,000**	**100.0**	**5,100,000**	**0**	**5,100,000**	**100.0**
C03	Discontinue Program	(50,000)	0	5,050,000	99.0	(50,000)	0	5,050,000	99.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**5,100,000**	**0**	**5,100,000**	**100.0**	**5,100,000**	**0**	**5,100,000**	**100.0**
C03	Discontinue Program	(50,000)	0	5,050,000	99.0	(50,000)	0	5,050,000	99.0

Justification	
C03	Reduction of $50,000 in appropriation each year in DFA Disbursing Miscellaneous Cash Transfers appropriation (914). $25,000 each in appropriation was added in FY14/FY15 for Arkansas Nurses Association and Arkansas Tennis Association grants; which both are being handled in DFA Revenue Division Cash Appropriation (F10) for Special License Plates.

Analysis of Budget Request

Appropriation: F94 - Ar Sheriffs' Association Grant

Funding Sources: SFA - Arkansas Sheriff Association Education Fund

Act 1283 of 2013, Section 5 established §19-6-819, the Arkansas Sheriffs' Association Education Fund, a special revenue funding stream to be be used by the Arkansas Sheriffs' Association exclusively for the performance of its duties as the official agency of the sheriffs of this state, including without limitation; receiving and using funds for a continuing study of ways to improve the administration of sheriffs' offices; and developing and improving education programs designed for sheriffs' offices in Arkansas.

A funding stream was not established at the time the fund was set up in law. The Agency is requesting continuation of $500,000 each year of the 2015-2017 Biennium in the event the Legislature establishes in the law the revenue stream for this fund and appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F94 - Ar Sheriffs' Association Grant

Funding Sources: SFA - Arkansas Sheriff Association Education Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Special Revenue 4000030	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: ACH - Arkansas Children's Hospital

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides State grant assistance to the Arkansas Children's Hospital. These funds assist the hospital in providing services to children who are unable to pay, as well as providing additional services in the areas of intensive care, reproductive health research and burn unit.

The Agency is requesting Base Level of $3,533,600 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: ACH - Arkansas Children's Hospital
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
ACH - Intensive Care Nursery	5100004	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600	1,233,600
ACH - Reproductive Health Monit	5100004	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ACH - Burn Center	5100004	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
ACH - Hospital Payments	5100004	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Total		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Funding Sources										
General Revenue	4000010	3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Total Funding		3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,533,600	3,533,600		3,533,600	3,533,600	3,533,600	3,533,600	3,533,600	3,533,600

Analysis of Budget Request

Appropriation: BBP - Blanket Bond Program

Funding Sources: MTA-MLC-MLM-JAA Various

The Blanket Surety Bond Program was established to consolidate policies and decrease costs of surety bonds for all levels of government (Act 72 of 1997 section 5). The State Risk Manager of the Department of Insurance submits to the Department of Finance and Administration a separate billing certification of the costs of blanket bond surety premiums for the State of Arkansas and the Counties, Municipalities, and Public School Districts participating in the blanket surety bond program for public employees.

The appropriations included in the program are:

- Appropriation 2DM - State Employees Blanket Bond Program
- Appropriation 2DN - County Employees Blanket Bond Program
- Appropriation 2DP - Municipal Employees Blanket Bond Program
- Appropriation 2DQ - Public School Employees Blanket Bond Program

The Agency is requesting Base Level of $250,000 for each appropriation in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BBP - Blanket Bond Program
Funding Sources: MTA-MLC-MLM-JAA Various

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Public School Employees Blanket	5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
State Employees Blanket Bond Pr	5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
County Public Employees Blanket	5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Municipal Public Employees Blank	5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total		0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources										
Transfer to Insurance Dept	4000650	(699,244)	0		0	0	0	0	0	0
Transfers from Agencies	4000690	699,244	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding		0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Analysis of Budget Request

Appropriation: MFP - Miscellaneous Federal Programs

Funding Sources: FXX - Miscellaneous Federal Grants

This Disbursing Officer appropriation enables state agencies to participate in federally funded programs if new or additional funds become available for an existing program already authorized by the General Assembly. Also provides for new programs, supported wholly or in part by federal funds, and such programs were not anticipated during the Regular Session of the General Assembly. Transfer of appropriation takes place upon approval of the Chief Fiscal Officer of the State and review by the Arkansas Legislative Council.

The Agency is requesting Base Level of $2,600,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MFP - Miscellaneous Federal Programs
Funding Sources: FXX - Miscellaneous Federal Grants

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Miscellaneous Workforce Investm 5100004	0	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Miscellaneous Federal Grants 5100004	0	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Total	0	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Funding Sources									
Transfers Accounting Purposes 4000685	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Total Funding	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,600,000,000		2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000	2,600,000,000

Analysis of Budget Request

Appropriation: MHT - Miscellaneous Transfers

Funding Sources: MXX - Miscellaneous Transfer Appropriations

The Department of Finance and Administration maintains several appropriations from which transfers to various agencies are authorized, if necessary, to meet obligations for which appropriations made by the General Assembly may not be sufficient. An Agency requesting use of any of these appropriations must certify sufficient funding to cover its resulting appropriation increase. Transfer appropriations include:

1. Overtime Compensation appropriation is established for agencies to provide for overtime compensation in emergency situations when an Agency has insufficient authority for such payments.

2. Personal Services Matching and Regular Salaries are established for agencies when the amount appropriated by the General Assembly is not sufficient to meet obligations.

3. Personal Services - Payplan Adjustment - established for agencies to provide appropriation for pay plan increases when there is insufficient salary savings to offset costs.

4. Stipend Holding - Matching and Regular Salaries - established for agencies to provide appropriation to comply with payment of stipends under United States Internal Revenue Code which governs the reporting of income and payment of withholding and matching taxes for personal services.

5. Personal Services - Payplan Extra Help - established to provide agencies Extra Help compensation in emergency situations when an agency has insufficient authority for such payments.

6. The Refund to Expenditure line item is used to provide appropriation for the following:

    - Proceeds received from insurance carriers for casualty losses
    - Overpayment of obligations
    - Overpayment of salaries
    - Over allocation of Federal Grants
    - Maturity or redemption of investments
    - Other items as may be specified by law

The Agency is requesting Basel Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: MHT - Miscellaneous Transfers

Funding Sources: MXX - Miscellaneous Transfer Appropriations

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Stipends-Various Agencies	5010000	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Regular Salaries-State Employee	5010000	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Regular Salaries - Elected Officer	5010000	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
#Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services - Payplan Extra	5010001	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
#Extra Help		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Stipends-Various Agencies	5010003	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Personal Services Matching	5010003	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Overtime	5010006	0	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Refund to Expenditures	5900045	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Personal Services - Payplan Adju	5900046	0	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
Total		0	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Funding Sources										
Transfers Accounting Purposes	4000685	0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Total Funding		0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	29,550,000		29,550,000	29,550,000	29,550,000	29,550,000	29,550,000	29,550,000

Analysis of Budget Request

Appropriation: STC - State's Contributions

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides for dues to various organizations and is funded by general revenue. The Base Level appropriation of $1,439,568 each year of the 2015-2017 Biennium pays yearly assessments from each organization and increases as dues increase.

Special Language authorizes transfers of appropriation and funding between State's Contributions line items and carry forward of unexpended balances in appropriation and funds.

The Agency is requesting Change Level increases and funding of $20,873 for FY16 and $32,644 for FY17 for the following six organizations:

019 Council on State Governments	$ 0	$ 302
020 National Conference on State Legislatures	$ 4,808	$ 10,485
022 National Association of State Budget Officers	$ 350	$ 905
1RC National Center For State Courts	$ 8,198	$ 12,285
1YC National Association of Attorneys General	$ 1,117	$ 2,267
1XZ The Energy Council	$ 6,400	$ 6,400
Total	$20,873	$ 32,644

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: STC - State's Contributions
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
National Governors Association	5020002	83,800	104,407	104,407	104,407	104,407	104,407	104,407	104,407	104,407
Southern Governors Association	5020002	129,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
National Conference of Insuranc	5020002	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
National Conference of State Leg	5020002	152,616	152,616	152,616	152,616	157,424	157,424	152,616	163,101	163,101
Southern Growth Policies Board	5020002	26,834	28,200	28,200	28,200	28,200	28,200	28,200	28,200	28,200
State and Local Legal Center	5020002	6,500	8,065	8,065	8,065	8,065	8,065	8,065	8,065	8,065
The Energy Council	5020002	38,400	32,000	32,000	32,000	38,400	38,400	32,000	38,400	38,400
Southern Regional Education Boa	5020002	201,550	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Southern States Energy Board	5020002	31,027	32,579	32,579	32,579	32,579	32,579	32,579	32,579	32,579
National Center for State Courts	5020002	126,936	128,037	128,037	128,037	136,235	136,235	128,037	140,322	140,322
Delta Regional Authority	5020002	130,086	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Federation of Tax Administrators	5020002	16,908	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Association of Racing Commissio	5020002	17,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Council of State Government	5020002	119,154	123,324	123,324	123,324	123,324	123,324	123,324	123,626	123,626
Interstate Mining Compact	5020002	14,900	18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513
National Association of Attorneys	5020002	36,143	37,227	37,227	37,227	38,344	38,344	37,227	39,494	39,494
National Association of State Bu	5020002	17,500	18,150	18,150	18,150	18,500	18,500	18,150	19,055	19,055
Low Level Radioactive Waste Co	5020002	5,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Multi-State Tax Commission	5020002	260,170	275,450	275,450	275,450	275,450	275,450	275,450	275,450	275,450
Total		1,423,524	1,439,568	1,439,568	1,439,568	1,460,441	1,460,441	1,439,568	1,472,212	1,472,212
Funding Sources										
General Revenue	4000010	1,423,524	1,439,568		1,439,568	1,460,441	1,460,441	1,439,568	1,472,212	1,472,212
Total Funding		1,423,524	1,439,568		1,439,568	1,460,441	1,460,441	1,439,568	1,472,212	1,472,212
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,423,524	1,439,568		1,439,568	1,460,441	1,460,441	1,439,568	1,472,212	1,472,212

Actuals may exceed Authorized due to Special Language authorizing transfers of appropriation and funding between State's Contributions line items.

Change Level by Appropriation

Appropriation: 019 - Council of State Government
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**123,324**	**0**	**123,324**	**100.0**	**123,324**	**0**	**123,324**	**100.0**
C01	Existing Program	0	0	123,324	100.0	302	0	123,626	100.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**123,324**	**0**	**123,324**	**100.0**	**123,324**	**0**	**123,324**	**100.0**
C01	Existing Program	0	0	123,324	100.0	302	0	123,626	100.2

Justification	
C01	Increase in yearly assessment from the organization.

Change Level by Appropriation

Appropriation: 020 - National Conference of State Legislatures
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**152,616**	**0**	**152,616**	**100.0**	**152,616**	**0**	**152,616**	**100.0**
C01	Existing Program	4,808	0	157,424	103.2	10,485	0	163,101	106.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**152,616**	**0**	**152,616**	**100.0**	**152,616**	**0**	**152,616**	**100.0**
C01	Existing Program	4,808	0	157,424	103.2	10,485	0	163,101	106.9

Justification	
C01	Increase in yearly assessment from the organization.

Change Level by Appropriation

Appropriation: 022 - National Association of State Budget Officers
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**18,150**	**0**	**18,150**	**100.0**	**18,150**	**0**	**18,150**	**100.0**
C01	Existing Program	350	0	18,500	101.9	905	0	19,055	105.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**18,150**	**0**	**18,150**	**100.0**	**18,150**	**0**	**18,150**	**100.0**
C01	Existing Program	350	0	18,500	101.9	905	0	19,055	105.0

Justification	
C01	Increase in yearly assessment from the organization.

Change Level by Appropriation

Appropriation: 1RC - National Center for State Courts
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**128,037**	**0**	**128,037**	**100.0**	**128,037**	**0**	**128,037**	**100.0**
C01	Existing Program	8,198	0	136,235	106.4	12,285	0	140,322	109.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**128,037**	**0**	**128,037**	**100.0**	**128,037**	**0**	**128,037**	**100.0**
C01	Existing Program	8,198	0	136,235	106.4	12,285	0	140,322	109.6

Justification	
C01	Increase in yearly assessment from the organization.

Change Level by Appropriation

Appropriation: 1XZ - The Energy Council
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**32,000**	**0**	**32,000**	**100.0**	**32,000**	**0**	**32,000**	**100.0**
C01	Existing Program	6,400	0	38,400	120.0	6,400	0	38,400	120.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**32,000**	**0**	**32,000**	**100.0**	**32,000**	**0**	**32,000**	**100.0**
C01	Existing Program	6,400	0	38,400	120.0	6,400	0	38,400	120.0

Justification	
C01	Increase in yearly assessment from the organization.

Change Level by Appropriation

Appropriation: 1YC - National Association of Attorneys General
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**37,227**	**0**	**37,227**	**100.0**	**37,227**	**0**	**37,227**	**100.0**
C01	Existing Program	1,117	0	38,344	103.0	2,267	0	39,494	106.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**37,227**	**0**	**37,227**	**100.0**	**37,227**	**0**	**37,227**	**100.0**
C01	Existing Program	1,117	0	38,344	103.0	2,267	0	39,494	106.1

Justification	
C01	Increase in yearly assessment from the organization.

Analysis of Budget Request

Appropriation: VGE - Various Grants and Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

General revenue provides funding for the projects, programs and grants appropriated in this Miscellaneous Grants and Expenses appropriation. Base Level is $2,057,536 each year of the 2015-2017 Biennium.

The Agency is requesting Basel Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request along with the reduction of Base Level in 54Z - Innovation and Product Development ($200,000) and 578 - Arkansas Sports Hall of Fame ($150,000); totaling ($350,000) each year of the Biennium.

Appropriation Summary

Appropriation: VGE - Various Grants and Expenses
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
National Conference on Uniform	5020002	41,883	57,525	57,525	57,525	57,525	57,525	57,525	57,525	57,525
Criminal Detention Committee Ex	5020002	3,468	18,639	18,639	18,639	18,639	18,639	18,639	18,639	18,639
Public Defender Contract	5060010	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372	34,372
AR Public Administration Consorti	5060010	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Museum of Discovery Grant	5100004	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Intrastate Metro Planning Grants	5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Transportation of Juvenile Offen	5100004	156,428	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000
Planning and Development Grant	5100004	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Interstate Planning Grants	5100004	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Agricultural Marketing Grants	5100004	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
AGA/Vocational Program Certifica	5100004	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Arkansas Wine Producers Counci	5100004	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Arkansas Sports Hall of Fame	5100004	0	150,000	150,000	150,000	150,000	0	150,000	150,000	0
Innovation & Product Developme	5900046	229,000	450,000	450,000	450,000	450,000	250,000	450,000	450,000	250,000
Fire Prevention Commission Gran	5900046	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total		1,625,151	2,057,536	2,057,536	2,057,536	2,057,536	1,707,536	2,057,536	2,057,536	1,707,536
Funding Sources										
General Revenue	4000010	1,625,151	2,057,536		2,057,536	2,057,536	1,707,536	2,057,536	2,057,536	1,707,536
Total Funding		1,625,151	2,057,536		2,057,536	2,057,536	1,707,536	2,057,536	2,057,536	1,707,536
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,625,151	2,057,536		2,057,536	2,057,536	1,707,536	2,057,536	2,057,536	1,707,536

Change Level by Appropriation

Appropriation: 578 - Arkansas Sports Hall of Fame

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**150,000**	**0**	**150,000**	**100.0**	**150,000**	**0**	**150,000**	**100.0**

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**150,000**	**0**	**150,000**	**100.0**	**150,000**	**0**	**150,000**	**100.0**
C19	Executive Changes	(150,000)	0	0	0.0	(150,000)	0	0	0.0

Justification	
C19	The Executive Recommendation provides for a reduction of Base Level of ($150,000) each year of the Biennium.

Change Level by Appropriation

Appropriation: 54Z - Innovation & Product Development
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**450,000**	**0**	**450,000**	**100.0**	**450,000**	**0**	**450,000**	**100.0**

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**450,000**	**0**	**450,000**	**100.0**	**450,000**	**0**	**450,000**	**100.0**
C19	Executive Changes	(200,000)	0	250,000	55.6	(200,000)	0	250,000	55.6

Justification	
C19	The Executive Recommendation provides for a reduction of Base Level of ($200,000) each year of the Biennium.

Analysis of Budget Request

Appropriation: VSA - Various State Agencies - Cash

Funding Sources: 999 - Various State Agencies - Cash

The Cash Appropriations line item allows the Department of Finance and Administration to establish cash funded appropriation for any state agency that receives funds that were not anticipated during the deliberations of the General Assembly. A report of all such transactions is made monthly to the Arkansas Legislative Council for review. The Personal Services line item allows the transfer of appropriation to agencies who have an unanticipated need for Regular Salaries or Personal Services Matching appropriation during the biennium. The agencies must have the necessary funding to cover any cost for which the appropriation is transferred.

The Agency is requesting Base Level of $300,000,000 for Cash Appropriation - Various Agencies and $5,000,000 for Personal Services - Various Agencies each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: VSA - Various State Agencies - Cash
Funding Sources: 999 - Various State Agencies - Cash

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Cash Appropriation - Various Age	5900033	0	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Payplan Adjustment - Various Ag	5900046	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		0	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Funding Sources										
Transfers Accounting Purposes	4000685	0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Total Funding		0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	305,000,000		305,000,000	305,000,000	305,000,000	305,000,000	305,000,000	305,000,000

DFA - MANAGEMENT SERVICES

Enabling Laws

Act 275 of 2014
A.C.A. §19-4-101 - §19-4-2004

History and Organization

Mission Statement - The Management Services Division provides leadership and assistance to all state agencies to ensure the uniformity, accountability, and efficiency in the management of human, financial and material resources necessary for those agencies to perform their missions.

The Department of Finance and Administration (DFA) in its present organization form was created by Act 38 of 1971 during the 68th Arkansas General Assembly. Effective February 4, 1971, the Administration Department and its functions, powers and duties were transferred to the newly created Department of Finance and Administration.

The Department consists of two major Divisions: The Management Services Division and the Revenue Services Division. The Management Services Division is composed of the Offices of Accounting, Budget, Personnel Management, Procurement and Intergovernmental Services. Other offices that play a major role in State Government are the Office of Administrative Services, the Office of Internal Audit, the Office of Information Services, and the Employee Benefits Division. In addition, the Racing Commission and the Alcoholic Beverage Control Administration Division were also transferred to the newly created Department of Finance and Administration. Act 729 of 1981 transferred the Alcoholic Beverage Control Enforcement Division from the Department of Public Safety to the Department of Finance and Administration.

Central Administration activity of the Department of Finance and Administration oversees the departmental goal which is to instill good management practices in Arkansas State Government and to provide the money to run it. As the Chief Fiscal Officer of the State, the DFA Director is charged with the responsibility of making certain that expenditures, use of property, purchases, and use of personnel are carried out in accordance with the laws of the State. Most of the responsibilities in this area are directed and authorized by Act 876 of the 69th General Assembly (General Accounting and Budgetary Procedures Law, §19-4-101 et seq.).

Central Administration includes the Department of Finance and Administration top-level administration personnel and economic analysis. It is devoted to furthering the department goals with special emphasis placed upon services to agencies and citizens of the State.

The Department has two distinct functions within State Government. One function is to serve as the central collector of state revenues. The other function is to operate control management systems for State Government by providing assistance to all state agencies. This includes the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

The Management Services Division has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, and providing maximum service to the taxpayers. The Management Services Division has as its central objective the following program areas:

1) Accounting - Provide efficient and responsible fiscal management of all state programs or activities. Maintain a financial system providing information on all transactions of all state agencies for accounting and management services, apply sound pre-auditing procedures and maintain the State's accounting system in a timely and accurate manner. Additionally, the Office of Internal Audit (OIA) has merged with the Office of Accounting. The main goal for the OIA is to provide agency management with objective, pro-active advice and value-added recommendations that assists them in the achievement of their goals and objectives and provide for strong accountability of state resources. To achieve this goal set forth for the OIA, a three-fold audit approach is utilized. This approach includes the performance of agency audits, Executive Order 98-04 "Compliance Audits and Special Reviews" that may be requested by agency management.

2) Budget - Develop, analyze, recommend, present and execute State budget matters, assist state agencies in budgetary matters and enforce the deficit prohibition law.

3) Personnel Management - Develop procedures and methods for the continued efficient operation of the Arkansas Personnel Management Program. Maintain personnel records for all classified agencies and payroll records for all state agencies. Provide broad spectrum training opportunities for state and local government employees and provide technical assistance and guidance to all state agencies.

4) Procurement - Implement the State procurement program and establish policies, procedures and controls for that program and administer a quality assurance program. Maintain a State surplus property program through the Marketing and Redistribution section.

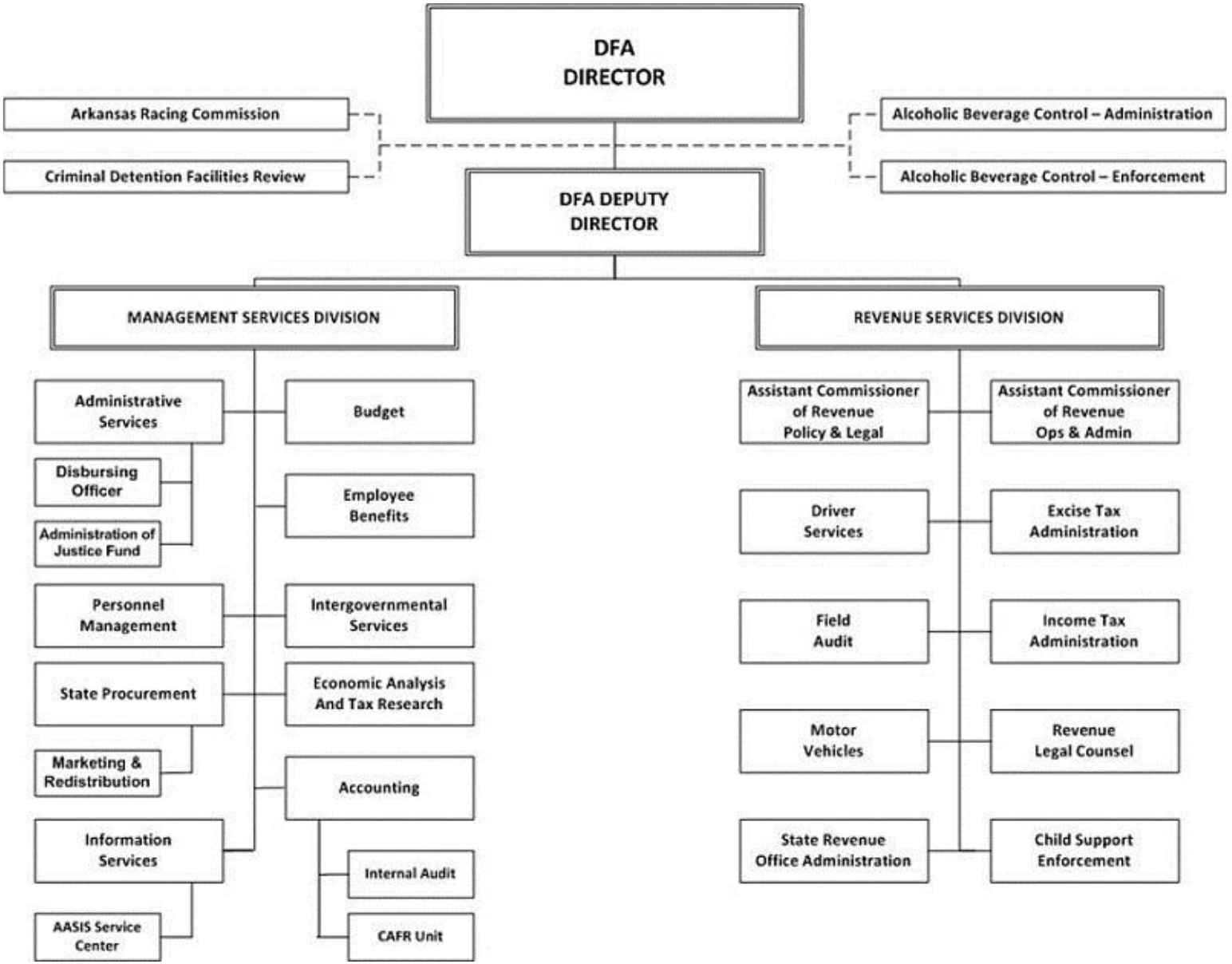
5) Intergovernmental Services - Administer federal grants directed to local governments, state agencies and non-profit organizations for the improvement of narcotics and general law enforcement, drug treatment within state prisons, services for victims of crime, and prison construction. Provide an opportunity for organizations and individuals to review and comment on federally supported programs prior to their implementation.

The Office of Administrative Services has with it human resources, fiscal accounting, purchasing and asset management, Administration of Justice Fund, State Vehicle Management Information and Acquisition System, state vehicle complaints, and state messenger service. This

Office performs numerous management-related functions for the Department of Finance and Administration, the Governor's Office, and smaller boards and commissions.

The Employee Benefits Division makes available to State and Public School Employees group health and life insurance. State employees also have the option of selecting other optional benefits, including deferred compensation. The Division oversees that customer service is available from the vendors for the participating members.

The Office of Information Services (OIS) is responsible for management of departmental information technology (IT) resources. This encompasses the Management Services and Revenue Services Divisions, and the Office of Child Support Enforcement. Functional areas include administration (including DFA web site maintenance and the AASIS Service Center), applications development and maintenance, and operations and support (computer operations, and local area network and desktop support).


DFA
DIRECTOR
Arkansas Racing Commission
Criminal Detention Facilities Review
Alcoholic Beverage Control – Administration
Alcoholic Beverage Control – Enforcement
DFA DEPUTY
DIRECTOR
MANAGEMENT SERVICES DIVISION
REVENUE SERVICES DIVISION
Administrative Services
Budget
Disbursing Officer
Employee Benefits
Administration of Justice Fund
Personnel Management
Intergovernmental Services
State Procurement
Economic Analysis And Tax Research
Marketing & Redistribution
Accounting
Information Services
Internal Audit
AASIS Service Center
CAFR Unit
Assistant Commissioner of Revenue Policy & Legal
Assistant Commissioner of Revenue Ops & Admin
Driver Services
Excise Tax Administration
Field Audit
Income Tax Administration
Motor Vehicles
Revenue Legal Counsel
State Revenue Office Administration
Child Support Enforcement

Agency Commentary

The Management Services Division of the Department of Finance and Administration has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, while providing maximum service to the taxpayer.

The Agency is requesting an increase over Base Level of $726,629 for FY16 and $726,788 for FY17:

- $157,932 in FY16 and $158,091 in FY17 for reclassification of various positions. DFA positions are now lower than comparable positions in state agencies and have been experiencing turnover in the majority of these positions. One Title Change to properly title a current position; no increase.

- 10 new positions $596,869 each year; five (5) DFA ERP Analysts; these positions would provide additional coverage in critical areas within AASIS and this will allow for succession training that is vital due to the number of employees eligible for retirement. Two (2) State Systems Analysts; these positions would be on the Quality Assurance team, as the entry-level group to execute test scripts and document results. Two (2) Software Engineers; programmers would be available for development of new functionality for agency AASIS users. These duties are currently completed by existing programmers; however, there is a backlog of requests from several state agencies. One (1) State Systems Specialist; the current AASIS supported platforms are much more complex compared to the initial go-live platform in 2001. Additionally, the ASC requires additional support for security and web-based functions. These positions are listed in the approved IT Plan on file.

- ($94,706) each year; transferring 1 position to Agency 0630 - DFA Revenue Services. This position will be used in ongoing support for the Arkansas Integrated Revenue System (AIRS).

- Employee Benefits Appropriation 278 shows an additional increase of $13,345 in operating expenses for 3% ABA rent increase and increases in actuaries costs due to changes in legislation; $25,000 increase in professional fees to cover rising costs in professional services for assisting in writing technical RFP's for pharmacy and wellness programs. A reallocation of resources reducing personal services matching ($1,566), overtime ($6,895) and conference and travel expenses ($10,000) assists in in offsetting the increase in professional fees.

- $31,650 increase in rent each year for the remainder of Management Services (excludes EBD's increase mentioned above); ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.

- $15,000; Professional Fees for an external quality assurance review anticipated for Internal Audit section of DFA.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

DEPARTMENT OF FINANCE AND ADMINISTRATION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
In accordance with Financial Management Guide Regulation R1-19-4-2004, Department of Finance and Administration staff notified DLA of several occurrences at the Conway Revenue Office during fiscal year 2012 and 2013. • An individual modified purchase prices on bills of sale so that 63 taxpayers could avoid paying sales tax all together or pay tax at a reduced rate. The total sales tax revenue from these 63 transactions totaled $59,822. All 63 taxpayers were later assessed the appropriate tax due, including penalties and interest. • On two separate occasions, the change fund was short $100. • A deposit was short $100 when presented to the bank. • Two out-of-state auto dealership checks totaling $2,170 were found in an employee's cash drawer without the corresponding documentation. In addition, the daily deposit for that day was $400 short when presented to the bank.	Continue to monitor this particular Revenue Office and strengthen internal controls at Revenue Offices around the State. Agency Response: Upon notification of the fraudulent activity in the Conway office, the Department of Finance and Administration (DFA) contacted the Arkansas State Police to assist the agency in its investigation. DFA found that the procedures and policies used in Revenue Offices throughout the State were intentionally not followed by the Revenue Agent in the Conway Office. This resulted in the immediate dismissal of three individuals. Another person later resigned. Properly trained staff are now in place at the office. The Change fund is now maintained in a secure location and must be accessed by either the Revenue Agent or Assistant Agent only. $51,030.48 has been collected to date. Titles are held in suspension, or Writs of Execution have been issued on the amounts not collected to date. James Smith was sentenced to a total of 178 months supervised probation, 120 days jail time, and a $2,500 fine.
Failure to review phone bills resulted in the Department of Finance and Administration paying invalid charges of $1,517. The Agency was billed for three separate non-work related charges on two different bills. The invalid charges began appearing in May 2009 and continued monthly until August 2012 when the charges stopped appearing on the monthly bills.	Review invoices properly to avoid paying invalid charges. Agency Response: Accounts payable clerks and supervisors have been trained to detect third party billing on phone bills. This is an unusual situation that appears to only happen on telephone bills. Currently AT&T is defending a class action lawsuit involving these types of charges commonly referred to as "Cramming". OCSE is a party to the class action lawsuit. As of July 31st, credits in the amount of $111.60 have been received for OCSE's phone bills.

Findings	Recommendations
Agency personnel discovered unauthorized fuel charges of $890 during the period May 20, 2011 and September 23, 2011. Agent William Carman, who was responsible for the charges, resigned from employment and reimbursed the Agency $884 on September 28, 2011.	Continue to monitor the use of state vehicles. Agency Response: The fraudulent actions by Agent Carman were found through the reconciliation process performed each month by staff within the Alcoholic Beverage Control Enforcement Division. Legislative Audit and the Arkansas State Police were notified by letter on October 5, 2011 of this incident as required by Department of Finance and Administration policy. Additional procedures were added to that monthly reconciliation process to strengthen the internal controls. No charges were filed by the prosecuting attorney.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	112	172	284	75 %
Black Employees	18	65	83	22 %
Other Racial Minorities	6	6	12	3 %
Total Minorities			95	25 %
Total Employees			379	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Budget Instruction Packet	A.C.A. 19-4-607	N	N	200	Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.	0	0.00
Biennial Budget Book	None	N	N	0	Reports detailing appropriation and positions authorized by the General Assembly. Published annually on the DFA Website at the conclusion of the Legislative Session.	0	0.00
Biennial Budget Instruction Packet	A.C.A. 19-4-304	N	N	200	Provide information and assistance to state agencies in the preparation of biennial budget requests. Electronic copy available on DFA Website.	0	0.00
Biennial, Fiscal & Capital Projects Budget Manuals	A.C.A. 19-4-305 - 307	Y	Y	2,972	Compile agency requests and Governor's recommendations for Legislative Council/Joint Budget Committee. Electronic copy available on DFA Website.	2,972	23,391.84
COBRA Packets	None	N	N	0	Federal legislation requires former employees or dependents have insurance benefits after termination of group benefits. Continuing coverage information is provided to individuals. Printed on demand when employee terminates.	0	0.00
Comprehensive Annual Financial Report (CAFR)	A.C.A. 19-5-517	N	N	0	To provide the detailed information of the State's financial status and to ensure proper handling of the taxpayers' money. Published only on DFA Website.	0	0.00
EBD Buzz	None	N	N	252,170	Newsletter to be sent quarterly on insurance updates and information.	504,340	31,428.83

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Enrollment Guide for Arkansas Public School Employees	None	N	N	0	The enrollment guide provides informatlion regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.	0	0.00
Enrollment Guide for Arkansas State and Public School Retired Employees	None	N	N	0	Enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.	0	0.00
Enrollment Guide for Arkansas State Employees	None	N	N	0	The enrollment guide provides information regarding open enrollment, rates and benefit changes. Electronic copy available on DFA website.	0	0.00
Facts about the Arkansas State Budget	None	N	N	150	Informational brochure for the public. Electronic copy available on DFA Website.	0	0.00
Summary Plan Description	None	N	N	0	The Department of Labor requires that a summary of the plan be available to all employees. The summary plan description describes insurance benefits for the State and Public School Employees enrolled in the plan. Electronic copy available on DFA website.	0	0.00

Department Appropriation Summary

		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DF	Victims of Crime Justice Assistance - Federal	6,761,844	8	13,898,725	8	13,891,771	8	13,799,780	8	13,799,780	8	13,799,780	8	13,799,903	8	13,799,903	8	13,799,903	8
1GA	Purchase / Corporate Travel Card Program	1,722,210	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
251	Dept of Justice Non-Victim Assistance Grants - S	527,430	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
252	Dept of Justice Non-Victim Assistance Grants - F	3,962,462	6	9,926,852	6	9,851,165	6	9,929,484	6	9,929,484	6	9,929,484	6	9,929,484	6	9,929,484	6	9,929,484	6
272	DFA Management Services - Operations	25,059,649	351	27,418,374	367	27,769,201	367	27,534,675	367	28,192,102	376	29,179,615	383	27,549,969	367	28,207,420	376	29,195,055	383
274	Marketing and Redistribution	789,959	16	1,387,718	17	1,377,149	17	1,296,454	17	1,300,154	17	1,300,154	17	1,297,313	17	1,301,013	17	1,301,013	17
278	Employee Benefits Division	2,760,919	31	3,034,921	37	2,969,953	37	3,055,129	37	3,113,290	37	3,113,290	37	3,056,601	37	3,114,897	37	3,114,897	37
279	Information Technology	29,681,221	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	28,658,302	0	30,000,000	0	30,000,000	0	28,658,180	0
2HG	Personnel Management - Employee Awards	0	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0
34Z	Victims of Crime Justice Assistance - State	0	0	359,196	0	359,196	0	359,196	0	359,196	0	359,196	0	359,196	0	359,196	0	359,196	0
574	Statewide Payroll Paying	0	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0
83Q	IT Projects – Federal	0	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0	2,406,608	0
907	DFA Management Services - Miscellaneous Cash	1,009,924	10	2,876,589	10	2,705,569	10	2,595,721	10	2,603,062	10	2,603,062	10	2,596,457	10	2,603,798	10	2,603,798	10
Total		72,275,618	422	2,196,341,263	445	2,196,362,892	445	2,196,009,327	445	2,196,735,956	454	2,196,381,771	461	2,196,027,811	445	2,196,754,599	454	2,196,400,414	461
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	3,623,585	4.8	2,712,521	0.1			1,809,025	0.1	1,809,025	0.1	1,809,025	0.1	2,105,809	0.1	2,105,809	0.1	2,105,809	0.1
General Revenue	4000010	629,362	0.8	1,359,196	0.1			1,359,196	0.1	1,359,196	0.1	1,159,196	0.1	1,359,196	0.1	1,359,196	0.1	1,159,196	0.1
Federal Revenue	4000020	10,724,306	14.3	26,232,185	1.2			26,135,872	1.2	26,135,872	1.2	26,135,872	1.2	26,135,995	1.2	26,135,995	1.2	26,135,995	1.2
State Central Services	4000035	57,484,690	76.7	60,485,575	2.8			60,622,084	2.8	61,337,672	2.8	60,983,487	2.8	60,638,850	2.8	61,354,597	2.8	61,000,412	2.8
Non-Revenue Receipts	4000040	4,443,553	5.9	5,360,811	0.2			5,696,300	0.3	5,700,000	0.3	5,700,000	0.3	5,996,300	0.3	6,000,000	0.3	6,000,000	0.3
Cash Fund	4000045	571,455	0.8	2,000,000	0.1			2,492,659	0.1	2,500,000	0.1	2,500,000	0.1	2,492,659	0.1	2,500,000	0.1	2,500,000	0.1
Agency Payroll Paying Accounts	4000085	0	0.0	2,100,000,000	95.5			2,100,000,000	95.5	2,100,000,000	95.5	2,100,000,000	95.5	2,100,000,000	95.5	2,100,000,000	95.5	2,100,000,000	95.5
Interest	4000300	18,486	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	(594,398)	(0.8)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	400,000	0.5	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	17,099	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to DFA Disbursing	4000610	(2,329,999)	(3.1)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		74,988,139	100.0	2,198,150,288	100.0			2,198,115,136	100.0	2,198,841,765	100.0	2,198,287,580	100.0	2,198,728,809	100.0	2,199,455,597	100.0	2,198,901,412	100.0
Excess Appropriation/(Funding)		(2,712,521)		(1,809,025)				(2,105,809)		(2,105,809)		(1,905,809)		(2,700,998)		(2,700,998)		(2,500,998)	
Grand Total		72,275,618		2,196,341,263				2,196,009,327		2,196,735,956		2,196,381,771		2,196,027,811		2,196,754,599		2,196,400,414	

FY15 Budget amounts exceed the Authorized amount in Funds Centers 1DF, 252, 274 and 278 due to salary and matching rate adjustments during the 2013-2015 Biennium.
FY15 Budget amount exceeds the Authorized amount in Funds Center 278 due to a Supplemental Appropriation (Act 202 of 2014).
FY15 Budget amount exceeds the Authorized amount in Funds Center 907 due to a transfer from the Cash Fund Holding Account.
Variance in Fund Balance is due to unfunded appropriation in (34Z) Victims and Crime Justice Assitance - State.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
453	375	72	447	6	17.22 %	445	390	55	445	0	12.36 %	445	385	60	445	0	13.48 %

Analysis of Budget Request

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal

Funding Sources: FVD - Victims of Crime Justice Assistance

This federally funded appropriation for the Victims of Crime Justice Assistance Program includes salary, operating expenses and the administration of federal funds received through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency is requesting Base Level of $13,799,780 for FY16 and $13,799,903 for FY17.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1DF - Victims of Crime Justice Assistance - Federal

Funding Sources: FVD - Victims of Crime Justice Assistance

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	272,674	375,420	368,466	296,677	296,677	296,677	296,777	296,777	296,777
#Positions		**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**
Extra Help	5010001	0	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272
#Extra Help		**0**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	91,512	129,189	129,189	108,987	108,987	108,987	109,010	109,010	109,010
Overtime	5010006	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Operating Expenses	5020002	34,025	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	5,499	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	0	74,219	74,219	74,219	74,219	74,219	74,219	74,219	74,219
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	6,310,076	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000
Refunds/Reimbursements	5110014	48,058	78,125	78,125	78,125	78,125	78,125	78,125	78,125	78,125
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		6,761,844	13,898,725	13,891,771	13,799,780	13,799,780	13,799,780	13,799,903	13,799,903	13,799,903
Funding Sources										
Federal Revenue	4000020	6,761,844	13,898,725		13,799,780	13,799,780	13,799,780	13,799,903	13,799,903	13,799,903
Total Funding		6,761,844	13,898,725		13,799,780	13,799,780	13,799,780	13,799,903	13,799,903	13,799,903
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		6,761,844	13,898,725		13,799,780	13,799,780	13,799,780	13,799,903	13,799,903	13,799,903

FY15 Budget amount in Regular Salaries exceeds the authorized amount due to salary rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

This appropriation is funded by a miscellaneous revolving fund and is used for rebates from vendor banks, distribution to participating agencies and for operating expenses connected with the administration of the Purchase and Corporate Travel Card Program.

Arkansas Agency Travel Card Program

The Department of Finance and Administration (DFA) - Office of State Procurement (OSP), State Agencies and Institutions of Higher Education have developed and implemented the Arkansas Agency Travel Card Program for employees that have valid business related travel expenses. The Office of State Procurement has responsibility for the development of policy and procedures. Agencies and Higher Education Institutions are responsible for the development of procedures consistent with State policies implementing the program.

Card holders use the card for any authorized travel related expense at any establishment or merchant that accepts the VISA card. The Arkansas Travel Regulations govern most aspects of the State Travel Card Program.

Arkansas Purchasing Card Program

The State of Arkansas and participating organizations have implemented the Arkansas Purchasing Card Program (P-Card) with US Bank VISA Purchasing Card to simplify, streamline, and facilitate the purchase and payment process.

The P-Card is a fast, flexible purchasing tool offering an enhancement to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total maximum per cycle limit that will be determined on an individual basis. The default maximum charges per individual card holder are $2,000 per cycle. The P-Card is to be used only for official business purchases for the State of Arkansas. Any attempt to use the P-Card for a purchase in excess of the set card limit will result in the purchase being rejected by the bank and the vendor.

The Agency is requesting Base Level of $4,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1GA - Purchase / Corporate Travel Card Program

Funding Sources: MPC - Purchase & Travel Card Program Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	1,722,210	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total		1,722,210	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources										
Fund Balance	4000005	1,249,099	139,189		0	0	0	0	0	0
Non-Revenue Receipts	4000040	1,104,766	3,860,811		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Inter-agency Fund Transfer	4000316	(492,466)	0		0	0	0	0	0	0
Total Funding		1,861,399	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)		(139,189)	0		0	0	0	0	0	0
Grand Total		1,722,210	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

Inter-Agency Transfers - Rebates to Agencies

Analysis of Budget Request

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides city and county governments and state agencies with matching funds to implement programs authorized under the Federal Drug Law Enforcement Program. This appropriation provides matching funds to the sub-grantees of the Federal Law Enforcement Block Grant, Violent Offender, and Substance Abuse Treatment Programs.

The Agency is requesting Base Level of $1,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 251 - Dept of Justice Non-Victim Assistance Grants - State

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	527,430	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total		527,430	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources										
General Revenue	4000010	629,362	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Inter-agency Fund Transfer	4000316	(101,932)	0		0	0	0	0	0	0
Total Funding		527,430	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		527,430	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Inter-agency fund transfers to Community Corrections & Corrections

Analysis of Budget Request

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal

Funding Sources: FIG - DFA Federal Funds

Department of Finance and Administration - Intergovernmental Services is responsible for the management of a federal grant program that supports improvements in the State's criminal justice system. This grant program provides funds to cities and countries, prosecuting attorneys, state courts and state agencies. Grant programs operated through Intergovernmental Services include the Edward Byrne Memorial Drug Law Enforcement Program (DLEP) for narcotics enforcement and violent crime control.

This grant program has varying eligibility requirements, and a twenty-five percent match requirement. Grant funds are made available for application after the State receives notification of a state level grant award. All federal grant funds are made available through the U. S. Department of Justice.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency is requesting Base Level of $9,929,484 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 252 - Dept of Justice Non-Victim Assistance Grants - Federal
Funding Sources: FIG - DFA Federal Funds

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	223,369	261,415	206,704	262,809	262,809	262,809	262,809	262,809	262,809
#Positions		**6**	**6**	**6**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	75,473	88,808	67,832	90,046	90,046	90,046	90,046	90,046	90,046
Operating Expenses	5020002	18,720	168,129	168,129	168,129	168,129	168,129	168,129	168,129	168,129
Conference & Travel Expenses	5050009	361	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Professional Fees	5060010	0	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,627,031	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Refunds/Reimbursements	5110014	17,508	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		3,962,462	9,926,852	9,851,165	9,929,484	9,929,484	9,929,484	9,929,484	9,929,484	9,929,484
Funding Sources										
Federal Revenue	4000020	3,962,462	9,926,852		9,929,484	9,929,484	9,929,484	9,929,484	9,929,484	9,929,484
Total Funding		3,962,462	9,926,852		9,929,484	9,929,484	9,929,484	9,929,484	9,929,484	9,929,484
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,962,462	9,926,852		9,929,484	9,929,484	9,929,484	9,929,484	9,929,484	9,929,484

FY14 Actual and FY15 Budget amounts in Regular Salaries and Personal Sevices Matching exceed the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 272 - DFA Management Services - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for operations of the Management Services Division of the Department of Finance and Administration. The Management Services Division provides state agencies with assistance in accounting, budgeting, personnel, purchasing, and administering statutorily required controls. The Division includes the Office of the Director, Economic Analysis and Tax Research, Office of Administrative Services, Office of Accounting, Office of Budget, Office of Personnel Management, Office of State Procurement, Office of Internal Audit, Office of Information Systems, Office of Intergovernmental Services and the Criminal Detention Facilities Coordinator.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

Base Level for the biennium is $27,534,675 in FY16 and $27,549,969 for FY17.

The Agency's Change Level request of $657,427 in FY16 and $657,451 in FY17 reflects the following:

- Regular Salaries and Personal Service Matching of $610,777 in FY16 and $610,801 FY17 to include ten (10) new technology positions which include five (5) DFA ERP Analysts; two (2) State System Analysts; two (2) Software Engineers; and one (1) State Systems Specialist. The transferring of one (1) position to DFA - Revenue Services and the reclassification and/or upgrade of various positions due to DFA positions now lower in classification/grade than comparable positions in other state agencies and experiencing higher turnover rates in a majority of these positions.
- Operating Expenses of $31,650 each year to cover an ABA 3% rent increase.
- Professional Fees of $15,000 to cover an external quality assurance review for DFA Internal Audit section.

In addition to Base Level, the Executive Recommendation provides for increases totaling $1,644,900 in FY16 and $1,657,086 FY17 with the following:

- Regular Salaries and Personal Service Matching in the amount of $1,598,250 in FY16 and $1,610,436 in FY17.
  - Four (4) new technology positions.

- Thirteen (13) transferred positions from the Department of Information Systems to the Department of Finance and Administration - Office of Information Services to transfer support of internal administration of the AASIS Service Center. There will be an equivalent reduction in Appropriation 279 - Information Technology, AASIS Billings line item.
- One (1) position transfer to DFA - Revenue Services.
- Reclassification and/or upgrade of various positions due to DFA positions now lower in classification/grade than comparable positions in other state agencies and experiencing higher turnover rates in a majority of these positions.

- Operating Expenses of $31,650 each year to cover an ABA 3% rent increase.
- Professional Fees of $15,000 to cover an external quality assurance review for DFA Internal Audit section.

Appropriation Summary

Appropriation: 272 - DFA Management Services - Operations
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	17,255,059	18,455,423	18,836,063	18,509,271	18,968,936	19,745,105	18,521,271	18,980,936	19,757,205
#Positions		**351**	**367**	**367**	**367**	**376**	**383**	**367**	**376**	**383**
Extra Help	5010001	3,270	41,512	41,512	41,512	41,512	41,512	41,512	41,512	41,512
#Extra Help		**1**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**
Personal Services Matching	5010003	5,709,498	5,991,297	5,961,484	6,053,750	6,204,862	6,416,206	6,057,044	6,208,180	6,419,546
Overtime	5010006	35	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	1,887,261	2,537,543	2,537,543	2,537,543	2,569,193	2,569,193	2,537,543	2,569,193	2,569,193
Conference & Travel Expenses	5050009	156,122	377,599	377,599	377,599	377,599	377,599	377,599	377,599	377,599
Professional Fees	5060010	9,141	10,000	10,000	10,000	25,000	25,000	10,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	39,263	0	0	0	0	0	0	0	0
Total		25,059,649	27,418,374	27,769,201	27,534,675	28,192,102	29,179,615	27,549,969	28,207,420	29,195,055
Funding Sources										
State Central Services	4000035	25,054,170	27,418,374		27,534,675	28,192,102	29,179,615	27,549,969	28,207,420	29,195,055
M & R Sales	4000340	5,479	0		0	0	0	0	0	0
Total Funding		25,059,649	27,418,374		27,534,675	28,192,102	29,179,615	27,549,969	28,207,420	29,195,055
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		25,059,649	27,418,374		27,534,675	28,192,102	29,179,615	27,549,969	28,207,420	29,195,055

FY15 Budget amount in Personal Sevices Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 272 - DFA Management Services - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**27,534,675**	**367**	**27,534,675**	**100.0**	**27,549,969**	**367**	**27,549,969**	**100.0**
C01	Existing Program	46,650	0	27,581,325	100.2	46,650	0	27,596,619	100.2
C07	Agency Transfer	(94,706)	(1)	27,486,619	99.8	(94,706)	(1)	27,501,913	99.8
C08	Technology	596,869	10	28,083,488	102.0	596,869	10	28,098,782	102.0
C10	Reclass	104,861	0	28,188,349	102.4	104,885	0	28,203,667	102.4
C11	Upgrade/Downgrade	3,753	0	28,192,102	102.4	3,753	0	28,207,420	102.4
C14	Title Change	0	0	28,192,102	102.4	0	0	28,207,420	102.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**27,534,675**	**367**	**27,534,675**	**100.0**	**27,549,969**	**367**	**27,549,969**	**100.0**
C01	Existing Program	46,650	0	27,581,325	100.2	46,650	0	27,596,619	100.2
C07	Agency Transfer	1,246,992	12	28,828,317	104.7	1,247,114	12	28,843,733	104.7
C08	Technology	242,888	4	29,071,205	105.6	242,888	4	29,086,621	105.6
C10	Reclass	104,861	0	29,176,066	106.0	104,885	0	29,191,506	106.0
C11	Upgrade/Downgrade	3,549	0	29,179,615	106.0	3,549	0	29,195,055	106.0
C14	Title Change	0	0	29,179,615	106.0	0	0	29,195,055	106.0

Justification	
C01	$31,650; ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16. $15,000; Professional Fees for an external quality assurance reviews anticipated for DFA Internal Audit.
C07	Transferring 1 position to Agency 0630 - DFA Revenue Services. This position will be used in ongoing support for the Arkansas Integrated Revenue System (AIRS). Transfer of 13 positions to DFA from DIS $1,1341,698 FY16 and $1,341,730 FY17. Equal reduction was taken in Appropriation 279 AASIS billings where DIS previously billed DFA for the labor costs.
C08	Five (5) DFA ERP Analysts; these positions would provide additional coverage in critical areas within AASIS and this will allow for succession training that is vital due to the number of employees eligible for retirement. Two (2) State Systems Analysts; these positions would be on the Quality Assurance team, as the entry-level group to execute test scripts and document results. Two (2) Software Engineers; programmers would be available for development of new functionality for agency AASIS users. These duties are currently completed by existing programmers; however, there is a backlog of requests from several state agencies. One (1) State Systems Specialist; the current AASIS supported platforms are much more complex compared to the initial go-live platform in 2001. Additionally, the ASC requires additional support for security and web-based functions. These positions are listed in the approved IT Plan on file.
C10	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and experiencing higher turnover rates in the majority of these positions.
C11	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and experiencing higher turnover rates in the majority of these positions.
C14	To properly title a current position; no increase.

Analysis of Budget Request

Appropriation: 274 - Marketing and Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Marketing and Redistribution (M&R) Program. State agencies are required to dispose of furnishings, equipment, vehicles and other inventory items through M&R. State and public agencies have first option to purchase these items. Funding for this service is provided via fees charged for goods and services offered through the M&R Warehouse.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $1,296,454 in FY16 and $1,297,313 for FY17.

The Agency's Change Level request of $3,700 each year in Regular Salaries and Personal Services Matching is to reclassify four (4) Administrative Specialists II to DFA Service Representatives to properly align with current job responsibilities and duties.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 274 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	492,155	525,821	519,751	531,148	533,997	533,997	531,848	534,697	534,697
#Positions		**16**	**17**	**17**	**17**	**17**	**17**	**17**	**17**	**17**
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	190,680	203,292	198,793	206,701	207,552	207,552	206,860	207,711	207,711
Operating Expenses	5020002	107,028	528,605	528,605	528,605	528,605	528,605	528,605	528,605	528,605
Conference & Travel Expenses	5050009	96	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional Fees	5060010	0	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	100,000	0	0	0	0	0	0
Total		789,959	1,387,718	1,377,149	1,296,454	1,300,154	1,300,154	1,297,313	1,301,013	1,301,013
Funding Sources										
Fund Balance	4000005	980,174	1,199,003		1,311,285	1,311,285	1,311,285	1,711,131	1,711,131	1,711,131
Non-Revenue Receipts	4000040	3,338,787	1,500,000		1,696,300	1,700,000	1,700,000	1,996,300	2,000,000	2,000,000
Transfer to DFA Disbursing	4000610	(2,329,999)	0		0	0	0	0	0	0
Total Funding		1,988,962	2,699,003		3,007,585	3,011,285	3,011,285	3,707,431	3,711,131	3,711,131
Excess Appropriation/(Funding)		(1,199,003)	(1,311,285)		(1,711,131)	(1,711,131)	(1,711,131)	(2,410,118)	(2,410,118)	(2,410,118)
Grand Total		789,959	1,387,718		1,296,454	1,300,154	1,300,154	1,297,313	1,301,013	1,301,013

FY15 Budget amounts in Regular Salaries and Personal Sevices Matching exceed the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 274 - Marketing and Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,296,454**	**17**	**1,296,454**	**100.0**	**1,297,313**	**17**	**1,297,313**	**100.0**
C10	Reclass	3,700	0	1,300,154	100.3	3,700	0	1,301,013	100.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,296,454**	**17**	**1,296,454**	**100.0**	**1,297,313**	**17**	**1,297,313**	**100.0**
C10	Reclass	3,700	0	1,300,154	100.3	3,700	0	1,301,013	100.3

Justification	
C10	To properly reclassify four positions to current job responsibilities.

Analysis of Budget Request

Appropriation: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

The Department of Finance and Administration - Employees Benefit Division (EBD) manages the group health and life programs, other select benefit programs for active and retired state and public school employees, and builds quality programs that operate in an efficient manner to ensure responsive customer service, promote product education, affordability and accessibility.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $3,055,129 in FY16 and $3,056,601 for FY17.

The Agency's Change Level request of $58,161 in FY16 and $58,296 in FY17 reflects the following:

- Regular Salaries and Personal Services Matching of $38,277 in FY16 and $38,412 FY17 to reclassify seven (7) positions and upgrade sixteen (16) positions due to DFA positions now lower in classification/grade than comparable positions in other state agencies and experiencing higher turnover rates in a majority of these positions.
- Operating Expenses of $13,345 each year which includes increase in rent in the amount of $6,450 (3% ABA increase) and increase in actuaries costs of $6,895 due to changes in legislation.
- Professional Fees of $25,000 each year to cover the rising costs in professional services for assisting in writing technical RFP's for pharmacy and wellness programs. The following corresponding reallocations of resources assist in offsetting this increase to a net $6,539 increase:
    - Overtime and Personal Services Matching reduction of ($8,461) each year.
    - Conference and Travel Expenses reduction of ($10,000) each year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 278 - Employee Benefits Division
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	1,136,281	1,368,396	1,329,988	1,380,909	1,411,510	1,411,510	1,382,109	1,412,710	1,412,710
#Positions		**31**	**37**	**37**	**37**	**37**	**37**	**37**	**37**	**37**
Personal Services Matching	5010003	439,529	494,714	468,154	502,409	508,519	508,519	502,681	508,926	508,926
Overtime	5010006	7	11,895	11,895	11,895	5,000	5,000	11,895	5,000	5,000
Operating Expenses	5020002	1,158,382	1,116,827	1,116,827	1,116,827	1,130,172	1,130,172	1,116,827	1,130,172	1,130,172
Conference & Travel Expenses	5050009	1,720	14,000	14,000	14,000	4,000	4,000	14,000	4,000	4,000
Professional Fees	5060010	25,000	29,089	29,089	29,089	54,089	54,089	29,089	54,089	54,089
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		2,760,919	3,034,921	2,969,953	3,055,129	3,113,290	3,113,290	3,056,601	3,114,897	3,114,897
Funding Sources										
State Central Services	4000035	2,760,877	3,034,921		3,055,129	3,113,290	3,113,290	3,056,601	3,114,897	3,114,897
M & R Sales	4000340	42	0		0	0	0	0	0	0
Total Funding		2,760,919	3,034,921		3,055,129	3,113,290	3,113,290	3,056,601	3,114,897	3,114,897
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,760,919	3,034,921		3,055,129	3,113,290	3,113,290	3,056,601	3,114,897	3,114,897

FY15 Budget amounts in Regular Salaries and Personal Sevices Matching exceed the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 278 - Employee Benefits Division
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,055,129**	**37**	**3,055,129**	**100.0**	**3,056,601**	**37**	**3,056,601**	**100.0**
C01	Existing Program	19,884	0	3,075,013	100.7	19,884	0	3,076,485	100.7
C04	Reallocation	0	0	3,075,013	100.7	0	0	3,076,485	100.7
C10	Reclass	217	0	3,075,230	100.7	217	0	3,076,702	100.7
C11	Upgrade/Downgrade	38,060	0	3,113,290	101.9	38,195	0	3,114,897	101.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,055,129**	**37**	**3,055,129**	**100.0**	**3,056,601**	**37**	**3,056,601**	**100.0**
C01	Existing Program	19,884	0	3,075,013	100.7	19,884	0	3,076,485	100.7
C04	Reallocation	0	0	3,075,013	100.7	0	0	3,076,485	100.7
C10	Reclass	217	0	3,075,230	100.7	217	0	3,076,702	100.7
C11	Upgrade/Downgrade	38,060	0	3,113,290	101.9	38,195	0	3,114,897	101.9

Justification	
C01	Additional increase of $13,434 in Operating Expenses for 3% ABA rent increase and increases in actuaries costs due to changes in legislation; $25,000 increase in Professional Fees to cover rising costs in professional services for assisting in writing technical RFP's for pharmacy and wellness programs.
C04	A reallocation of resources reducing Overtime and Personal Services Matching ($8,461) and Conference and Travel Expenses ($10,000) assists in in offsetting the increase in Professional Fees.
C10	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and the experiencing higher turnover rates in the majority of these positions.
C11	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and the experiencing higher turnover rates in the majority of these positions.

Analysis of Budget Request

Appropriation: 279 - Information Technology

Funding Sources: HSC - State Central Services

The Department of Finance and Administration (DFA) - Office of Information Technology facilitates a more effective and efficient management of the Department's information technology assets. Funded from State Central Services, this appropriation provides for data processing, development, implementation, enhancement, and operation of automated systems within the Department of Finance and Administration. The AASIS Billings line item represents Department of Information Systems bills and related expenses for the AASIS Service Center.

The Agency is requesting Base Level of $30,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request. In addition, with the transfer of 13 positions from the Department of Information Services to DFA - Office of Information Services (Appropriation 272), the AASIS Billings line item is reduced by $1,341,698 in FY16 and $1,341,820 in FY17 which was previously billed by DIS to DFA.

Appropriation Summary

Appropriation: 279 - Information Technology
Funding Sources: HSC - State Central Services

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Information Technology Services	5900044	23,181,227	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000
AASIS Billings	5900046	6,499,994	6,500,000	6,500,000	6,500,000	6,500,000	5,158,302	6,500,000	6,500,000	5,158,180
Total		29,681,221	30,000,000	30,000,000	30,000,000	30,000,000	28,658,302	30,000,000	30,000,000	28,658,180
Funding Sources										
State Central Services	4000035	29,669,643	30,000,000		30,000,000	30,000,000	28,658,302	30,000,000	30,000,000	28,658,180
M & R Sales	4000340	11,578	0		0	0	0	0	0	0
Total Funding		29,681,221	30,000,000		30,000,000	30,000,000	28,658,302	30,000,000	30,000,000	28,658,180
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		29,681,221	30,000,000		30,000,000	30,000,000	28,658,302	30,000,000	30,000,000	28,658,180

Change Level by Appropriation

Appropriation: 279 - Information Technology
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**30,000,000**	**0**	**30,000,000**	**100.0**	**30,000,000**	**0**	**30,000,000**	**100.0**

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**30,000,000**	**0**	**30,000,000**	**100.0**	**30,000,000**	**0**	**30,000,000**	**100.0**
C07	Agency Transfer	(1,341,698)	0	28,658,302	95.5	(1,341,820)	0	28,658,180	95.5

Justification	
C07	Reduction in DIS AASIS Billings for 13 positions transferred from DIS to DFA appropriation 272 Operations. DIS billings for labor costs were previously paid from this line item.

Analysis of Budget Request

Appropriation: 2HG - Personnel Management - Employee Awards

Funding Sources: HSC - State Central Services

This appropriation provides authority for payment of awards made through the Arkansas Employee Suggestion System (A.C.A. §21-11-101 et seq.). Through this program, state employees are encouraged to submit cost saving ideas for State Government. Employees eligible to participate in the Employee Suggestion System Program are those who are full-time state employees of all departments, agencies, institutions, boards, commissions or other agencies of the State supported by state and/or federal funds.

Up to $5,000 in cash awards is given for suggestions that provide tangible monetary savings. Awards are paid in an amount equal to 10% of the first year's estimated net cost savings. There is a maximum award possible for tangible savings of $5,000 and a Certificate of Recognition. Certificates are given for suggestions providing intangible benefits such as more efficient procedures and forms and improved employee morale, employee health or safety. Awards for intangible savings range from a Certificate of Recognition to $100.

Funds disbursed for awards from the State Central Services Fund are reimbursed from funds of the benefiting Agency.

The Agency is requesting Base Level of $32,280 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2HG - Personnel Management - Employee Awards
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Operating Expenses	5020002	0	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
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
Employee Awards	5900046	0	27,329	27,329	27,329	27,329	27,329	27,329	27,329	27,329
Total		0	32,280	32,280	32,280	32,280	32,280	32,280	32,280	32,280
Funding Sources										
State Central Services	4000035	0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Total Funding		0	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	32,280		32,280	32,280	32,280	32,280	32,280	32,280

Analysis of Budget Request

Appropriation: 34Z - Victims of Crime Justice Assistance - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides the state match for the Victims of Crime Justice Assistance Program which receives federal funds through the Victims of Crime Act (VOCA), STOP Violence Against Women and Family Violence Prevention and the Family Violence Prevention and Services Act (FVPSA). The program provides for statewide violence prevention activities.

This appropriation provides for the required State match obligation for corresponding federal appropriation (1DF), also administered by DFA Management Services.

The Agency is requesting Base Level of $359,196 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request for appropriation with a reduction of Base Level general revenue of ($200,000) each year of the Biennium.

Appropriation Summary

Appropriation: 34Z - Victims of Crime Justice Assistance - State
Funding Sources: HUA - Miscellaneous Agencies Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	359,196	359,196	359,196	359,196	359,196	359,196	359,196	359,196
Total	0	359,196	359,196	359,196	359,196	359,196	359,196	359,196	359,196
Funding Sources									
General Revenue 4000010	0	359,196		359,196	359,196	159,196	359,196	359,196	159,196
Total Funding	0	359,196		359,196	359,196	159,196	359,196	359,196	159,196
Excess Appropriation/(Funding)	0	0		0	0	200,000	0	0	200,000
Grand Total	0	359,196		359,196	359,196	359,196	359,196	359,196	359,196

Analysis of Budget Request

Appropriation: 574 - Statewide Payroll Paying

Funding Sources: PAY - State Payroll Fund

This appropriation provides the authority for disbursement of personal services of the various state agencies as a result of the consolidation to one federal identification number for all state agencies in the State of Arkansas. Actual expenditures are reflected at the individual agency level.

The Agency is requesting Base Level of $2,100,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 574 - Statewide Payroll Paying
Funding Sources: PAY - State Payroll Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Statewide Payroll Paying 5900046	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Funding Sources									
Agency Payroll Paying Accounts 4000085	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total Funding	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000

Analysis of Budget Request

Appropriation: 83Q - IT Projects – Federal

Funding Sources: FOI - IT Projects Federal Funds

This federally funded appropriation provides appropriation to the Department of Finance and Administration (DFA) - Office of Information Technology (OIT) to facilitate a more effective and efficient management of the Department's federally funded information technology projects. Current projects include the State of Arkansas's ability to improve the security and integrity of driver's license and identification card issuance processes to include information technology system, facilities, source document verification and the required security protections of individual's personal identification information.

The Agency is requesting Base Level of $2,406,608 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 83Q - IT Projects – Federal
Funding Sources: FOI - IT Projects Federal Funds

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Info Tech Services & Equipment 5900046	0	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Total	0	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Funding Sources									
Federal Revenue 4000020	0	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Total Funding	0	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,406,608		2,406,608	2,406,608	2,406,608	2,406,608	2,406,608	2,406,608

Analysis of Budget Request

Appropriation: 907 - DFA Management Services - Miscellaneous Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

This appropriation is used to provide spending authority for various activities such as the DFA Office of Personnel Management - Inter-Agency Training Program, DFA Office of State Procurement seminars, vendor fees and rebates, and DFA - Employee Benefits Division. The source of funding for this appropriation is registration fees collected from participants attending training sessions, seminars, payment of vendor fees, and other miscellaneous reimbursements and revenues.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $2,595,721 in FY16 and $2,596,457 for FY17.

The Agency's Change Level request of $7,341 each year in Regular Salaries and Personal Services Matching is to reclassify one (1) Benefits Analyst and to upgrade (3) DFA EBD Benefit Specialists due to DFA positions now lower in classification/grade than comparable positions in other state agencies and experiencing higher turnover rates in a majority of these positions.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 907 - DFA Management Services - Miscellaneous Cash
Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	302,095	468,427	523,340	442,179	448,032	448,032	442,779	448,632	448,632
#Positions		**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**
Personal Services Matching	5010003	137,549	155,440	179,507	150,820	152,308	152,308	150,956	152,444	152,444
Operating Expenses	5020002	79,636	888,222	888,222	888,222	888,222	888,222	888,222	888,222	888,222
Conference & Travel Expenses	5050009	3,196	71,800	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Professional Fees	5060010	220,000	275,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	267,448	1,017,700	1,017,700	1,017,700	1,017,700	1,017,700	1,017,700	1,017,700	1,017,700
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,009,924	2,876,589	2,705,569	2,595,721	2,603,062	2,603,062	2,596,457	2,603,798	2,603,798
Funding Sources										
Fund Balance	4000005	1,394,312	1,374,329		497,740	497,740	497,740	394,678	394,678	394,678
Cash Fund	4000045	571,455	2,000,000		2,492,659	2,500,000	2,500,000	2,492,659	2,500,000	2,500,000
Interest	4000300	18,486	0		0	0	0	0	0	0
Intra-agency Fund Transfer	4000317	400,000	0		0	0	0	0	0	0
Total Funding		2,384,253	3,374,329		2,990,399	2,997,740	2,997,740	2,887,337	2,894,678	2,894,678
Excess Appropriation/(Funding)		(1,374,329)	(497,740)		(394,678)	(394,678)	(394,678)	(290,880)	(290,880)	(290,880)
Grand Total		1,009,924	2,876,589		2,595,721	2,603,062	2,603,062	2,596,457	2,603,798	2,603,798

FY 14 Actual and FY15 Budget amounts in Professional Fees exceed Authorized due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 907 - DFA Management Services - Miscellaneous Cash
Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,595,721**	**10**	**2,595,721**	**100.0**	**2,596,457**	**10**	**2,596,457**	**100.0**
C10	Reclass	1,794	0	2,597,515	100.1	1,794	0	2,598,251	100.1
C11	Upgrade/Downgrade	5,547	0	2,603,062	100.3	5,547	0	2,603,798	100.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,595,721**	**10**	**2,595,721**	**100.0**	**2,596,457**	**10**	**2,596,457**	**100.0**
C10	Reclass	1,794	0	2,597,515	100.1	1,794	0	2,598,251	100.1
C11	Upgrade/Downgrade	5,547	0	2,603,062	100.3	5,547	0	2,603,798	100.3

Justification	
C10	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and experiencing higher turnover rates in the majority of these positions.
C11	Reclassifications due to several DFA positions now lower than comparable positions in state agencies and experiencing higher turnover rates in the majority of these positions.

DFA - RACING COMMISSION

Enabling Laws

Act 266 of 2014
ACA §23-110-101 - §23-110-415; ACA §23-111-101 - §23-111-516; ACA §23-113-101 - §23-113-604

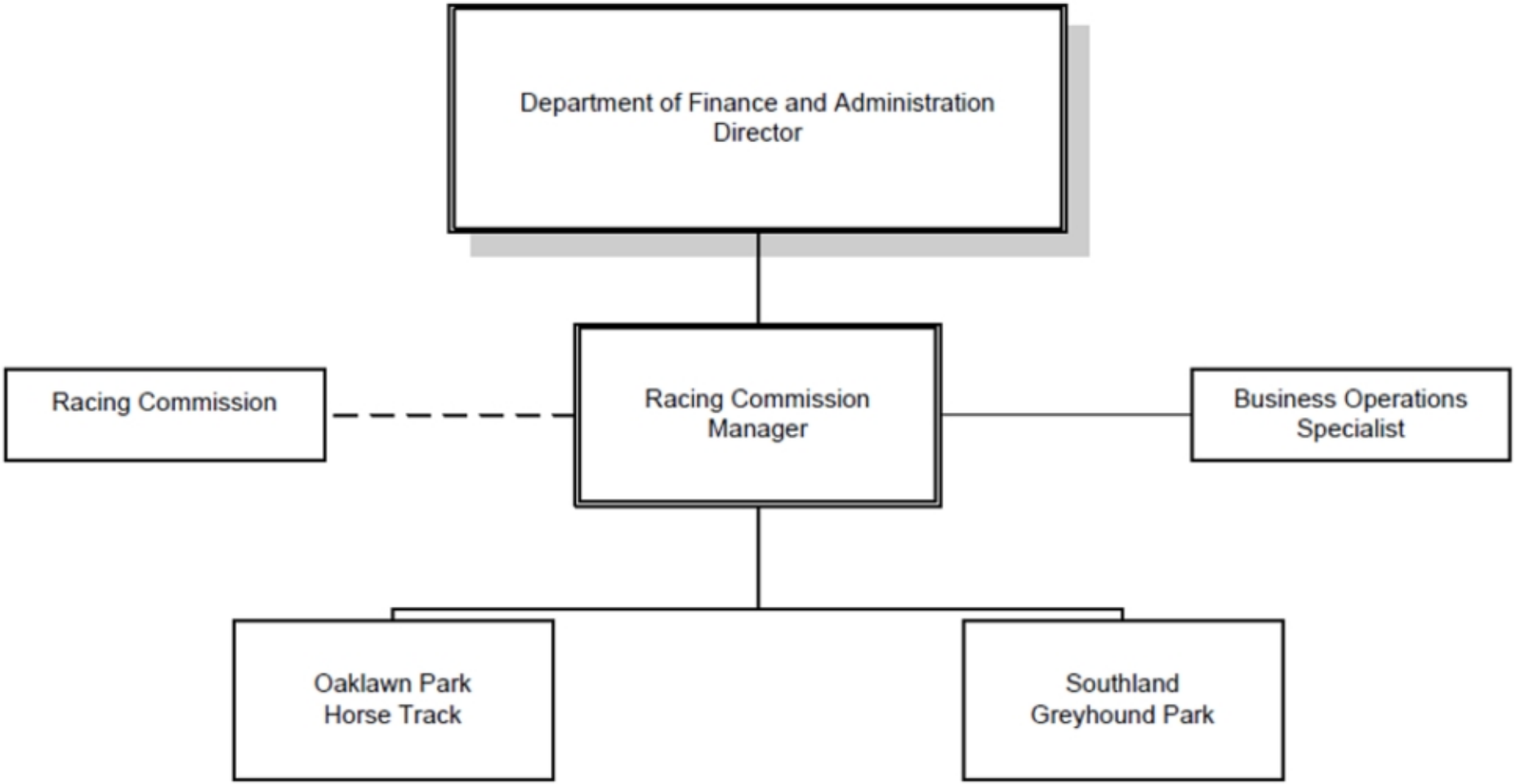
History and Organization

The mission of the Racing Commission is to regulate thoroughbred and greyhound racing in the State of Arkansas as provided in the enabling legislation; whereby, the best interests of the State and its citizens are preserved and protected.

Amendment 46 to the Arkansas Constitution authorizes horse and pari-mutuel betting in Hot Springs. Act 46 of 1935 established the Arkansas Racing Commission. The Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has the sole jurisdiction over thoroughbred horse and greyhound dog racing. Acts 339 of 1935 and 191 of 1957 stipulate the rules and regulations concerning greyhound racing. The Commission is authorized to grant franchises; approve racing dates; issue permits and licenses; hold hearings and take other action as necessary to supervise, regulate and effectively control the sport of racing in the State of Arkansas.

Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas.

In the 2010 racing season, the Thoroughbred Owners and Breeders Association changed the protocol required for the American Graded Stakes Races. Compliance is a condition of a race maintaining its eligibility for grading. Oaklawn currently has eleven such races. The new requirements include a new pre-test known as TC02 administered about one hour before the race and a post-test that will include an additional 17 drug screenings to the current 140.


Department of Finance and Administration
Director
Racing Commission
Racing Commission
Manager
Business Operations
Specialist
Oaklawn Park
Horse Track
Southland
Greyhound Park

Agency Commentary

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has sole jurisdiction over thoroughbred horse and greyhound dog racing. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of racing in the State of Arkansas. Act 1151 of 2005, otherwise known as "Games of Skill" legislation, provided for expanded electronic gaming at the race tracks in the State of Arkansas.

The Racing Commission State Operations appropriation is funded from general revenue. The agency is requesting a change over Base Level (funding and appropriation) in the amount of $25,600 for FY16 and FY17.

- $600 each year for a rent increase; ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.

- $25,000 each year in Veterinarian expenses for a technical contract; adoption of a Model Rule that all commissions are going to nationwide. The rule pertains to Lasix being administered to every horse either by a State Veterinarian or a private Veterinarian under the observation of a Commission employee. 95% of all race horses are administered Lasix which keeps them from bleeding through the nose during the race. Right now, Oaklawn's purses are rising faster than any track in the country and $6 million is spent claiming horses which is a record. All this means increased revenue for the State of Arkansas. This step is absolutely necessary to keep that revenue stream growing.

The Racing Commission Cash Operations appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks. The Base Level appropriation is sufficient for FY16 and FY17.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - RACING COMMISSION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	3	6	9	64 %
Black Employees	3	2	5	36 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			5	36 %
Total Employees			14	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Electronic Games of Skill Regulations	23-113-201	N	N	0	Up to date regulations protect the State, the franchises and the gaming public from the actions of illegal/illegal actions of those playing games of skill. It also ensures operating games according to the regulations & standards prescribed by law. Available for download on DFA Website.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Instant Racing Rules	23-113-603; 23-111-101; 23-110-101	N	N	0	The franchises operating the instant racing games must have up to date regulations available for their employees at all times to insure compliance with Commission regulations. Available for download on DFA Website.	0	0.00
Medication rules and Penalties for Greyhounds	23-111-204	N	N	0	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals. Available on DFA Website.	0	0.00
Medication rules and Penalties for Horses	23-110-202	N	N	0	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals. Available on DFA Website.	0	0.00
Pari-mutuel Wagering Rules for Greyhound Racing	23-111-101 - 517	N	N	0	Rules & regulations must be filed as prescribed by the Ark Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations. Available on DFA Website.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Pari-mutuel Wagering Rules for Horse Racing	23-110-101 - 415	N	N	0	Rrules & regulations must be filed as prescribed by the Ark Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations. Available on DFA Website.	0	0.00

Department Appropriation Summary

	Historical Data						Agency Request and Executive Recommendation											
	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation	**Actual**	**Pos**	**Budget**	**Pos**	**Authorized**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**
146 Division of Racing - Operations	1,330,672	14	1,545,838	14	1,545,838	14	1,539,912	14	1,565,512	14	1,565,512	14	1,540,037	14	1,565,637	14	1,565,637	14
7WJ License Applications	52,083	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0	135,000	0
Total	1,382,755	14	1,680,838	14	1,680,838	14	1,674,912	14	1,700,512	14	1,700,512	14	1,675,037	14	1,700,637	14	1,700,637	14
Funding Sources		**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
Fund Balance 4000005	452,934	23.8	516,585	23.8			491,585	23.0	491,585	22.7	491,585	22.7	466,585	22.0	466,585	21.8	466,585	21.8
General Revenue 4000010	1,330,661	70.1	1,545,838	71.2			1,539,912	71.9	1,565,512	72.2	1,565,512	72.2	1,540,037	72.8	1,565,637	73.1	1,565,637	73.1
Cash Fund 4000045	110,550	5.8	110,000	5.1			110,000	5.1	110,000	5.1	110,000	5.1	110,000	5.2	110,000	5.1	110,000	5.1
Interest 4000300	5,184	0.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales 4000340	11	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,899,340	100.0	2,172,423	100.0			2,141,497	100.0	2,167,097	100.0	2,167,097	100.0	2,116,622	100.0	2,142,222	100.0	2,142,222	100.0
Excess Appropriation/(Funding)	(516,585)		(491,585)				(466,585)		(466,585)		(466,585)		(441,585)		(441,585)		(441,585)	
Grand Total	1,382,755		1,680,838				1,674,912		1,700,512		1,700,512		1,675,037		1,700,637		1,700,637	

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
13	13	0	13	0	0.00 %	14	14	0	14	0	0.00 %	14	14	0	14	0	0.00 %

Analysis of Budget Request

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of pari-mutuel horse and dog racing in the State of Arkansas.

Southland Greyhound Park, in West Memphis, Arkansas, operates year-round and runs over 400 live greyhound performances each year. Oaklawn Park, in Hot Springs, Arkansas, has approximately 60 days of live thoroughbred horse racing and also offers Simulcast and Instant horse racing throughout the year. With the passage of Act 1151 of 2005 and passing of local elections, the addition of electronic games of skill at both Arkansas tracks is now allowed.

General revenue funds 100% of the Arkansas Racing Commission's operating budget. Currently 84% of the Agency's budget is personnel related costs with the remaining 16% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $1,539,912 in FY16 and $1,540,037 for FY17.

The Agency's Change Level request for appropriation and general revenue funding of $25,600 in Operating Expenses each year provides for a rent increase and to cover a technical contract for veterinarian expenses due to the adoption of a Model Rule that requires that administration of Lasix in racing horses be done by a State Veterinarian or a private Veterinarian under the observation of a Commission employee.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	630,045	669,118	669,118	662,750	662,750	662,750	662,850	662,850	662,850
#Positions		**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**
Extra Help	5010001	204,215	310,000	310,000	310,000	310,000	310,000	310,000	310,000	310,000
#Extra Help		**21**	**31**	**31**	**31**	**31**	**31**	**31**	**31**	**31**
Personal Services Matching	5010003	280,170	288,473	288,473	288,915	288,915	288,915	288,940	288,940	288,940
Overtime	5010006	4,702	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Operating Expenses	5020002	201,340	210,247	210,247	210,247	235,847	235,847	210,247	235,847	235,847
Conference & Travel Expenses	5050009	1,763	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	8,437	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
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		1,330,672	1,545,838	1,545,838	1,539,912	1,565,512	1,565,512	1,540,037	1,565,637	1,565,637
Funding Sources										
General Revenue	4000010	1,330,661	1,545,838		1,539,912	1,565,512	1,565,512	1,540,037	1,565,637	1,565,637
M & R Sales	4000340	11	0		0	0	0	0	0	0
Total Funding		1,330,672	1,545,838		1,539,912	1,565,512	1,565,512	1,540,037	1,565,637	1,565,637
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,330,672	1,545,838		1,539,912	1,565,512	1,565,512	1,540,037	1,565,637	1,565,637

Change Level by Appropriation

Appropriation: 146 - Division of Racing - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,539,912**	**14**	**1,539,912**	**100.0**	**1,540,037**	**14**	**1,540,037**	**100.0**
C01	Existing Program	600	0	1,540,512	100.0	600	0	1,540,637	100.0
C02	New Program	25,000	0	1,565,512	101.7	25,000	0	1,565,637	101.7

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,539,912**	**14**	**1,539,912**	**100.0**	**1,540,037**	**14**	**1,540,037**	**100.0**
C01	Existing Program	600	0	1,540,512	100.0	600	0	1,540,637	100.0
C02	New Program	25,000	0	1,565,512	101.7	25,000	0	1,565,637	101.7

Justification	
C01	ABA will implement a three percent (3%) increase to all ABA leases beginning in FY16.
C02	Adoption of a Model Rule that all commissions are going to nationwide. The rule pertains to Lasix being administered to every horse either by a State Veterinarian or a private Veterinarian under the observation of a Commission employee. 95% of all race horses are administered Lasix which keeps them from bleeding through the nose during the race. Right now, Oaklawn's purses are rising faster than any track in the country and there was $6 million spent claiming horses which is a record. This increase will be used to contract with a private Veterinarian.

Analysis of Budget Request

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Act 1151 of 2005, otherwise known as "Electronic Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas. This cash funded appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

Applicants, by regulation, are required to pay a license fee and the costs of the background investigations. License fees are deposited to general revenue. The costs of the background investigations are retained by the Department of Finance and Administration - Division of Racing to pay for the actual costs of the investigations, postage and licensing material and unexpected refunds.

The Racing Commission Cash Operations appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

The Agency is requesting Base Level of $135,000 for each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	52,083	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		52,083	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
Funding Sources										
Fund Balance	4000005	452,934	516,585		491,585	491,585	491,585	466,585	466,585	466,585
Cash Fund	4000045	110,550	110,000		110,000	110,000	110,000	110,000	110,000	110,000
Interest	4000300	5,184	0		0	0	0	0	0	0
Total Funding		568,668	626,585		601,585	601,585	601,585	576,585	576,585	576,585
Excess Appropriation/(Funding)		(516,585)	(491,585)		(466,585)	(466,585)	(466,585)	(441,585)	(441,585)	(441,585)
Grand Total		52,083	135,000		135,000	135,000	135,000	135,000	135,000	135,000

Expenditure of appropriation is contingent upon available funding.

DFA - REVENUE SERVICES DIVISION

Enabling Laws

Act 8 of 2014
Act 300 of 2014

Arkansas Code Annotated:

§2-8-101 et seq.	§2-20-101 et seq.	§2-35-101 et seq.
§2-40-101 et seq.	§3-4-201 et seq.	§3-5-101 et seq.
§3-7-101 et seq.	§3-9-101 et seq.	§8-7-901
§8-7-908	§8-9-402 et seq.	§14-164-101
§15-4-1001 et seq.	§15-4-1201 et seq.	§15-4-1508
§15-4-1602	§15-4-1701 et seq.	§15-4-1901 et seq.
§15-5-1301 et seq.	§17-21-101 et seq.	§23-113-101 et seq.
§23-114-101 et seq.	§26-5-101 et seq.	§26-17-203
§26-18-101 et seq.	§26-19-101 et seq.	§26-36-301 et seq.
§26-51-101 et seq.	§26-52-101 et seq.	§26-53-101 et seq.
§26-55-101 et seq.	§26-56-101 et seq.	§26-57-201 et seq.
§26-57-901 et seq.	§26-58-101 et seq.	§26-59-101 et seq.
§26-60-101 et seq.	§26-62-101 et seq.	§26-74-101 et seq.
§26-75-101 et seq.	§27-14-101 et seq.	§27-15-101 et seq.
§26-52-301 et seq.	§26-53-126	§27-16-101 et seq.
§27-19-101 et seq.	§27-20-101 et seq.	§27-23-101 et seq.
§27-50-801 et seq.	§27-50-901 et seq.	

Act 555 of 1965, Act 142 of 1949 and Act 134 of 1911

History and Organization

Act 88 of 1925 that created the Office of Insurance and Revenues first established the Revenue Division. Act 115 of 1927 separated the powers of the Insurance Commissioner and changed the title to Commissioner of Revenues. Act 38 of 1971 transferred the Department of Revenues to the Department of Finance and Administration. The Revenue Division is responsible for administration and enforcement of state

taxing laws, vehicle and driver licenses imposed under Arkansas law. The following nine major offices properly administer the varied tax laws, license laws and other functions of Revenue Division operations:

1) Office of the Assistant Commissioner for Policy and Legal
   This office consists of three sections: Assistant Commissioner, Hearings and Appeals and Taxpayer Assistance. The Office of Assistant Commissioner for Policy and Legal was created in 1995. This office is responsible for policy and legal matters for the Revenue Division. The Hearings and Appeals Section was created by Act 401 of 1979 and is responsible for reviewing all written protests submitted by taxpayers and making findings on proposed assessments. The Taxpayer Assistance Office was created in 1993 and assists taxpayers in resolving problems with the various offices in the Revenue Division.

2) Office of Income Tax
   The Office of Income Tax consists of four sections: Administration, Individual Income Tax, Corporate Income Tax and Income Tax Systems. Individual Income Tax administers tax laws as they apply to individuals, fiduciaries, partnerships and estates. Corporate Income Tax administers tax laws applying to corporations doing business in the State. Income Tax Systems processes income tax returns and provides income tax data entry.

3) Office of Field Audit
   Act 235 of 1935 gave the Revenue Commissioner the duty of employing Field Auditors and Collectors. The Office is organized into nine sections; Administration, five Audit Districts covering the State, Audit Coordination, Collections and Nexus. The Audit Districts are responsible for performing audits and collection of delinquent taxes in their district. Audit Coordination organizes requests for information and audits between the various tax sections and the Audit Districts. The Collections Section collects delinquent and deficient taxes as well as insufficient fund checks. Act 1151 of 2005, the Local Option Horse Racing and Greyhound Racing Electronic Games of Skill Act added audit responsibilities to Field Audit for games of skill.

4) Office of Motor Vehicle
   This Office was first authorized to issue licenses by Act 134 of 1911. Act 142 of 1949 required motor vehicle titles. The Office of Motor Vehicle administers licensing, registration and titling of all vehicles subject to registration. The Office consists of five sections; Administration, Systems Support, Direct Services, International Registration Plan and Registration and Title. The Systems Support section provides customer service for motor vehicle automated systems. The International Registration Plan section registers and licenses all Arkansas trucks under the International Registration Plan. The Direct Services section files all direct liens and provides information on motor vehicles to the general public and to law enforcement on a 24 hour basis. The Registration and Title section provides data entry for titles, renewals and registrations, maintains control records for licenses and fees issued and examines applications for title for completeness and proper documentation. It microfilms all documents submitted with applications for title.

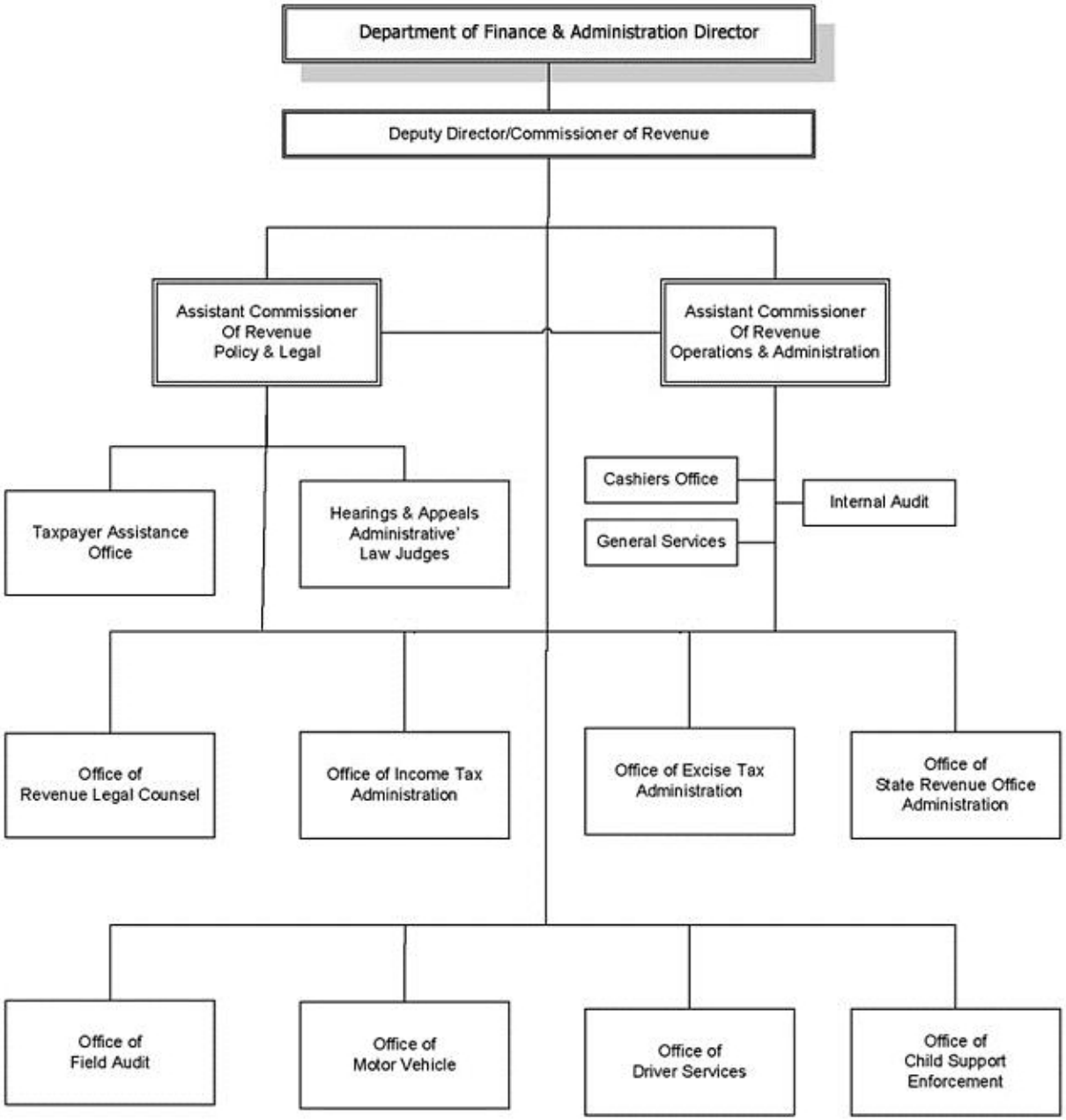
5) Office of Excise Tax Administration
This Office administers tax laws of the State. The Office consists of five sections; Administration, Sales Tax, Motor Fuel Tax, Miscellaneous Tax and Tax Credits. Sales Tax administers taxes on sales, use, mixed drink and beverage excise for State and Local governments. Motor Fuel administers taxes on motor fuel. Miscellaneous Tax administers various tax laws such as cigarette, real estate transfer, amusement, vending and severance. Tax Credits administers the various tax credit programs. Act 388 of 2007, the Charitable Bingo and Raffles Enabling Act, added the tax administration of Bingo and Raffles to the office.

6) Office of Driver Services
Act 555 of 1965 established the Driver Licensing Bureau. Act 311 of 1977 created the color photo driver license program. This Office consists of six sections; Administration, Issuance, Technical Services, Safety Responsibility, Driver Control and Commercial Driver License. The Issuance section is responsible for procedures for issuance of licenses to qualified individuals and for maintaining driver license records. The Technical Services section is responsible for data entry, Traffic Violation Reports and Revenue Micrographics. The Safety Responsibility section administers the financial responsibility laws. Driver Control monitors problem drivers statewide. The Commercial Driver License section administers that program.

7) Office of Assistant Commissioner for Operations and Administration
This Office consists of three sections; Office of the Assistant Commissioner, Cashier and General Services. The Cashier section prepares deposits of all monies for deposit with the State Treasurer. The General Services section is responsible for audits all State Revenue Offices, reconciles bank accounts and processes revenues collected by State Revenue Offices, building maintenance and security, central supply, processing all revenues paid by mail and all incoming and outgoing mail.

8) Office of Revenue Legal Counsel
This Office provides legal counsel for the Revenue Division and the operating offices of the Revenue Division. It represents the Division in litigation involving taxes, fees, licenses and programs administered by the Division.

9) Office of State Revenue Office Administration
This office was created to meet the requirements of Act 465 of 1967 that allows individuals to apply in person in their County of residence for automobile registration and renewal. The Office consists of six sections; Administration and five districts dividing the State.


Department of Finance & Administration Director
Deputy Director/Commissioner of Revenue
Assistant Commissioner Of Revenue Policy & Legal
Assistant Commissioner Of Revenue Operations & Administration
Taxpayer Assistance Office
Hearings & Appeals Administrative' Law Judges
Cashiers Office
General Services
Internal Audit
Office of Revenue Legal Counsel
Office of Income Tax Administration
Office of Excise Tax Administration
Office of State Revenue Office Administration
Office of Field Audit
Office of Motor Vehicle
Office of Driver Services
Office of Child Support Enforcement

Agency Commentary

DFA Revenue Services Division is funded primarily from the State Central Services Fund and collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Fees are also collected for the Commercial Driver's License Program and dedicated as special revenue to support this program.

Sections of the Revenue Services Division include the following offices:

- Assistant Commissioner for Operations and Administration
- Assistant Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services / Commercial Driver's License
- State Revenue Office Administration

The Revenue Division is requesting 20 additional positions (10 in Conway, AR & 10 in NW Arkansas). These positions are critical to the operation and will either produce additional revenues or avoid a reduction in the current level of revenues. Conway, Arkansas is growing rapidly; from April 2000 to April 2010, Faulkner County increased in population by 31.6%. Due to the nature of Conway (the city of colleges), students populate the area, then after graduation they make their home in Conway. Northwest Arkansas (Washington and Benton counties) is averaging 944 new residents every month between 2000 and 2010. Benton County increased 44.3% and Washington County increased by 28.8% during the 2000 and 2010 census. The addition of these positions will enable the Department to provide fast and efficient service to the growing community. Approximate average yearly gross income of Central District would be $1,152,000 and in NW Arkansas $1,081,0000.

The Revenue Division is requesting the transfer of 1 position from Agency 0610 - DFA Management Services. This position will be used in ongoing support for the Arkansas Integrated Revenue System (AIRS). Also, an out of family reclassification of a A094C DFA Local Revenue Office Supervisor grade C114 to a C042C DFA Supervisor grade C114. This request will be a zero change in appropriation and will properly classify the positions as they are currently being utilized. Reclassification of two G084C DFA Division Manager II, C123 to A006C DFA

Revenue Tax Division Manager C129, to properly align the job responsibilities with other positions and supervisory responsibility; zero change in appropriation.

Several Operating Expenses have increased over the years and the Revenue Division continues to absorb these increases by adjusting the budget in several areas. There are several increases that need to be requested that can no longer be absorbed in the current budget: Postage increases of approximately 2%, from 2012 to 2014 the cost of postage has risen from 45 cents to 49 cents, $96,779 each year; Rental of facilities around the State is expected to rise 3% or more, $396,146 each year; Utilities are on the rise across the State, $85,600 each year; Janitorial Services have increased across the State, $45,000 each year; Bank Service Charges have increased due to the new DSMV system and the growth in electronic filings, $99,000 each year; it has been four years since the Ragland and Ledbetter buildings have had the windows cleaned, $12,000 each year; and lastly the replacement of 41 vehicles in FY16, $738,000 and 16 vehicles in FY17, $312,000.

Lastly, an increase of $1,000,000 each year is need in the Commercial Drivers License Program appropriation (1JN) to cover costs associated with the Arkansas Integrated Revenue System DSMV development, maintenance and support. Current funding levels will cover this increase.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - REVENUE SERVICES DIVISION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations

Audit findings are reported under DFA-Administrative Services.

Employment Summary

	Male	Female	Total	%
White Employees	216	717	933	68 %
Black Employees	54	361	415	30 %
Other Racial Minorities	6	15	21	2 %
Total Minorities			436	32 %
Total Employees			1,369	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Ad Valorem Assessment Return	26-26-1601	N	N	250,000	Statutory requirement to file annual return	0	0.00
Amusement Machine Tax Register	26-57-404	N	N	200	Statutory requirement to register annually	0	0.00
Beauty Pageant Renewal-BPG	17-21-101	N	N	100	Statutory requirement to register annually	0	0.00
Beef Promotion Assessment Report	2-35-401	N	N	1,350	Statutory requirement to file monthly report	0	0.00
Beer Excise Tax Report	3-7-104(6)(A)	N	N	500	Statutory requirement to file monthly report	0	0.00
Bingo Distributor Return-BIN	23-114-101	N	N	3	Statutory requirement to file monthly report	0	0.00
Bingo/Raffle Annual License Renewal-BRR	23-114-101	N	N	500	Statutory requirement to register annually	0	0.00
Bingo/Raffle Distributor License form- BRR	23-114-101	N	N	500	Statutory requirement to register annually	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Brucellosis & Swine Testing Report	2-40-206	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Catfish Feed Assessment Report	Act 790 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection	0	0.00
Cigarette Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Cigarette Paper Tax Report	26-57-801	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Coin-Operated Vending Tax Register	Act 928 of 1997	N	N	2,000	Statutory requirement to register annually	0	0.00
Construction Permit Fee Report	Act 474 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection	0	0.00
Corn & Grain Sorghum Assessment Report	Act 271 of 1997	N	N	200	Statutory requirement to file monthly report	0	0.00
Driver License Renewal Notice	None	N	N	520,000	To remind people when their license expires	0	0.00
Electronic Game of Skill Tax Report-EGS	23-113-501	N	N	2	Statutory requirement to file monthly report	0	0.00
Estimated & Withholding Forms	26-51-806	N	N	155,500	Statutory requirement to file	0	0.00
Gross Receipts Tax Regulations	26-52-105	N	N	15,000	To provide sales and use tax reporting information and guidelines	0	0.00
IFTA Quarterly Report	26-55-1102	N	N	25,000	IFTA Agreement requires that all accounts must file a quarterly report	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
IFTA Renewal Application	26-55-1102	N	N	3,500	IFTA Agreement requires that all accounts must file an annual renewal	0	0.00
Imported Wine Tax Report / Native Wine Tax Report	3-7-104(4)(5) / 3-5-409	N	N	300	Statutory requirement to file monthly report	0	0.00
Income Tax Booklet	26-51-806	N	N	405,000	Statutory requirement to file annual return	0	0.00
Liquor Excise Tax Report	3-7-104	N	N	500	Statutory requirement to file monthly report	0	0.00
LPG Renewal Application	26-56-304	N	N	1,200	Required by the Motor Fuel Tax Law	0	0.00
Moving to Arkansas	None	N	N	0	Help new residents understand their tax obligations. Available on DFA Website.	0	0.00
Natural Gas Purchaser Report-NGS	26-58-116	N	N	500	Statutory requirement to file monthly report	0	0.00
Natural Gas Severance Producer Report-NGS	26-58-115	N	N	500	Statutory requirement to file monthly report	0	0.00
Oil & Brine Museum Fund Report	26-58-302	N	N	300	Statutory requirement to file monthly report	0	0.00
Registration Renewal Notice	27-14-1014	N	N	1,975,000	Required by law to notify owner of expiration	0	0.00
Rice Promotion Assessment Report	2-20-507	N	N	1,600	Statutory requirement to file monthly report	0	0.00
Sales & Use Tax Reporting Form	26-52-105	N	N	131,800	Statutory Requirement to file monthly/quarterly/annual report	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Severance Tax Report	26-58-111	N	N	6,000	Statutory requirement to file monthly report	0	0.00
Soft Drink Assessment Report	26-57-901	N	N	2,500	Statutory requirement to file monthly report	0	0.00
Soybean Promotion Assessment Report	2-20-406	N	N	2,500	Statutory requirement to file monthly report	0	0.00
Starting a New Business	None	N	N	1,000	Provide business operators with a source of information concerning state business tax obligations	0	0.00
Telecommunications Tax Report-TEL	23-17-119	N	N	100	Statutory requirement to file monthly report	0	0.00
Timber Processing Tax	26-58-111	N	N	5,000	Statutory requirement to file monthly report	0	0.00
Tobacco Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Vehicle Certificate of Title	27-14-713	N	N	1,000,000	Required by law to convey ownership	0	0.00
Vehicle Registration Certificate	27-14-713	N	N	2,500,000	Required by law to be carried in vehicle	0	0.00
Waste Tire Assessment Report	23-3-510	N	N	20,000	Statutory requirement to file monthly report	0	0.00
Wheat Promotion Assessment Report	2-20-606	N	N	2,000	Statutory requirement to file monthly report	0	0.00

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM

STATE CONTRACTS OVER $50,000 AWARDED TO MINORITY OWNED BUSINESSES

Fiscal Year 2016

Required by A.C.A. 25-36-104

AGENCY: 0630 DFA - REVENUE SERVICES DIVISION

		Minority Type per A.C.A. 15-4-303 (2)					
Minority Business	Total Contract Awarded	African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Akins Janitorial	$105,923	X					

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	1
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	$15,160,170
% OF MINORITY CONTRACTS AWARDED	0.25 %

Department Appropriation Summary

Appropriation		Historical Data 2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	Agency Request and Executive Recommendation 2015-2016 Base Level	Pos	Agency	Pos	Executive	Pos	2016-2017 Base Level	Pos	Agency	Pos	Executive	Pos
1JN	Commercial Drivers License Program	1,748,037	10	1,771,716	10	1,752,897	10	1,776,634	10	2,776,634	10	2,776,634	10	1,777,370	10	2,777,370	10	2,777,370	10
236	Individual Income Tax & Ad Valorem Property T	510,134,695	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0	680,000,000	0
237	Corporate Income Tax	69,254,592	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
239	Gasoline Tax Refunds	16,822	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
240	Interstate Motor Fuel Tax Refunds	522,583	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
241	Miscellaneous Tax Refunds	78,419,152	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0
281	Revenue Services Division - Operations	91,761,349	1,454	99,077,647	1,470	99,077,647	1,470	97,889,904	1,470	100,205,039	1,491	100,205,039	1,491	97,964,939	1,470	99,854,074	1,491	99,854,074	1,491
F10	MV Special Plates	1,691,118	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
M50	Revenue Miscellaneous Cash	678,573	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
Total		754,226,921	1,464	1,271,349,363	1,480	1,271,330,544	1,480	1,270,166,538	1,480	1,273,481,673	1,501	1,273,481,673	1,501	1,270,242,309	1,480	1,273,131,444	1,501	1,273,131,444	1,501
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	9,199,582	1.2	9,744,428	0.8			10,472,712	0.8	10,472,712	0.8	10,472,712	0.8	10,196,078	0.8	10,196,078	0.8	5,219,539	0.4
Special Revenue	4000030	2,292,883	0.3	2,500,000	0.2			1,500,000	0.1	2,500,000	0.2	2,500,000	0.2	1,500,000	0.1	2,500,000	0.2	2,500,000	0.2
State Central Services	4000035	91,530,005	12.0	99,077,647	7.7			92,913,365	7.3	95,228,500	7.4	95,228,500	7.4	97,964,939	7.7	99,854,074	7.8	99,854,074	7.8
Cash Fund	4000045	2,369,691	0.3	9,000,000	0.7			9,000,000	0.7	9,000,000	0.7	9,000,000	0.7	9,000,000	0.7	9,000,000	0.7	9,000,000	0.7
DFA Motor Vehicle Acquisition	4000184	228,758	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	2,586	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Tax Refunds	4000485	658,347,844	86.2	1,161,500,000	90.6			1,161,500,000	91.1	1,161,500,000	90.8	1,161,500,000	90.8	1,161,500,000	90.7	1,161,500,000	90.5	1,161,500,000	90.9
Total Funds		763,971,349	100.0	1,281,822,075	100.0			1,275,386,077	100.0	1,278,701,212	100.0	1,278,701,212	100.0	1,275,184,478	100.0	1,278,073,613	100.0	1,278,073,613	100.0
Excess Appropriation/(Funding)		(9,744,428)		(10,472,712)				(10,196,078)		(10,196,078)		(5,219,539)		(9,918,708)		(9,918,708)		(4,942,169)	
Grand Total		754,226,921		1,271,349,363				1,270,166,538		1,273,481,673		1,273,481,673		1,270,242,309		1,273,131,444		1,273,131,444	

FY15 Budget amount exceeds the authorized amount in (1JN) Commerical Drivers License Program due to salary and matching rate adjustments during the 2013-2015 Biennium.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,506	1396	89	1485	21	7.30 %	1,480	1377	103	1480	0	6.96 %	1,480	1373	107	1480	0	7.23 %

Analysis of Budget Request

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

This appropriation provides for operating expenses of the Arkansas Commercial Driver License Program and for other related purposes as required by the Director of the Department of Finance and Administration (DFA) in carrying out the functions, powers, and duties of the DFA - Revenue Services Division. Fees collected for licenses issued are dedicated as special revenue to support this program.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $1,776,634 in FY16 and $1,777,370 in FY17.

The Agency's Change Level request of $1,000,000 in Operating Expenses each year provides for costs associated with the Arkansas Integrated Revenue System Driver Services - Motor Vehicle development, maintenance and support. Current funding levels will cover this increase in appropriation.

The Executive Recommendation provides for the Agency Request

Appropriation Summary

Appropriation: 1JN - Commercial Drivers License Program
Funding Sources: SDL - Commercial Driver License Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	286,267	302,002	287,165	304,961	304,961	304,961	305,561	305,561	305,561
#Positions		**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**
Personal Services Matching	5010003	109,418	117,362	113,380	119,321	119,321	119,321	119,457	119,457	119,457
Operating Expenses	5020002	1,352,352	1,352,352	1,352,352	1,352,352	2,352,352	2,352,352	1,352,352	2,352,352	2,352,352
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		1,748,037	1,771,716	1,752,897	1,776,634	2,776,634	2,776,634	1,777,370	2,777,370	2,777,370
Funding Sources										
Fund Balance	4000005	9,199,582	9,744,428		10,472,712	10,472,712	10,472,712	10,196,078	10,196,078	5,219,539
Special Revenue	4000030	2,292,883	2,500,000		1,500,000	2,500,000	2,500,000	1,500,000	2,500,000	2,500,000
Intra-agency Fund Transfer	4000317	0	0		0	0	(4,976,539)	0	0	0
Total Funding		11,492,465	12,244,428		11,972,712	12,972,712	7,996,173	6,719,539	7,719,539	7,719,539
Excess Appropriation/(Funding)		(9,744,428)	(10,472,712)		(10,196,078)	(10,196,078)	(5,219,539)	(9,918,708)	(9,918,708)	(4,942,169)
Grand Total		1,748,037	1,771,716		1,776,634	2,776,634	2,776,634	1,777,370	2,777,370	2,777,370

FY15 Budget amounts in Regular Salaries and Personal Sevices Matching exceed the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.
Intra-agency transfer moves $4,976,539 from 1JN - Commerical Drivers License Program to 281 - Revenue Services Divison - Operations in FY16.

Change Level by Appropriation

Appropriation: 1JN - Commercial Drivers License Program
Funding Sources: SDL - Commercial Driver License Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,776,634**	**10**	**1,776,634**	**100.0**	**1,777,370**	**10**	**1,777,370**	**100.0**
C01	Existing Program	1,000,000	0	2,776,634	156.3	1,000,000	0	2,777,370	156.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,776,634**	**10**	**1,776,634**	**100.0**	**1,777,370**	**10**	**1,777,370**	**100.0**
C01	Existing Program	1,000,000	0	2,776,634	156.3	1,000,000	0	2,777,370	156.3

Justification	
C01	Increase is needed to cover costs associated with the Arkansas Integrated Revenue System - Driver Services Motor Vehicle development, maintenance and support.

Analysis of Budget Request

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to refund individual taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts and for property tax rebates levied on the assessed value of all taxable real property, personal property, and utility property in the State.

The Agency is requesting Base Level of $680,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates
Funding Sources: TGI - Individual Income Tax Withholding Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Reimbursements 5110014	510,134,695	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Total	510,134,695	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Funding Sources									
Tax Refunds 4000485	510,134,695	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Total Funding	510,134,695	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	510,134,695	680,000,000		680,000,000	680,000,000	680,000,000	680,000,000	680,000,000	680,000,000

Analysis of Budget Request

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to make income tax refunds to corporate taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts.

The Agency is requesting Base Level of $200,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 237 - Corporate Income Tax
Funding Sources: TGC - Corporate Income Tax Withholding Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Reimbursements 5110014	69,254,592	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total	69,254,592	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Funding Sources									
Tax Refunds 4000485	69,254,592	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total Funding	69,254,592	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	69,254,592	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000

Analysis of Budget Request

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used for making motor fuel tax refunds that come from the fuel tax of 21½ cents a gallon on gasoline and 22½ cents a gallon on diesel. A refund results from an overpayment on taxes paid on fuel by a distributor or a supplier.

The Agency is requesting Base Level of $1,500,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 239 - Gasoline Tax Refunds
Funding Sources: TBC - Gasoline Tax Refund Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Claims 5110015	16,822	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total	16,822	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funding Sources									
Tax Refunds 4000485	16,822	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	16,822	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	16,822	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

The Interstate Motor Fuel Tax Refund Fund consists of the amount, estimated quarterly, which is transferred monthly from gross motor fuel taxes and gross special motor fuel tax collections, to be used to pay refunds to interstate users of motor fuels and special motor fuels as set out in A.C.A. §26-55-714 and §26-56-215. The interstate users of motor fuel tax refunds are generated from an over purchase of tax paid fuel, usually diesel, which is used on the highway by a vehicle over 26,001 pounds, purchased by truckers in the State of Arkansas, but where majority of the miles were traveled in another state.

The Agency is requesting Base Level of $20,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Reimbursements 5110014	522,583	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	522,583	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources									
Tax Refunds 4000485	522,583	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total Funding	522,583	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	522,583	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary. Some of the sources that fall into the category of miscellaneous tax refunds are:

- Cigarette and Tobacco Excise Taxes
- Alcoholic Beverage Excise Taxes
- Promotion Assessments
- Severance Tax
- Amusement Machine Tax
- Soft Drink Tax
- Real Property Transfer Tax
- Waste Tire Fee
- Vending Device Decal Act of 1997
- Construction Nonresidential Surcharge

The Agency is requesting Base Level of $260,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 241 - Miscellaneous Tax Refunds
Funding Sources: MTA - Miscellaneous Revolving Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	78,419,152	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Total		78,419,152	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Funding Sources										
Tax Refunds	4000485	78,419,152	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Total Funding		78,419,152	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		78,419,152	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000

Analysis of Budget Request

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for the operation of the Department of Finance and Administration - Revenue Services Division which collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Sections of the Revenue Services Division include the following offices:

- Assistant Commissioner for Operations and Administration
- Assistant Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services
- State Revenue Office Administration

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for the biennium is $97,889,904 in FY16 and $97,964,939 for FY17.

The Agency's Change Level request of $2,315,135 in FY16 and $1,889,135 in FY17 reflects the following:

- Regular Salaries and Personal Services Matching of $842,610 in each year for an additional 20 positions - four (4) DFA Local Revenue Office Managers, three (3) DFA Supervisors and thirteen (13) DFA Service Representatives. The agency also requests the transfer of one position from Agency 0610 - DFA Management Services, an out of family reclassification of a DFA Local Revenue Office Supervisor to a DFA Supervisor and reclassification of two (2) DFA Division Managers II to DFA Revenue Tax Division Managers. The requested transfers and reclassifications have no change in appropriation.

- Operating Expenses of $734,525 each year to cover a rise in postage, rent, utility, janitorial services, bank service charges due to the increase in electronic filings, and window cleaning costs for the Ragland and Ledbetter building.
increase in electronic filings, and window cleaning costs for the Ragland and Ledbetter building.

- Capital Outlay of $738,000 in FY16, and $312,000 in FY17 to replace aging and high mileage vehicles; 41 in FY16 and 16 in FY17.

The Executive Recommendation provides for the Agency Request and recommends new special language to transfer fund balances in excess of three years of operating budgets from the Commercial Driver's License Program (1JN).

Appropriation Summary

Appropriation: 281 - Revenue Services Division - Operations
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	49,666,270	51,910,644	52,002,824	51,324,652	51,925,606	51,925,606	51,385,852	51,986,806	51,986,806
#Positions		**1,454**	**1,470**	**1,470**	**1,470**	**1,491**	**1,491**	**1,470**	**1,491**	**1,491**
Extra Help	5010001	102,552	564,466	564,466	564,466	564,466	564,466	564,466	564,466	564,466
#Extra Help		**16**	**221**	**221**	**221**	**221**	**221**	**221**	**221**	**221**
Personal Services Matching	5010003	18,529,871	19,020,928	18,928,748	19,080,677	19,322,333	19,322,333	19,094,512	19,336,168	19,336,168
Overtime	5010006	1,706	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Operating Expenses	5020002	22,995,684	26,497,659	26,497,659	26,497,659	27,232,184	27,232,184	26,497,659	27,232,184	27,232,184
Conference & Travel Expenses	5050009	79,910	115,450	115,450	115,450	115,450	115,450	115,450	115,450	115,450
Professional Fees	5060010	46,746	157,000	157,000	157,000	157,000	157,000	157,000	157,000	157,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	9,431	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Capital Outlay	5120011	329,179	661,500	661,500	0	738,000	738,000	0	312,000	312,000
Total		91,761,349	99,077,647	99,077,647	97,889,904	100,205,039	100,205,039	97,964,939	99,854,074	99,854,074
Funding Sources										
State Central Services	4000035	91,530,005	99,077,647		97,889,904	100,205,039	95,228,500	97,964,939	99,854,074	99,854,074
DFA Motor Vehicle Acquisition	4000184	228,758	0		0	0	0	0	0	0
Intra-agency Fund Transfer	4000317	0	0		0	0	4,976,539	0	0	0
M & R Sales	4000340	2,586	0		0	0	0	0	0	0
Total Funding		91,761,349	99,077,647		92,913,365	95,228,500	100,205,039	97,964,939	99,854,074	99,854,074
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		91,761,349	99,077,647		97,889,904	100,205,039	100,205,039	97,964,939	99,854,074	99,854,074

FY15 Budget amounts in Personal Sevices Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.
Intra-agency transfer moves $4,976,539 from 1JN - Commerical Drivers License Program to 281 - Revenue Services Divison - Operations in FY16.

Change Level by Appropriation

Appropriation: 281 - Revenue Services Division - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**97,889,904**	**1,470**	**97,889,904**	**100.0**	**97,964,939**	**1,470**	**97,964,939**	**100.0**
C01	Existing Program	2,220,509	20	100,110,413	102.3	1,794,509	20	99,759,448	101.8
C07	Agency Transfer	94,626	1	100,205,039	102.4	94,626	1	99,854,074	101.9
C10	Reclass	0	0	100,205,039	102.4	0	0	99,854,074	101.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**97,889,904**	**1,470**	**97,889,904**	**100.0**	**97,964,939**	**1,470**	**97,964,939**	**100.0**
C01	Existing Program	2,220,509	20	100,110,413	102.3	1,794,509	20	99,759,448	101.8
C07	Agency Transfer	94,626	1	100,205,039	102.4	94,626	1	99,854,074	101.9
C10	Reclass	0	0	100,205,039	102.4	0	0	99,854,074	101.9

Justification	
C01	Requesting 10 additional positions in Central Arkansas,10 additional positions in NW Arkansas. These positions are critical to the operation and will either produce additional revenues or avoid a reduction in the current level of revenues, $527,882 Salaries and $220,102 Matching each year; Postage increases of approximately 2%, from 2012 to 2014 the cost of postage has risen to 49 cents, $96,779 each year; Rental of facilities around the State is expected to rise 3% or more, $396,146 each year; Utilities continue to increase across the State, $85,600 each year; Janitorial Services have increased across the State, $45,000 each year; Bank Service Charges have increased due to the new DSMV system and the growth in electronic filings, $99,000 each year; it has been 4 years since the Ragland and Ledbetter have had the windows cleaned,$12,000 each year; and lastly the replacement of 41 vehicles in FY16, $738,000 and 16 vehicles in FY17, $312,000.
C07	Transferring 1 position from Agency 0610 - DFA Management Services. This position will be used in ongoing support for the Arkansas Integrated Revenue System (AIRS).
C10	Out of family reclassification of a A094C DFA Local Revenue Office Supervisor grade C114 to a C042C DFA Supervisor grade C114. This request will be a zero change in appropriation and will properly classify the positions as they are currently being utilized. Reclassification of two G084C DFA Division Mgr II to A006C DFA Revenue Tax Division Manager C129, to properly align the job responsibilities with other positions and supervisory responsibility; zero change in appropriation.

Analysis of Budget Request

Appropriation: F10 - MV Special Plates

Funding Sources: NMV - MV Special Plates - Cash in Treasury

The installation of the Cash Management System (CMS) / Arkansas Integrated Revenue System (AIRS) has provided additional opportunities to change business processes to allow better internal controls to safeguard state assets. This appropriation was set up to make the necessary changes in the business processes for disbursing the Motor Vehicle Special License Plates fees to the proper entities.

The Agency is requesting Base Level of $4,000,000 each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: F10 - MV Special Plates
Funding Sources: NMV - MV Special Plates - Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
MV Special Plates-Administrative 5900046	1,691,118	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	1,691,118	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources									
Cash Fund 4000045	1,691,118	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	1,691,118	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,691,118	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: M50 - Revenue Miscellaneous Cash

Funding Sources: NMV - IRP Registration

The Department of Finance and Administration, Revenue Services Division receives and collects fees from the International Registration Plan (IRP) , Unified Carrier Registration (UCR) and E911 Service Charge. The majority of fees and service charges are distributed to other entities for distribution and other purposes as authorized by law.

The Agency is requesting Base Level of $5,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M50 - Revenue Miscellaneous Cash
Funding Sources: NMV - IRP Registration

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Miscellaneous CI 46 5900046	678,573	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	678,573	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources									
Cash Fund 4000045	678,573	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding	678,573	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	678,573	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

DISABLED VETERANS' SERVICE OFFICE

Enabling Laws

Act 184 of 2014

History and Organization

The Disabled Veterans Service Office is responsible for ascertaining benefits for Arkansas' veterans, their families and survivors. The Agency is located within the Disabled American Veterans (DAV) National Service Office which is housed inside of the VA Regional Office, Building 65, Room 121 at 2200 Fort Roots Drive, North Little Rock, Arkansas.

Act 376 of 1951 provided appropriation to be expended by the Disabled Veterans' Service Office to assist such claimants in preparation of their claims for benefits from federal, state and local agencies. We have a long history of advocacy and successful representation of veterans and their dependents seeking benefits and services from the Department of Veterans' Affairs (VA) and other governmental agencies. In keeping with the purpose of our creation, we are required to develop and prosecute claims in writing, in person, and by video/teleconferencing with the agencies, which serve our clients.

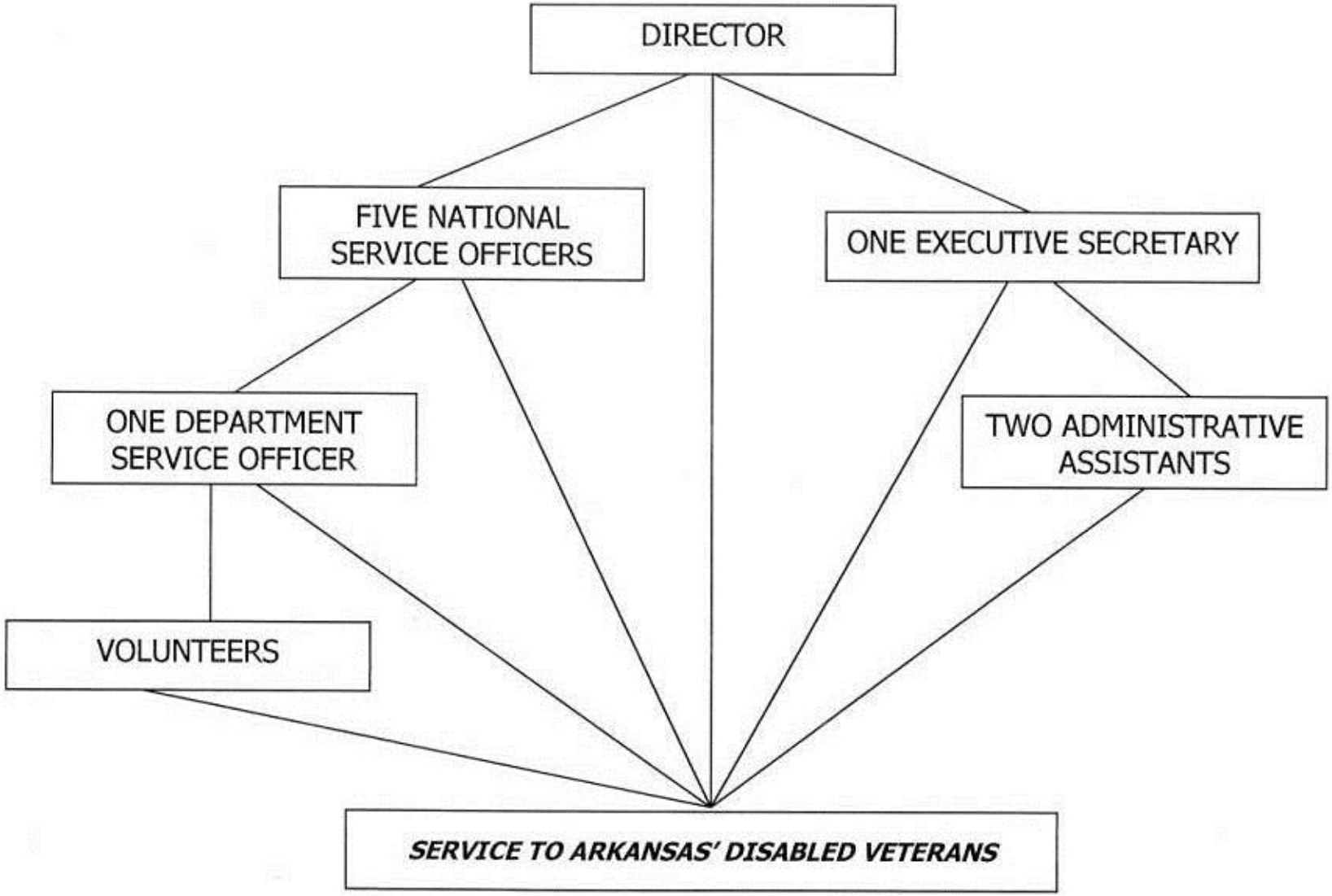
The Disabled Veterans Service Office assists claimants in filing for the following benefits:

1. VA Compensation
2. VA Pension
3. Education & Training
4. Vocational Rehabilitation
5. Aid & Attendance Allowance
6. VA Clothing Allowance
7. Automobile Grants
8. Housing Grants
9. Waivers for VA Overpayments
10. ChampVA Benefits
11. Hospitalization
12. Discharge Upgrade
13. TAP/DTAP
14. Injuries from treatment
15. Injuries from training
16. Military Retirement
17. CRSC/CRDP
18. Dependency Benefits
19. Domiciliary Entrance
20. Relief from VA co-pays
21. Pre-COVA preparation
22. Reimbursed Medical Expenses
23. EEOC recoveries
24. REPS benefits
25. Soldiers & Sailors Civil Relief Act
26. Arkansas State benefits
27. U.S. Insurance Programs
28. Widow's Benefits
29. Burial Assistance
30. Unemployment Compensation

Our effort to realize our purpose expands well beyond the office and extends deep within the veterans community through our Mobile Service Office Program. This outreach program was designed so that many disabled veterans, who are unable to physically travel to our office, can still obtain claim assistance when our Mobile Service Office (MSO) is in their area.

This Agency is also responsible for conducting the Service Officer Training Conference, an annual event that enables all Department Service Officers (DSOs) and Chapter Service Officers (CSOs) the opportunity to become certified, or recertified, for coverage under the National Organization's Indemnification of the Department and Chapter Service Programs. Once certified, these service officers may assist this Agency in providing benefit information to claimants and helping claimants to prepare claims for submission to the Department of Veterans' Affairs (VA). The training is designed to enhance the knowledge and professionalism of the DSOs and CSOs and will help the Agency offer the best service possible to our claimants. Over 100 service officers receive certification on a biennial basis.

Many of Arkansas' disabled veterans take advantage of our Transportation Network that is administered by our Department Office. A host of volunteers work under our Transportation Network to transport sick and disabled veterans to and from VA medical facilities for treatment. The majority of the veterans who use this program are seeking care for their service-connected disabilities. Others have limited resources, are too ill to drive, or may have no access to public transportation.


DIRECTOR
FIVE NATIONAL SERVICE OFFICERS
ONE EXECUTIVE SECRETARY
ONE DEPARTMENT SERVICE OFFICER
TWO ADMINISTRATIVE ASSISTANTS
VOLUNTEERS
SERVICE TO ARKANSAS' DISABLED VETERANS

Agency Commentary

The Disabled Veterans Service Office is dedicated to a single purpose: empowering veterans to lead high-quality lives with respect and dignity. We accomplish this by ensuring that veterans and their families can access the full range of benefits available to them and educating the public about the great sacrifices and needs of veterans transitioning back to civilian life.

The Agency is seeking to maintain operations with Base Level appropriations. We will continue all past services rendered as referenced in the History and Organization Section as we continue to seek new and innovative methods to provide extended service to our clientele.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DISABLED VETERANS SERVICE OFFICE

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %

Analysis of Budget Request

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Disabled Veterans Service Office offers assistance to veterans in the preparation of their claims to the U.S. Government for compensation and other benefits, and is primarily supported by the Disabled American Veterans Service Office. The Office also provides transportation services to veterans for outpatient appointments when no other options are available. The State provides appropriation and general revenue funding for one clerical position, as well as for Operating Expenses and Conference & Travel Expenses.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request provides for Base Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 052 - Disabled Veterans - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	20,509	21,827	22,263	22,045	22,045	22,045	22,045	22,045	22,045
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	9,549	9,807	9,807	9,994	9,994	9,994	9,994	9,994	9,994
Operating Expenses	5020002	1,097	1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304
Conference & Travel Expenses	5050009	0	724	724	724	724	724	724	724	724
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		31,155	33,662	34,098	34,067	34,067	34,067	34,067	34,067	34,067
Funding Sources										
General Revenue	4000010	31,155	33,662		34,067	34,067	34,067	34,067	34,067	34,067
Total Funding		31,155	33,662		34,067	34,067	34,067	34,067	34,067	34,067
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		31,155	33,662		34,067	34,067	34,067	34,067	34,067	34,067

DEPARTMENT OF ENVIRONMENTAL QUALITY

Enabling Laws

Act 274 of 2014

The Arkansas Department of Environmental Quality ("ADEQ") is organized into six regulatory divisions that focus on specific elements of the environment. Listed below are those divisions together with their controlling laws as are codified in The Arkansas Code of 1987 Annotated.

AIR:
Ark. Code Ann. 8-3-101 et seq., 8-4-101 et seq., 8-4-201 et seq., 8-4-301 et seq., 8-10-302 et seq., 20-27-1001 et seq.

WATER:
Ark. Code Ann. 8-3-101 et seq., 8-4-101 et seq., 8-4-201 et seq., 8-5-201 et seq., 19-5-1140

MINING:
Ark. Code Ann. 15-57-201 et seq., 15-57-301 et seq., 15-57-401 et seq., 15-58-101 et seq., 15-58-201 et seq., 15-58-301 et seq., 15-58-401 et seq., 15-58-501 et seq.

SOLID WASTE:
Ark. Code Ann. 8-6-201 et seq., 8-6-501 et seq., 8-6-601 et seq., 8-6-901 et seq., 8-6-1001 et seq., 8-6-1101 et seq., 8-6-1201 et seq., 8-6-1301 et seq., 8-6-1401 et seq., 8-6-1501 et seq., 8-6-1601 et seq., 8-6-1701 et seq., 8-6-1801 et seq., 8-6-1901 et seq., 8-9-101 et seq., 8-9-201 et seq., 8-9-301 et seq., 8-9-401 et seq., 8-9-501 et seq., 8-9-601 et seq.,

HAZARDOUS WASTE:
Ark. Code Ann. 8-7-101 et seq., 8-7-201 et seq., 8-7-501 et seq., 8-7-701 et seq., 8-7-1101 et seq., 8-7-1301 et seq., 8-7-1401 et seq.

REGULATED STORAGE TANKS:
Ark. Code Ann. 8-7-801 et seq., 8-7-901 et seq.

PUBLIC OUTREACH AND ASSISTANCE:
Ark. Code Ann. 8-5-801 et seq.

Other statutes covering the organization and administration of ADEQ include: Ark. Code Ann. " 8-1-101 *et seq.*, 8-1-201 *et seq.*, 8-4-301 *et seq.*, 19-5-930, 19-5-959, 19-5-961, 19-5-979, 19-5-980, 19-5-983, 19-5-992, 19-5-1027, 19-5-1028, 19-5-1029, 19-5-1031, 19-5-1071, 19-5-1111, 19-5-1137, 19-5-1140, 19-6-434, 19-6-452, 19-6-463, 25-14-101

History and Organization

The Arkansas Department of Environmental Quality (formerly the Department of Pollution Control and Ecology) was officially established in 1971. As part of the overall reorganization of state government, Act 38 established the Arkansas Department of Pollution Control and Ecology as a cabinet-level unit of state government, changed the name of the Commission to the Arkansas Pollution Control and Ecology Commission, and designated the Commission as the environmental policy-making body for the state.

With the passage of Acts 744 and 1230 in 1991, the Agency was officially renamed to the Department of Environmental Quality (ADEQ), the Pollution Control and Ecology Commission was restructured and the powers and duties of the Commission and the Agency were clarified. The Commission is now composed of the directors of six state agencies--Health Department, Forestry Commission, Game and Fish Commission, Geological Survey, Oil and Gas Commission, and Natural Resources Commission--as well as seven private citizens appointed by the Governor and confirmed by the Senate. Each of the four congressional districts existing at the time of the 1991 law must be represented by at least one private-sector appointee on the Commission, with no congressional district having more than two Commissioners.

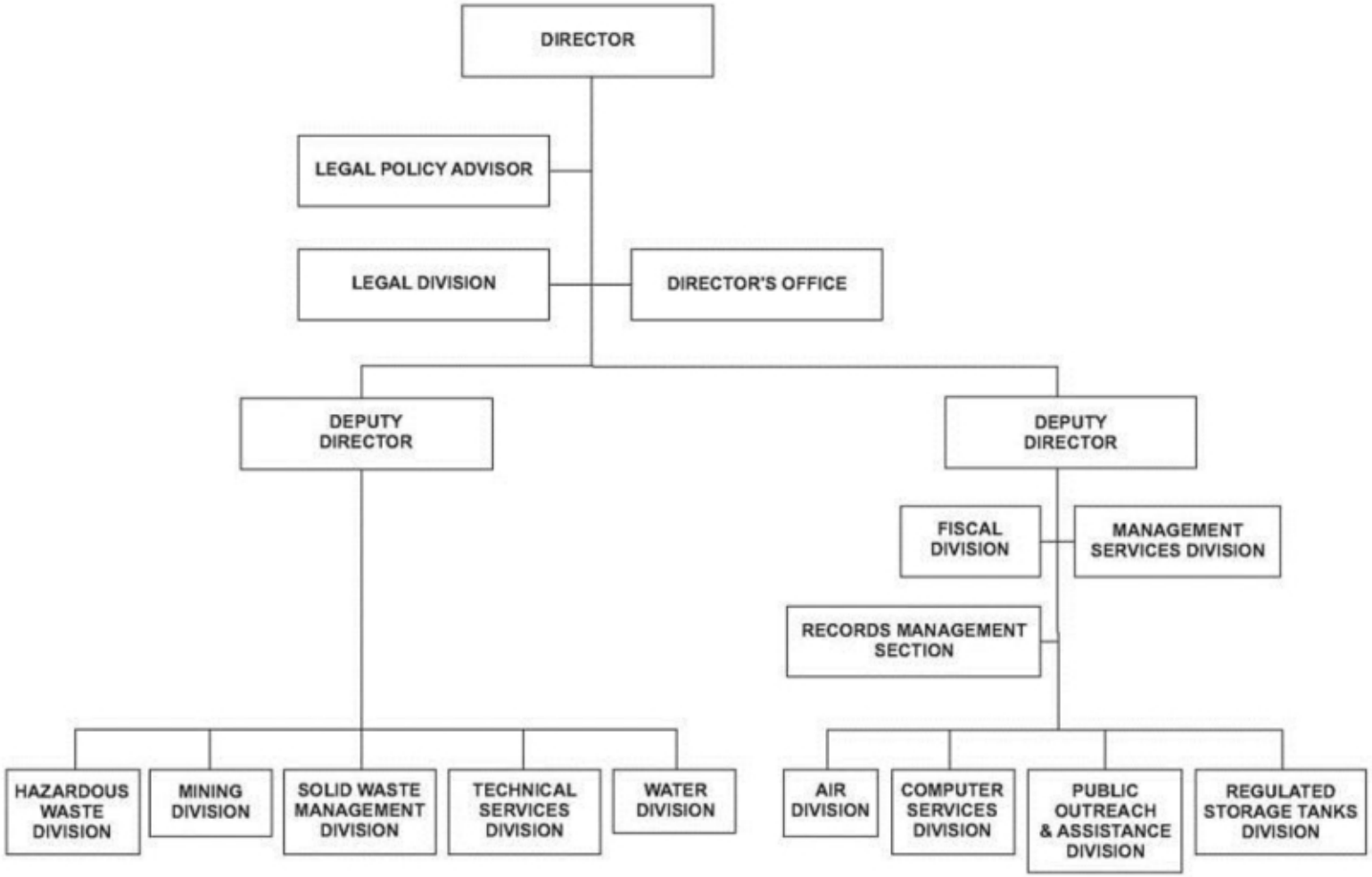
The Arkansas Department of Environmental Quality is the primary environmental regulatory agency for the State of Arkansas. The Agency is responsible for implementing the State's environmental laws and regulations as established by the Arkansas legislature and the Arkansas Pollution Control and Ecology Commission. In large part, the programs implemented by ADEQ are either authorized, or approved by delegated authority from our federal counterparts, primarily the Environmental Protection Agency and the Office of Surface Mining.

The mission of the Arkansas Department of Environmental Quality is: "To protect, enhance and restore the natural environment for the well-being of all Arkansans." The Agency has a two-part vision of the future--"We envision Arkansas with clean air, water and land, where all Arkansans strive to conserve and protect these assets for the benefit and enjoyment of this and future generations" and "We envision the Arkansas Department of Environmental Quality as a respected steward of the environment, where pro-active, results-oriented staff, operating in a professional atmosphere, inspire Arkansans to conserve and protect our natural resources".

The Agency's programs are comprised of four distinct program areas: Air, Water, Land and Environmental Management. The Air Program is responsible for ensuring that the air is clean and healthy. The Water Program is responsible for ensuring that the physical, chemical and biological integrity of all Arkansas' waters are protected and enhanced. The Land Program, which consists of the regulatory divisions of Solid Waste, Mining, Hazardous Waste, and Regulated Storage Tanks, is responsible for ensuring that land-based activities achieve, maintain and enhance a healthy environment.

The ADEQ Environmental Management Program includes a number of other divisions which are involved in specific environmental activities or which provide general support for other Agency divisions. Program area divisions include the Environmental Preservation and Technical Services Division which provides assistance on environmental impact analyses and restoration activities which are not generally subject to regulation as well as Geographic Information Systems support for program activities. The Public Outreach and Assistance Division, which houses the department's public information officer, assists industries and other regulated entities in understanding and following their statutory and regulatory requirements and ADEQ's processes for obtaining permits, licenses and registrations. The Emergency Response Program serves as the Agency's coordinator for overseeing and assisting in the response to environmental emergencies, spills, releases and other conditions that pose an immediate threat to human health and the environment.

The Agency's support groups consist of the Technical Services Division, which performs environmental sample analyses; the Public Outreach and Assistance Division which maintains the Agency's official records and handles FOI requests; the Computer Services Division, which maintains the Agency's data network and information processing systems; the Legal Division, which represents the Agency regarding all legal issues and litigation involving permit appeals and enforcement actions, and assists Agency administration in legislative and regulatory matters; the Fiscal Division which is responsible for tracking state appropriations and federal grants, collection and disbursement of various permit fees, other general bookkeeping activities, and permit fee administration. The support group is rounded out by the Management Services Division, which provides support services for such areas as human resource management; telecommunications; and building and fleet operation and maintenance. The Environmental Management Program efficiently and effectively applies its resources and authorities to achieve the highest standards of agency and environmental management.



Agency Commentary

The Arkansas Department of Environmental Quality (ADEQ) works to protect and enhance the State's environment through regulatory programs, outreach and educational activities. The Agency consists of four major program areas: Air, Water, Land, and Environmental Management.

During the 2013-15 Biennium, ADEQ maintained its efforts in the program areas of air, water, land, and environmental management. The budget request found in the following pages continues current mandated programs and addresses emerging environmental issues. Special emphasis is placed on covering projected needs for the biennium through reallocation of base level funding and appropriation.

Estimated federal monies available to the Agency for this biennium are listed below. Full utilization of these funds is contingent on actual Congressional appropriation, availability of matching funds, if required, and specific grant requirements.

105 Air Program	$1,157,000
Ambient Air Monitoring	516,000
Abandoned Mine Program (Admin)	763,000
Abandoned Mine Reclamation	3,000,000
Permanent Mining Program	141,000
RCRA Hazardous Waste	905,000
604 (b) Water Quality Planning	100,000
Underground Injection Control	81,000
106 Water Pollution Control	2,508,000
Superfund Program	626,000
Underground Storage Tanks	1,250,000
Small, Various Grants	252,000
TOTAL	**$11,299,000**

The Agency's budget includes contingency appropriations, which are considered non-operating expenses and are utilized for specific purposes and funded as needed. These appropriations are utilized for various purposes such as cleanup, remediation and closure activities, reclamation work, and funding of grants for solid waste management activities, recycling, and waste tires collection and handling efforts. Even though some currently reflect appropriation in excess of estimated funding, we are requesting approval of the total amount shown on the Biennial Budget Request forms as monies may become available during the biennium from existing or alternate sources to fully fund any or all of these. The following chart reflects contingency appropriation and bond forfeitures:

APPROP	TOTAL REQUESTED	CONTINGENCY	PURPOSE
2UG	$7,470,296	$4,400,000	Landfill Post-Closure Program (Contractual Services) (TLP)
2UC	4,650,000	1,000,000	Solid Waste & Recycling Program (Recycling grants) (TWS)
2UC	2,500,000	2,000,000	Solid Waste & Recycling Program (Electronic Waste Recycling Infrastructure) (TWS)
2UA	372,488	300,000	Emergency Response (Contractual Services) (THS)
2UH	6,425,000	1,000,000	Waste Tire Recycling Program (Grants) (TTG)
2TU	5,700,000	4,000,000	State Abandoned Mine Reclamation (Contractual Services) (MAE)

2TW	1,520,000	1,520,000	Mine Reclamation-Bond Forfeitures (Contractual Services) (TMA)
2TZ	6,194,000	4,000,000	Hazardous Waste Clean Up (Contractual Services) (THS)
2TY	3,000,000	2,000,000	Landfill Closure-Bond Forfeiture (Contractual Services) (MWP)
2TS	950,000	950,000	Non-Coal Reclamation-Bond Forfeiture (Contractual Services) (TLR)
2UE	21,505,161	15,000,000	Petroleum Storage Tank Remediation (Operating Expenses) (TPT)
2UF	3,925,000	3,925,000	Regulated Storage Tank Remediation (Contractual Services) (FYP)
TOTAL	**$64,211,945**	**$40,950,000**	

The following paragraphs briefly describe the program's needs requested as changes over the Base Level budget, including reclassifications.

AIR DIVISION

The Air Division is responsible for enhancing and protecting human health and the environment by protecting the air we breathe. This is accomplished through the safe management of air pollutants emitted into the air.

Responsibilities of this Division involve maintenance of the National Ambient Air Quality Standards (NAAQS), provisions for air quality monitoring, modeling, and development of emission standards. The Division continues to address the 8-hour Ozone NAAQS issues related to Crittenden County, which is located in the Memphis Metropolitan Statistical Area. Re-attainment for Crittenden County for the 1997 Ozone NAAQS was accomplished and the area was officially re-designated as in attainment and is currently subject to maintenance requirements.

The EPA published a final rule on May 21, 2012 to declare Crittenden County in Non-Attainment of the 2008 Ozone NAAQS, the effective date is July 20, 2012. Several other areas of the State including the Little Rock-North Little Rock Metropolitan Statistical Area, Newton, Polk and Sebastian Counties may face being designated as Non-Attainment under the 2008 Ozone NAAQS and subsequent revisions to the Standards which will occur during the biennium. Revisions to existing state regulations will be required to deal with the development of new pollution control strategies for non-attainment areas and proposed changes to the NAAQS. Continuing and new programs consist of modeling for near non-attainment areas as well as ongoing modeling efforts to support NAAQS State Implementation Plan development and maintenance.

The Air Division requests $535,000 and $215,000 for the fiscal years ending June 30, 2016 and June 30, 2017, respectively for Assistance Grants and Aid appropriation to fulfill the Division's obligations and responsibilities for the DERA Grant program. The Air Division is also requesting $25,000 Capital Outlay appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace vehicles sent to M&R. The Air Division is requesting $61,000 for FY2016 and $25,000 for FY2017 in appropriation for Professional and Administrative Fees to help fund a contract with the U of A Agriculture extension service. The Air Division also requests $110,000 in Capital Appropriation each year to purchase a FLIR (Forward Looking Infrared) camera and accessories. Many areas of the state face being classified as Non-Attainment under the revised National Ambient Air Quality Standard for Ozone which was finalized in August 2010. This device provides rapid non-intrusive inspection capabilities of equipment and processes emitting Volatile Organic Compounds

(VOCs). Imaging capabilities of this instrument provide visual evidence of emission leaks/releases that are otherwise invisible to the naked eye and enables the tracking of a leak directly to the source. It also provides the capability to verify that leaks have been repaired.

WATER DIVISION

The Water Division's mission is to restore and maintain water quality in all waters of the State consistent with the economic well-being of all its citizens. The requests above Base Level will enhance our ability to fulfill that mission as well as meet state and federal mandated performance targets.

The Division is responsible for water quality related programs such as: water pollution control, saltwater disposal, water quality planning/standards, groundwater quality protection, clean lakes, concentrated animal feeding operations, and the National Pollutant Discharge Elimination System (NPDES), which includes storm water permitting.

The Division coordinates these efforts internally and with other state and federal natural resource and health agencies, as well as local citizens.

Because the Division is funded largely through federal EPA grants (2TQ), program work plans are developed internally and approved in cooperation with EPA Region 6.

Under the authority of the Arkansas Water and Air Pollution Control Act (Act 472 of 1949, as amended A.C.A. § 8-4-203, et seq) the Agency is charged with the duty to issue permits to prevent, control, or abate pollution. NPDES permits are issued in accordance with federal regulations and are intended to control point source discharge. In addition, the Water Division issues No-Discharge permits to prevent pollution from entering Waters of the State. We also perform site inspections and respond to citizen complaints. In order to carry out its charge in overseeing oil and gas exploration activities, it is important for the Agency to have adequate staff.

Under Section 303(d) of the federal Clean Water Act, states are to develop lists of impaired waterbodies or stream segments. This list is developed every two years after reviewing water quality data collected from streams throughout the state and evaluating the data against assessment criteria and water quality regulations. ADEQ has recently submitted the 2014 list of impaired stream segments to EPA for their review and approval. There are currently 323 proposed impaired stream segments in Arkansas.

In order to address the pollutant impairing a given waterbody, the Clean Water Act requires states to develop a Total Maximum Daily Load (TMDL). A TMDL is a calculation of the amount of a pollutant that an impaired waterbody can receive and still meet water quality standards. During the next biennium, EPA will continue to require ADEQ to develop TMDLs for impaired stream segments at a cost which could exceed $500,000 per year.

EPA has also required the state to develop numeric nutrient criteria for a single class of waters in 3 to 5 years. Currently the Planning Section is preparing to conduct field work and determine appropriate criteria for its Extraordinary Resource Waters. Additional 106 monitoring initiative funds have been applied for to carry out this task.

The Water Division requests $40,000 in Capital Outlay appropriation each fiscal year to replace equipment as it becomes inoperable, i.e., samplers, multiprobe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as best we can before it is replaced. However, we need appropriation available in the event the equipment can no longer be repaired.

LAND PROGRAM

The Land Program encompasses programs administered through the Agency's Divisions of Hazardous Waste, Surface Mining and Reclamation, Regulated Storage Tanks, and Solid Waste. Each of these divisions has specific statutory authority governing their respective programs, which enhances and protects health and the environment through rulemaking, permitting, compliance monitoring, enforcement, site remediation, while encouraging waste minimization, pollution prevention activities, and clean-up/remediation.

HAZARDOUS WASTE DIVISION

The Hazardous Waste Division regulates the management of waste that could pose a potential danger to people and the environment if improperly managed. The Division is comprised of three branches: Enforcement and Inspections, Programs, and Technical. The Division also provides Emergency Response Services. The branches work together to regulate active manufacturing and waste management facilities, investigate and cleanup hazardous substance sites which are either abandoned or inactive, and compile hazardous waste related data for public review.

The Hazardous Waste Division implements the federal and state hazardous waste management program goals through a state program authorized by the U.S. Environmental Protection Agency. Specific performance measures include establishing appropriate controls (permits, enforcement orders, or remedial action plans) at targeted waste management facilities, monitoring compliance, providing increased compliance assistance and outreach to industry, small businesses, and the public, and implementing timely, fair, and effective enforcement against violators.

The Division administers hazardous substance site cleanup programs implemented under the federal CERCLA statute (known as "Superfund") and State law, specifically the 1985 Remedial Action Trust Fund Act (RATFA) and the 1997 Voluntary Cleanup Act. These programs are funded by federal grants and State trust funds. Chief among these programs is the implementation and expansion of the State's Voluntary Cleanup and Brownfields Redevelopment programs. The Division will continue to improve and enhance its use of risk management techniques, and will stress strong integration of the technical requirements of all these programs.

The Arkansas Remedial Action Trust Fund Hazardous Substance Site Priority List identifies hazardous sites for which expenditures are authorized from the Hazardous Substance Remedial Action Trust Fund. The site priority list includes (14) National Priority List (NPL) sites and (15) State Priority List (SPL) sites. State funds supplement federal funds during the investigative and site remediation phase of NPL Sites. Upon completion of the site remediation phase, the state assumes 100% of the operations and maintenance (O&M) costs. State and Responsible Party funds finance the investigative and remediation phases of SPL Sites. The Division conducts annual reviews on land-based units and five year reviews on all NPL and SPL sites to ensure the final remedies are effective.

The Emergency Response section is also located with the Hazardous Waste Division. The Emergency Response Section assists with incidents that have the potential to cause harm to public health and the environment generally involving the uncontrolled release of a hazardous substance into the environment.

The Hazardous Waste Division requests $20,000 of capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

SURFACE MINING AND RECLAMATION DIVISION

The Mining Division's mission is protecting society and the environment from the adverse effects of surface mining activities by ensuring that the reclamation and restoration of affected lands results in future productive use. Performance of these measures can be gauged by determining the acres of known environmentally impacted land returned to productive use.

This Division is responsible for all permitting, inspection, and enforcement activities necessary to ensure compliance with the state law concerning various surface mining operations. These responsibilities include a State program authorized under Public Law 95-87 to regulate all surface coal-mining operations in Arkansas. This includes the Abandoned Mine Lands Program that receives federal grant monies to reclaim dangerous, abandoned pre-law coal mines. The Non-Coal section is responsible for ensuring compliance with the Arkansas Open-Cut Land Reclamation Act and the Arkansas Quarry Operation, Reclamation and Safe Closure Act. The Open Cut Land Reclamation Act also includes responsibilities in permitting, inspection, and enforcement of mining operations within the channel of streams in Arkansas.

REGULATED STORAGE TANKS DIVISION

This Division is responsible for the implementation of state and federal laws and regulations concerning the installation, repair, upgrading, and closure of regulated underground storage tanks in Arkansas, as well as registering, collecting fees and responding to environmental concerns associated with certain aboveground petroleum storage tanks. The Division performs compliance inspections, leak and complaint investigations, emergency responses, oversees and conducts clean-up activities to correct environmental problems at leaking tank sites, conducts trust fund certification and financial assurance reviews for regulated tanks, licenses UST contractors and individuals, trains and certifies UST operators, and reimburses qualified tank owners for trust fund-eligible corrective actions and third-party claims resulting from leaking tanks.

The Division’s mission is to enforce all environmental standards and ensure timely, fair, and effective enforcement for violators of these standards, to expeditiously assess and implement appropriate cleanup of leaking underground storage tanks and certain noted aboveground storage tanks, to continue developing outreach materials and conduct compliance workshops to educate the regulated community, to maintain the solvency of the Petroleum Storage Tank Trust Fund, and to provide efficient and timely processing of new/amended notification forms and tank fee collections.

Federally funded (2TQ) Capital Outlay appropriation, $25,000, is requested to replace one fleet vehicle in FY 2016 and in FY 2017. These vehicles will be used by RST inspectors to conduct facility inspections statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

SOLID WASTE MANAGEMENT DIVISION

This Division is responsible for programs necessary to provide for the siting, permitting and inspections of existing and proposed solid waste management facilities in Arkansas as well as waste tires grants, recycling grants, regional solid waste planning, solid waste operator licensing, landfill post-closure activities, tax credit program, and engineering standards. The Solid Waste Division provides technical assistance to landfill owners/operators, provides a solid waste liaison service to the Regional Solid Waste Management Districts and State Marketing Board for Recyclables, conduct recycling workshops that educate and assist the public, industry, local governments and also offers compliance assistance through regular inspections and audits of permitted facilities.

The Solid Waste Division requests $25,000 capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

ENVIRONMENTAL MANAGEMENT PROGRAM

The Environmental Management Program encompasses a broad array of activities administered through the Agency's Divisions of Administration, Legal, Computer Service, Public Outreach, and Environmental Preservation and Technical Services.

ADMINISTRATION

This group is composed of the Office of the Director, Fiscal Division, and the Management Services Office comprising the Human Resources Section and the Operations Section. This group performs the Agency's administrative functions.

SHARED RESOURCES

This area reflects the Agency's overhead costs, such as utilities, phone services, vehicle maintenance, field office leases and other costs that are necessary for all the programs to operate. These costs are shared by funding sources allocated through General Revenue distribution, trust funds, federal programs and special revenue generating programs. General Revenues, special revenues, and federal funding have historically supported department overhead costs.

LEGAL SERVICES DIVISION

This Division is responsible for all legal aspects of the Agency. The Legal Division represents the Agency in all administrative enforcement actions, including the negotiation and review of all final agreements. The Division also represents the Agency in all permit appeals initiated by

regulated entities and/or citizens in communities in which regulated facilities are located. Additionally, the Division advises the Agency on personnel issues and other internal matters, represents ADEQ in fee collection, cost recovery actions and bankruptcy matters, maintains original signed orders, and represents the Agency in civil litigation that seeks enforcement of the State's environmental laws and regulations. Finally, the Division drafts regulations and legislation and works to enable each and every Division of the Agency to meet their specific goals.

PUBLIC OUTREACH AND ASSISTANCE DIVISION

The Public Outreach and Assistance Division houses the Agency's Public Information Officer and provides non-regulatory environmental assistance and education to communities, businesses, and individuals. The Public Outreach and Assistance Division provides small-businesses technical and regulatory assistance, manages public input regarding ADEQ's permitting and regulatory decisions, and develops informational materials for ADEQ's environmental programs. The Division will continue to utilize revolving loan fund (2UN) appropriation for the Small Business Compliance Assistance and Pollution Prevention Loan Program, providing low interest loans to small businesses, assisting small businesses to comply with environmental requirements, or institute pollution prevention measures in their business. Additionally, the Division is responsible for the Watershed Planning and Environmental Education programs aimed at protecting water quality, the GIS section and Recycling Branch.

The Records Management Section is requesting $30,000 in Captial Outlay appropriation for 2016 only. The Records Management Section scans all of the Agency's documents as electronic records and makes them available to the public as part of our transparency. Our current scanners are over eight years old and their scan drivers are no longer supported by Microsoft. This appropriation will allow for the purchase of 3 new i3200 scanners, 3 new A3 flatbed scanners and the necessary software and support.

COMPUTER SERVICES DIVISION

This Division is responsible for designing, developing, and maintaining ADEQ's information technology infrastructure. The Division encompasses a wide array of duties ranging from designing and maintaining the Agency's computer network, to developing mission critical software, and providing desktop user assistance to the Agency's approximately four hundred staff members.

The Division will continue utilizing the Performance Partnership Trust fund (2UQ) balance to complete the .NET application upgrade and development of the integrated information system (PDS), which plays an integral part in consolidating data from multiple environmental areas by facility or incident.

The Environmental Protection Agency (EPA) designed the National Environmental Information Exchange Network to facilitate the electronic transmission of environmental data between entities. The Agency is working with EPA and other states to develop and implement data exchange templates across all of our delegated programs to eliminate duplicate data entry into both state and federal systems as well as improve data quality. The EPA is providing grant funds to ADEQ to accomplish some of this work.

The Computer Services Division is requesting capital outlay appropriation from (2TZ) trust funds in the amount of $80,000 for each fiscal year. The equipment purchased will allow for replacement of aging servers and the backup and archival system.

ENVIRONMENTAL PRESERVATION AND TECHNICAL SERVICES DIVISION

The Environmental Preservation and Technical Services Division is responsible for testing Arkansas' environment and providing input in environmental projects. This includes air, water, soil, hazardous waste, solid waste, and biological samples. The Division also certifies environmental labs, collects fish and other biological samples, and provides assistance for stream restoration and wastewater plant operation.

The Division provides scientific advice to the Director's office concerning a myriad of projects related to federal environmental protection laws that could potentially affect the environment and offers technical services to citizens to effectively manage non-point source pollution. Because the Division is funded largely through federal EPA grants (2TQ), program work plans are developed internally and approved in cooperation with EPA Region 6.

With the EPA action tightening National Ambient Air Quality Standards, the Department's air monitoring system, operated by EPTS, will need to continue to generate high quality air monitoring for ozone, particulate matter, sulfur dioxide, nitrogen oxides, and carbon monoxide. The Technical Services Division is requesting $337,500 and $286,250 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging air monitoring equipment used for collecting data for the ambient air network program. FY16 equipment includes monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. FY17 equipment needs will include monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. Each location EPA requests will add approximately $72,000.

The Technical Services division of the ADEQ is also requesting $ 390,000 and $ 435,000 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging laboratory equipment used for environmental testing. FY16 equipment includes a gas chromatograph/mass spectrometer, inductively coupled plasma/mass spectrophotometer, gas chromatograph/ EC+FID, analytical balances, mercury analyzer. FY17 equipment needs will include a volatiles gas chromatograph/mass spectrometer, Solid Phase Extraction apparatus, automated nutrients analyzer, microwave digester and an ion chromatograph.

POLLUTION CONTROL AND ECOLOGY COMMISSION HEARING OFFICER

This office was created by Act 921 of 1993, which authorized the Pollution Control and Ecology Commission to hire a full-time, independent administrative hearing officer. The Hearing Officer conducts adjudicatory proceedings initiated by an applicant, violator, or third party on permitting, enforcement, and other decisions rendered by the Arkansas Department of Environmental Quality. The Hearing Officer manages the Commission's office and its staff, and serves as legal counsel (along with the Attorney General's office) to the Commission. The Act also transferred the Commission Secretary from the Agency to this office. Act 1077 of 1993 provided that appropriations for this office are payable from the ADEQ Trust Fee Fund (344), and designates the Agency as disbursing officer for funds appropriated by this Act.

The PCE Commission requests a $500 increase in appropriation and funding due to the increase in Commissioner expenses. The Commission has members from across the State and this generates a substantial amount of expense for travel reimbursements over the course of the fiscal year.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
Controls should be in place to ensure that changes to application source code are properly tested, reviewed, and approved before being moved into the production environment. The accounting of changes and promotion of application source code to the production environment is not controlled in a manner to ensure that changes made are properly accounted for, monitored, tested, and approved. Additionally, the Agency is not using a versioning software tool to track and provide control over changes to source code. Failure to properly implement controls could increase the risk of errors and result in misappropriation of assets and misstatements of financial records and statements.	Implement adequate controls over the program change process. Agency Response: Users now make application change requests by submitting a Help Desk ticket, which provides a record of the request. Changes initiated by the programming staff must also now be documented with a Help Desk ticket. Requests for new development projects or functionality changes to applications are reviewed by programmer supervisors and approved or rejected. Supervisors then assign the changes to a developer and set a schedule for development. Changes to the programs are documented in the code or ancillary documentation logs, depending on the software involved. The change logs now reference the Help Desk ticket number, tying the software changes to the original request.
Sound information system controls require that a copy of system and data backups be stored at an off-site facility. The Agency has not established an off-site storage facility for backup data and maintains all backups at the data center. This situation increases the risk that data and programs could irretrievably be lost in the event of destruction at the data center.	Establish an off-site location for its backup data as soon as possible. Agency Response: ADEQ will be relocating its current off-site storage location to the Department of Information Systems (DIS) Big Mac Data Center during the third quarter of 2014. ADEQ's current off-site location is only used for replicating data and maintaining a live copy of Active Directory. Our off-site location is inadequate to add the additional equipment necessary to provide for a redundant backup of all on-site data. Computer Services Network staff have implemented a second backup routine specifically to address this shortfall. In addition to the nightly backup to the on-site appliance, a second identical backup is performed and stored to portable drives for off-site. Drives are rotated weekly to the off-site location. When the move to the Big Mac Data Center is completed, a second backup appliance will be installed to mirror the on-site appliance.

Findings	Recommendations
Sound information system controls require that an adequate Disaster Recovery (DR) Plan and Continuity of Operations Plan (COOP) be in place and tested to provide assurance that business operations can recover in the event of a disaster. Several weaknesses were identified in ADEQ's plans: • Mission-essential functions were not identified, prioritized, and documented. • Specific procedures and guidelines were not established to recover the 13 mission-critical computer applications. • Vital records and databases necessary for restoration of business processes have not been identified. • Documentation is inadequate to determine that deficiencies identified in the most recent (fiscal year 2011) desktop drill have been corrected. Failure to provide adequate DR and COOP guidelines increases the risk of irretrievable loss of data and applications and an unreasonable increase in time to restore business operations.	Update the plans, perform the necessary functions to ensure continued operations, and perform periodic off-site test restoration of mission-critical computer applications. Agency Response: ADEQ will review its COOP plan and make recommended changes. Staff are scheduled to attend the July 16 Continuity of Operations Program at DIS. Training will provide staff tools and guidance to make necessary changes to comply with audit recommendations.

Performance Audit Findings

DEPARTMENT OF ENVIRONMENTAL QUALITY

Findings and Conclusions:

Review of Selected Federal Awards
Arkansas Department of Environmental Quality (ADEQ)
Review Period: July 1, 2011 - June 30, 2012
Report Issued: December 12, 2013

Findings and Conclusions:

- ADEQ did not reconcile Agency equipment records timely. Failure to maintain effective internal controls regarding equipment could result in noncompliance with federal regulations.

Recommendations:

- ADEQ should strengthen controls to ensure equipment records are properly maintained and reconciled to physical inventory counts as required by 2 CFR 215.34.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	170	157	327	88 %
Black Employees	8	28	36	10 %
Other Racial Minorities	7	1	8	2 %
Total Minorities			44	12 %
Total Employees			371	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
2TP	ADEQ - State Operations	4,708,530	70	5,042,657	73	5,180,035	73	5,122,665	73	5,122,665	73	5,122,665	73	5,124,666	73	5,124,666	73	5,124,666	73
2TQ	ADEQ - Federal Operations	7,031,227	93	9,583,833	95	9,638,954	95	9,248,173	95	10,190,673	95	10,190,673	95	9,250,785	95	9,822,035	95	9,822,035	95
2TR	Waste Water Licensing	93,515	1	162,506	1	218,168	1	163,597	1	163,597	1	163,597	1	163,597	1	163,597	1	163,597	1
2TS	Land Reclamation	99,509	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0
2TT	Hazardous Waste Permit Program	1,249,309	18	1,452,609	17	1,644,693	17	1,466,269	17	1,486,269	17	1,486,269	17	1,466,306	17	1,486,306	17	1,486,306	17
2TU	Reclamation of Abandoned Mines - State	1,259,304	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0
2TV	Surface Coal Mining	0	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0
2TW	Mining Reclamation	33,540	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0
2TX	Fee Administration	11,946,920	171	13,887,705	177	14,945,752	177	13,887,156	177	14,108,156	177	14,108,156	177	13,892,551	177	14,047,551	177	14,047,551	177
2TY	Solid Waste Performance Bonds	0	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0
2TZ	Hazardous Waste Cleanup	681,040	3	7,959,760	5	7,962,014	3	7,615,191	5	8,091,024	5	8,091,024	5	7,615,191	5	8,136,024	5	8,136,024	5
2UA	Emergency Response Program	67,009	1	478,943	1	499,627	2	378,488	0	372,655	0	372,655	0	378,488	0	372,655	0	372,655	0
2UB	Asbestos Control Program	364,967	4	403,222	6	412,306	6	491,449	6	491,449	6	491,449	6	491,449	6	491,449	6	491,449	6
2UC	Solid Waste Mgmt/Recycling Prog	7,255,336	20	8,508,141	20	8,511,461	20	8,500,671	20	8,525,671	20	8,525,671	20	8,501,653	20	8,526,653	20	8,526,653	20
2UD	Reg. Substance Storage Tank	836,688	15	929,593	17	930,047	17	957,569	17	957,569	17	957,569	17	957,691	17	957,691	17	957,691	17
2UE	Petroleum Storage Tank Trust	5,800,925	4	21,778,577	5	21,785,048	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5
2UF	Regulated Storage Tank Program	304,441	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0
2UG	Landfill Post Closure Program	529,481	5	7,786,855	4	7,836,977	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4
2UH	Waste Tire Recycling Program	5,063,154	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0
2UJ	St Mktg Brd for Recyclables Prog	7,944	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0
2UK	Environmental Education Program	152,330	1	272,230	1	271,965	1	272,976	1	272,976	1	272,976	1	272,976	1	272,976	1	272,976	1
2UN	Small Business Loans	0	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
2UP	Sm Bus Revolving Loan Prog Exp	1,004	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0
2UQ	Performance Partnership Syst Exp	17,585	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
2UR	Environmental Settlement Trust	71,992	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
2US	Computer/Electronic Recycling	126,095	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
344	PCE Comm Admn Hearing Officer	187,268	2	283,933	2	258,197	2	285,970	2	285,970	2	285,970	2	285,970	2	285,970	2	285,970	2
36A	Fee Administration Non-Haz Clean Up	0	0	100,000	0	750,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
467	PCE Commission Expenses	3,936	0	3,977	0	3,977	0	3,977	0	4,477	0	4,477	0	3,977	0	4,477	0	4,477	0
F72	Performance Bond Fund	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total		47,893,049	408	102,868,077	423	105,082,757	423	102,335,781	422	104,014,781	422	104,014,781	422	102,346,930	422	103,633,680	422	103,633,680	422

Funding Sources			%		%			%		%		%		%		%		%
Fund Balance	4000005	94,386,405	65.7	95,688,680	57.6		63,211,499	47.8	63,211,499	47.4	63,211,499	47.5	45,680,267	39.8	45,414,267	39.5	45,314,267	39.4
General Revenue	4000010	4,414,294	3.1	4,410,242	2.7		4,410,242	3.3	4,410,742	3.3	4,310,742	3.2	4,412,243	3.8	4,412,743	3.8	4,312,743	3.8
Federal Revenue	4000020	8,628,512	6.0	20,728,833	12.5		20,393,173	15.4	21,335,673	16.0	21,335,673	16.0	20,395,785	17.8	20,967,035	18.2	20,967,035	18.2
Special Revenue	4000030	27,385,403	18.7	31,182,118	18.8		29,581,970	22.4	29,581,970	22.2	29,581,970	22.2	29,515,970	25.7	29,515,970	25.6	29,515,970	25.6
Non-Revenue Receipts	4000040	530,395	0.4	475,000	0.3		475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4
Trust Fund	4000050	1,037,789	0.7	2,036,543	1.2		2,709,321	2.0	2,703,488	2.0	2,703,488	2.0	2,754,321	2.4	2,748,488	2.4	2,748,488	2.4
Bond Forfeitures	4000120	99,509	0.1	3,950,000	2.4		3,950,000	3.0	3,950,000	3.0	3,950,000	3.0	3,950,000	3.4	3,950,000	3.4	3,950,000	3.4
Interest	4000300	46,914	0.0	71,160	0.0		71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1
Inter-agency Fund Transfer	4000316	(157,334)	(0.1)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Loan Repayment	4000330	0	0.0	550,000	0.3		550,000	0.4	550,000	0.4	550,000	0.4	550,000	0.5	550,000	0.5	550,000	0.5
M & R Sales	4000340	110,678	0.1	110,000	0.1		110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1
Other	4000370	7,587,109	5.3	6,877,000	4.1		6,878,500	5.2	6,878,500	5.2	6,878,500	5.2	6,878,500	6.0	6,878,500	6.0	6,878,500	6.0
Total Funds		143,581,729	100.0	168,975,588	100.0		132,340,865	100.0	133,278,032	100.0	133,178,032	100.0	114,793,246	100.0	115,093,163	100.0	114,893,163	100.0
Excess Appropriation/(Funding)		(95,688,680)		(63,211,499)			(30,005,084)		(29,263,251)		(29,163,251)		(12,446,316)		(11,459,483)		(11,259,483)	
Grand Total		47,893,049		102,868,077			102,335,781		104,014,781		104,014,781		102,346,930		103,633,680		103,633,680	

Variance in fund balances is due to unfunded appropriation in Hazardous Waste Cleanup (2TZ), Petroleum Storage Tank Trust Fund (2UE), Waste Tire Recycling Program (2UH), Environmental Education Program (2UK), and Performance Partnership System Expenses (2UQ).

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
429	376	47	423	6	12.35 %	423	380	43	423	0	10.17 %	423	370	52	422	1	12.53 %

Analysis of Budget Request

Appropriation: 2TP - ADEQ - State Operations

Funding Sources: HMA - ADEQ Fund

The Agency utilizes this appropriation for the general operations of various programs and for matching of federal grants. This appropriation is funded by general revenue, and other non-revenue receipt deposits along with contributions from other agencies.

ADEQ is charged with the duty to issue permits to prevent the discharge of wastes into waters of the state. In conjunction with drilling activities, the Agency issues permits for land application activities, reserve pits, and storage facilities associated with salt-water injection wells. The Agency also performs site inspections and responds to citizen complaints.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency requests Base Level funding for both years of the 2015-2017 Biennium.

The Executive Recommendation provides for Base Level and a reduction in general revenue funding of $100,000 each year of the 2015-2017 Biennium.

Appropriation Summary

Appropriation: 2TP - ADEQ - State Operations
Funding Sources: HMA - ADEQ Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,245,742	3,483,351	3,600,337	3,536,181	3,536,181	3,536,181	3,537,581	3,537,581	3,537,581
#Positions		**70**	**73**	**73**	**73**	**73**	**73**	**73**	**73**	**73**
Extra Help	5010001	10,804	25,674	25,674	25,674	25,674	25,674	25,674	25,674	25,674
#Extra Help		**1**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	1,096,886	1,144,234	1,164,626	1,171,412	1,171,412	1,171,412	1,172,013	1,172,013	1,172,013
Operating Expenses	5020002	334,391	353,183	353,183	353,183	353,183	353,183	353,183	353,183	353,183
Conference & Travel Expenses	5050009	20,707	32,115	32,115	32,115	32,115	32,115	32,115	32,115	32,115
Professional Fees	5060010	0	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
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		4,708,530	5,042,657	5,180,035	5,122,665	5,122,665	5,122,665	5,124,666	5,124,666	5,124,666
Funding Sources										
Fund Balance	4000005	730,494	962,717		801,325	801,325	801,325	559,925	559,925	459,925
General Revenue	4000010	4,410,358	4,406,265		4,406,265	4,406,265	4,306,265	4,408,266	4,408,266	4,308,266
Non-Revenue Receipts	4000040	530,395	475,000		475,000	475,000	475,000	475,000	475,000	475,000
Total Funding		5,671,247	5,843,982		5,682,590	5,682,590	5,582,590	5,443,191	5,443,191	5,243,191
Excess Appropriation/(Funding)		(962,717)	(801,325)		(559,925)	(559,925)	(459,925)	(318,525)	(318,525)	(118,525)
Grand Total		4,708,530	5,042,657		5,122,665	5,122,665	5,122,665	5,124,666	5,124,666	5,124,666

Analysis of Budget Request

Appropriation: 2TQ - ADEQ - Federal Operations

Funding Sources: FYP - Federal Funds

ADEQ utilizes this appropriation for the federal portion of program activities. Federal funding is received from the Environmental Protection Agency (EPA) and the US Department of Interior. The Agency operates under the grants with varying amounts of state matching requirements.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of $9,248,173 in FY16 and $9,250,785 in FY17, the Agency's Change Level requests totaling $942,500 in FY16 and $571,250 in FY17 reflect the following:

- Operating Expenses decrease of $310,000 each year in order to reallocate appropriation to Professional and Administrative Fees and Grants and Aid.
- Conference and Travel Fees decrease of $20,000 each year in order to reallocate appropriation to Professional and Administrative Fees.
- Professional and Administrative Fees increase of $245,000 each year in order for the Agency to meet its obligations under the Federal Grant Program.
- Grants and Aid increase of $720,000 in FY16 and $400,000 in FY17 for the Agency to meet its obligations under the DERA Grant Program.
- Capital Outlay increase of $307,500 in FY16 and $256,250 in FY17 to replace equipment and vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TQ - ADEQ - Federal Operations

Funding Sources: FYP - Federal Funds

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	4,083,450	4,343,017	4,401,756	4,319,680	4,319,680	4,319,680	4,321,805	4,321,805	4,321,805
#Positions		**93**	**95**	**95**	**95**	**95**	**95**	**95**	**95**	**95**
Extra Help	5010001	9,605	148,585	148,585	148,585	148,585	148,585	148,585	148,585	148,585
#Extra Help		**5**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**
Personal Services Matching	5010003	1,401,975	1,470,644	1,443,026	1,468,321	1,468,321	1,468,321	1,468,808	1,468,808	1,468,808
Operating Expenses	5020002	1,152,436	2,050,060	2,074,060	2,050,060	1,740,060	1,740,060	2,050,060	1,740,060	1,740,060
Conference & Travel Expenses	5050009	29,260	251,126	251,126	251,126	231,126	231,126	251,126	231,126	231,126
Professional Fees	5060010	127,580	510,401	510,401	510,401	755,401	755,401	510,401	755,401	755,401
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	720,000	720,000	0	400,000	400,000
Capital Outlay	5120011	226,921	810,000	810,000	500,000	807,500	807,500	500,000	756,250	756,250
Total		7,031,227	9,583,833	9,638,954	9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Funding Sources										
Federal Revenue	4000020	7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Total Funding		7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Capital Outlay in the amount of $500,000 is included in Base Level to provide for the Agency's capital lease.

Change Level by Appropriation

Appropriation: 2TQ - ADEQ - Federal Operations
Funding Sources: FYP - Federal Funds

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**9,248,173**	**95**	**9,248,173**	**100.0**	**9,250,785**	**95**	**9,250,785**	**100.0**
C01	Existing Program	942,500	0	10,190,673	110.2	571,250	0	9,822,035	106.2
C04	Reallocation	0	0	10,190,673	110.2	0	0	9,822,035	106.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**9,248,173**	**95**	**9,248,173**	**100.0**	**9,250,785**	**95**	**9,250,785**	**100.0**
C01	Existing Program	942,500	0	10,190,673	110.2	571,250	0	9,822,035	106.2
C04	Reallocation	0	0	10,190,673	110.2	0	0	9,822,035	106.2

Justification	
C01	The Air Division requests $535,000 and $215,000 for the fiscal years ending June 30, 2016 and June 30, 2017, respectively for Assistance Grants and Aid appropriation to fulfill the Division's obligations and responsibilities for the DERA Grant program. The Air Division is also requesting $25,000 Capital Outlay appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. The Water Division requests $20,000 in Capital Outlay appropriation each fiscal year to replace equipment as it becomes inoperable, i.e., samplers, multiprobe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as best we can before it is replaced. However, we need appropriation available in the event the equipment can no longer be repaired. The Regulated Storage Tank Division requests $25,000 Capital Appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. The Technical Services Division is requesting $337,500 and $286,250 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging air monitoring equipment used for collecting data for the ambient air network program. FY16 equipment includes monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. FY17 equipment needs will include monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. Each location EPA requests will add approximately $72,000.
C04	The Air Division requests to reallocate $125,000 from Contractual Services to Professional and Administrative Fees for each fiscal year. The Air Division also requests to reallocate $185,000 from Operating Expenses to Grants and Aid for each fiscal year. The Hazardous Waste Division requests to reallocate $20,000 from Conference Fees and Travel ravel to Professional and Administrative Fees for each fiscal year. The Agency requests to reallocate $100,000 from Capital Outlay to Professional and Administrative Fees for each fiscal year. Each of these requests are made to allow the Divisions to better meet their Federal Grant Program obligations.

Analysis of Budget Request

Appropriation: 2TR - Waste Water Licensing

Funding Sources: MWW - Waste Water Licensing Fund

This appropriation is utilized to operate the Waste Water Licensing Program. Pursuant to A.C.A. §8-5-209, funding is derived from licensing fees collected from wastewater treatment plant operations.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests Base Level in both years for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TR - Waste Water Licensing

Funding Sources: MWW - Waste Water Licensing Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	62,773	60,840	101,924	61,547	61,547	61,547	61,547	61,547	61,547
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	23,865	19,945	34,523	20,329	20,329	20,329	20,329	20,329	20,329
Operating Expenses	5020002	6,047	26,632	26,632	26,632	26,632	26,632	26,632	26,632	26,632
Conference & Travel Expenses	5050009	830	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089
Professional Fees	5060010	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
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		93,515	162,506	218,168	163,597	163,597	163,597	163,597	163,597	163,597
Funding Sources										
Fund Balance	4000005	404,301	428,045		400,539	400,539	400,539	371,942	371,942	371,942
Special Revenue	4000030	117,259	135,000		135,000	135,000	135,000	135,000	135,000	135,000
Total Funding		521,560	563,045		535,539	535,539	535,539	506,942	506,942	506,942
Excess Appropriation/(Funding)		(428,045)	(400,539)		(371,942)	(371,942)	(371,942)	(343,345)	(343,345)	(343,345)
Grand Total		93,515	162,506		163,597	163,597	163,597	163,597	163,597	163,597

Analysis of Budget Request

Appropriation: 2TS - Land Reclamation

Funding Sources: TLR - Land Reclamation Fund

The Agency utilizes this appropriation for Reclamation Projects, which would be funded by bond forfeitures on non-coal activities, such as sand and gravel (A.C.A. §15-57-319). Bonds are required on land to be mined in the event the land is not reclaimed to the specifications of the Department of Environmental Quality.

The Agency Request is for Base Level of $950,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TS - Land Reclamation
Funding Sources: TLR - Land Reclamation Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Reclamation Contracts 5900043	99,509	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Total	99,509	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Funding Sources									
Bond Forfeitures 4000120	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Total Funding	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000

Analysis of Budget Request

Appropriation: 2TT - Hazardous Waste Permit Program

Funding Sources: SHW - Hazardous Waste Permit Fund

This appropriation is used to operate the Hazardous Waste Permit Program. Fees were established to recover the costs of processing permit applications and permit renewal proceedings; on-site inspections and monitoring; the certification of personnel to operate hazardous waste treatment, storage, or disposal facilities; and other departmental activities to assure that generators of hazardous waste and facilities are complying with current law (A.C.A.§19-6-434).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level is $1,466,269 in FY16 and $1,466,306 in FY17.

The Agency's Change Level request is $20,000 in Capital Outlay each year to purchase replacement vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TT - Hazardous Waste Permit Program

Funding Sources: SHW - Hazardous Waste Permit Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	810,360	857,976	1,004,776	867,175	867,175	867,175	867,200	867,200	867,200
#Positions		**18**	**17**	**17**	**17**	**17**	**17**	**17**	**17**	**17**
Extra Help	5010001	0	15,795	15,795	15,795	15,795	15,795	15,795	15,795	15,795
#Extra Help		**0**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	277,542	279,584	324,868	284,045	284,045	284,045	284,057	284,057	284,057
Overtime	5010006	0	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Operating Expenses	5020002	157,062	197,304	197,304	197,304	197,304	197,304	197,304	197,304	197,304
Conference & Travel Expenses	5050009	4,345	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Professional Fees	5060010	0	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	20,000	20,000	0	20,000	20,000
Total		1,249,309	1,452,609	1,644,693	1,466,269	1,486,269	1,486,269	1,466,306	1,486,306	1,486,306
Funding Sources										
Fund Balance	4000005	4,144,667	4,011,754		3,794,145	3,794,145	3,794,145	3,582,876	3,562,876	3,562,876
Special Revenue	4000030	962,346	1,100,000		1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
Other	4000370	154,050	135,000		135,000	135,000	135,000	135,000	135,000	135,000
Total Funding		5,261,063	5,246,754		5,049,145	5,049,145	5,049,145	4,837,876	4,817,876	4,817,876
Excess Appropriation/(Funding)		(4,011,754)	(3,794,145)		(3,582,876)	(3,562,876)	(3,562,876)	(3,371,570)	(3,331,570)	(3,331,570)
Grand Total		1,249,309	1,452,609		1,466,269	1,486,269	1,486,269	1,466,306	1,486,306	1,486,306

Change Level by Appropriation

Appropriation: 2TT - Hazardous Waste Permit Program
Funding Sources: SHW - Hazardous Waste Permit Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,466,269**	**17**	**1,466,269**	**100.0**	**1,466,306**	**17**	**1,466,306**	**100.0**
C01	Existing Program	20,000	0	1,486,269	101.4	20,000	0	1,486,306	101.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,466,269**	**17**	**1,466,269**	**100.0**	**1,466,306**	**17**	**1,466,306**	**100.0**
C01	Existing Program	20,000	0	1,486,269	101.4	20,000	0	1,486,306	101.4

Justification	
C01	The Hazardous Waste Division requests $20,000 of capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide.

Analysis of Budget Request

Appropriation: 2TU - Reclamation of Abandoned Mines - State

Funding Sources: MAE - Abandoned Mine Reclamation Fund

The Agency utilizes this appropriation for bond forfeitures on coal or lignite mined lands. When mine land in Arkansas is cut for coal or lignite, a bond must be put up in the amount agreed upon by the Agency for reclamation of the area. In the event reclamation efforts fail, the bond is forfeited and the Agency is responsible for contracting for the reclamation work. The Mining Reclamation Fund may only be used to accomplish reclamation of land covered by forfeitures of performance bonds.

The Agency Request is for Base Level of $5,700,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TU - Reclamation of Abandoned Mines - State
Funding Sources: MAE - Abandoned Mine Reclamation Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Abandoned Mine Reclamation Cc 5900043	1,259,304	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Total	1,259,304	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Funding Sources									
Federal Revenue 4000020	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Total Funding	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000

Analysis of Budget Request

Appropriation: 2TV - Surface Coal Mining

Funding Sources: MAF - Surface Coal Mining Operation Fund

The Agency utilizes this appropriation to administer and enforce the Arkansas Surface Coal Mining Reclamation Code. Pursuant to A.C.A. § 15-58-508, permit fees collected from coal and lignite-mining operations fund the appropriation.

The Agency Request is for Base Level of $15,000 for each year in the 2015-17 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TV - Surface Coal Mining
Funding Sources: MAF - Surface Coal Mining Operation Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
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		0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Funding Sources										
Fund Balance	4000005	72,602	82,777		74,777	74,777	74,777	68,277	68,277	68,277
Other	4000370	10,175	7,000		8,500	8,500	8,500	8,500	8,500	8,500
Total Funding		82,777	89,777		83,277	83,277	83,277	76,777	76,777	76,777
Excess Appropriation/(Funding)		(82,777)	(74,777)		(68,277)	(68,277)	(68,277)	(61,777)	(61,777)	(61,777)
Grand Total		0	15,000		15,000	15,000	15,000	15,000	15,000	15,000

Analysis of Budget Request

Appropriation: 2TW - Mining Reclamation

Funding Sources: TMA - Mine Reclamation Trust Fund

The Agency utilizes this appropriation for bond forfeitures on coal or lignite mined lands. When mine land in Arkansas is cut for coal or lignite, a bond must be put up in the amount agreed upon by the Agency for reclamation of the area. In the event reclamation efforts fail, the bond is forfeited and the Agency is responsible for contracting for the reclamation work. The Mining Reclamation Fund may only be used to accomplish reclamation of land covered by forfeitures of performance bonds.

The Agency Request is for Base Level of $1,520,000 each year in the 2015-17 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TW - Mining Reclamation
Funding Sources: TMA - Mine Reclamation Trust Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Mining Reclamation Contractual S 5900043	33,540	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total	33,540	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Funding Sources									
Federal Revenue 4000020	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total Funding	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000

Analysis of Budget Request

Appropriation: 2TX - Fee Administration

Funding Sources: TPE - ADEQ Fee Trust Fund

Act 817 of 1983 (A.C.A. §8-1-103), as amended, authorized the Agency to establish and collect permit fees for Air, Water, and Solid Waste permitting, monitoring and inspecting activities. During the 79th General Assembly, various limits on permits were included, with the Agency revising the rate structures. The fees, as established by the Agency in accordance with stipulations set out in the Act, were increased effective in October of 1993. Further, the Federal Clean Air Act has required a permit fee system to cover the costs of compliance with this law.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request includes Base Level appropriation of $13,887,156 in FY16, $13,892,551 in FY17, and Change Level requests as follows:

- Reallocation of $141,000 from Operating Expenses to Professional and Administrative Services in order to fund a contract with the University of Arkansas Agriculture Extension Service.
- Professional Fees increase of $61,000 in FY16 and $25,000 in FY17 to help fund a contract with the University of Arkansas Agriculture Extension Service.
- Capital Outlay increase of $160,000 in FY16 and $130,000 in FY17 for the purchase of three (3) new i3200 scanners, three (3) new A3 flatbed scanners and accompanying software and support, one (1) Forward Looking Infrared (FLIR) camera and accessories, and the replacement of aging or irreparable equipment. This request is contingent upon the agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TX - Fee Administration

Funding Sources: TPE - ADEQ Fee Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	7,223,740	7,712,752	7,804,779	7,721,501	7,721,501	7,721,501	7,725,901	7,725,901	7,725,901
#Positions		**171**	**177**	**177**	**177**	**177**	**177**	**177**	**177**	**177**
Extra Help	5010001	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
#Extra Help		**0**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	2,483,032	2,630,875	2,596,895	2,646,577	2,646,577	2,646,577	2,647,572	2,647,572	2,647,572
Operating Expenses	5020002	847,215	1,448,170	1,698,170	1,448,170	1,307,170	1,307,170	1,448,170	1,307,170	1,307,170
Conference & Travel Expenses	5050009	28,569	152,389	152,389	152,389	152,389	152,389	152,389	152,389	152,389
Professional Fees	5060010	51,893	823,519	1,573,519	823,519	1,025,519	1,025,519	823,519	989,519	989,519
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	1,312,471	1,075,000	1,075,000	1,050,000	1,210,000	1,210,000	1,050,000	1,180,000	1,180,000
Total		11,946,920	13,887,705	14,945,752	13,887,156	14,108,156	14,108,156	13,892,551	14,047,551	14,047,551
Funding Sources										
Fund Balance	4000005	15,167,172	14,935,969		17,098,264	17,098,264	17,098,264	17,282,108	17,061,108	17,061,108
Special Revenue	4000030	11,715,717	16,050,000		14,071,000	14,071,000	14,071,000	14,005,000	14,005,000	14,005,000
Total Funding		26,882,889	30,985,969		31,169,264	31,169,264	31,169,264	31,287,108	31,066,108	31,066,108
Excess Appropriation/(Funding)		(14,935,969)	(17,098,264)		(17,282,108)	(17,061,108)	(17,061,108)	(17,394,557)	(17,018,557)	(17,018,557)
Grand Total		11,946,920	13,887,705		13,887,156	14,108,156	14,108,156	13,892,551	14,047,551	14,047,551

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Capital Outlay in the amount of $1,050,000 is included in Base Level to provide for the Agency's capital lease.

Change Level by Appropriation

Appropriation: 2TX - Fee Administration
Funding Sources: TPE - ADEQ Fee Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**13,887,156**	**177**	**13,887,156**	**100.0**	**13,892,551**	**177**	**13,892,551**	**100.0**
C01	Existing Program	191,000	0	14,078,156	101.4	155,000	0	14,047,551	101.1
C04	Reallocation	0	0	14,078,156	101.4	0	0	14,047,551	101.1
C08	Technology	30,000	0	14,108,156	101.6	0	0	14,047,551	101.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**13,887,156**	**177**	**13,887,156**	**100.0**	**13,892,551**	**177**	**13,892,551**	**100.0**
C01	Existing Program	191,000	0	14,078,156	101.4	155,000	0	14,047,551	101.1
C04	Reallocation	0	0	14,078,156	101.4	0	0	14,047,551	101.1
C08	Technology	30,000	0	14,108,156	101.6	0	0	14,047,551	101.1

Justification	
C01	The Air Division is requesting $61,000 for FY2016 and $25,000 for FY2017 in appropriation for Professional and Administrative Fees to help fund a contract with the U of A Agriculture extension service. The Air Division also requests $110,000 in Capital Appropriation each year to purchase a FLIR (Forward Looking Infrared) camera and accessories. Many areas of the state face being classified as Non-Attainment under the revised National Ambient Air Quality Standard for Ozone which was finalized in August 2010. This device provides rapid non-intrusive inspection capabilities of equipment and processes emitting Volatile Organic Compounds (VOCs). Imaging capabilities of this instrument provide visual evidence of emission leaks/releases that are otherwise invisible to the naked eye and enables the tracking of a leak directly to the source. It also provides the capability to verify that leaks have been repaired.The Water Division is requesting $20,000 in Capital Outlay ADEQ Permit Fees (2TX) appropriation each year to replace equipment as it becomes inoperable, i.e., samplers, multi-probe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as much as possible before it is replaced.
C04	The Air Division is requesting to reallocate $141,000 from Operating Expenses to Professional Fees to fund a contract for Arkansas Agriculture Extension Service.
C08	The Records Management Section is requesting $30,000 in Capital Outlay appropriation for 2016 only. The Record Management Section scans all of the Agency's documents as electronic records and makes them available to the public for transparency. The current scanners are over eight years old and their scan drivers are no longer supported by Microsoft. The appropriation will allow for the puchase of three (3) new i3200 scanners, 3 new A3 flatbed scanners, and the the necessary software and support.

Analysis of Budget Request

Appropriation: 2TY - Solid Waste Performance Bonds

Funding Sources: MWP - Solid Waste Performance Bond Fund

The Agency utilizes this appropriation for payment to contractors for the proper closure of solid waste facilities. If a city, county, or individual in Arkansas were to open a landfill, a performance bond would be put up to insure proper closure of the site once it is complete; however, if the site does not meet requirements of the Pollution Control and Ecology Commission the bond is forfeited and the Agency contracts the remediation work.

The Agency Request is for Base Level of $3,000,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TY - Solid Waste Performance Bonds
Funding Sources: MWP - Solid Waste Performance Bond Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Solid Waste Performance Bonds 5900043	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funding Sources									
Bond Forfeitures 4000120	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Funding	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Analysis of Budget Request

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

The Hazardous Substance Remedial Action Trust Fund was established by Act 479 of 1985 (A.C.A. §8-7-509). Funding is derived from fees, donations, damages, and any other monies legally designated for the fund. The Agency utilizes this appropriation for administrative costs and expenses of providing for inspection, identification, containment, abatement, treatment, and control of hazardous substance sites. In addition, ten percent (10%) of the monies collected for the Hazardous Substance Remedial Action Trust Fund are deposited into the Environmental Education Fund up to $275,000 per fiscal year. This appropriation contains $4,000,000 of unfunded contingency appropriation that is utilized when necessary and funded for corrective actions.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of $7,615,191 in each year of the 2015-2017 Biennium, the Agency's Change Level request reflects:

- Reallocate Operating Expenses from Fund Center 2UA to consolidate cost centers and make budgetary tracking easier.
- Reallocate Conference Fees and Travel of $2,000 from Fund Center 2UA to consolidate cost centers and make budgetary tracking easier.
- Capital Outlay of $470,000 in FY16 and $515,000 in FY17 of appropriation to replace aging laboratory and information technology equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	119,189	131,864	134,272	209,256	209,256	209,256	209,256	209,256	209,256
#Positions		**3**	**5**	**3**	**5**	**5**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	41,614	44,641	44,487	72,680	72,680	72,680	72,680	72,680	72,680
Operating Expenses	5020002	37,419	401,358	401,358	401,358	405,191	405,191	401,358	405,191	405,191
Conference & Travel Expenses	5050009	0	33,960	33,960	33,960	35,960	35,960	33,960	35,960	35,960
Professional Fees	5060010	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	101,321	450,000	450,000	0	470,000	470,000	0	515,000	515,000
Contractual Services	5900043	287,508	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000
Data Processing Purchases	5900044	93,989	453,937	453,937	453,937	453,937	453,937	453,937	453,937	453,937
Total		681,040	7,959,760	7,962,014	7,615,191	8,091,024	8,091,024	7,615,191	8,136,024	8,136,024
Funding Sources										
Fund Balance	4000005	8,808,568	9,026,316		1,274,156	1,274,156	1,274,156	0	0	0
Trust Fund	4000050	898,788	207,600		980,833	980,833	980,833	1,025,833	1,025,833	1,025,833
Total Funding		9,707,356	9,233,916		2,254,989	2,254,989	2,254,989	1,025,833	1,025,833	1,025,833
Excess Appropriation/(Funding)		(9,026,316)	(1,274,156)		5,360,202	5,836,035	5,836,035	6,589,358	7,110,191	7,110,191
Grand Total		681,040	7,959,760		7,615,191	8,091,024	8,091,024	7,615,191	8,136,024	8,136,024

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

Change Level by Appropriation

Appropriation: 2TZ - Hazardous Waste Cleanup
Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,615,191**	**5**	**7,615,191**	**100.0**	**7,615,191**	**5**	**7,615,191**	**100.0**
C01	Existing Program	390,000	0	8,005,191	105.1	435,000	0	8,050,191	105.7
C04	Reallocation	5,833	0	8,011,024	105.2	5,833	0	8,056,024	105.8
C08	Technology	80,000	0	8,091,024	106.2	80,000	0	8,136,024	106.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,615,191**	**5**	**7,615,191**	**100.0**	**7,615,191**	**5**	**7,615,191**	**100.0**
C01	Existing Program	390,000	0	8,005,191	105.1	435,000	0	8,050,191	105.7
C04	Reallocation	5,833	0	8,011,024	105.2	5,833	0	8,056,024	105.8
C08	Technology	80,000	0	8,091,024	106.2	80,000	0	8,136,024	106.8

Justification	
C01	The Technical Services division of the ADEQ is requesting $ 390,000 and $ 435,000 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging laboratory equipment used for environmental testing. FY16 equipment includes a gas chromatograph/mass spectrometer, inductively coupled plasma/mass spectrophotometer, gas chromatograph/ EC+FID, analytical balances, mercury analyzer. FY17 equipment needs will include a volatiles gas chromatograph/mass spectrometer, Solid Phase Extraction apparatus, automated nutrients analyzer, microwave digester and an ion chromatograph.
C04	The Hazardous Waste Division requests to reallocate $5,833 in appropriation for their Emergency Response Program from 2UA to 2TZ. This move is designed to consolidate their activity into fewer cost centers to make their budgetary tracking easier.
C08	The Computer Services Division is requesting capital outlay appropriation from (2TZ) trust funds in the amount of $80,000 for each fiscal year. The equipment purchased will allow for replacement of aging servers and the backup and archival system.

Analysis of Budget Request

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

This appropriation was created by Act 452 of 1985 (A.C.A. §8-7-401) in order to give spending authorization to the Emergency Response Program. Act 1824 of 2005 repealed A.C.A. §8-7-401 and provided for funds collected as civil penalties to be deposited in the Hazardous Substance Remedial Action Trust Fund (A.C.A. §8-4-103), and provided for the Emergency Response Program to be funded from the Hazardous Substance Remedial Action Trust. Funds are used for the purchase/reimbursement of any commodities and/or services necessary in taking emergency response actions in connection with a release or a threatened release of hazardous substances. Further, the Director is not authorized to spend in excess of $250,000 on any single response action without the Pollution Control & Ecology Commission approval.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $378,488 in each year of the 2015-17 Biennium with reallocations of $3,833 from Operating Expenses and $2,000 from Conference and Travel Expenses to Fund Center 2TZ to consolidate cost centers and make budgetary tracking easier.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	40,414	73,875	91,125	0	0	0	0	0	0
#Positions		**1**	**1**	**2**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	19,026	26,580	30,014	0	0	0	0	0	0
Operating Expenses	5020002	1,707	3,833	3,833	3,833	0	0	3,833	0	0
Conference & Travel Expenses	5050009	0	2,000	2,000	2,000	0	0	2,000	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
Contractual Services	5900043	5,862	372,655	372,655	372,655	372,655	372,655	372,655	372,655	372,655
Total		67,009	478,943	499,627	378,488	372,655	372,655	378,488	372,655	372,655
Funding Sources										
Trust Fund	4000050	67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655
Total Funding		67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655

Change Level by Appropriation

Appropriation: 2UA - Emergency Response Program
Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**378,488**	**0**	**378,488**	**100.0**	**378,488**	**0**	**378,488**	**100.0**
C04	Reallocation	(5,833)	0	372,655	98.5	(5,833)	0	372,655	98.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**378,488**	**0**	**378,488**	**100.0**	**378,488**	**0**	**378,488**	**100.0**
C04	Reallocation	(5,833)	0	372,655	98.5	(5,833)	0	372,655	98.5

Justification	
C04	The Hazardous Waste Division requests to reallocate $5,833 in appropriation for their Emergency Response Program from 2UA to 2TZ. This move is designed to consolidate their activity into fewer cost centers to make their budgetary tracking easier.

Analysis of Budget Request

Appropriation: 2UB - Asbestos Control Program

Funding Sources: SAC - Asbestos Control Fund

The Asbestos Control Program utilizes this appropriation to provide spending authority for responsibilities placed on the Agency through Act 394 of 1985 (A.C.A. §20-27-1001). This Act called for the Agency to adopt, administer, and enforce a program for licensing contractors engaged in the removal of asbestos materials from facilities. Pursuant to A.C.A. §19-6-452, funding is derived from an annual contractor's license fee of $500 and a fee of $35 for asbestos removal workers to cover program costs.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $491,449 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UB - Asbestos Control Program

Funding Sources: SAC - Asbestos Control Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	151,619	160,938	169,464	224,192	224,192	224,192	224,192	224,192	224,192
#Positions		**4**	**6**	**6**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	54,283	56,642	57,200	81,615	81,615	81,615	81,615	81,615	81,615
Operating Expenses	5020002	7,543	29,452	29,452	29,452	29,452	29,452	29,452	29,452	29,452
Conference & Travel Expenses	5050009	1,097	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
Professional Fees	5060010	425	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		364,967	403,222	412,306	491,449	491,449	491,449	491,449	491,449	491,449
Funding Sources										
Fund Balance	4000005	1,674,048	1,587,410		1,454,188	1,454,188	1,454,188	1,232,739	1,232,739	1,232,739
Special Revenue	4000030	278,329	270,000		270,000	270,000	270,000	270,000	270,000	270,000
Total Funding		1,952,377	1,857,410		1,724,188	1,724,188	1,724,188	1,502,739	1,502,739	1,502,739
Excess Appropriation/(Funding)		(1,587,410)	(1,454,188)		(1,232,739)	(1,232,739)	(1,232,739)	(1,011,290)	(1,011,290)	(1,011,290)
Grand Total		364,967	403,222		491,449	491,449	491,449	491,449	491,449	491,449

Analysis of Budget Request

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog

Funding Sources: TWS - Solid Waste Management Recycling Fund

Act 849 of 1989 (A.C.A. §8-6-605) established a Solid Waste Management and Recycling Fund to assist counties, cities, and solid waste authorities in the development of solid waste management plans, programs, and facilities that integrate recycling as a functional part of the solid waste management system. During the 79th General Assembly, additional legislation was adopted strengthening the recycling aspect of solid waste management. Funding is derived from landfill disposal fees collected pursuant to legislative enactments.

This appropriation contains unfunded contingency appropriation for Electronic Waste Recycling Infrastructure. Pursuant to A.C.A. §8-6-614, funding is derived from landfill disposal fees.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of $8,500,671 in FY16 and $8,501,653 in FY17, the Agency requests $25,000 in Capital Outlay for the purchase of replacement vehicles. The Agency also requests $4,650,000 to be reallocated from Grants and Aid to Refunds/Reimbursements to comply with Act 1333 of 2013 that changed program disbursements to "distributions" from "grants."

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog

Funding Sources: TWS - Solid Waste Management Recycling Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	885,117	895,984	902,298	904,031	904,031	904,031	904,831	904,831	904,831
#Positions		**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**
Personal Services Matching	5010003	298,515	299,960	296,966	304,443	304,443	304,443	304,625	304,625	304,625
Operating Expenses	5020002	97,152	126,529	126,529	126,529	126,529	126,529	126,529	126,529	126,529
Conference & Travel Expenses	5050009	1,694	15,668	15,668	15,668	15,668	15,668	15,668	15,668	15,668
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,523,048	4,650,000	4,650,000	4,650,000	0	0	4,650,000	0	0
Refunds/Reimbursements	5110014	0	0	0	0	4,650,000	4,650,000	0	4,650,000	4,650,000
Capital Outlay	5120011	19,128	20,000	20,000	0	25,000	25,000	0	25,000	25,000
Electronic Waste Recycling Infra	5900046	2,430,682	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total		7,255,336	8,508,141	8,511,461	8,500,671	8,525,671	8,525,671	8,501,653	8,526,653	8,526,653
Funding Sources										
Fund Balance	4000005	15,510,790	15,934,817		15,376,676	15,376,676	15,376,676	14,826,005	14,801,005	14,801,005
Special Revenue	4000030	7,679,363	7,950,000		7,950,000	7,950,000	7,950,000	7,950,000	7,950,000	7,950,000
Total Funding		23,190,153	23,884,817		23,326,676	23,326,676	23,326,676	22,776,005	22,751,005	22,751,005
Excess Appropriation/(Funding)		(15,934,817)	(15,376,676)		(14,826,005)	(14,801,005)	(14,801,005)	(14,274,352)	(14,224,352)	(14,224,352)
Grand Total		7,255,336	8,508,141		8,500,671	8,525,671	8,525,671	8,501,653	8,526,653	8,526,653

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog
Funding Sources: TWS - Solid Waste Management Recycling Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**8,500,671**	**20**	**8,500,671**	**100.0**	**8,501,653**	**20**	**8,501,653**	**100.0**
C01	Existing Program	25,000	0	8,525,671	100.3	25,000	0	8,526,653	100.3
C04	Reallocation	0	0	8,525,671	100.3	0	0	8,526,653	100.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**8,500,671**	**20**	**8,500,671**	**100.0**	**8,501,653**	**20**	**8,501,653**	**100.0**
C01	Existing Program	25,000	0	8,525,671	100.3	25,000	0	8,526,653	100.3
C04	Reallocation	0	0	8,525,671	100.3	0	0	8,526,653	100.3

Justification	
C01	The Solid Waste Division requests $25,000 capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide.
C04	The Solid Waste Division requests to reallocate $4,650,000 in Grants and Aid appropriation to Other Refunds to comply with Act 1333 that changed the language of the programs disbursements to "distributions" from "grants".

Analysis of Budget Request

Appropriation: 2UD - Reg. Substance Storage Tank

Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

Acts 172 and 173 of 1989, as amended, designated the Department of Environmental Quality as the implementing agency for the Regulated Storage Tank Program. Pursuant to A.C.A. §8-7-808, this appropriation is funded by fees collected from the annual registration of underground and above ground storage tanks and from the licensure of installers of storage tanks.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $957,569 in FY16 and $957,691 in FY17.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UD - Reg. Substance Storage Tank

Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	580,195	629,609	634,677	648,515	648,515	648,515	648,615	648,615	648,615
#Positions		**15**	**17**	**17**	**17**	**17**	**17**	**17**	**17**	**17**
Personal Services Matching	5010003	205,198	223,851	219,237	232,921	232,921	232,921	232,943	232,943	232,943
Operating Expenses	5020002	50,978	71,128	71,128	71,128	71,128	71,128	71,128	71,128	71,128
Conference & Travel Expenses	5050009	317	5,005	5,005	5,005	5,005	5,005	5,005	5,005	5,005
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		836,688	929,593	930,047	957,569	957,569	957,569	957,691	957,691	957,691
Funding Sources										
Fund Balance	4000005	1,575,325	1,776,186		1,061,593	1,061,593	1,061,593	504,024	504,024	504,024
Special Revenue	4000030	1,037,549	215,000		400,000	400,000	400,000	400,000	400,000	400,000
Total Funding		2,612,874	1,991,186		1,461,593	1,461,593	1,461,593	904,024	904,024	904,024
Excess Appropriation/(Funding)		(1,776,186)	(1,061,593)		(504,024)	(504,024)	(504,024)	53,667	53,667	53,667
Grand Total		836,688	929,593		957,569	957,569	957,569	957,691	957,691	957,691

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 2UE - Petroleum Storage Tank Trust

Funding Sources: TPT - Petroleum Storage Tank Trust Fund

The Petroleum Storage Tank Trust Fund was established by Act 173 of 1989, as amended (A.C.A. §8-7-901). This fund provides a procedure for reimbursement of remediation costs or damages as a result of leaking tanks. Funding for the program is derived from an environmental assurance fee which is assessed at a rate not to exceed three-tenths of one cent for each gallon of motor fuel or distillate special fuel purchased or imported into Arkansas (A.C.A. §8-7-906). The environmental assurance fee is paid by the first distributor or supplier receiving fuel from a terminal in Arkansas, or if the fuel will never be stored in a terminal in this State, then by the distributor or supplier who first imports the fuel into the State by truck.

The Agency utilizes this appropriation to pay reimbursements to owner operators for taking corrective action or to pay third parties for compensatory damages caused by accidental releases from qualified storage tanks, and to pay reasonable and necessary costs and expenses of the department for taking corrective action caused by accidental releases from a storage tank of unknown ownership or when corrective action is not taken by the owner or operator in a timely manner.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency Request is for Base Level of $21,817,788 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UE - Petroleum Storage Tank Trust

Funding Sources: TPT - Petroleum Storage Tank Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	213,721	208,924	215,103	238,364	238,364	238,364	238,364	238,364	238,364
#Positions		**4**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	67,455	66,692	66,984	76,463	76,463	76,463	76,463	76,463	76,463
Operating Expenses	5020002	5,183,793	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800
Conference & Travel Expenses	5050009	0	3,005	3,005	3,005	3,005	3,005	3,005	3,005	3,005
Professional Fees	5060010	335,956	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156
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		5,800,925	21,778,577	21,785,048	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788
Funding Sources										
Fund Balance	4000005	20,130,114	21,634,472		6,505,895	6,505,895	6,505,895	0	0	0
Other	4000370	7,305,283	6,650,000		6,650,000	6,650,000	6,650,000	6,650,000	6,650,000	6,650,000
Total Funding		27,435,397	28,284,472		13,155,895	13,155,895	13,155,895	6,650,000	6,650,000	6,650,000
Excess Appropriation/(Funding)		(21,634,472)	(6,505,895)		8,661,893	8,661,893	8,661,893	15,167,788	15,167,788	15,167,788
Grand Total		5,800,925	21,778,577		21,817,788	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788

Analysis of Budget Request

Appropriation: 2UF - Regulated Storage Tank Program

Funding Sources: FYP - Federal Funds

Acts 172 and 173 of 1989 created the Regulated Storage Tank Program and placed the responsibilities of the program under the direction of the Department of Environmental Quality. The Agency utilizes this appropriation for contractual services on corrective actions with federal funding derived from the Environmental Protection Agency. This funding requires a 90/10 federal/state match ratio.

The Agency Request is for Base Level of $3,925,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UF - Regulated Storage Tank Program
Funding Sources: FYP - Federal Funds

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regulated Storage Tank & Contr 5900043	304,441	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total	304,441	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Funding Sources									
Federal Revenue 4000020	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total Funding	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000

Analysis of Budget Request

Appropriation: 2UG - Landfill Post Closure Program

Funding Sources: TLP - Landfill Post Closure Trust Fund

The Landfill Post-Closure Program was created by Act 747 of 1991 (A.C.A. §8-6-1001) to address corrective actions, which may be necessary to properly clean up a previously closed landfill, so that no harm is caused to the public health or the environment. Funding is derived from landfill disposal fees and transportation fees, as well as fees imposed on solid waste generated in the State but not disposed of in a solid waste facility within the State.

Pursuant to Act 938 of 1997 (A.C.A. §8-6-1002), funding for all programs is capped at $25,000,000, with no additional funds collected for the Landfill Post Closure Trust Fund once this level is reached; however, collections are reinstated once the fund diminishes to $15,000,000. In addition, for administrative purposes, the Agency may utilize these funds at a level not exceeding $300,000 annually, with an annual escalator not exceeding 3%. During FY09 the fund balance was capped at $25,000,000; therefore, no additional funds will be collected for the Landfill Post Closure Trust Fund until the fund balance diminishes to $15,000,000. Current funding is derived from interest earned on the monies in the Landfill Post Closure Trust Fund.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level amount of $7,790,306 in both years of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UG - Landfill Post Closure Program
Funding Sources: TLP - Landfill Post Closure Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	287,161	241,834	280,072	244,192	244,192	244,192	244,192	244,192	244,192
#Positions		**5**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	89,626	74,725	86,609	75,818	75,818	75,818	75,818	75,818	75,818
Operating Expenses	5020002	0	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923
Conference & Travel Expenses	5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
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
Contractual Services	5900043	152,694	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373
Total		529,481	7,786,855	7,836,977	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306
Funding Sources										
Fund Balance	4000005	22,958,309	22,473,460		14,736,605	14,736,605	14,736,605	6,996,299	6,996,299	6,996,299
Interest	4000300	44,632	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		23,002,941	22,523,460		14,786,605	14,786,605	14,786,605	7,046,299	7,046,299	7,046,299
Excess Appropriation/(Funding)		(22,473,460)	(14,736,605)		(6,996,299)	(6,996,299)	(6,996,299)	744,007	744,007	744,007
Grand Total		529,481	7,786,855		7,790,306	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306

Analysis of Budget Request

Appropriation: 2UH - Waste Tire Recycling Program

Funding Sources: TTG - Waste Tire Grant Fund

The Waste Tire Recycling Program was created by Act 749 of 1991, as amended by Act 1292 of 1997 (A.C.A. §8-9-404). Funding for this program is derived from a fee imposed on the sale of each automobile and truck tire sold at retail at a rate of $2.00 per tire, and an additional $3.00 per truck tire. The fee imposed, less 5% retained by the tire retailer is used for grants to the State's regional solid waste districts. Of the total funds collected, 8% is transferred to the Agency's Permit Fee Fund for administrative program support. In addition to the fee imposed on new tires, a $1.00 fee is imposed on all waste tires imported into Arkansas.

This appropriation is used to disburse Tire Recycling Grant Funds to the Regional Solid Waste Management Districts and contains unfunded contingency appropriation in the amount of $1,000,000 that is disbursed when funds are available.

The Agency Request is for Base Level of $6,425,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UH - Waste Tire Recycling Program
Funding Sources: TTG - Waste Tire Grant Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	5,063,154	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000
Total		5,063,154	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000
Funding Sources										
Fund Balance	4000005	1,436,265	1,271,815		0	0	0	0	0	0
Special Revenue	4000030	4,898,704	5,153,185		5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000
Total Funding		6,334,969	6,425,000		5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000
Excess Appropriation/(Funding)		(1,271,815)	0		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Grand Total		5,063,154	6,425,000		6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000

Analysis of Budget Request

Appropriation: 2UJ - St Mktg Brd for Recyclables Prog

Funding Sources: SMB - State Marketing Board Fund

The State Marketing Board for Recyclables Program was created by the 78th General Assembly through Act 749 of 1991 (A.C.A. §8-9-201 and §8-6-607). The Board's responsibilities includes development of a program coordinating all existing marketing programs for recyclables as well as an overall marketing plan for Arkansas recyclables; establishment of an inventory of markets for recyclables in Arkansas and surrounding states with maintenance of current market prices and trends; working with new and existing industries to encourage the use of recyclables in the manufacturing processes; and advising and assisting of state and local officials in all areas of recyclables marketing.

Act 755 of 1991 (A.C.A. §8-6-607), as amended, provides the Board's funding from 25% of the disposal fees collected from landfills where a private industry bears the expense of operating and maintaining the landfill solely for the disposal of wastes generated by the industry. The remaining 75% of the disposal fees, which fund the Solid Waste Management and Recycling Program, are found in appropriation (2UC) Solid Waste Management Recycling Program .

The Base Level request for Regular Salaries reflects board member Stipend payments and corresponding Personal Services Matching.

The Agency Request is for Base Level of $28,876 for each year in the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UJ - St Mktg Brd for Recyclables Prog

Funding Sources: SMB - State Marketing Board Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	660	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
#Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	50	115	115	115	115	115	115	115	115
Operating Expenses	5020002	6,230	13,846	13,846	13,846	13,846	13,846	13,846	13,846	13,846
Conference & Travel Expenses	5050009	1,004	6,415	6,415	6,415	6,415	6,415	6,415	6,415	6,415
Professional Fees	5060010	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
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		7,944	28,876	28,876	28,876	28,876	28,876	28,876	28,876	28,876
Funding Sources										
Fund Balance	4000005	212,579	225,558		221,682	221,682	221,682	217,806	217,806	217,806
Special Revenue	4000030	20,923	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Total Funding		233,502	250,558		246,682	246,682	246,682	242,806	242,806	242,806
Excess Appropriation/(Funding)		(225,558)	(221,682)		(217,806)	(217,806)	(217,806)	(213,930)	(213,930)	(213,930)
Grand Total		7,944	28,876		28,876	28,876	28,876	28,876	28,876	28,876

Analysis of Budget Request

Appropriation: 2UK - Environmental Education Program

Funding Sources: MEE - Environmental Education Fund

The appropriation for the Environmental Education Program was created by the 78th General Assembly to provide environmental education materials and training. Funding is derived from 10% of the revenue collected for the Hazardous Substance Remedial Action Trust Fund up to $275,000 per fiscal year (A.C.A. §8-7-509(d)).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $272,976 in each year in the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UK - Environmental Education Program
Funding Sources: MEE - Environmental Education Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	51,829	50,830	50,830	51,329	51,329	51,329	51,329	51,329	51,329
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	16,679	16,439	16,174	16,686	16,686	16,686	16,686	16,686	16,686
Operating Expenses	5020002	78,466	152,961	152,961	152,961	152,961	152,961	152,961	152,961	152,961
Conference & Travel Expenses	5050009	5,321	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	35	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
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		152,330	272,230	271,965	272,976	272,976	272,976	272,976	272,976	272,976
Funding Sources										
Fund Balance	4000005	354,924	320,195		132,965	132,965	132,965	0	0	0
Other	4000370	117,601	85,000		85,000	85,000	85,000	85,000	85,000	85,000
Total Funding		472,525	405,195		217,965	217,965	217,965	85,000	85,000	85,000
Excess Appropriation/(Funding)		(320,195)	(132,965)		55,011	55,011	55,011	187,976	187,976	187,976
Grand Total		152,330	272,230		272,976	272,976	272,976	272,976	272,976	272,976

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 2UN - Small Business Loans

Funding Sources: TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81st General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. Funding for this program is derived from interest earnings and repayment streams of the small business loans. The personal services and operating expenses of the Small Business Revolving Loan Program are found in appropriation (2UP) Small Business Revolving Loan Program Expenses. The Agency utilizes this appropriation to issue small business loans.

The Agency Request is for Base Level of $550,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UN - Small Business Loans

Funding Sources: TBL - Small Business Revolving Loan Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Loans 5120029	0	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Total	0	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Funding Sources									
Loan Repayment 4000330	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000
Total Funding	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000

Analysis of Budget Request

Appropriation: 2UP - Sm Bus Revolving Loan Prog Exp

Funding Sources: TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81st General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. Funding for this program is derived from interest earned on the monies in Small Business Revolving Loan Fund. The loan expenses of the Small Business Revolving Loan Program are found in appropriation (2UN) Small Business Loans. This appropriation provides for the operating expenses of the Small Business Revolving Loan Program.

The Agency Request is for Base Level of $19,660 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UP - Sm Bus Revolving Loan Prog Exp

Funding Sources: TBL - Small Business Revolving Loan Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	1,004	11,010	11,010	11,010	11,010	11,010	11,010	11,010	11,010
Conference & Travel Expenses	5050009	0	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650
Professional Fees	5060010	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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		1,004	19,660	19,660	19,660	19,660	19,660	19,660	19,660	19,660
Funding Sources										
Interest	4000300	1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660
Total Funding		1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660

Analysis of Budget Request

Appropriation: 2UQ - Performance Partnership Syst Exp

Funding Sources: TPP - Performance Partnership Trust Fund

This appropriation was created by Act 1210 of 1999 (A.C.A. §19-5-1102) to provide for expenses of designing and establishing a management organization, utilizing the principles of the National Environmental Performance Partnership System advocated by the U.S. Environmental Protection Agency which integrates environmental indicators, management information, along with performance-based budgeting and accounting to measure Agency performance. The fund enables the Agency to examine infrastructure, develop integrated approaches to environmental management, and implement a multi-year redesign of the Agency's regulatory databases.

Initial funding was derived from fund transfers beginning in FY00 of $500,000 each fiscal year from the Landfill Post Closure Trust Fund. The transfers were authorized for five (5) years, with the cessation of the fund transfers occurring in FY04. Current funding is derived from interest earned on the monies in the Performance Partnership Trust Fund. This program will cease when the fund balance is depleted.

The Agency Request is for Base Level of $600,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UQ - Performance Partnership Syst Exp
Funding Sources: TPP - Performance Partnership Trust Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Performance Integrated Syst 5900046	17,585	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total	17,585	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Funding Sources									
Fund Balance 4000005	715,230	698,923		100,423	100,423	100,423	0	0	0
Interest 4000300	1,278	1,500		1,500	1,500	1,500	1,500	1,500	1,500
Total Funding	716,508	700,423		101,923	101,923	101,923	1,500	1,500	1,500
Excess Appropriation/(Funding)	(698,923)	(100,423)		498,077	498,077	498,077	598,500	598,500	598,500
Grand Total	17,585	600,000		600,000	600,000	600,000	600,000	600,000	600,000

Analysis of Budget Request

Appropriation: 2UR - Environmental Settlement Trust

Funding Sources: TET - ADEQ Environmental Settlement Trust Fund

The ADEQ Environmental Settlement Trust Fund was created by Act 1416 of 2001 (A.C.A. §19-5-1111) for expenses authorized through various settlement agreements benefiting the State of Arkansas as administered through the ADEQ. The fund consists of income received by the State of Arkansas pursuant to settlement agreements for environmental or natural resource damages, interest earnings, and other designated revenue.

The Agency Request is for Base Level of $750,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UR - Environmental Settlement Trust

Funding Sources: TET - ADEQ Environmental Settlement Trust Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Environmental Settlement Trust 5900046	71,992	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	71,992	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources									
Trust Fund 4000050	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000

Analysis of Budget Request

Appropriation: 2US - Computer/Electronic Recycling

Funding Sources: MER - Computer and Electronic Recycling Fund

The Computer and Electronic Recycling Fund was created by Act 1410 of 2001 (A.C.A. § 19-5-1217). This appropriation is used to promote market research and development grants to determine the most efficient process for collecting, transporting and processing various scrap electronic equipment. This appropriation is funded through Marketing and Redistribution proceeds from computer or electronic equipment sales throughout the state.

The Agency Request is for Base Level of $250,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2US - Computer/Electronic Recycling

Funding Sources: MER - Computer and Electronic Recycling Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Computer & Electronics Recyling	5900046	126,095	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total		126,095	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources										
Fund Balance	4000005	491,017	318,266		178,266	178,266	178,266	38,266	38,266	38,266
Inter-agency Fund Transfer	4000316	(157,334)	0		0	0	0	0	0	0
M & R Sales	4000340	110,678	110,000		110,000	110,000	110,000	110,000	110,000	110,000
Total Funding		444,361	428,266		288,266	288,266	288,266	148,266	148,266	148,266
Excess Appropriation/(Funding)		(318,266)	(178,266)		(38,266)	(38,266)	(38,266)	101,734	101,734	101,734
Grand Total		126,095	250,000		250,000	250,000	250,000	250,000	250,000	250,000

Analysis of Budget Request

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - ADEQ Fee Trust Fund

The Hearing Officer Division was created by Act 921 of 1993 (A.C.A. §8-1-203), which authorized the Pollution Control and Ecology Commission to hire a full-time, independent administrative hearing officer for the purposes of adjudicatory review of Agency decisions concerning permit issuance or revocation, and assessment of civil penalties. Act 1077 of 1993 provided appropriations for this Division payable from the Agency's Fee Fund. Funding for this appropriation is derived from special revenues transferred from the Agency's Fee Fund. (A.C.A §8-1-204)

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency requests Base Level of $285,970 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - ADEQ Fee Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	113,985	147,854	127,373	149,285	149,285	149,285	149,285	149,285	149,285
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	36,404	41,940	36,685	42,546	42,546	42,546	42,546	42,546	42,546
Operating Expenses	5020002	30,223	49,217	49,217	49,217	49,217	49,217	49,217	49,217	49,217
Conference & Travel Expenses	5050009	0	6,922	6,922	6,922	6,922	6,922	6,922	6,922	6,922
Professional Fees	5060010	6,656	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000
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		187,268	283,933	258,197	285,970	285,970	285,970	285,970	285,970	285,970
Funding Sources										
Special Revenue	4000030	187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970
Total Funding		187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970

FY15 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 36A - Fee Administration Non-Haz Clean Up

Funding Sources: TPE - ADEQ Fee Trust Fund

This appropriation was created by the 86th General Assembly in Act 1281 of 2007. This appropriation gives ADEQ the ability to cleanup non-hazardous sites which pose a threat to the environment of the State of Arkansas. The ADEQ Fee Trust Fund provides the funding for the appropriation; however, funding is restricted to interest earnings only from the ADEQ Fee Trust Fund.

The Agency Request is for Base Level of $100,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 36A - Fee Administration Non-Haz Clean Up
Funding Sources: TPE - ADEQ Fee Trust Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Contractual Services 5900043	0	100,000	750,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	750,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Trust Fund 4000050	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 467 - PCE Commission Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

The Pollution Control and Ecology Commission utilizes this appropriation for Commission training expenses and is funded by General Revenue.

Base Level is $3,977 each year of the 2015-17 Biennium. The Agency requests an increase of $500 in PC&E Commission Expenses for Commission member travel reimbursement.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 467 - PCE Commission Expenses
Funding Sources: HUA - Miscellaneous Agencies Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
PC&E Commission Expenses 5900046	3,936	3,977	3,977	3,977	4,477	4,477	3,977	4,477	4,477
Total	3,936	3,977	3,977	3,977	4,477	4,477	3,977	4,477	4,477
Funding Sources									
General Revenue 4000010	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477
Total Funding	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477

Change Level by Appropriation

Appropriation: 467 - PCE Commission Expenses
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,977**	**0**	**3,977**	**100.0**	**3,977**	**0**	**3,977**	**100.0**
C01	Existing Program	500	0	4,477	112.6	500	0	4,477	112.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,977**	**0**	**3,977**	**100.0**	**3,977**	**0**	**3,977**	**100.0**
C01	Existing Program	500	0	4,477	112.6	500	0	4,477	112.6

Justification	
C01	The PCE Commission requests a $500 increase in appropriation and funding due to the increase in Commissioner expenses. The Commission has members from across the State and this generates a substantial amount of expense for travel reimbursements over the course of the fiscal year.

Analysis of Budget Request

Appropriation: F72 - Performance Bond Fund

Funding Sources: TWB - Water Performance Bond Fund

The Water Performance Bond Fund was created pursuant to Act 402 of 2014 as a depositary trust fund for funds appropriated by the General Assembly, all forfeitures collected under A.C.A. 8-4-201 et seq., grants made by a person or the federal government, gifts and donations, and interest earned on the funds deposited into the fund for the enforcement of laws pertaining to domestic sewage treatment.

The Agency may use these funds to hire a third-party contractor to (1) take remedial action against parties not in compliance with domestic sewage treatment laws, (2) effect the closure of domestic sewage treatment works, (3) maintain and operate a nonmunicipal sewage treatment works, and (4) take any other action the Director of the Arkansas Department of Environmental Quality determines to be necessary to enforce sewage treatment standards set forth by law.

The Agency Request is for Base Level of $500,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F72 - Performance Bond Fund
Funding Sources: TWB - Water Performance Bond Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Non-Municipal Domestic Sewage 5900043	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Trust Fund 4000050	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000

ARKANSAS GEOLOGICAL SURVEY

Enabling Laws

Act 209 of 2014

A.C.A. §15-55-201, et seq.

Act 708 of 2013

A.C.A §17-32-201, et seq.

History and Organization

The first geologic surveys made from State-appropriated funds go back to 1857-60. A second survey was made from 1871-74. In 1881, the Geological Survey of Arkansas was established under the direction of Dr. John C. Branner and lasted until 1893. During this period, Herbert Clark Hoover, who later became President of the United States, assisted Dr. Branner. For the next 30 years, the Department of Geology conducted a few geologic surveys at the University of Arkansas. In 1923 the Geological Survey of Arkansas was once again established by Act 573 of 1923 under the direction of George C. Branner, the son of John Branner. In 1945, reorganization changed the agency name to the Arkansas Resources and Development Commission, Division of Geology, under the direction of Harold B. Foxhall.

From 1951 to 1995 Norman F. Williams was Director and State Geologist. Reorganization in 1955 established the agency as the Arkansas Geological and Conservation Commission. Act 16 of 1963 changed the name of the organization to the Arkansas Geological Commission. In 1995, William V. Bush became Director and State Geologist. In 2003, Mac B. Woodward was appointed Director and State Geologist. In January 2005 Bekki White was appointed Director and State Geologist. Act 129 of 2007 changed the agency name back to Arkansas Geological Survey.

The mission of the Arkansas Geological Survey is to increase the knowledge of the geology of the State, to stimulate the orderly development and utilization of the State's mineral, water, and fossil fuel resources, while protecting the environment.

The Arkansas Geological Survey (AGS) is organized into four sections: Administrative Services, Information Services, and Technical Services, and the Board of Registration for Professional Geologists, all of which are under the direct supervision of the State Geologist.

The Administrative Services Section consists of fiscal services, human resources and support personnel services. This section provides all the administrative support for the agency.

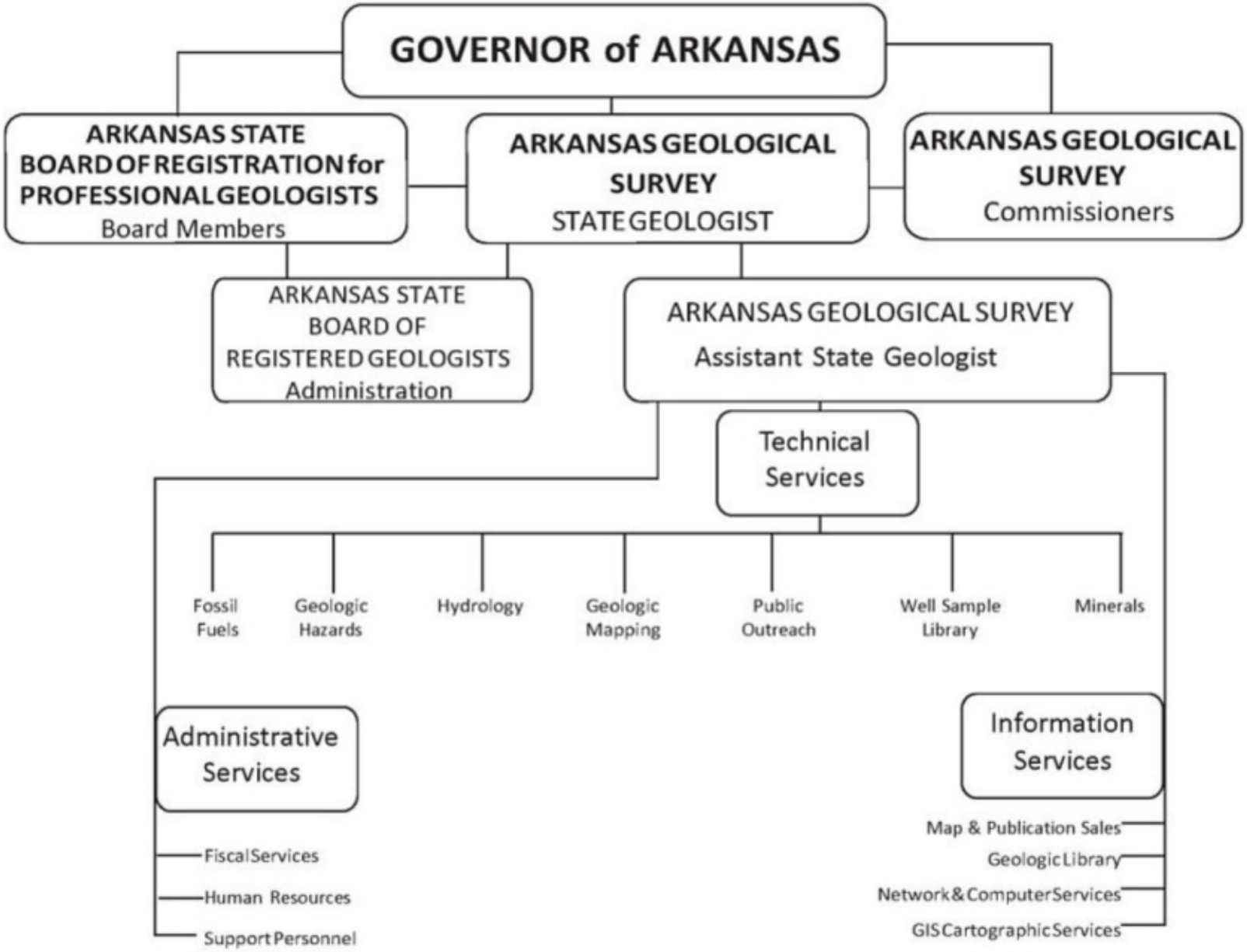
The Information Services Section's primary function is the distribution of information prepared and maintained by the Technical Services Section. This is accomplished through four offices: Map and Publication Sales, Geological Library, Network & Computer Services and GIS Cartographic Services.

The Technical Services Section is composed of the geologic staff and technical support personnel. Its primary responsibilities are: 1) to search for and provide information on the State's mineral, fossil-fuel (coal, oil and gas), and water resources; 2) to encourage the orderly development of these resources; 3) to maintain current geologic map coverage of the State; and 4) to study and report on the geologic factors affecting the State's environment.

Technical Services is divided into six major activities: Fossil Fuels (oil & gas, lignites & coals); Geohazards (earthquakes, landslides, karst); Hydrology; Geologic Mapping (surface, subsurface); and Public Outreach Minerals (Industrial, metallic, non-metallic). Also under this section is the Well Sample Library.

in 2013, the Arkansas Board of Registration for Professional Geologists was transferred to the Arkansas Geological Survey through A.C.A. § 25-2-104. The primary mission of the Board is to regulate the public practice of geology in Arkansas by registration and certification of qualified geologists and promulgate and enforce the regulations that provide the standards for practicing geology in Arkansas.

In addition to the major activities in the Geological Services Section, the Agency has several cooperative projects with the US Geological Survey (USGS). The AGS has three cooperative programs with the Water Resources Division of the USGS: Groundwater Survey Program, Stream Gauging Program (surface water), and Water Quality Program. Each of these is a 50-50 cooperative program in which the costs are split, but with the majority of the work being done by USGS personnel using their equipment and facilities. These programs provide base-line water data to the public and other users of water data needed in management and protection activities. The selection of sample sites is coordinated with other government agencies that collect water data, in order to eliminate duplication and establish site selection priorities in strategic areas for the public welfare.


GOVERNOR of ARKANSAS
ARKANSAS STATE BOARD OF REGISTRATION for PROFESSIONAL GEOLOGISTS
Board Members
ARKANSAS GEOLOGICAL SURVEY
STATE GEOLOGIST
ARKANSAS GEOLOGICAL SURVEY
Commissioners
ARKANSAS STATE BOARD OF REGISTERED GEOLOGISTS
Administration
ARKANSAS GEOLOGICAL SURVEY
Assistant State Geologist
Technical Services
Fossil Fuels
Geologic Hazards
Hydrology
Geologic Mapping
Public Outreach
Well Sample Library
Minerals
Administrative Services
Fiscal Services
Human Resources
Support Personnel
Information Services
Map & Publication Sales
Geologic Library
Network & Computer Services
GIS Cartographic Services

Agency Commentary

The Arkansas Geological Survey (AGS) was created by Act 16 of 1963. Agency activities are divided into three major sections: 1) Administrative Services, 2) Technical Services, and 3) Information Services. Activities are primarily supported by General Revenue Funds, except Map and Publication Sales which operates on a revolving cash fund, and the Geology Learning Center which is funded by donations. The AGS receives federally funded grants which operate under a miscellaneous federal grant program. The Earthquake Education and Outreach Program is funded through a grant from State Farm Insurance Group. The AGS also participates in cooperative (50/50 matching) water programs with the U.S. Geological Survey.

The Survey's mission is to serve the people of Arkansas by providing geological information in order to develop and enable effective management of the State's mineral, fossil fuel and water resources while protecting the environment.

In addition to Base Level, the Agency is requesting the following:

- An increase in Salaries and Personal Services Matching totaling $8,977 for the reclassification of an Administrative Assistant III to an Executive Assistant to the Director.
- A printing budget of $5,000 for Educational materials. The amount of money that is provided for Educational Supplies and Materials contains only the cost of fuel needed to travel to schools and the cost to hire a STRIVE Teacher for the summer. We have an increase in the need to provide presentations to schools in the state. In order to continue to print Educational posters and pocket guides, a printing budget is needed.

The **Administrative Services** section supports the AGS with fiscal services, human resources, and personnel services. This section provides all the administrative support for the agency as well as physical plant and vehicle maintenance.

The **Technical Services** section is composed of the geologic staff and support personnel. Its primary responsibilities are: 1) to search for and provide information on the State's mineral, fossil-fuel, and water resources; 2) to encourage the orderly development of these resources; 3) to maintain current geologic map coverage of the State; and 4) to study and report on the geologic factors affecting the State's environment.

Technical Services is divided into six major activities: **Fossil Fuels** (oil & gas, lignite & coal); **Geohazards** (earthquakes, landslides, karst); **Minerals** (Industrial, metallic, non-metallic); **Hydrology** (water); **Geologic Mapping** (surface, subsurface); and **Educational Outreach** (Outreach efforts such as the Geology Learning Center fall under this Section but is not an official program). A support group within the

Information Services consisting of Information Technology (IT) and Geographic Information Systems (GIS) assists the geologic staff in collecting and preparing geologic data.

Current geologic map coverage of the State is maintained and other geologic studies are conducted as needed. The current Geologic Map of Arkansas was produced at a 1:500,000 scale. Current **geologic mapping** focuses on smaller areas so that investigations based on the geology are more precise. The geologic information compiled and maintained is necessary for exploration, planning and protection of the mineral resources, and as the framework for numerous environmental studies. The AGS has several ongoing and future mapping projects throughout the State in which part of the work has mineral resource evaluation (identification and location) as a component to the project.

The **Fossil Fuels Section** is responsible for the identification and geologic assessment of the state's fossil fuel resources including oil, condensates, natural gas, coal and lignite. The totality of these resources directly impacts the existing and future economies of the State of Arkansas. For example, the AGS took a leading role in supplying geologic information and research pertaining to the recent development of the Fayetteville Shale natural gas resource. The Fayetteville Shale is responsible for infusing over $22 billion and 9,500 direct and indirect jobs into the state's economy according to Kathy Deck, Director of the Walton's Center for Business and Economic Research, University of Arkansas, Fayetteville. The AGS also routinely assesses undeveloped areas within the state for the undiscovered potential of oil and natural gas resources and encourages industry to explore these areas by providing new geologic research. The state's coal and lignite resources are routinely assessed and information has been provided to the state's legislature regarding coal-to-liquids potential and newly emerged clean coal technologies.

The **Geohazards Section** is responsible for the study of geologic hazards or geohazards in the State of Arkansas. A geohazard is a geologic condition, either natural or manmade, that poses a potential danger to life and property. Arkansas has its share of geohazards, including earthquakes, landslides, karst (sinkholes), man-induced subsidence (mine collapses and yard-holes), floods and radon. Occurrences of geohazards are investigated (delineated and documented) by the AGS Geohazards Section. This ongoing research leads to a better understanding of geologic hazards for mitigation and educational outreach activities in Arkansas. The AGS owns and operates the Arkansas Seismic Network (ASN). The ASN consists of six state-of-the-art permanent broadband seismic stations strategically placed within selected state parks across Arkansas. The goal of the ASN is to establish better and more uniform earthquake detection outside of the New Madrid Seismic Zone (NMSZ). The ASN is operated and maintained in cooperation with the Arkansas Geological Survey (AGS), Center for Earthquake Research and Information (CERI) at the University of Memphis, and Arkansas State Parks (ASP). Information on geohazards is provided to the public through the AGS website via a series of publications and maps.

The **Minerals** section provides information on the State's minerals and encourages their orderly development. The agency serves as a point of contact for industry personnel gathering information on the mineral resources we have available in the state. Continuing the American standard of living requires the mining of 7.1 billion tons of rocks and minerals annually to make the things we use and depend on every day

(Mineral Information Institute data). That's 3.7 million pounds for every person in the USA and with 300 million people in the USA who expect to live comfortably and affordably, mining has to occur somewhere. Although accurate production data are not readily available, bromine brine, crushed stone (sandstone, limestone, dolostone, and syenite), sand, and gravel have been the most valuable industrial materials mined in recent years. The agency website has a searchable database on the mine locations, commodities and status, and the agencies core and well cutting repository. Descriptions of the industrial minerals and metallic mineral and USGS annual reports on the non-fuel resources can also be located on our website.

The **Hydrology or water** section continues to provide information to the public regarding depth to water producing formations and amounts of water available. The AGS has created a web accessible file of over 150,000 water well completion reports that have been scanned. This agency is working with the USGS to get water well information into a common data system.

Educational outreach is particularly important for the public. General interest projects that lead to publications pertaining to minerals, rocks, and fossils are especially popular with the public. The AGS has recently begun a State Park Series and a Roadside Geology Guide Series. These publications along with geology trail guides are frequently requested by the public. The AGS maintains a good working relationship with the public by answering questions daily regarding: 1) mineral, rock, and fossil identification, 2) the geology of their property, 3) water availability, 4) oil and gas, and 5) questions pertaining to earthquakes. The AGS visits classrooms in Arkansas and provides presentations to an average of 42 schools per year. We continue to produce posters, pocket guides, and other resources for the teachers and the general public. We also work with Educational Cooperatives and Stem Centers in the state to lead three teacher workshops in the summer pertaining to geology, and following the Arkansas Science Curriculum, so that teachers can meet their earth science goals in the classroom.

The **Information Services** section's primary functions are preparation, storage, and distribution of data, reports, and maps prepared and maintained by the Technical Services section. This is accomplished through the Map and Publication Sales Office, Geological Library, and Network and Computer Services. With the increasing demand for maps in digital format, we are, in an orderly fashion, digitizing the geology of Arkansas.

The **Map Re-Sale** appropriation provides for the authorization to operate from a revolving cash fund, using a portion of the money collected from the sale of maps, publications, and reproduction charges.

The **Geological Library** is the repository of geologic and mineral information collected for more than 150 years. Most of this information is in a paper format. A data archival system is being established to provide for the storage, preservation, and archival of subsurface and surface geological data, samples, and publications. This information provides a "catalogue" of AGS information that is easily accessible. The purpose of this program is to insure that this data is preserved for future generations of Arkansas citizens.

The **Network and Computer Services** allows the Survey to function more efficiently in -house as well as to provide information to the public via our website. The AGS is in the process of developing databases and geodatabases. We have developed a geodatabase of all field points and geological data pertaining to geologic mapping. Databases of geophysical well logs, cores, cuttings, and water well logs have been developed and are available to the public.

The AGS has three **Cooperative Programs with the U.S. Geological Survey (USGS) Water Resources Division**. These cooperative programs with the Water Resources Division include 1) Stream Gauging Program (surface water), 2) Water Quality Program, and 3) Ground Water Survey. These programs provide for collection, evaluation, and development of data relating to the State's surface and ground water resources. Information from these programs is important to the development and protection of the State's water supply and is critical to the agencies that regulate and manage the State's water resources. Specifically, these funds are used to collect and analyze surface and ground water samples (Water Quality Program); installation and monitoring of continuous-record stream gauging stations (Stream Gauging Program); and research in subsurface geology relating to ground water (Ground Water Survey). The Ground Water Survey includes regular water-level measurements of wells in the critical Sparta Aquifer in south Arkansas and the Quaternary Aquifer in east Arkansas.

The **State Geologic Mapping Program** receives federal funds from the Department of the Interior for geologic mapping, research and data collection, and data preservation. Within this program are three grants awarded to the AGS: 1) STATEMAP, 2) National Geological and Geophysical Data Preservation Program, 3) Brown Dense Research.

STATEMAP is a cooperative (50/50 matching) grant with the USGS National Cooperative Geologic Mapping Program that pays the salary of one field geologist to conduct geologic field studies and mapping with an AGS staff geologist in north-central Arkansas. The program involves the geologic mapping of three quadrangles selected by the State Mapping Advisory Committee. This cooperative project is part of the National Geologic Mapping Act mandated by Congress in 1992. The AGS has participated in this grant program since 1996. This on-going project will aid in the development and management of the mineral resources of the area and greatly expand the knowledge of the geology of the state.

The National Geological and Geophysical Data Preservation Program (NGGDPP) is a cooperative (50/50 matching) grant with the USGS. It allows the AGS to hire an extra help person to digitize and preserve reports in the library. This program was authorized by Section 351 of the Energy Policy Act of 2005 (Public Law 109-58, Sec. 351). Objectives of the Program as outlined in the Act are to: 1) Archive geologic, geophysical, and engineering data, maps, well logs, and samples; 2) provide a national catalog of such archival material; and 3) provide technical and financial assistance related to the archival material. This project will aid the Survey in preserving and digitizing data in the library and provide an accessible database for the public.

The **National Coal Resources Data System (NCRDS)** began as a cooperative venture between the USGS and State geological agencies in 1975 and focused on the stratigraphy and chemistry of coal. The NCRDS is now a database in the USGS Energy Resources Program to provide information of rock formations from U.S. coal fields. This program now provides a grant to collect, interpret, correlate, and encode other energy related stratigraphic (rock formation) data. The AGS received a grant to characterize the Brown Dense, a subsurface producing zone, within the Smackover Formation.

The **Geology Learning Center (Museum Expenses)** is an appropriation that provides for the authorization to spend money donated to the AGS Geology Learning Center (GLC). The GLC is part of the educational arm of the agency with the purpose of giving student and citizens of all ages' exposure to rocks, minerals, fossils, and fossil fuels. The GLC has five display areas and receives funding and exhibit material from donations.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS GEOLOGICAL SURVEY

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
The Agency is responsible for maintaining time and leave records for all employees and establishing proper controls to ensure compliance with state personnel policies. The Agency utilizes AASIS for maintaining available leave balances for all employees. Per Governor's Policy Directive 5, normal working hours are Monday through Friday from 8:00 am to 4:30 pm. Deviations are allowed, provided that an official "flex-time" policy has been established and approved by the Governor. Per review of time and leave recorded for five individuals in three months, DLA staff noted one instance of an employee who reported sick leave without documented approval by a supervisor and four instances where the amount of leave reported in AASIS was less than the amount approved by the supervisor. Additionally, it was observed that employees often worked atypical hours, including partial days, and were allowed to make up time away from work later in the pay period or on weekends, even though no formal policy regarding alternate work schedules had been approved.	Establish and obtain approval for an official flex-time policy and document each employee's regularly-scheduled work hours. We further recommend that any time away from work during an employee's regularly-scheduled work hours be recorded as leave. If the approved flex-time policy allows for individuals to make up time away from work at a later time, these deviations from regularly-scheduled work hours should be properly approved and documented. Furthermore, we recommend the Agency strengthen its controls and procedures related to annual/sick leave usage to ensure that the leave recorded is accurate, consistent, and properly approved. Agency Response: Agency has studied the entire procedure for time and leave. Procedures have been changed to strengthen controls over work schedules, documentation of leave, and work hours.

Findings	Recommendations
In accordance with Ark. Code Ann. § 19-4-702, agencies are allowed to pay carryover obligations up to 45 days after the end of the fiscal year, but the carryover obligations "shall be charged against appropriations and fund cash balances of the fiscal year in which the obligations were incurred." An additional Code provision allows for claims to be submitted to the Arkansas State Claims Commission for payment. It was noted that the Agency made a payment of $23,788 in fiscal year 2012 for expenses incurred in fiscal year 2011. Supporting documentation indicated that the Agency and the vendor intentionally delayed the billing of a portion of the fiscal year 2011 expense so that it would not be recognized as an accounts payable at June 30, 2011, but would be treated as a fiscal year 2012 expense since all of the "adjusted" appropriation and funding for fiscal year 2011 had been used.	Comply with state laws and regulations pertaining to the proper recognition and payment of accounts payable. Agency Response: Director and staff will comply with state laws and regulations pertaining to proper recognition and payment of accounts payable. AGS received budget cuts late in the year and did not have the monies to pay the last balance of a grant with USGS that funds the Arkansas's water programs; water quality, stream gaging and ground water survey. There was concern that the lack of money would affect the cooperative funding of the grant. Director realizes this was not the proper way to handle the situation. Director will make sure this will not happen again.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	13	8	21	88 %
Black Employees	0	2	2	8 %
Other Racial Minorities	1	0	1	4 %
Total Minorities			3	12 %
Total Employees			24	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Board of Registration for Professional Geologists and Geologists-in-Training in Arkansas	A.C.A. 17-32-207	N	N	0	Public Record Publication and distribution is mandated by law, effected by internet distribution.	0	0.00

Department Appropriation Summary

Historical Data | **Agency Request and Executive Recommendation**

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
166 State Operations	2,067,653	27	2,047,527	27	2,099,141	27	2,066,881	27	2,080,858	27	2,076,992	27	2,067,987	27	2,081,964	27	2,078,098	27
169 Map Resale	16,506	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
210 State Geologic Mapping Program	148,948	1	219,272	1	222,923	1	219,406	1	219,406	1	219,406	1	219,406	1	219,406	1	219,406	1
54U State Farm Grant	992	0	35,910	0	36,000	0	36,000	0	36,000	0	36,000	0	36,000	0	36,000	0	36,000	0
873 Geology Museum	0	0	8,894	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0	9,025	0
F44 Reg for Prof Geo	31,959	1	62,641	1	69,887	1	63,149	1	63,149	1	63,149	1	63,149	1	63,149	1	63,149	1
N32 Geological Research - Landslide/Sinkhole	0	0	0	0	0	0	0	0	0	0	110,000	1	0	0	0	0	110,000	1
Total	2,266,058	29	2,474,244	29	2,536,976	29	2,494,461	29	2,508,438	29	2,614,572	30	2,495,567	29	2,509,544	29	2,615,678	30
Funding Sources		%		%				%		%		%		%		%		%
Fund Balance 4000005	155,593	6.4	168,120	6.3			173,320	6.5	173,320	6.5	173,320	6.2	217,584	8.0	217,584	8.0	217,584	7.7
General Revenue 4000010	2,067,653	84.9	2,047,527	77.3			2,066,881	77.3	2,080,858	77.4	2,066,881	74.3	2,067,987	76.1	2,081,964	76.2	2,067,987	73.2
Federal Revenue 4000020	89,272	3.7	219,272	8.3			219,406	8.2	219,406	8.2	219,406	7.9	219,406	8.1	219,406	8.1	219,406	7.8
Non-Revenue Receipts 4000040	14,084	0.6	72,100	2.7			72,100	2.7	72,100	2.7	72,100	2.6	71,500	2.6	71,500	2.6	71,500	2.5
Cash Fund 4000045	47,774	2.0	140,545	5.3			140,645	5.3	140,645	5.2	140,645	5.1	140,385	5.2	140,385	5.2	140,385	5.0
Federal Funds-ARRA 4000244	59,676	2.5	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest 4000300	126	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer 4000316	0	0.0	0	0.0			0	0.0	0	0.0	110,000	4.0	0	0.0	0	0.0	110,000	3.9
Total Funds	2,434,178	100.0	2,647,564	100.0			2,672,352	100.0	2,686,379	100.0	2,782,352	100.0	2,716,862	100.0	2,730,839	100.0	2,826,862	100.0
Excess Appropriation/(Funding)	(168,120)		(173,320)				(177,891)		(177,891)		(167,780)		(221,295)		(221,295)		(211,184)	
Grand Total	2,266,058		2,474,244				2,494,461		2,508,438		2,614,572		2,495,567		2,509,544		2,615,678	

Variation in fund balance is due to unfunded appropriation in (166) State Operations, (169) Map Resale, (54U) State Farm Grant, and (873) Geology Museum.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
29	30	1	31	-2	-3.45 %	31	26	5	31	0	16.13 %	29	26	3	29	0	10.34 %

FY13 Budgeted Positions exceeds Authorized due to positions authorized through the Miscellaneous Federal Grant process.

Analysis of Budget Request

Appropriation: 166 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Geological Survey's (AGS) appropriation for State Operations is funded entirely by general revenue. In this program, data is accumulated, analyzed, and disseminated to provide knowledge of the geology and hydrogeology of the State to stimulate orderly development and encourage effective management and utilization of the State's minerals, fossil fuels, and water resources in an environmentally responsible manner.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency's Change Level request total $13,977 in appropriation and new general revenue funding and reflect the following:

- Regular Salaries and Personal Services Matching of $8,977 each year for the reclassification of an Administrative Specialist III (C112) to an Executive Assistant to the Director (C118).
- Operating Expenses of $5,000 each year for printed materials requested by Arkansas K-12 schools and fuel costs associated with in-person school visits.

The Executive Recommendation provides for the Agency Request in appropriation only with the exception of the reclassification of the Administrative Specialist III (C112) to an Executive Assistant to the Director (C118), which is recommended as a Business Operations Specialist (C116).

Appropriation Summary

Appropriation: 166 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,299,325	1,290,167	1,341,188	1,302,975	1,310,286	1,307,138	1,303,875	1,311,186	1,308,038
#Positions		**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**
Extra Help	5010001	11,550	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		**4**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**
Personal Services Matching	5010003	424,161	427,358	427,951	433,904	435,570	434,852	434,110	435,776	435,058
Operating Expenses	5020002	222,421	207,791	207,791	207,791	212,791	212,791	207,791	212,791	212,791
Conference & Travel Expenses	5050009	3,997	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Water Quality Program	5900046	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Stream Gauging	5900047	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Ground Water Survey	5900048	31,710	31,711	31,711	31,711	31,711	31,711	31,711	31,711	31,711
Mineral Exploration	5900050	25,989	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Total		2,067,653	2,047,527	2,099,141	2,066,881	2,080,858	2,076,992	2,067,987	2,081,964	2,078,098
Funding Sources										
General Revenue	4000010	2,067,653	2,047,527		2,066,881	2,080,858	2,066,881	2,067,987	2,081,964	2,067,987
Total Funding		2,067,653	2,047,527		2,066,881	2,080,858	2,066,881	2,067,987	2,081,964	2,067,987
Excess Appropriation/(Funding)		0	0		0	0	10,111	0	0	10,111
Grand Total		2,067,653	2,047,527		2,066,881	2,080,858	2,076,992	2,067,987	2,081,964	2,078,098

Change Level by Appropriation

Appropriation: 166 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,066,881**	**27**	**2,066,881**	**100.0**	**2,067,987**	**27**	**2,067,987**	**100.0**
C01	Existing Program	5,000	0	2,071,881	100.2	5,000	0	2,072,987	100.2
C10	Reclass	8,977	0	2,075,199	100.4	8,977	0	2,076,305	100.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,066,881**	**27**	**2,066,881**	**100.0**	**2,067,987**	**27**	**2,067,987**	**100.0**
C01	Existing Program	5,000	0	2,071,881	100.2	5,000	0	2,072,987	100.2
C10	Reclass	5,111	0	2,071,881	100.2	5,111	0	2,072,987	100.2

Justification	
C01	Agency requests $5,000 in Operating Expenses meet the growing needs by Arkansas schools for printed materials (books, posters, pocket guides) and in-person presentations. The request also includes the additional fuel costs to travel to schools around the state and participation in the Department of Education STRIVE teacher program.
C10	The Agency requests the reclassification of one (1) position from an Adminstrative Assistant III (C112) to an Executive Assistant to the Director (C118). The Director relies on this employee to assist with the managerial duties of the agency. This position assists with preparing forms and requests to OPM. The employee also assumes responsibility for fiscal tasks such as assisting management with monitoring budget issues related to projects and grants.

Analysis of Budget Request

Appropriation: 169 - Map Resale

Funding Sources: MWA - Geology Map Resale Revolving Fund

The Arkansas Geological Survey utilizes this appropriation to operate a Map Resale Program. Funding for the Arkansas Geological Survey's Map Resale appropriation is obtained from the sale of geological and topographical maps to the general public. These proceeds are deposited into the Agency's revolving fund, as authorized in A.C.A. §19-4-1804.

The Agency Request is for Base Level of $100,000 in each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 169 - Map Resale

Funding Sources: MWA - Geology Map Resale Revolving Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Resale Revolving Fund	5900046	16,506	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total		16,506	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources										
Fund Balance	4000005	30,329	27,907		7	7	7	0	0	0
Non-Revenue Receipts	4000040	14,084	72,100		72,100	72,100	72,100	71,500	71,500	71,500
Total Funding		44,413	100,007		72,107	72,107	72,107	71,500	71,500	71,500
Excess Appropriation/(Funding)		(27,907)	(7)		27,893	27,893	27,893	28,500	28,500	28,500
Grand Total		16,506	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 210 - State Geologic Mapping Program

Funding Sources: FAL - Geology Federal

The Arkansas Geological Survey (AGS) utilizes this appropriation for the federal portion of the following program activities: National Coal Resources Data System (NCRDS) project to collect, interpret, correlate and encode point-source coal and other energy-related stratigraphic data; the State Geologic Mapping Program to coordinate collection of data and formulation of maps displaying the location and quantity of minerals in specific areas of the State; and the Geothermal ARRA grant awarded to allow the Geological Survey to populate the National Geothermal Data System. Federal funding is received from the US Department of Energy and the US Department of Interior.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $219,406 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 210 - State Geologic Mapping Program

Funding Sources: FAL - Geology Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	33,201	37,332	40,607	37,332	37,332	37,332	37,332	37,332	37,332
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Extra Help	5010001	0	11,591	11,591	11,591	11,591	11,591	11,591	11,591	11,591
#Extra Help		**0**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	12,407	14,349	14,725	14,483	14,483	14,483	14,483	14,483	14,483
Operating Expenses	5020002	33,184	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000
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
ARRA	5900052	70,156	0	0	0	0	0	0	0	0
Total		148,948	219,272	222,923	219,406	219,406	219,406	219,406	219,406	219,406
Funding Sources										
Federal Revenue	4000020	89,272	219,272		219,406	219,406	219,406	219,406	219,406	219,406
Federal Funds-ARRA	4000244	59,676	0		0	0	0	0	0	0
Total Funding		148,948	219,272		219,406	219,406	219,406	219,406	219,406	219,406
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		148,948	219,272		219,406	219,406	219,406	219,406	219,406	219,406

Analysis of Budget Request

Appropriation: 54U - State Farm Grant

Funding Sources: NGC - Geology Private Grants

The State Farm Grant is a privately funded grant donated by State Farm in order to increase earthquake awareness throughout the State. The appropriation provides outreach to the citizens of the State in the form of town hall meetings. In these meetings a geologist will give a presentation on earthquake basics and preparedness techniques.

The Agency Request is for Base Level of $36,000 in each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 54U - State Farm Grant
Funding Sources: NGC - Geology Private Grants

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	992	35,910	36,000	36,000	36,000	36,000	36,000	36,000	36,000
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		992	35,910	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Funding Sources										
Fund Balance	4000005	11,287	10,410		0	0	0	0	0	0
Cash Fund	4000045	0	25,500		25,500	25,500	25,500	25,500	25,500	25,500
Interest	4000300	115	0		0	0	0	0	0	0
Total Funding		11,402	35,910		25,500	25,500	25,500	25,500	25,500	25,500
Excess Appropriation/(Funding)		(10,410)	0		10,500	10,500	10,500	10,500	10,500	10,500
Grand Total		992	35,910		36,000	36,000	36,000	36,000	36,000	36,000

Analysis of Budget Request

Appropriation: 873 - Geology Museum

Funding Sources: NGC - Geology Cash

The Geology Museum and Learning Center (GLC) is funded by donations collected by the Agency. The GLC is part of the educational arm of the Agency with the purpose of giving students and citizens exposure to rocks, minerals, fossils, and fossil fuels through its five (5) display areas.

The Agency Request is for Base Level of $9,025 in each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 873 - Geology Museum
Funding Sources: NGC - Geology Cash

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Museum Expenses	5900046	0	8,894	9,025	9,025	9,025	9,025	9,025	9,025	9,025
Total		0	8,894	9,025	9,025	9,025	9,025	9,025	9,025	9,025
Funding Sources										
Fund Balance	4000005	1,058	1,069		0	0	0	0	0	0
Cash Fund	4000045	0	7,825		7,725	7,725	7,725	7,625	7,625	7,625
Interest	4000300	11	0		0	0	0	0	0	0
Total Funding		1,069	8,894		7,725	7,725	7,725	7,625	7,625	7,625
Excess Appropriation/(Funding)		(1,069)	0		1,300	1,300	1,300	1,400	1,400	1,400
Grand Total		0	8,894		9,025	9,025	9,025	9,025	9,025	9,025

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: F44 - Reg for Prof Geo

Funding Sources: NGC - Prof Geo Board

The Board of Registration for Professional Geologists was created by Act 701 of 1987. The primary duty of the Board is to regulate the public practice of geology in the State of Arkansas by registration and certification of qualified geologists. The Board is a cash agency funded from application, registration, and renewal fees charged pursuant to Arkansas Code Annotated §17-32-307.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of $63,149 in each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: F44 - Reg for Prof Geo
Funding Sources: NGC - Prof Geo Board

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	13,720	30,713	36,868	31,020	31,020	31,020	31,020	31,020	31,020
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Extra Help	5010001	678	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
#Extra Help		**0**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	8,152	12,153	13,244	12,354	12,354	12,354	12,354	12,354	12,354
Operating Expenses	5020002	9,409	14,775	14,775	14,775	14,775	14,775	14,775	14,775	14,775
Conference & Travel Expenses	5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
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		31,959	62,641	69,887	63,149	63,149	63,149	63,149	63,149	63,149
Funding Sources										
Fund Balance	4000005	112,919	128,734		173,313	173,313	173,313	217,584	217,584	217,584
Cash Fund	4000045	47,774	107,220		107,420	107,420	107,420	107,260	107,260	107,260
Total Funding		160,693	235,954		280,733	280,733	280,733	324,844	324,844	324,844
Excess Appropriation/(Funding)		(128,734)	(173,313)		(217,584)	(217,584)	(217,584)	(261,695)	(261,695)	(261,695)
Grand Total		31,959	62,641		63,149	63,149	63,149	63,149	63,149	63,149

Analysis of Budget Request

Appropriation: N32 - Geological Research - Landslide/Sinkhole

Funding Sources: NCG - Landslides/Sinkholes Research

The Arkansas Geological Survey has received an increase in reports of mudslides and sinkholes in various areas of the state. The Agency's goal is to provide knowledge of these geohazards to the State of Arkansas, various stakeholders, and the general public in order to further its mission of environmentally responsible management of the State's geological resources.

The Executive Recommendation provides for an increase of $110,000 in appropriation and one (1) position only for Geological Research in order to:

- Hire a full-time Professional Geologist (Grade C121).
- Upgrade the Arkansas Geological Survey's network infrastructure to transmit and receive large data files.

This effort will be funded by an interagency transfer from the Arkansas Oil & Gas Commission. The funds from the inter-agency transfer will be deposited into a cash fund.

Appropriation Summary

Appropriation: N32 - Geological Research - Landslide/Sinkhole

Funding Sources: NCG - Landslides/Sinkholes Research

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	0	0	0	0	0	39,199	0	0	39,199
#Positions		**0**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**1**
Personal Services Matching	5010003	0	0	0	0	0	13,978	0	0	13,978
Geological Research	5900046	0	0	0	0	0	56,823	0	0	56,823
Total		0	0	0	0	0	110,000	0	0	110,000
Funding Sources										
Inter-agency Fund Transfer	4000316	0	0		0	0	110,000	0	0	110,000
Total Funding		0	0		0	0	110,000	0	0	110,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	0		0	0	110,000	0	0	110,000

Change Level by Appropriation

Appropriation: N32 - Geological Research - Landslide/Sinkhole
Funding Sources: NCG - Landslides/Sinkholes Research

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
C02	New Program	53,177	1	53,177	100.0	53,177	1	53,177	100.0
C19	Executive Changes	56,823	0	110,000	206.9	56,823	0	110,000	206.9

Justification	
C19	The Executive Recommendation provides for a new cash appropriation. The Executive Recommendation also provides for an increase of $110,000 in appropriation only for Geological Research in order to hire a full-time Professional Geologist (Grade C121) and upgrade the Arkansas Geological Survey's network infrastructure to transmit and receive large data files.

HEALTH SERVICES PERMIT AGENCY

Enabling Laws

Act 250 of 2014
Arkansas Code Annotated §20-8-101 et seq.
Developmental Disabilities Assistance and Bill of Rights Act of 2000 (Public Law 106-402)

History and Organization

Health Services Permit Agency

Arkansas Code Annotated §20-8-101 et seq. authorizes the Health Services Permit Agency as an independent agency under the supervision and control of the Governor. With direction from a nine (9) member Health Services Permit Commission, the Agency is responsible for implementing the State's Health Services Program which includes a Permit of Approval (POA) process. The current POA process evolved from federal initiatives in the sixties resulting in passage of an Arkansas Certificate of Need (CON) law in 1975. Legislation in 1987 abolished the CON program and established the existing program. Arkansas Act 593 of 1987, as amended, created the Health Services Permit Commission (Commission) and the Health Services Permit Agency (Agency) to implement the State's long term care planning and review program. Act 1800 of 2001 added one member to represent the Hospice Association to the Commission, which is composed of the following membership appointed by the Governor and confirmed by the Senate:

- A member from the Arkansas Hospital Association,
- A member from the Arkansas Health Care Association,
- A member from the Arkansas Chapter, American Association of Retired Persons,
- A member from the Arkansas Home Care Association of Arkansas,
- A member from the Arkansas Residential Assisted Living Association,
- A representative of the Department of Health & Human Services,
- A consumer knowledgeable in business health insurance,
- A practicing physician, and
- A representative from the Arkansas Hospice Association.

Mission Statement: The Commission/Agency mission is to ensure appropriate distribution of health care providers through the regulation of new services, protection of quality care and negotiation of competing interests so that community needs are appropriately met without unnecessary duplication and expense.

Developmental Disabilities Council

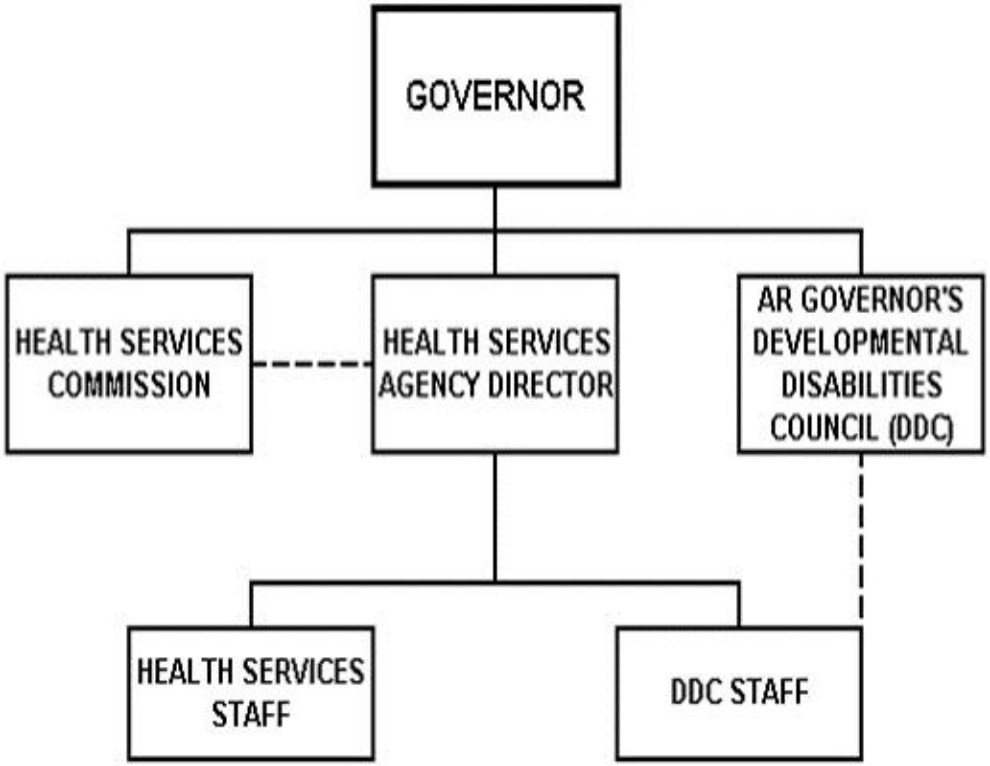
Vision: We envision a world where everyone has an equal and real opportunity to lead a meaningful life.

Mission Statement: The Arkansas Governor's Developmental Disabilities Council supports people with developmental disabilities in achieving independence, productivity, integration and inclusion into the community through advocating and promoting service systems that enhance their lives. The Council believes society gains from the full participation of a wide variety of people.

The Council believes in the right of individuals to live, work, play, learn, worship and experience life as they choose. The Council believes independence entails economic self-sufficiency, equal opportunity, a right to make choices, a right to dignity and respect, dignity of risk and the opportunity to maximize one's potential and to achieve individual goals. The Council supports individuals with developmental disabilities in achieving independence, productivity, integration and inclusion into the community. The purpose of the Council is to engage in advocacy, capacity building and systemic change activities that contribute to a comprehensive system of community services.

The Developmental Disabilities Council includes twenty-six members, appointed by the Governor, and includes individuals with developmental disabilities, parents and/or guardians, state agency representatives, and other interested individuals. The purpose of the Council is to bring the perspective of the individual with a disability and his or her family to policymakers in order to make needed improvements to the service system to improve and/or enhance the quality of services provided. The Council plays a major role as a system's advocate and a resource to provide information on needed changes.

Council funding is available for demonstration projects and activities that build the infrastructure and capacity of the State to meet the needs of individuals and their families. Sub-grantee recipients include non-profit organizations, state agencies, and other groups that demonstrate, through an approved application, their ability to accomplish activities identified and requested by the Council.



Agency Commentary

Health Services Permit Agency is requesting a Change Level 10 request for two existing positions. The reclassification request is for the Health Program Specialist III position to be reclassified to a Grants Manager. The reclassification request is also for the Agency Fiscal Manger position to be reclassified to a Fiscal Division Manager. The purpose of the reclassification is to propose position title(s) that are appropriate for the position(s) responsibilities to be performed. Internal research was required to determine a comparable job and title based on similar positions within the Arkansas Classification and Compensation Pay System and the relevant job market. The proposed reclassification range is appropriate based on the following: Position responsibilities are in line with proposed Arkansas Classification and Compensation, Proposed pay grade is in line with career service salary structure, i.e. the level of job responsibilities for proposed position is similar to other positions within the Arkansas classification and compensation job titles which have the same pay grade assignment, and proposed pay grades are in

line with the pay for the same or similar positions in the external market. The proposed reclassification to the existing positions is in line with the pay of other state employees in the same position(s) who have similar education/experience levels within the State of Arkansas. As a result of these reclassifications, these positions will have more interaction with interested parties and the agencies and facilities that are governed by the Permit of Approval and the Arkansas Developmental Disabilities Council.

The Agency requests Change Level 4 on Appropriation 844 and funding for the 2015-2017 Biennium. The Agency is requesting $3,000 appropriation reallocation from Conference & Travel to Professional Fees. This request is to ensure proper coverage for the increased expense to contracted services provided by the University of Arkansas at Little Rock.

The Agency will continue its role in implementing the policies and procedures adopted by the Health Services Permit Commission and reviewing all Permit of Approval applications.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
HEALTH SERVICES PERMIT AGENCY

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	2	4	6	67 %
Black Employees	0	3	3	33 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	33 %
Total Employees			9	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Arkansas Permit of Approval Rulebook	A.C.A. 2-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the Rules and Regulations regarding Permits of Approval, and of the changes to those rules.	0	0.00
Health Care Facilities and Services Need	A.C.A. 20-8-104	N	N	4	Distributed by request and published on aqency web site to keep the public informed of the need for health services in the State.	0	0.00
Health Services Permit Agency Annual Report	A.C.A. 20-8-110	Y	Y	3	Distributed by request, to keep the public, Governor, and General Assembly informed of activities of agency.	0	0.00

Department Appropriation Summary

	Historical Data						Agency Request and Executive Recommendation											
	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation	**Actual**	**Pos**	**Budget**	**Pos**	**Authorized**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**
844 Health Serv Permit Agency-State	352,168	4	373,708	4	389,136	4	376,288	4	378,394	4	376,288	4	376,288	4	378,394	4	376,288	4
845 Dev Disabilities Plng Council-State	35,151	1	37,950	1	38,327	1	38,254	1	46,691	1	38,254	1	38,254	1	46,691	1	38,254	1
846 Dev Disabilities Plng Council-Fed	682,223	5	1,379,712	6	1,451,213	6	1,382,380	6	1,384,495	6	1,382,380	6	1,382,380	6	1,384,495	6	1,382,380	6
Total	1,069,542	10	1,791,370	11	1,878,676	11	1,796,922	11	1,809,580	11	1,796,922	11	1,796,922	11	1,809,580	11	1,796,922	11
Funding Sources		**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
Fund Balance 4000005	254,622	18.8	287,737	14.1			250,693	12.5	250,693	12.4	250,693	12.5	216,622	10.9	214,516	10.8	216,622	10.9
General Revenue 4000010	316,841	23.3	320,614	15.7			326,471	16.2	326,471	16.2	326,471	16.2	326,471	16.5	326,471	16.5	326,471	16.5
Federal Revenue 4000020	682,223	50.3	1,379,712	67.6			1,382,380	68.7	1,384,495	68.7	1,382,380	68.7	1,382,380	69.8	1,384,495	69.9	1,382,380	69.8
Permit of Approval Fees 4000375	103,593	7.6	54,000	2.6			54,000	2.7	54,000	2.7	54,000	2.7	54,000	2.7	54,000	2.7	54,000	2.7
Total Funds	1,357,279	100.0	2,042,063	100.0			2,013,544	100.0	2,015,659	100.0	2,013,544	100.0	1,979,473	100.0	1,979,482	100.0	1,979,473	100.0
Excess Appropriation/(Funding)	(287,737)		(250,693)				(216,622)		(206,079)		(216,622)		(182,551)		(169,902)		(182,551)	
Grand Total	1,069,542		1,791,370				1,796,922		1,809,580		1,796,922		1,796,922		1,809,580		1,796,922	

Variance in fund balances is due to unfunded appropriation balances in the following appropriations: 845- Developmental Disabilities Planning Council-State.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
11	9	2	11	0	18.18 %	11	10	1	11	0	9.09 %	11	9	2	11	0	18.18 %

Analysis of Budget Request

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

The Agency uses this appropriation to review all applications for permits of approval, for nursing homes, residential care facilities, etc., addressing such issues as need, staffing, and economic feasibility. The State Operations appropriation is funded from general revenue and fees from certificate of need applications as authorized by Arkansas Code Annotated §20-8-108.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Base Level request for this appropriation is $376,288 each year of the 2015-2017 biennium with four (4) budgeted base level positions.

The Agency's Change Level Request is $2,106 each year and consists of the following:

- One (1) reclassification request: Agency Fiscal Manager Grade C121 position to be reclassified to a Fiscal Division Manager Grade C127 position.
- Reallocation of $3,000 from Conference & Travel to Professional Fees. This request is to ensure proper coverage for the increased expense to contracted services provided by the University of Arkansas at Little Rock.

The Executive Recommendation provides for the Agency Request, with the exception of the position reclassification.

Appropriation Summary

Appropriation: 844 - Health Serv Permit Agency-State
Funding Sources: HUA - General Revenue/Fees

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	226,803	220,604	234,413	222,179	223,883	222,179	222,179	223,883	222,179
#Positions		**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	70,957	69,936	71,555	70,941	71,343	70,941	70,941	71,343	70,941
Operating Expenses	5020002	42,408	60,627	60,627	60,627	60,627	60,627	60,627	60,627	60,627
Conference & Travel Expenses	5050009	0	5,274	5,274	5,274	2,274	2,274	5,274	2,274	2,274
Professional Fees	5060010	12,000	17,267	17,267	17,267	20,267	20,267	17,267	20,267	20,267
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		352,168	373,708	389,136	376,288	378,394	376,288	376,288	378,394	376,288
Funding Sources										
Fund Balance	4000005	254,622	287,737		250,693	250,693	250,693	216,622	214,516	216,622
General Revenue	4000010	281,690	282,664		288,217	288,217	288,217	288,217	288,217	288,217
Permit of Approval Fees	4000375	103,593	54,000		54,000	54,000	54,000	54,000	54,000	54,000
Total Funding		639,905	624,401		592,910	592,910	592,910	558,839	556,733	558,839
Excess Appropriation/(Funding)		(287,737)	(250,693)		(216,622)	(214,516)	(216,622)	(182,551)	(178,339)	(182,551)
Grand Total		352,168	373,708		376,288	378,394	376,288	376,288	378,394	376,288

Change Level by Appropriation

Appropriation: 844 - Health Serv Permit Agency-State
Funding Sources: HUA - General Revenue/Fees

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**376,288**	**4**	**376,288**	**100.0**	**376,288**	**4**	**376,288**	**100.0**
C04	Reallocation	0	0	376,288	100.0	0	0	376,288	100.0
C10	Reclass	2,106	0	378,394	100.6	2,106	0	378,394	100.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**376,288**	**4**	**376,288**	**100.0**	**376,288**	**4**	**376,288**	**100.0**
C04	Reallocation	0	0	376,288	100.0	0	0	376,288	100.0
C10	Reclass	0	0	376,288	100.0	0	0	376,288	100.0

Justification	
C04	This request is to reallocate $3,000 from Conference & Travel to be moved to Professional Fees. This reallocation will cover additional expenses for UALR contracted services effective 07/01/2015.
C10	The reclassification request is for the Agency Fiscal Manager position to be reclassified to a Fiscal Division Manager. The purpose of the reclassification is to propose position titles that are appropriate for the position responsibilities to be performed. Internal research was required to determine a comparable job and title based on similar positions within the Arkansas Classification and Compensation Pay System and the relevant job market. The proposed reclassification range is appropriate based on the following: Position responsibilities are in line with proposed Arkansas Classification and Compensation, Proposed pay grade is in line with career service salary structure, i.e. the level of job responsibilities for proposed position is similar to other positions within the Arkansas classification and compensation job titles which have the same pay grade assignment, and Proposed pay grades are in line with the pay for the same or similar positions in the external market.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015

Agency: Health Services Permit Agency

Program: Health Serv Permit Agency-State

Act #: 216 of 2013 Section(s) #: 2 & 5

Estimated Carry Forward Amount $ 214,302.00 Funding Source: Special Revenue

Accounting Information:

Business Area: 0665 Funds Center: 844 Fund: HUA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

These funds are necessary for the operations of the agency. The funds are generated from fines and fees collected pursuant to A.C.A. 20-8-108 and deposited into the Miscellaneous Agencies Fund. They will carry forward into FY15.

Actual Funding Carry Forward Amount $ 287,737.12

Current status of carry forward funding:

The funds will be used to support the operations of the Agency for FY15.

James Luker
Director

08-04-2014
Date

Analysis of Budget Request

Appropriation: 845 - Dev Disabilities Plng Council-State

Funding Sources: HUA - General Revenue

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - State appropriation is funded from general revenue and is used to match the federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that funds the DDPC - Federal appropriation.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Base Level request for this appropriation is $38,254 each year of the 2015-2017 biennium with one (1) budgeted base level position.

The Agency's Change Level request is $8,437 each year for additional Regular Salaries and Personal Services Matching associated with the reclassification of the Agency Fiscal Manager Grade C121 position to a Fiscal Division Manager Grade C127 position. No additional general revenue funding is being requested.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 845 - Dev Disabilities Plng Council-State
Funding Sources: HUA - General Revenue

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	26,668	28,324	29,379	28,470	35,287	28,470	28,470	35,287	28,470
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	8,483	9,626	8,948	9,784	11,404	9,784	9,784	11,404	9,784
Total		35,151	37,950	38,327	38,254	46,691	38,254	38,254	46,691	38,254
Funding Sources										
General Revenue	4000010	35,151	37,950		38,254	38,254	38,254	38,254	38,254	38,254
Total Funding		35,151	37,950		38,254	38,254	38,254	38,254	38,254	38,254
Excess Appropriation/(Funding)		0	0		0	8,437	0	0	8,437	0
Grand Total		35,151	37,950		38,254	46,691	38,254	38,254	46,691	38,254

Change Level by Appropriation

Appropriation: 845 - Dev Disabilities Plng Council-State
Funding Sources: HUA - General Revenue

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**38,254**	**1**	**38,254**	**100.0**	**38,254**	**1**	**38,254**	**100.0**
C10	Reclass	8,437	0	46,691	122.1	8,437	0	46,691	122.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**38,254**	**1**	**38,254**	**100.0**	**38,254**	**1**	**38,254**	**100.0**
C10	Reclass	0	0	38,254	100.0	0	0	38,254	100.0

Justification	
C10	The reclassification request is for the Agency Fiscal Manger position to be reclassified to a Fiscal Division Manager. The purpose of the reclassification is to propose position titles that are appropriate for the position responsibilities to be performed. Internal research was required to determine a comparable job and title based on similar positions within the Arkansas Classification and Compensation Pay System and the relevant job market. The proposed reclassification range is appropriate based on the following: Position responsibilities are in line with proposed Arkansas Classification and Compensation, Proposed pay grade is in line with career service salary structure, i.e. the level of job responsibilities for proposed position is similar to other positions within the Arkansas classification and compensation job titles which have the same pay grade assignment, and Proposed pay grades are in line with the pay for the same or similar positions in the external market.

Analysis of Budget Request

Appropriation: 846 - Dev Disabilities Plng Council-Fed

Funding Sources: FKM - Health Services - DDPC Federal

The purpose of the program is to provide advocacy, capacity building, and systemic change activities that support the development and improvement of a consumer and family centered system of community services for individuals with developmental disabilities. The Developmental Disabilities Planning Council (DDPC) - Federal appropriation is funded from a federal grant, from the U.S. Department of Health and Human Services - Administration for Children and Families, that is matched with general revenue funds from the DDPC - State appropriation.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Base Level request for this appropriation is $1,382,380 each year of the 2015-2017 biennium with six (6) budgeted base level positions.

The Agency's Change Level Request is $2,115 each year for additional Regular Salaries and Personal Services Matching associated with the reclassification of the Health Program Specialist III Grade C119 position to a Grants Manager Grade C121 position.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 846 - Dev Disabilities Plng Council-Fed
Funding Sources: FKM - Health Services - DDPC Federal

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Regular Salaries	5010000	150,707	219,403	277,816	220,853	222,558	220,853	220,853	222,558	220,853
#Positions		**5**	**6**	**6**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	65,903	79,512	92,600	80,730	81,140	80,730	80,730	81,140	80,730
Operating Expenses	5020002	152,493	259,025	259,025	259,025	259,025	259,025	259,025	259,025	259,025
Conference & Travel Expenses	5050009	4,376	10,843	10,843	10,843	10,843	10,843	10,843	10,843	10,843
Professional Fees	5060010	24,875	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	283,869	690,929	690,929	690,929	690,929	690,929	690,929	690,929	690,929
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		682,223	1,379,712	1,451,213	1,382,380	1,384,495	1,382,380	1,382,380	1,384,495	1,382,380
Funding Sources										
Federal Revenue	4000020	682,223	1,379,712		1,382,380	1,384,495	1,382,380	1,382,380	1,384,495	1,382,380
Total Funding		682,223	1,379,712		1,382,380	1,384,495	1,382,380	1,382,380	1,384,495	1,382,380
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		682,223	1,379,712		1,382,380	1,384,495	1,382,380	1,382,380	1,384,495	1,382,380

Change Level by Appropriation

Appropriation: 846 - Dev Disabilities Plng Council-Fed
Funding Sources: FKM - Health Services - DDPC Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,382,380**	**6**	**1,382,380**	**100.0**	**1,382,380**	**6**	**1,382,380**	**100.0**
C10	Reclass	2,115	0	1,384,495	100.2	2,115	0	1,384,495	100.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,382,380**	**6**	**1,382,380**	**100.0**	**1,382,380**	**6**	**1,382,380**	**100.0**
C10	Reclass	0	0	1,382,380	100.0	0	0	1,382,380	100.0

Justification	
C10	The reclassification request is for the Health Program Specialist III position to be reclassified to a Grants Manager. The purpose of the reclassification is to propose position titles that are appropriate for the position responsibilities to be performed. Internal research was required to determine a comparable job and title based on similar positions within the Arkansas Classification and Compensation Pay System and the relevant job market. The proposed reclassification range is appropriate based on the following: Position responsibilities are in line with proposed Arkansas Classification and Compensation, Proposed pay grade is in line with career service salary structure, i.e. the level of job responsibilities for proposed position is similar to other positions within the Arkansas classification and compensation job titles which have the same pay grade assignment, and Proposed pay grades are in line with the pay for the same or similar positions in the external market.

LAW ENFORCEMENT STANDARDS & TRAINING

Enabling Laws

Act 93 of 2014
A.C.A. §12-9-101 et seq.

History and Organization

As the dynamics of law enforcement continue to rapidly change, the Commission on Law Enforcement Standards and Training, recognizing its responsibility to the citizens of our State by maintaining and enforcing standards for employment, is committed to providing the law enforcement profession in the State of Arkansas with the very best training available, utilizing the latest in law enforcement instructional methods, techniques, and technology, emphasizing professional ethics and personal accountability.

The Arkansas Law Enforcement Training Academy was established by the 1963 Arkansas General Assembly with the passage of Act 526. No funds were appropriated for the operation of the Academy at that time. For the next two years, concerned and interested law enforcement administrators worked diligently towards establishing an academy which would provide training to law enforcement officers in the state.

In 1965, Act 514 provided the necessary appropriations for the operations of the Academy. In that year also, Act 172 amended the act which originally created the Academy and placed it under the supervision and the direction of a board composed of three members appointed by the Governor.

Land which was owned by the United States Government and utilized as the Shumaker Ordinance Plant was converted to private enterprise by Brown & Root of Houston, Texas. It was decided that a portion of this land would be donated to the State Department of Education with the understanding that 13.6 acres would be used for a law enforcement training academy. As a result, the Academy was provided with permanent facilities at East Camden. The original structure, which is a part of the current facility, was formerly utilized as Bachelor Officers Quarters at the Naval Depot. It was modified and converted to provide food, lodging and training to law enforcement officers of the state.

The International Paper Company donated to the Arkansas Law Enforcement Training Academy 56.9 acres adjoining the Arkansas Law Enforcement Training Academy property in 1971. On August 26, 1986, 2.21 acres were donated to the Academy by Highland Resources Incorporated, formerly known as HRI Resources, Inc. This increased the total acreage to 72.71 acres, more or less.

The State of Arkansas purchased 28.68 acres adjoining the Arkansas Law Enforcement Training Academy property in 1996, increasing the total acreage of the Arkansas Law Enforcement Training Academy to a total of approximately 101.39 acres. This additional acreage was purchased for the purpose of the construction and operation of a Driving Training Course at the Arkansas Law Enforcement Training Academy.

Class 68-A was the first class to be conducted in the East Camden facility. The three-week course was conducted January 28 - February 16 and was composed of thirty-four officers.

In the early 1970's it was realized the existing facilities were inadequate. Plans were made and approved for the construction of new facilities valued at $1.3 million dollars. This project was completed in March, 1976.

The Executive Commission on Law Enforcement Standards was created by House Bill 577 enacted by the Seventieth General Assembly, which was signed by Governor David Pryor on March 18, 1975 and became known as Act 452 of 1975, and later compiled as AR Statute Ann. 42-1001-1009, and presently Arkansas Code of 1987 Annotated 12-9-101 through 12-9-109.

The Act granted the Executive Commission the power to establish reasonable minimum standards for selection and training of law enforcement officers in Arkansas, to certify officers as being qualified by training and education, to examine and evaluate instructors and courses of instruction and certify the extent of qualifications respectively.

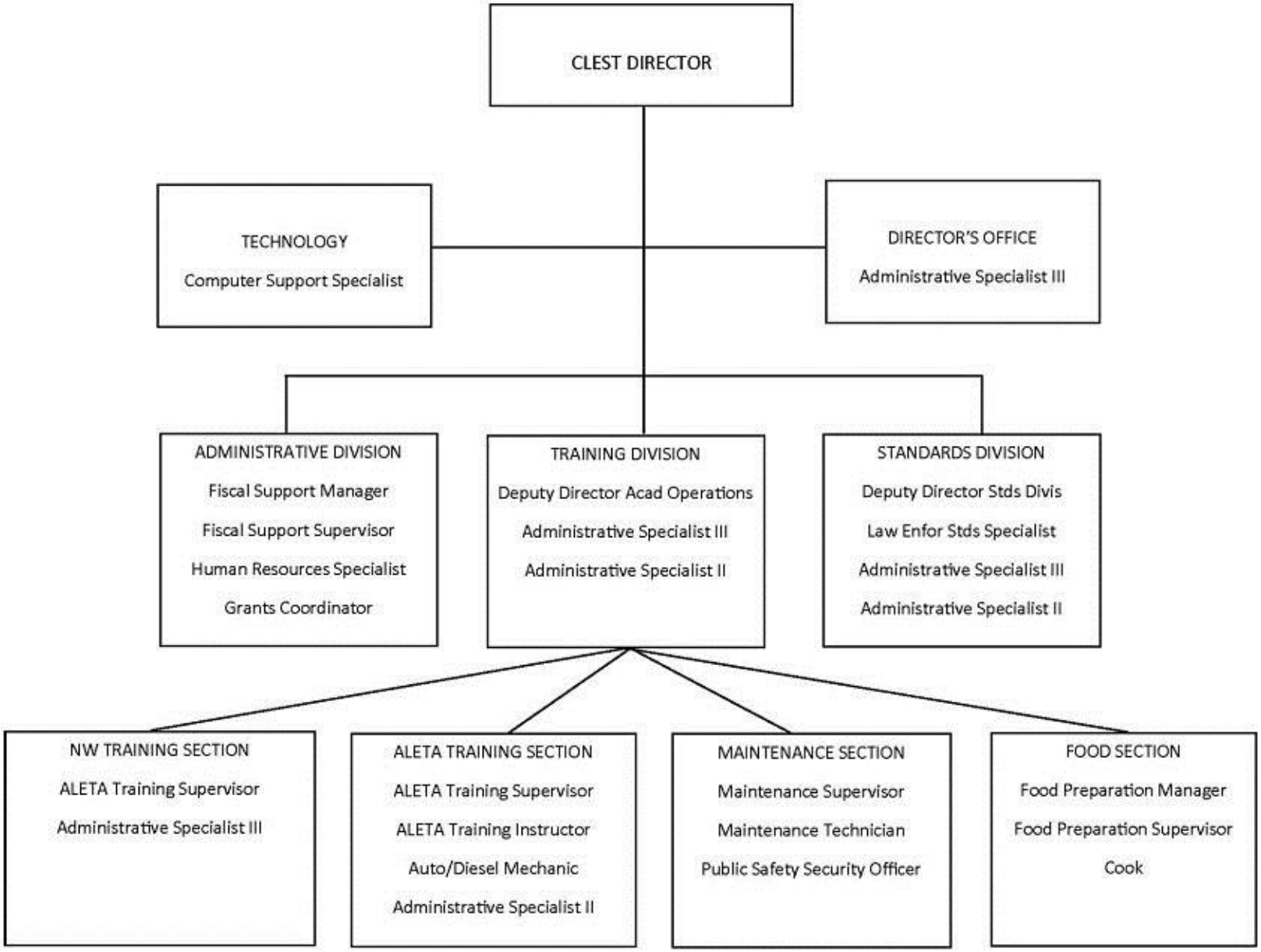
The Commission was composed of five members appointed by the Governor to five-year terms, which were staggered. Act 452 requires the Commission to meet formally at least four times a year, adopt rules and regulations to govern its operations, select one of its members as Chairman and is authorized to enter in contracts or do such things as may be necessary and incidental to the administration of the Act. The Minimum Standards became effective January 1, 1978.

Act 45 of 1981 abolished the Department of Public Safety and transferred the Arkansas Law Enforcement Training Academy from the agency to the newly created Arkansas Commission on Law Enforcement Standards and Training, consisting eventually and presently of nine members. The same act abolished the Executive Commission on Law Enforcement Standards and transferred that agency to the Arkansas Commission on Law Enforcement Standards and Training. The Act became effective July 1, 1981.

In 2012/2013, the Arkansas Law Enforcement Training Academy conducted 21 specialized courses; during 2013/2014 the number of specialized courses increased to 36. We have recently added 10 new specialized training courses, along with 3 field courses to be held at locations around the state of Arkansas. Because of the high demand for specialized courses, an increase of 71% for the previous two fiscal years and an additional 5% for the 2014/2015 fiscal year, we are continuing to work hard to offer quality training for law enforcement officers stationed all over the state.

In the fall of 2013, the Arkansas Law Enforcement Training Academy joined forces with the Arkansas Community Corrections to create a course that would provide students with the most effective and up-to-date training available. On December 6, 2013, class 13P-01 had the honor of becoming the first graduating class for the Basic Parole and Probation course. Due to the overwhelming success of the Basic Parole and Probation, the Arkansas Law Enforcement Training Academy has added additional parole courses to our ever expanding curriculum. At this time we have graduated 3 classes of Parole and Probation students that have an average of 35 students per course.

It is our goal at the Arkansas Law Enforcement Training Academy to continue to increase the learning opportunities for all law enforcement officers, and to advance their training through specialized courses that are not offered anywhere else in the state.


CLEST DIRECTOR
TECHNOLOGY
Computer Support Specialist
DIRECTOR'S OFFICE
Administrative Specialist III
ADMINISTRATIVE DIVISION
Fiscal Support Manager
Fiscal Support Supervisor
Human Resources Specialist
Grants Coordinator
TRAINING DIVISION
Deputy Director Acad Operations
Administrative Specialist III
Administrative Specialist II
STANDARDS DIVISION
Deputy Director Stds Divis
Law Enfor Stds Specialist
Administrative Specialist III
Administrative Specialist II
NW TRAINING SECTION
ALETA Training Supervisor
Administrative Specialist III
ALETA TRAINING SECTION
ALETA Training Supervisor
ALETA Training Instructor
Auto/Diesel Mechanic
Administrative Specialist II
MAINTENANCE SECTION
Maintenance Supervisor
Maintenance Technician
Public Safety Security Officer
FOOD SECTION
Food Preparation Manager
Food Preparation Supervisor
Cook

Agency Commentary

The Arkansas Commission on Law Enforcement Standards and Training is committed to provide technical and specialized training courses to meet the needs and problems that confront law enforcement officers in their daily activities. With expanding and implementing new training programs, maintaining current operations, providing new upgrades in computer equipment, launching a new web-based data system, and by providing professional training to law enforcement officers the agency can accomplish this goal. It is imperative that this agency stays current with the society of today in meeting the vast needs of our law enforcement officers. The Agency has fallen behind in meeting this goal due to previous budget cuts.

The Agency is requesting the following:

Law Enforcement Standards & Training - Operations (172)

1. Operating Expenses increase of $65,000 each year of the biennium for increase food cost due to increase in students and classes and software maintenance on state wide law enforcement certification tracking system.

2. Conference and Travel increase of $10,000 requested for each year of the biennium for instructor and staff development in new and updated programs.

3. Professional Fees increase of $7,860 is requested for each year of the biennium for costs of guests' speakers, trainers, attorneys, and court reporters.

4. Capital Outlay increase of $400,000 for FY16 and $50,000 for FY17 to replace HVAC units, a new hot water system for the south dormitory, and various kitchen and grounds equipment. The HVAC system currently in place was installed in this facility sometime in the 1950's. The expense of maintaining this obsolete unit can be overwhelming at times. The efficiency of this unit is approximately 60% at best. It is imperative that we provide the students with quality heat and air for their comfort.

Special Training - Cash (D48)

The Agency is requesting $50,000 in Capital Outlay for each year of the biennium to replace equipment due to age of our facilities and various equipment malfunctions such as kitchen equipment, maintenance equipment, facilities equipment.

911 Training & Education (86M)

The Agency is requesting Base Level each year of the biennium.

Attorney General Funding (C64)
The Agency is requesting Base Level each year of the biennium.

Fallen Law Enforcement Officers (F63)
The Agency is requesting Base Level each year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS COMMISSION ON LAW ENFORMENT STANDARDS AND TRAINING

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	21	25	46	84 %
Black Employees	3	5	8	15 %
Other Racial Minorities	1	0	1	1 %
Total Minorities			9	16 %
Total Employees			55	100 %

Cash Fund Balance Description as of June 30, 2014

Fund Account	Balance	Type	Location
1080200	$284,044	Checking	Farmer's Bank & Trust, Camden, Arkansas

Statutory/Other Restrictions on use:

A.C.A. 19-6-109 (c) All nonrevenue receipts from the sale of property or income shall be credited to the fund from which the agency draws its support.

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Funds are deposited in bank account when received by agency.

Fund Balance Utilization:

Funds are being used for purchase of students uniforms and food for students. To upgrade, repair and maintain our main complex.

Fund Account	Balance	Type	Location
1080300	$93,837	Checking	Smackover State Bank, Smackover, AR

Statutory/Other Restrictions on use:

N/A

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

N/A

Fund Balance Utilization:

Funds are used for any upgrades, building repairs, maintenance costs and equipment purchases needed for the agency.

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	A.C.A. §12-9-101	N	N	120	As required by Arkansas Code	0	0.00

Department Appropriation Summary

		Historical Data						Agency Request and Executive Recommendation											
		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation		**Actual**	**Pos**	**Budget**	**Pos**	**Authorized**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**
172	Law Enforcement Standards-Operations	3,502,386	55	3,271,480	55	3,487,740	55	3,304,651	55	3,787,511	55	3,437,511	55	3,305,875	55	3,438,735	55	3,438,735	55
86M	911 Training & Education	112,592	1	131,737	1	131,656	1	132,335	1	132,335	1	132,335	1	132,335	1	132,335	1	132,335	1
C64	AG Funding - Cash	282,895	0	94,624	0	339,615	0	94,624	0	94,624	0	94,624	0	94,624	0	94,624	0	94,624	0
D48	Special Training-Cash	180,930	0	420,000	0	620,000	0	388,675	0	438,675	0	438,675	0	388,675	0	438,675	0	438,675	0
F63	Fallen Law Enforcement Officers	0	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
Total		4,078,803	56	3,942,841	56	4,604,011	56	3,945,285	56	4,478,145	56	4,128,145	56	3,946,509	56	4,129,369	56	4,129,369	56
Funding Sources			**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
Fund Balance	4000005	577,762	12.8	431,274	10.4			205,200	5.1	205,200	4.6	205,200	5.1	154,190	3.9	104,190	2.6	104,190	2.6
General Revenue	4000010	3,490,378	77.4	3,271,480	78.9			3,304,651	82.5	3,787,511	84.4	3,339,651	82.7	3,305,875	83.3	3,438,735	84.9	3,340,875	84.5
Special Revenue	4000030	807	0.0	24,500	0.6			25,000	0.6	25,000	0.6	25,000	0.6	25,000	0.6	25,000	0.6	25,000	0.6
Cash Fund	4000045	309,154	6.9	300,787	7.3			350,000	8.7	350,000	7.8	350,000	8.7	363,306	9.2	363,306	9.0	363,306	9.2
M & R Sales	4000340	8,273	0.2	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Transfers	4000355	123,703	2.7	120,000	2.9			120,000	3.0	120,000	2.7	120,000	3.0	120,000	3.0	120,000	3.0	120,000	3.0
Total Funds		4,510,077	100.0	4,148,041	100.0			4,004,851	100.0	4,487,711	100.0	4,039,851	100.0	3,968,371	100.0	4,051,231	100.0	3,953,371	100.0
Excess Appropriation/(Funding)		(431,274)		(205,200)				(59,566)		(9,566)		88,294		(21,862)		78,138		175,998	
Grand Total		4,078,803		3,942,841				3,945,285		4,478,145		4,128,145		3,946,509		4,129,369		4,129,369	

Variances in fund balance due to unfunded appropriation in (C64) AG Funding - Cash.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
55	53	2	55	0	3.64 %	56	55	1	56	0	1.79 %	56	55	1	56	0	1.79 %

Analysis of Budget Request

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

This General Revenue appropriation provides for the operations of the Commission on Law Enforcement Standards and Training (CLEST). CLEST provides basic training for new officers and specialized training for certified police officers at the Arkansas Law Enforcement Training Academy (ALETA) near East Camden and in Springdale, while providing field training classes as requested around the State. CLEST and ALETA's goal is to establish the role of the law enforcement officer as a professional, thereby presenting the citizens of the State of Arkansas with officers who have the knowledge and skills to detect, prevent and reduce crime.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency's Change Level requests total $482,860 in appropriation and general revenue funding for FY16 and $132,860 in appropriation and general revenue funding for FY17 and reflect the following:

- Operating Expenses increase of $65,000 each year of the biennium for increases in food costs due to increase in students and software maintenance on state wide law enforcement certification tracking system. Costs associated with these requests are documented in the Agency's IT Plan.
- Conference and Travel Expenses increase of $10,000 each year of the biennium for instructor and staff training in new and updated law enforcement programs.
- Professional Fees increase of $7,860 each year of the biennium for guest speakers, trainers, attorneys, and court reporters.
- Capital Outlay increase of $400,000 in FY16 and $50,000 in FY17 for replacement of HVAC units, hot water system, and various kitchen and grounds equipment.

The Executive Recommendation provides $132,860 in appropriation and $35,000 in general revenue funding each year for the following:

- Operating Expenses increase of $65,000.
- Conference and Travel Expenses increase of $10,000.
- Professional Fees increase of $7,860.
- Capital Outlay increase of $50,000. The replacement of HVAC units and hot water system will be addressed through the Agency's Capital Projects requests.

Appropriation Summary

Appropriation: 172 - Law Enforcement Standards-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,849,991	1,816,781	1,862,876	1,837,989	1,837,989	1,837,989	1,838,989	1,838,989	1,838,989
#Positions		**55**	**55**	**55**	**55**	**55**	**55**	**55**	**55**	**55**
Personal Services Matching	5010003	691,223	682,827	689,374	694,790	694,790	694,790	695,014	695,014	695,014
Operating Expenses	5020002	924,939	756,872	885,490	756,872	821,872	821,872	756,872	821,872	821,872
Conference & Travel Expenses	5050009	10,906	7,500	15,000	7,500	17,500	17,500	7,500	17,500	17,500
Professional Fees	5060010	5,333	7,500	15,000	7,500	15,360	15,360	7,500	15,360	15,360
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	19,994	0	20,000	0	400,000	50,000	0	50,000	50,000
Total		3,502,386	3,271,480	3,487,740	3,304,651	3,787,511	3,437,511	3,305,875	3,438,735	3,438,735
Funding Sources										
General Revenue	4000010	3,490,378	3,271,480		3,304,651	3,787,511	3,339,651	3,305,875	3,438,735	3,340,875
M & R Sales	4000340	8,273	0		0	0	0	0	0	0
Miscellaneous Transfers	4000355	3,735	0		0	0	0	0	0	0
Total Funding		3,502,386	3,271,480		3,304,651	3,787,511	3,339,651	3,305,875	3,438,735	3,340,875
Excess Appropriation/(Funding)		0	0		0	0	97,860	0	0	97,860
Grand Total		3,502,386	3,271,480		3,304,651	3,787,511	3,437,511	3,305,875	3,438,735	3,438,735

Change Level by Appropriation

Appropriation: 172 - Law Enforcement Standards-Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,304,651**	**55**	**3,304,651**	**100.0**	**3,305,875**	**55**	**3,305,875**	**100.0**
C01	Existing Program	477,860	0	3,782,511	114.5	127,860	0	3,433,735	103.9
C08	Technology	5,000	0	3,787,511	114.6	5,000	0	3,438,735	104.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,304,651**	**55**	**3,304,651**	**100.0**	**3,305,875**	**55**	**3,305,875**	**100.0**
C01	Existing Program	127,860	0	3,432,511	103.9	127,860	0	3,433,735	103.9
C08	Technology	5,000	0	3,437,511	104.0	5,000	0	3,438,735	104.0

Justification	
C01	The Agency is requesting $60,000 in Operating Expenses for each year of the biennium for food expense due to increase in students; $10,000 for Conference and Travel for each year of the biennium for instructor and staff training in new and updated programs; $7,860 in Professional Fees for costs of guest speakers, trainers, attorneys, and court reporters for each year; Capital Outlay of $400,000 for FY16 and $50,000 for FY17 to replace HVAC units, hot water system, and various kitchen and grounds equipment..
C08	The Agency is requesting $5,000 in Operating Expenses for each year of the biennium for software maintenance on state wide law enforcement certification tracking system.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015

Agency: Law Enforcement Standards & Training Commission

Program: Law Enforcement Standards-Operations

Act #: 99 Section(s) #: 2 & 6

Estimated Carry Forward Amount $ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0950 Funds Center: 172 Fund: HUA Functional Area: SFTY

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

No Carry Forward.

Actual Funding Carry Forward Amount $ 0.00

Current status of carry forward funding:

All funds were expended by year end.

Ken Jones
Director

08-20-2014
Date

Analysis of Budget Request

Appropriation: 86M - 911 Training & Education

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency uses this appropriation for personal services and operating expenses of the Arkansas Commission on Law Enforcement Standards and Training - 911 Training Education. Funds for this appropriation comes from $120,000 fund transfer from Arkansas Emergency Telephone Service Board.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 86M - 911 Training & Education
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	39,409	38,078	38,078	38,458	38,458	38,458	38,458	38,458	38,458
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	13,866	13,560	13,479	13,778	13,778	13,778	13,778	13,778	13,778
Operating Expenses	5020002	53,757	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,099
Conference & Travel Expenses	5050009	1,569	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	3,991	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
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		112,592	131,737	131,656	132,335	132,335	132,335	132,335	132,335	132,335
Funding Sources										
Fund Balance	4000005	45,210	52,586		40,849	40,849	40,849	28,514	28,514	28,514
Miscellaneous Transfers	4000355	119,968	120,000		120,000	120,000	120,000	120,000	120,000	120,000
Total Funding		165,178	172,586		160,849	160,849	160,849	148,514	148,514	148,514
Excess Appropriation/(Funding)		(52,586)	(40,849)		(28,514)	(28,514)	(28,514)	(16,179)	(16,179)	(16,179)
Grand Total		112,592	131,737		132,335	132,335	132,335	132,335	132,335	132,335

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: C64 - AG Funding - Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

The Commission on Law Enforcement Standards and Training uses this cash appropriation for various expenses associated with the Arkansas Law Enforcement and Training Academy (ALETA) facilities. Revenue derived from one time money from settlement agreements through the Attorney General Office. The Commission will uses this appropriation for repairs and upgrades to the ALETA firing range, equipment, building maintenance and repairs to the main complex and repairs to the NW ALETA in Springdale, AR.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: C64 - AG Funding - Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Cash - Attorney General	5900046	282,895	94,624	339,615	94,624	94,624	94,624	94,624	94,624	94,624
Total		282,895	94,624	339,615	94,624	94,624	94,624	94,624	94,624	94,624
Funding Sources										
Fund Balance	4000005	325,875	93,837		0	0	0	0	0	0
Cash Fund	4000045	50,857	787		0	0	0	0	0	0
Total Funding		376,732	94,624		0	0	0	0	0	0
Excess Appropriation/(Funding)		(93,837)	0		94,624	94,624	94,624	94,624	94,624	94,624
Grand Total		282,895	94,624		94,624	94,624	94,624	94,624	94,624	94,624

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

The Commission on Law Enforcement Standards and Training uses this cash appropriation for Operating Expenses and Capital Outlay associated with Special Training. Fees are collected from state agencies for the use of the Training Academy's facilities for special training of their police officers and for meals purchased by the Fire Training Academy for students enrolled in training. The Commission uses this appropriation to buy uniforms (up to $40,000 annually pursuant to A.C.A. §12-9-111), purchase equipment and supplies, and for facility maintenance.

The Agency's Change Level request is for $50,000 in Capital Outlay appropriation each year of the biennium to replace equipment.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: D48 - Special Training-Cash

Funding Sources: 108 Law Enforcement Standards and Training - Cash

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	154,087	368,675	568,675	368,675	368,675	368,675	368,675	368,675	368,675
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	2,680	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	24,163	31,325	31,325	0	50,000	50,000	0	50,000	50,000
Total		180,930	420,000	620,000	388,675	438,675	438,675	388,675	438,675	438,675
Funding Sources										
Fund Balance	4000005	206,677	284,044		164,044	164,044	164,044	125,369	75,369	75,369
Cash Fund	4000045	258,297	300,000		350,000	350,000	350,000	363,306	363,306	363,306
Total Funding		464,974	584,044		514,044	514,044	514,044	488,675	438,675	438,675
Excess Appropriation/(Funding)		(284,044)	(164,044)		(125,369)	(75,369)	(75,369)	(100,000)	0	0
Grand Total		180,930	420,000		388,675	438,675	438,675	388,675	438,675	438,675

Change Level by Appropriation

Appropriation: D48 - Special Training-Cash
Funding Sources: 108 Law Enforcement Standards and Training - Cash

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**388,675**	**0**	**388,675**	**100.0**	**388,675**	**0**	**388,675**	**100.0**
C01	Existing Program	50,000	0	438,675	112.9	50,000	0	438,675	112.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**388,675**	**0**	**388,675**	**100.0**	**388,675**	**0**	**388,675**	**100.0**
C01	Existing Program	50,000	0	438,675	112.9	50,000	0	438,675	112.9

Justification	
C01	The Agency requests $50,000 in Capital Outlay to replace equipment due to age and malfunctions.

Analysis of Budget Request

Appropriation: F63 - Fallen Law Enforcement Officers

Funding Sources: SLS - Fallen Law Enforcement Officers' Beneficiary Fund

This appropriation provides for personal services, operating expenses, and grants to provide support and assistance to beneficiaries of fallen law enforcement officers. Funding for this appropriation is special revenue generated by special license plate fees (A.C.A. § 27-24-1315, § 27-24-1413, § 27-24-1414).

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent on the availability of funding.

Appropriation Summary

Appropriation: F63 - Fallen Law Enforcement Officers

Funding Sources: SLS - Fallen Law Enforcement Officers' Beneficiary Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Fallen Law Enforcement Officers 5900046	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Funding Sources									
Fund Balance 4000005	0	807		307	307	307	307	307	307
Special Revenue 4000030	807	24,500		25,000	25,000	25,000	25,000	25,000	25,000
Total Funding	807	25,307		25,307	25,307	25,307	25,307	25,307	25,307
Excess Appropriation/(Funding)	(807)	(307)		(307)	(307)	(307)	(307)	(307)	(307)
Grand Total	0	25,000		25,000	25,000	25,000	25,000	25,000	25,000

MARTIN LUTHER KING, JR COMMISSION

Enabling Laws

Act 197 of 2014
A.C.A. §25-24-101 et seq.

History and Organization

The Martin Luther King, Jr. Commission was created by Act 1216 of 1993. The Commission is an offspring of the Martin Luther King Federal Holiday Commission and was established under then Governor Bill Clinton by executive order. The Commission was created to promote the legacy and philosophy of Dr. Martin Luther King, Jr. Initially, the Commission had one staff person, and was housed within the Governor's Office at the State Capitol. Then Governor Jim Guy Tucker appointed the 25-member board and recommended that Tracy Steele serve as Executive Director. Senator Steele served as Executive Director until November 2006, and in March, 2008, a new Executive Director, DuShun Scarbrough, was appointed by the Commission. The current headquarters for the Commission is 501 Woodlane, Suite 122S, Little Rock, AR 72201.

In 1997, a mission statement, a stated purpose, goals and objectives, and the Junior Commission Board were developed. Because of its limited resources, a consensus determined that the Commission would focus on youth oriented projects first, and then expand. Violence and crime among youth was one of the critical concerns with the people of Arkansas. Then Governor Jim Guy Tucker called a special legislative session to deal with the problem of juvenile crime. The Commission formed the Junior Commission Board, which is composed of Arkansas high school and college students who have demonstrated strong qualities of leadership and community service. The Junior Commissioners have particular influence in advising the Commission in projects dealing with youth. Junior Commissioners have since been replaced with the development of Youth Commissioners. Each board member is able to choose 1 youth commissioner to represent their district. Each youth commissioner is a high school student who demonstrates strong leadership qualities and a desire to serve the community. Youth commissioners serve in a variety of areas including public speaking, volunteering, mentoring in our Dream Keepers, and Leadership, Education, and Acceptance of Diversity, or L.E.A.D. programs, established in 2008 by Executive Director, DuShun Scarbrough, and advising the commission on projects dealing with youth.

Mission Statement
The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans.

Purpose
The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill, among all citizens
- Promote principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.
- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King's holiday

The Martin Luther King, Jr. Commission continues to reach out to people throughout the state until Dr. King's dream is accepted and realized by every Arkansan.

Agency Commentary

The purpose of the Arkansas Martin Luther King, Jr. Commission is to:

- Promote racial harmony, understanding community service, respect, and goodwill among all citizens
- Promote Dr. King's principles of nonviolence
- Promote awareness and appreciation of the Civil Rights Movement and advocate the principles and legacy of Dr. Martin Luther King, Jr.

- Develop, coordinate, and advise the Governor and General Assembly of ceremonies and activities throughout the State relating to the observance of Dr. King's holiday

The mission of the Arkansas Martin Luther King, Jr. Commission is to promote understanding and acceptance of nonviolence and human equality as a way of building community among all Arkansans.

The Commission is guided by Dr. King's teachings and philosophy of love, tolerance, and nonviolence. It strives for social improvement in Arkansas, helping communities and organizations achieve new levels of leadership and public service.

The Commission works directly with youth and others, encouraging them to embrace alternatives to violence and discover their common humanity. Through activities that stress racial and cultural diversity, the Commission offers Arkansas youth a new understanding of the important roles they play in the communities, now and in the future.

Funding for appropriation for the Arkansas Martin Luther King, Jr. Commission is state general revenue and cash funds from donations and grants. Our appropriation is used to further the organization's efforts to enhance the awareness of peace and harmonious living among all Arkansans.

The agency has consistently shown growth each year since the Executive Director, DuShun Scarbrough, took office in March 2008. We hold several events across the state throughout the year to further promote the legacy of Dr. King, rather than only observing Dr. King's holiday.

The Commission requests an increase of $8,710 in Operating Expenses for FY16 and FY17. This includes $980 for office rent increase and $7,730 to purchase four (4) computers and related software each year. The existing computers/operating system are no longer supported by Microsoft. The replacement equipment and related software can found on the agency's state IT plan under Hardware-Future Purchases and Software-Future Purchases.

The Commission requests Base Level appropriation for the Treasury Cash appropriation.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
MARTIN LUTHER KING, JR. COMMISSION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	0	0	0	0 %
Black Employees	2	1	3	100 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	100 %
Total Employees			3	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

	Historical Data						Agency Request and Executive Recommendation											
	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
Appropriation	**Actual**	**Pos**	**Budget**	**Pos**	**Authorized**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**	**Base Level**	**Pos**	**Agency**	**Pos**	**Executive**	**Pos**
125 Martin Luther King - State Operations	239,847	4	254,806	4	261,583	4	256,919	4	265,629	4	261,764	4	256,919	4	265,629	4	261,764	4
54S Martin Luther King - Treasury Cash	53,840	0	91,040	0	91,522	0	91,050	0	91,050	0	91,050	0	91,050	0	91,050	0	91,050	0
Total	293,687	4	345,846	4	353,105	4	347,969	4	356,679	4	352,814	4	347,969	4	356,679	4	352,814	4
Funding Sources		**%**		**%**				**%**		**%**		**%**		**%**		**%**		**%**
Fund Balance 4000005	12,156	4.1	2,988	0.9			1,243	0.4	1,243	0.3	1,243	0.4	1,243	0.4	1,243	0.3	1,243	0.4
General Revenue 4000010	233,846	78.8	233,846	67.4			235,959	67.6	244,669	68.4	240,804	68.0	235,959	67.6	244,669	68.4	240,804	68.0
Cash Fund 4000045	50,673	17.1	110,255	31.8			112,010	32.1	112,010	31.3	112,010	31.6	112,010	32.1	112,010	31.3	112,010	31.6
Total Funds	296,675	100.0	347,089	100.0			349,212	100.0	357,922	100.0	354,057	100.0	349,212	100.0	357,922	100.0	354,057	100.0
Excess Appropriation/(Funding)	(2,988)		(1,243)				(1,243)		(1,243)		(1,243)		(1,243)		(1,243)		(1,243)	
Grand Total	293,687		345,846				347,969		356,679		352,814		347,969		356,679		352,814	

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
4	3	1	4	0	25.00 %	4	3	1	4	0	25.00 %	4	3	1	4	0	25.00 %

Analysis of Budget Request

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Martin Luther King, Jr. Commission was established by Arkansas Code Annotated §25-24-101 et seq. The Commission consists of thirteen (13) members: five (5) members appointed by the Governor; four (4) members appointed by the President Pro Tempore of the Senate; and four (4) members appointed by the Speaker of the House of Representatives. The Governor shall select annually a chair from the membership of the commission.

The responsibility of the Commission is to promote racial harmony, understanding, respect and goodwill among all citizens; promote principles of nonviolence; promote awareness and appreciation of the civil rights movement and advocacy of the principles and legacy of Dr. King; develop, coordinate, and advise the Governor and the General Assembly of appropriate ceremonies and activities related to Dr. King's birthday; and to receive donations and contributions from individuals and public and private organizations to carry out its responsibilities. Funding to support the activities of the Commission is derived from General Revenue.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests a Change Level increase of $8,710 in Operating Expenses each year of the biennium for office rent and to purchase four (4) new computers and related software each year of the biennium. The Agency's computers and related software are no longer supported by the manufacturer. This is included in the Agency's IT plan.

The Executive Recommendation provides for an increase of $4,845 for Operating Expenses and General Revenue funding which includes the increase in office rent and $3,865 to replace two (2) computers each year of the biennium.

Appropriation Summary

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	138,177	148,017	150,467	149,277	149,277	149,277	149,277	149,277	149,277
#Positions		**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	48,466	52,850	57,177	53,703	53,703	53,703	53,703	53,703	53,703
Operating Expenses	5020002	53,204	53,639	53,639	53,639	62,349	58,484	53,639	62,349	58,484
Conference & Travel Expenses	5050009	0	300	300	300	300	300	300	300	300
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		239,847	254,806	261,583	256,919	265,629	261,764	256,919	265,629	261,764
Funding Sources										
General Revenue	4000010	233,846	233,846		235,959	244,669	240,804	235,959	244,669	240,804
Cash Fund	4000045	6,001	20,960		20,960	20,960	20,960	20,960	20,960	20,960
Total Funding		239,847	254,806		256,919	265,629	261,764	256,919	265,629	261,764
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		239,847	254,806		256,919	265,629	261,764	256,919	265,629	261,764

Change Level by Appropriation

Appropriation: 125 - Martin Luther King - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**256,919**	**4**	**256,919**	**100.0**	**256,919**	**4**	**256,919**	**100.0**
C01	Existing Program	980	0	257,899	100.4	980	0	257,899	100.4
C08	Technology	7,730	0	265,629	103.4	7,730	0	265,629	103.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**256,919**	**4**	**256,919**	**100.0**	**256,919**	**4**	**256,919**	**100.0**
C01	Existing Program	980	0	257,899	100.4	980	0	257,899	100.4
C08	Technology	3,865	0	261,764	101.9	3,865	0	261,764	101.9

Justification	
C01	The Agency requests an increase of $980 in Operating Expenses for an office rent increase of 3% for the biennium.
C08	The Agency requests an increase in Operating Expenses $7,730 to purchase four (4) computers and related software each year of the biennium. The existing computers/operating system are no longer supported by Microsoft. The replacement equipment and related software can be found on the agency's state IT plan under Hardware-Future Purchases and Software-Future Purchases. The Executive Recommendation provides for the rent increase and purchase of two (2) computers and related software each year.

Analysis of Budget Request

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

One of the responsibilities of the Commission is to receive donations and contributions in order to carry out its duties of promoting racial harmony, understanding, respect and goodwill, with these revenues deposited into a cash fund account pursuant to Arkansas Code Annotated §25-24-102. The Commission continues to apply for grants in support of community-based programs and services for the prevention of youth crime and violence.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 54S - Martin Luther King - Treasury Cash

Funding Sources: NMK - Martin Luther King - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Extra Help	5010001	8,236	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
#Extra Help		**2**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	1,418	1,216	1,698	1,226	1,226	1,226	1,226	1,226	1,226
Operating Expenses	5020002	38,467	67,924	67,924	67,924	67,924	67,924	67,924	67,924	67,924
Conference & Travel Expenses	5050009	1,991	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	3,728	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
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		53,840	91,040	91,522	91,050	91,050	91,050	91,050	91,050	91,050
Funding Sources										
Fund Balance	4000005	12,156	2,988		1,243	1,243	1,243	1,243	1,243	1,243
Cash Fund	4000045	44,672	89,295		91,050	91,050	91,050	91,050	91,050	91,050
Total Funding		56,828	92,283		92,293	92,293	92,293	92,293	92,293	92,293
Excess Appropriation/(Funding)		(2,988)	(1,243)		(1,243)	(1,243)	(1,243)	(1,243)	(1,243)	(1,243)
Grand Total		53,840	91,040		91,050	91,050	91,050	91,050	91,050	91,050

STATE MILITARY DEPARTMENT

Enabling Laws

Act 196 of 2014, Fiscal Session
Article XI of the Arkansas State Constitution

History and Organization

Article XI of the State Constitution provides for the establishment of a State Militia. Act 50 of 1969 repealed the old military code established by Act 85 of 1929. The military code provides for the training, organization, and discipline of the militia and National Guard. The act further establishes a system of military justice and provides for the construction, operation, and maintenance of armories and other military facilities in the state.

On March 31, 1917, the Arkansas National Guard was first mobilized for service in World War I. The Guard also served in World War II as well as the Korean Conflict, the Berlin Crisis, and the Persian Gulf Desert Storm Operation. Currently the Arkansas Guard is involved in operations in Afghanistan and Iraq. The Guard was reorganized after World War II and the U.S. Government deeded Camp Robinson to the State of Arkansas. Act 121 of 1951 accepted the title to the Camp with improvements and appurtenances. In 1963, the Guard underwent reorganization, and has remained basically unchanged since.

In 1973, the Department was included in the newly created Department of Public Safety. In 1981, Act 45 abolished the Department of Public Safety and returned the Military Department as a separate line agency responsible to the Governor. In addition, Act 45 merged the Arkansas Civil Air Patrol with the Military Department.

In 1985, the Department was authorized by Act 984 to establish regular positions to be payable from the State Military Department Training Site Federal Fund for maintenance, operation, and security of facilities and equipment which are supported from 100% federal funds.

In 1990, the National Guard Marksmanship Center relocated to Camp Robinson from the State of Tennessee. The Center is supported from 100% federal funds.

The Arkansas National Guard comprises of two armed services; the Arkansas Air National Guard and the Arkansas Army National Guard. The Arkansas Air National Guard consists of two wings and four geographically separate units located at the Little Rock Air Base, Camp Robinson and Fort Smith. The Arkansas Army National Guard consists of four major subordinate commands, a joint force headquarters, a operational

brigade, a recruiting and retention command and a training institution. There are approximately 9,426 assigned military personnel in the Arkansas National Guard.

Arkansas statutes provide that the Governor is the Commander-In-Chief of the National Guard, except when the Guard is federalized by the power of the President. The Governor has the power to promote duties and regulations for the Guard and Militia and can call them up in times of invasion, disaster, insurrection, riot, or breach of peace. The Governor can appoint an Adjutant General of the State who shall be Commander of the State Militia.

The Adjutant General provides for the orderly administration of the National Guard through the direction provided by twenty separate organizational units. The personnel supporting these divisions are a combination of state and federal employees based on the function of the support. The organizational structure is depicted on the attached chart.

The State Military Department is responsible for all matters relating to the command, control, and supervision of the Militia, National Guard or other military organization under the jurisdiction of the Governor. It provides Army and Air military units/individuals to protect life and property; to preserve the peace, provide for order and safety of all the citizens of Arkansas in the event of civil disorders, natural disasters, and any other emergencies; to provide facilities and operation/maintenance of buildings and grounds, military ranges, warehousing, and fire/security protection to supported National Guard Units; to provide procurement and resource management, military personnel/administration management, and military plans, operations and training management; and to provide budget/funding support for the operation of the Arkansas Civil Air Patrol. The Arkansas Civil Air Patrol conducts air search and rescue for downed aircraft in the state as well as training programs across the state in aeronautics and aviation.

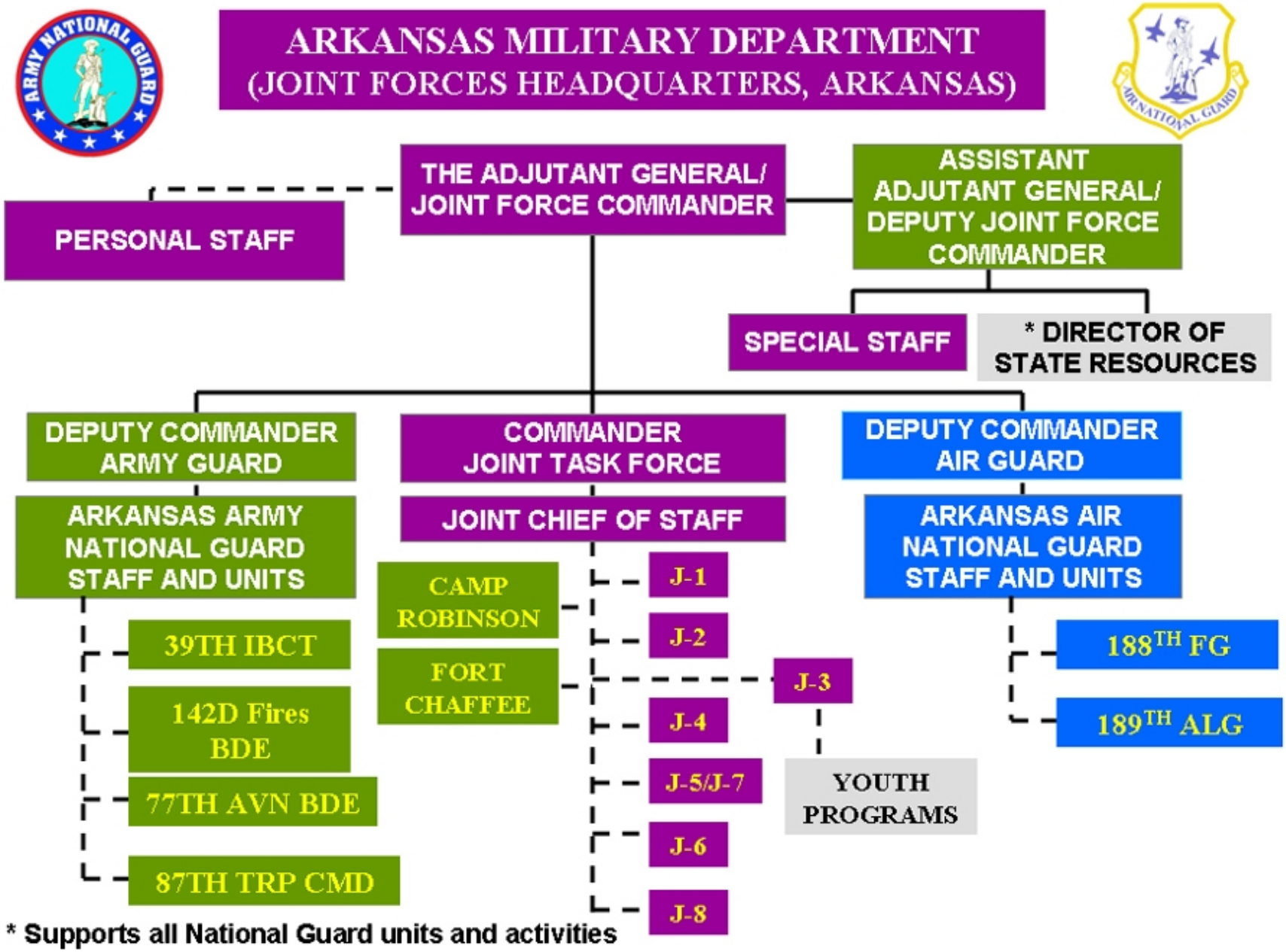
The Arkansas National Guard also serves a federal mission in that it is available upon the order of the President to serve in any capacity as he may designate. The State Military Department is responsible to provide trained and equipped units capable of expansion to war strength and available for service in time of war or national emergency; to provide military support to civil authorities in support of civil defense, civil assistance, and disaster relief missions; to provide and coordinate plans for assigned land defense missions; to provide for organizing and training the militia, if required; to provide direction and monitorship over the use of federal funds in support of the National Guard; and to provide assistance to all military family members in the state which are beyond the area of existing military facilities support.

The National Guard Professional Education Center located at Camp Robinson is supported from 100% federal funds and provides a structured education program for National Guard and federal technicians. Students attending the Center receive specialized training designed for full time employees of the National Guard nationwide, including U.S. territories.

The National Guard Marksmanship Center located at Camp Robinson is supported from 100% federal funds and provides a structured marksmanship training program for individuals and teams from National Guard Units nationwide, including sponsoring the national Winston P. Wilson Marksmanship Matches conducted at Camp Robinson each year.

The Civilian Student Training Program located at Camp Robinson was established by A.C.A. §12-8-104. It is a comprehensive, rigorous program for males, 13 to 17 years of age, set in a military environment providing values, skills, education, and self-discipline to at-risk youth so they may redirect their lives, continue their education, obtain employment and succeed as responsible, productive citizens. Students are referred through Juvenile Court in a probationary status.

The Arkansas National Guard Youth Challenge Program located at Camp Robinson was established in September 1993 and is 75% federally funded and 25% state funded. It is a 22-week residential program for high school dropouts to enable participants to receive a Graduation Equivalency Diploma (GED) and assistance in pursuing further education or employment.


ARKANSAS MILITARY DEPARTMENT
(JOINT FORCES HEADQUARTERS, ARKANSAS)
THE ADJUTANT GENERAL/ JOINT FORCE COMMANDER
PERSONAL STAFF
ASSISTANT ADJUTANT GENERAL/ DEPUTY JOINT FORCE COMMANDER
SPECIAL STAFF
* DIRECTOR OF STATE RESOURCES
DEPUTY COMMANDER ARMY GUARD
ARKANSAS ARMY NATIONAL GUARD STAFF AND UNITS
39TH IBCT
142D Fires BDE
77TH AVN BDE
87TH TRP CMD
COMMANDER JOINT TASK FORCE
JOINT CHIEF OF STAFF
CAMP ROBINSON
FORT CHAFFEE
J-1
J-2
J-3
J-4
J-5/J-7
J-6
J-8
YOUTH PROGRAMS
DEPUTY COMMANDER AIR GUARD
ARKANSAS AIR NATIONAL GUARD STAFF AND UNITS
188TH FG
189TH ALG
* Supports all National Guard units and activities

Agency Commentary

The State Military Department provides for responsible fiscal actions and a trained, professional staff of state employees that will ensure well-maintained armories and facilities and trained personnel and administrators so that National Guard soldiers can maintain ready units, responsive to the needs of the nation, state, and community. The Agency also supports two programs for the state's at-risk youth; the Civilian Student Training Program for male juvenile offenders and the Youth Challenge Program for high school dropouts. Funding for this Agency consists of general revenue, revolving funds, general improvement funds, federal reimbursements, and fees collected from rents.

266 - Civilian Student Training Program

Acts 375 and 1133 of 1993 established the Civilian Student Training Program (CSTP) located at Camp Robinson. CSTP offers rehabilitation for juveniles (11-17 years of age) who are referred to the Program by juvenile justices throughout the state. With full staff and funding, the Program can accommodate an annual maximum population of 330 students. This appropriation is funded by general revenue to support the operations and employee services of the residential juvenile training and behavior management facility.

The Agency's Appropriation Change Level requests total $251,230 each year of the biennium:

- The Agency is requesting an increase of $150,000 each year in Operating Expenses for building and grounds maintenance. The age of the building will require additional building and ground maintenance.

- The Agency is requesting Capital Outlay appropriation in the amount of $100,000 each year due to the dire need of an emergency generator for the multiple buildings which will be purchased over the course of both years.

- The Agency is requesting to establish Overtime and Personal Services Matching in the amount of $1,230 each year for the occasional event that an employee is required to work longer than normal operations.

268 - General Operations

The State Operations appropriation provides for the administration of the Arkansas Military Department. The staffing costs and maintenance and general operation expenses in support of the Agency headquarters and National Guard training complex at Camp Robinson as well as the administration and up keep for armories in communities around the State are included in this fund center.

The Agency's Appropriation Change Level requests total $253,092 each year of the biennium:

- The Agency is requesting Regular Salary and Personal Services Matching increases in the amount of $50,592 each year for reclassifying fourteen (14) positions in order to move current employees from various Fire/Police titles to a pure Police force at Camp Robinson and align three (3) employees' titles with job duties.

- The Agency is requesting an increase of $100,000 each year in Operating Expenses for building and grounds maintenance at each armory throughout the State. The age of the armories are requiring additional building and ground maintenance.

- The Agency is requesting Capital Outlay appropriation in the amount of $100,000 each year to purchase generators. The building is in dire need of an emergency generator for the main building which will be purchased the first year and one for our record retention storage area outside of main building in the second year.

- The Agency is requesting an increase in Purchase of Flags of $2,500 each year for flag purchases for the armories around the State.

269 - Military Call-Up and Court Martial

This appropriation provides for Emergency Military Call-Up and Military Court Martial expenses. Funding for this program is provided by transfers from the Budget Stabilization Trust Fund.

- The Agency is requesting a $500,000 increase each year of the biennium due to disasters that the Agency must respond to on behalf of the Governor and the Adjutant General.

270 - Federal Training Site

This appropriation provides Regular Salaries, Overtime, and Personal Services Matching costs for State positions funded 100% with federal funds to support operations of the Camp Robinson Federal Training Site.

The Agency's Appropriation Change Level requests total $1,097,136 in the first year and $1,097,258 in the second year:

- The Agency is requesting an increase in the amount of $1,082,033 in the first year and $1,082,155 in the second year for the restoration of eighteen (18) positions to allow flexibility in position needs and ten (10) new positions in order to establish a pure police force and a pure fire department at Camp Robinson.

- Regular Salaries and Personal Services Matching increases in the amount of $15,103 in each year for reclassifying six (6) positions in order to move current employees from various Fire/Police titles in order to separate into just a pure Police force at Camp Robinson and a pure Fire Department at Camp Robinson.

275 - Federal Training Site Grant
This appropriation is used for operational costs of the 100% federally funded Camp Robinson Federal Training Site Grant Program.

- The Agency is requesting a $3,000,000 increase each year of the biennium for the replacement needs and/or purchase of equipment essential to the maintenance and operations of Camp Robinson.

34Y - Military Family Trust
This appropriation provides for direct financial assistance to families of deployed soldiers. The funding comes from taxpayer donations.

- The Agency is requesting a $26,453 increase each year of the biennium to provide additional financial assistance to families of deployed soldiers.

393 - Cash Operations
This appropriation is funded from cash funds derived from rentals and fees for usage of the facilities at Camp Robinson and the commercial harvesting of timber.

The Agency's Appropriation Change Level requests total $274,785 each year of the biennium:

- The Agency is requesting a $71,285 increase each year in Operating Expenses for fuel, tires, shop supplies, office supplies and equipment maintenance.

- The Agency is requesting a $3,000 increase each year in Conference & Travel Expenses for lodging and travel to various conferences required by the program.

- The Agency is requesting a $500 increase each year for Professional Fees by the program for our forester license and dues.

- The Agency requests Capital Outlay in the amount of $200,000 in each year for replacement and/or purchase of capitalized equipment essential to the maintenance and operations of Camp Robinson.

443 - Counter Drug Asset Forfeiture
The Agency assists in federal counter drug operations and receives a portion of the proceeds derived from the sale of seized assets. These funds must be used for law enforcement operations and training in accordance with the U.S. Department of Justice's Code.

- The Agency is requesting Base Level each year of the biennium.

455 - Military Support Revolving
This appropriation is used for non-emergency Military Call-Up to support military training activities. Funding for the Military Support Revolving Fund, established by Act 959 of 1999, consists of fund transfers and deposits from federal agencies.

- The Agency is requesting Base Level each year of the biennium.

556 - Federal Armory Assistance
This appropriation is used for operating costs of state armories, including State Area Command (STARC) armories. This program is 100% federally funded. The Agency is request is to maintain Base Level each year.

- The Agency is requesting a reallocation of $25,000 each year of the biennium from Professional Fees to Operating Expenses to more accurately reflect anticipated expenses.

575 - Fort Chaffee Training Site
This appropriation is 100% federally funded for the personal services and operational costs of the Fort Chaffee Training Site.

The Agency's Appropriation Change Level requests total $2,366,450 in each year of the biennium:

- Regular Salaries and Personal Services Matching increases in the amount of $366,450 each year for reclassifying six (6) positions and is requesting nine (9) new positions in order to move current employees from various Fire/Police titles in order to separate into just a pure Police force at Fort Chaffee and a pure Fire Department at Fort Chaffee.

- The Agency is requesting Capital Outlay in the amount of $2,000,000 each year to purchase tractors, brush trucks and other equipment to maintain roads and training ranges.

576 - National Guard Museum
This appropriation receives general revenue from the Miscellaneous Agencies Fund for personal services and operational costs of the Arkansas National Guard Museum.

The Agency's Appropriation Change Level requests total $10,000 in each year of the biennium:

- The Agency is requesting an increase of $7,500 each year for Operating Expenses to meet the growing needs of the Museum for educational supplies, office supplies, wireless telecommunications and newspaper clipping service.

- The Agency is requesting Purchase of Flags appropriation in the amount of $2,500 each year for flag replacement purchases for the Museum.

577 - Arkansas National Guard Youth Challenge Program

This appropriation is funded by 75% Federal Reimbursements and 25% State match. The Arkansas National Guard Youth Challenge Program provides for the personal services and operational costs to support a residential educational training program for high school dropouts to enable them to receive a General Educational Development (GED) Diploma and assistance for further education or employment. The Program is designed for two (2) cycles per year to accommodate a total of 200 students per year.

The Agency's Appropriation Change Level requests total $263,870 in each year of the biennium:

- The Agency is requesting an increase of $133,470 each year for building and grounds maintenance. The age of the building will require additional building and ground maintenance and food service cost are up due to the fact that the program is increasing the number of students the agency serves.

- The Agency is requesting an increase of $2,000 each year due to training and travel requirements from the National Youth Challenge Program for teachers and staff. The training location requires common carrier usage.

- The Agency is requesting an increase of $3,400 each year for Professional Fees & Services for laboratory & diagnostic services by testing staff and volunteers.

- The Agency is requesting Capital Outlay appropriation in the amount of $125,000 each year to replace four (4) over 1-ton passenger vans that are used to transport the youth in the program to various events. The DFA Motor vehicle fund does not award appropriation on vehicles over 1-ton.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE MILITARY DEPARTMENT

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	274	96	370	73 %
Black Employees	66	62	128	25 %
Other Racial Minorities	7	0	7	2 %
Total Minorities			135	27 %
Total Employees			505	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data | **Agency Request and Executive Recommendation**

Appropriation		2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
266	Civilian Student Training Program	3,214,185	59	3,558,329	62	3,573,984	62	3,454,962	62	3,706,192	62	3,706,192	62	3,455,592	62	3,706,822	62	3,706,822	62
268	General Operations	5,516,276	65	6,286,809	78	6,409,717	78	6,260,575	78	6,513,667	78	6,513,667	78	6,261,258	78	6,514,350	78	6,514,350	78
269	Military Call-up and Court Martial	685,784	1	2,003,000	0	2,003,000	0	2,003,000	0	2,503,000	0	2,503,000	0	2,003,000	0	2,503,000	0	2,503,000	0
270	Federal Training Site	14,832,193	336	17,447,355	362	19,947,874	407	17,595,167	362	18,692,303	390	18,692,303	390	17,606,864	362	18,704,122	390	18,704,122	390
275	Federal Training Site Grant	21,198,765	0	43,028,044	0	43,028,044	0	40,028,044	0	43,028,044	0	43,028,044	0	40,028,044	0	43,028,044	0	43,028,044	0
34Y	Military Family Trust	4,500	0	123,000	0	123,000	0	123,000	0	149,453	0	149,453	0	123,000	0	149,453	0	149,453	0
393	Cash Operations	20,078	0	1,463,905	0	1,463,905	0	1,438,905	0	1,713,690	0	1,713,690	0	1,438,905	0	1,713,690	0	1,713,690	0
443	Counter Drug Asset Forfeiture	13,417	0	64,847	0	65,256	0	64,847	0	64,847	0	64,847	0	64,847	0	64,847	0	64,847	0
455	Military Support Revolving	25,183	0	553,423	0	553,423	0	553,423	0	553,423	0	553,423	0	553,423	0	553,423	0	553,423	0
556	Federal Armory Assistance	0	0	166,692	0	169,242	0	166,692	0	166,692	0	166,692	0	166,692	0	166,692	0	166,692	0
575	Fort Chaffee Training Site	12,940,755	66	19,138,383	78	18,393,737	78	17,760,992	78	20,127,442	87	20,127,442	87	17,761,435	78	20,127,885	87	20,127,885	87
576	National Guard Museum	88,405	1	89,333	1	90,616	1	90,110	1	100,110	1	100,110	1	90,110	1	100,110	1	100,110	1
577	AR National Guard Youth Challenge Program	2,484,761	49	2,618,625	48	3,054,184	48	2,640,073	48	2,903,943	48	2,903,943	48	2,641,303	48	2,905,173	48	2,905,173	48
Total		61,024,302	576	96,541,745	629	98,875,982	674	92,179,790	629	100,222,806	666	100,222,806	666	92,194,473	629	100,237,611	666	100,237,611	666

Funding Sources			%		%		%		%		%		%		%	
Fund Balance	4000005	5,483,623	8.2	5,618,109	5.7	2,874,728	3.1	2,874,728	2.9	2,874,728	2.9	1,672,476	1.8	1,672,476	1.7	1,269,384	1.3
General Revenue	4000010	9,437,617	14.2	9,902,707	10.0	9,782,393	10.5	10,362,683	10.3	9,698,361	9.7	9,783,932	10.7	10,364,222	10.4	9,699,900	9.9
Federal Revenue	4000020	50,806,474	76.2	81,680,474	82.2	77,466,981	83.4	84,128,469	83.6	84,128,469	84.2	77,480,043	84.5	84,141,653	84.6	84,141,653	85.5
Cash Fund	4000045	172,976	0.3	163,000	0.2	163,000	0.2	163,000	0.2	163,000	0.2	163,000	0.2	163,000	0.2	163,000	0.2
Budget Stabilization Trust	4000130	685,784	1.0	2,003,000	2.0	2,003,000	2.2	2,503,000	2.5	2,503,000	2.5	2,003,000	2.2	2,503,000	2.5	2,503,000	2.5
DFA Motor Vehicle Acquisition	4000184	17,521	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Income Tax Donations	4000283	24,688	0.0	24,000	0.0	24,000	0.0	24,000	0.0	24,000	0.0	24,000	0.0	24,000	0.0	24,000	0.0
M & R Sales	4000340	13,728	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Military Support Revolving	4000342	0	0.0	25,183	0.0	553,423	0.6	553,423	0.6	553,423	0.6	553,423	0.6	553,423	0.6	553,423	0.6
Total Funds		66,642,411	100.0	99,416,473	100.0	92,867,525	100.0	100,609,303	100.0	99,944,981	100.0	91,679,874	100.0	99,421,774	100.0	98,354,360	100.0
Excess Appropriation/(Funding)		(5,618,109)		(2,874,728)		(687,735)		(386,497)		277,825		514,599		815,837		1,883,251	
Grand Total		61,024,302		96,541,745		92,179,790		100,222,806		100,222,806		92,194,473		100,237,611		100,237,611	

Budget exceeds Authorized Appropriation in (575) Fort Chaffee Training Site due to a transfer from the Miscellaneous Federal Grant Holding Account.
Variances in fund balance due to unfunded appropriation in (34Y) Military Family Trust, (393) Cash Operations, and (443) Counter Drug Asset Forfeiture.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
762	524	105	629	133	31.23 %	674	483	146	629	45	28.34 %	674	475	154	629	45	29.53 %

Analysis of Budget Request

Appropriation: 266 - Civilian Student Training Program

Funding Sources: HMD - State Military Department

Acts 375 and 1133 of 1993 established the Civilian Student Training Program (CSTP) located at Camp Robinson. CSTP offers rehabilitation for juveniles (11-17 years of age) who are referred to the Program by juvenile justices throughout the state. With full staff and funding, the Program can accommodate an annual maximum population of 330 students. This appropriation is funded by general revenue to support the operations and employee services of the residential juvenile training and behavior management facility.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $251,230 in appropriation and general revenue funding each year of the biennium and reflect the following:

- Overtime and Personal Services Matching of $1,230 each year to allow for the occasional event that an employee is required to work longer than normal operations and overtime needs to be paid out.
- Operating Expenses of $150,000 each year for additional building and grounds maintenance due to the age of the building.
- Capital Outlay of $100,000 to purchase emergency generators.

The Executive Recommendation provides for Agency Request in appropriation only.

Appropriation Summary

Appropriation: 266 - Civilian Student Training Program

Funding Sources: HMD - State Military Department

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	1,731,549	1,965,909	1,966,765	1,976,875	1,976,875	1,976,875	1,977,379	1,977,379	1,977,379
#Positions		**59**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**
Extra Help	5010001	15,800	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
#Extra Help		**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	712,101	760,316	775,115	770,983	771,213	771,213	771,109	771,339	771,339
Overtime	5010006	0	0	0	0	1,000	1,000	0	1,000	1,000
Operating Expenses	5020002	751,704	666,854	791,854	666,854	816,854	816,854	666,854	816,854	816,854
Conference & Travel Expenses	5050009	985	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
Professional Fees	5060010	2,046	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	125,000	0	0	100,000	100,000	0	100,000	100,000
Total		3,214,185	3,558,329	3,573,984	3,454,962	3,706,192	3,706,192	3,455,592	3,706,822	3,706,822
Funding Sources										
General Revenue	4000010	3,214,185	3,558,329		3,454,962	3,706,192	3,454,962	3,455,592	3,706,822	3,455,592
Total Funding		3,214,185	3,558,329		3,454,962	3,706,192	3,454,962	3,455,592	3,706,822	3,455,592
Excess Appropriation/(Funding)		0	0		0	0	251,230	0	0	251,230
Grand Total		3,214,185	3,558,329		3,454,962	3,706,192	3,706,192	3,455,592	3,706,822	3,706,822

Budget exceeds Authorized Appropriation in Capital Outlay by authority of a Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 266 - Civilian Student Training Program
Funding Sources: HMD - State Military Department

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,454,962**	**62**	**3,454,962**	**100.0**	**3,455,592**	**62**	**3,455,592**	**100.0**
C01	Existing Program	251,230	0	3,706,192	107.3	251,230	0	3,706,822	107.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**3,454,962**	**62**	**3,454,962**	**100.0**	**3,455,592**	**62**	**3,455,592**	**100.0**
C01	Existing Program	251,230	0	3,706,192	107.3	251,230	0	3,706,822	107.3

Justification	
C01	The Agency is requesting an increase of $150,000 each year in Operating Expenses for building and grounds maintenance. The age of the building will require additional building and ground maintenance. The Agency is requesting Capital Outlay appropriation in the amount of $100,000 each year due to the dire need of an emergency generator for the multiple buildings which will be purchased over the course of both years. The Agency is requesting to establish Overtime and Personal Services Matching in the amount of $1,230 each year for the occasional event that an employee is required to work longer than normal operations.

Analysis of Budget Request

Appropriation: 268 - General Operations

Funding Sources: HMD - State Military Department

The State Operations appropriation provides for the administration of the Arkansas Military Department. The staffing costs and maintenance and general operation expenses in support of the Agency headquarters and National Guard training complex at Camp Robinson as well as the administration and up keep for armories in communities around the State are included in this fund center.

For several years the Agency, through the Cooperative Agreement with the National Guard Bureau, has received federal reimbursement for expenditures from this appropriation. These funds were deposited into the Special Military Fund and used to supplement general revenue for operations of the Agency. The Cooperative Agreement was amended and beginning in Federal FY11 the Agency no longer receives federal reimbursement for expenditures from this appropriation. Therefore, the Agency will be funded from general revenue, and the balance of the Special Military Fund only until such time that the fund depleted.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency's Change Level requests total $253,092 in appropriation and general revenue funding each year of the biennium and reflect the following:

- Regular Salaries and Personal Services Matching of $50,592 each year of the biennium due to reclassification of fourteen (14) positions to align job titles with job duties.
- Operating Expenses of $100,000 each year of the biennium for maintaining the building and grounds due to the age of some armories.
- Capital Outlay of $100,000 each year to purchase emergency backup generators.
- Purchase of Flags of $2,500 each year of the biennium to replace flags for the armories.

The Executive Recommendation provides for Agency Request in appropriation only in addition to title changes on ten (10) positions to more accurately reflect the work being performed. The Executive Recommendation provides for a reduction in Base Level general revenue of $150,000.

Appropriation Summary

Appropriation: 268 - General Operations
Funding Sources: HMD - State Military Department

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Regular Salaries	5010000	2,115,767	2,604,367	2,609,460	2,622,932	2,663,873	2,663,873	2,623,429	2,664,370	2,664,370
#Positions		**65**	**78**	**78**	**78**	**78**	**78**	**78**	**78**	**78**
Extra Help	5010001	37,365	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
#Extra Help		**6**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	883,362	985,493	1,103,308	1,000,694	1,010,345	1,010,345	1,000,880	1,010,531	1,010,531
Overtime	5010006	21	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Operating Expenses	5020002	2,324,794	2,400,000	2,525,000	2,400,000	2,500,000	2,500,000	2,400,000	2,500,000	2,500,000
Conference & Travel Expenses	5050009	1,822	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	63,583	127,700	2,700	127,700	127,700	127,700	127,700	127,700	127,700
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	76,970	60,000	60,000	0	100,000	100,000	0	100,000	100,000
Special Maintenace	5120032	11,592	29,249	29,249	29,249	29,249	29,249	29,249	29,249	29,249
Officer Candidate School	5900046	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Purchase of Flags	5900048	1,000	1,000	1,000	1,000	3,500	3,500	1,000	3,500	3,500
Total		5,516,276	6,286,809	6,409,717	6,260,575	6,513,667	6,513,667	6,261,258	6,514,350	6,514,350
Funding Sources										
Fund Balance	4000005	3,170,106	3,170,106		2,419,717	2,419,717	2,419,717	1,672,476	1,672,476	1,269,384
General Revenue	4000010	5,485,027	5,536,420		5,513,334	5,766,426	5,363,334	5,513,935	5,767,027	5,363,935
DFA Motor Vehicle Acquisition	4000184	17,521	0		0	0	0	0	0	0
M & R Sales	4000340	13,728	0		0	0	0	0	0	0
Total Funding		8,686,382	8,706,526		7,933,051	8,186,143	7,783,051	7,186,411	7,439,503	6,633,319
Excess Appropriation/(Funding)		(3,170,106)	(2,419,717)		(1,672,476)	(1,672,476)	(1,269,384)	(925,153)	(925,153)	(118,969)
Grand Total		5,516,276	6,286,809		6,260,575	6,513,667	6,513,667	6,261,258	6,514,350	6,514,350

Budget exceeds Authorized Appropriation in Professional Fees by authority of a Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 268 - General Operations
Funding Sources: HMD - State Military Department

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**6,260,575**	**78**	**6,260,575**	**100.0**	**6,261,258**	**78**	**6,261,258**	**100.0**
C01	Existing Program	202,500	0	6,463,075	103.2	202,500	0	6,463,758	103.2
C10	Reclass	50,592	0	6,513,667	104.0	50,592	0	6,514,350	104.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**6,260,575**	**78**	**6,260,575**	**100.0**	**6,261,258**	**78**	**6,261,258**	**100.0**
C01	Existing Program	202,500	0	6,463,075	103.2	202,500	0	6,463,758	103.2
C10	Reclass	50,592	0	6,513,667	104.0	50,592	0	6,514,350	104.0
C14	Title Change	0	0	6,513,667	104.0	0	0	6,514,350	104.0

Justification	
C01	The Agency is requesting an increase of $100,000 each year in Operating Expenses for building and grounds maintenance at each armory throughout the State. The age of the armories are requiring additional building and ground maintenance. The Agency is requesting Capital Outlay appropriation in the amount of $100,000 each year to purchase generators. The building is in dire need of an emergency generator for the main building which will be purchased the first year and one (1) for our record retention storage area outside of main building in the second year. The Agency is requesting an increase in the amount of $2,500 each year for flag purchases for the armories around the State.
C10	The Agency is requesting Regular Salary and Personal Services Matching increases in the amount of $50,592 each year for reclassifying fourteen (14) positions in order to move current employees from various Fire/Police titles to a pure Police force at Camp Robinson and align three (3) employees' titles with job duties.
C14	The Executive Recommendation provides for title changes on ten (10) positions to more accurately reflect the work being performed.

Analysis of Budget Request

Appropriation: 269 - Military Call-up and Court Martial

Funding Sources: HMD - State Military Department

This appropriation provides for emergency Military Call-Up and Military Court Martial expenses. Funding for this program is provided by transfers from the Budget Stabilization Trust Fund.

The Agency's Change Level request is for $500,000 in Emergency Call Up each year of the biennium for an increase in the amount of disasters that the Agency must respond to on behalf of the Governor and the Adjutant General.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 269 - Military Call-up and Court Martial
Funding Sources: HMD - State Military Department

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Emergency Call Up	5900046	685,784	2,000,000	2,000,000	2,000,000	2,500,000	2,500,000	2,000,000	2,500,000	2,500,000
Court Martial Expenses	5900047	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total		685,784	2,003,000	2,003,000	2,003,000	2,503,000	2,503,000	2,003,000	2,503,000	2,503,000
Funding Sources										
Budget Stabilization Trust	4000130	685,784	2,003,000		2,003,000	2,503,000	2,503,000	2,003,000	2,503,000	2,503,000
Total Funding		685,784	2,003,000		2,003,000	2,503,000	2,503,000	2,003,000	2,503,000	2,503,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		685,784	2,003,000		2,003,000	2,503,000	2,503,000	2,003,000	2,503,000	2,503,000

Change Level by Appropriation

Appropriation: 269 - Military Call-up and Court Martial
Funding Sources: HMD - State Military Department

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,003,000**	**0**	**2,003,000**	**100.0**	**2,003,000**	**0**	**2,003,000**	**100.0**
C01	Existing Program	500,000	0	2,503,000	125.0	500,000	0	2,503,000	125.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,003,000**	**0**	**2,003,000**	**100.0**	**2,003,000**	**0**	**2,003,000**	**100.0**
C01	Existing Program	500,000	0	2,503,000	125.0	500,000	0	2,503,000	125.0

Justification	
C01	The Agency is requesting a $500,000 increase each year in Emergency Call Up due to disasters that the Agency must respond to on behalf of the Governor and the Adjutant General.

Analysis of Budget Request

Appropriation: 270 - Federal Training Site

Funding Sources: FMF - State Military Federal

This appropriation provides Regular Salaries, Overtime, and Personal Services Matching costs for state positions funded 100% with federal funds to support operations of the Camp Robinson Federal Training Site.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $1,097,136 in FY16 and $1,097,258 in FY17 for Regular Salaries and Personal Services Matching and reflect the following:

- Ten (10) new positions: five (5) Military Firefighters (C114), two (2) Radio Dispatch Operators (107), two (2) Military Firefighter Shift Leaders (C117) and one (1) Military Deputy Fire Chief (C118).
- Restoration of eighteen (18) authorized positions to allow flexibility in positions.
- Reclassification of six (6) positions to more accurately reflect work performed.

The Executive Recommendation provides for Agency Request in addition to title changes on five (5) positions to more accurately reflect the work being performed.

Appropriation Summary

Appropriation: 270 - Federal Training Site
Funding Sources: FMF - State Military Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	9,744,110	10,769,756	12,327,452	10,850,693	11,628,184	11,628,184	10,860,119	11,637,710	11,637,710
#Positions		**336**	**362**	**407**	**362**	**390**	**390**	**362**	**390**	**390**
Extra Help	5010001	663,621	1,320,787	1,494,653	1,320,787	1,320,787	1,320,787	1,320,787	1,320,787	1,320,787
#Extra Help		**67**	**86**	**86**	**86**	**86**	**86**	**86**	**86**	**86**
Personal Services Matching	5010003	4,381,291	4,508,812	5,277,769	4,575,687	4,895,332	4,895,332	4,577,958	4,897,625	4,897,625
Overtime	5010006	43,171	648,000	648,000	648,000	648,000	648,000	648,000	648,000	648,000
Operating Expenses	5020002	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Conference & Travel Expenses	5050009	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
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		14,832,193	17,447,355	19,947,874	17,595,167	18,692,303	18,692,303	17,606,864	18,704,122	18,704,122
Funding Sources										
Federal Revenue	4000020	14,832,193	17,447,355		17,595,167	18,692,303	18,692,303	17,606,864	18,704,122	18,704,122
Total Funding		14,832,193	17,447,355		17,595,167	18,692,303	18,692,303	17,606,864	18,704,122	18,704,122
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		14,832,193	17,447,355		17,595,167	18,692,303	18,692,303	17,606,864	18,704,122	18,704,122

Change Level by Appropriation

Appropriation: 270 - Federal Training Site
Funding Sources: FMF - State Military Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**17,595,167**	**362**	**17,595,167**	**100.0**	**17,606,864**	**362**	**17,606,864**	**100.0**
C01	Existing Program	1,082,033	28	18,677,200	106.1	1,082,155	28	18,689,019	106.1
C10	Reclass	15,103	0	18,692,303	106.2	15,103	0	18,704,122	106.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**17,595,167**	**362**	**17,595,167**	**100.0**	**17,606,864**	**362**	**17,606,864**	**100.0**
C01	Existing Program	1,082,033	28	18,677,200	106.1	1,082,155	28	18,689,019	106.1
C10	Reclass	15,103	0	18,692,303	106.2	15,103	0	18,704,122	106.2
C14	Title Change	0	0	18,692,303	106.2	0	0	18,704,122	106.2

Justification	
C01	The Agency is requesting an increase in the amount of $1,082,033 in the first year and $1,082,155 in the second year for eighteen (18) restoration positions to allow flexibility in position needs and ten (10) new positions in order to establish a pure police force and a pure fire department at Camp Robinson.
C10	Regular Salaries and Personal Services Matching increases in the amount of $15,103 in each year for reclassifying six (6) positions in order to move current employees from various Fire/Police titles in order to separate into just a pure Police force at Camp Robinson and a pure Fire Department at Camp Robinson.
C14	The Executive Recommendation provides for title changes on five (5) positions to more accurately reflect the work being performed.

Analysis of Budget Request

Appropriation: 275 - Federal Training Site Grant

Funding Sources: FMF - State Military Federal

The State Military Department's appropriation for operational costs of the Camp Robinson Federal Training Site Grant Program is 100% federally funded.

The Agency's Change Level request provides for Capital Outlay appropriation of $3,000,000 each year of the biennium for replacement and/or purchase of equipment essential to the maintenance and operations of Camp Robinson.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 275 - Federal Training Site Grant
Funding Sources: FMF - State Military Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	19,064,820	33,541,999	33,541,999	33,541,999	33,541,999	33,541,999	33,541,999	33,541,999	33,541,999
Conference & Travel Expenses	5050009	24,304	362,945	362,945	362,945	362,945	362,945	362,945	362,945	362,945
Professional Fees	5060010	1,641,108	6,123,100	6,123,100	6,123,100	6,123,100	6,123,100	6,123,100	6,123,100	6,123,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	468,533	3,000,000	3,000,000	0	3,000,000	3,000,000	0	3,000,000	3,000,000
Total		21,198,765	43,028,044	43,028,044	40,028,044	43,028,044	43,028,044	40,028,044	43,028,044	43,028,044
Funding Sources										
Federal Revenue	4000020	21,198,765	43,028,044		40,028,044	43,028,044	43,028,044	40,028,044	43,028,044	43,028,044
Total Funding		21,198,765	43,028,044		40,028,044	43,028,044	43,028,044	40,028,044	43,028,044	43,028,044
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		21,198,765	43,028,044		40,028,044	43,028,044	43,028,044	40,028,044	43,028,044	43,028,044

Change Level by Appropriation

Appropriation: 275 - Federal Training Site Grant
Funding Sources: FMF - State Military Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**40,028,044**	**0**	**40,028,044**	**100.0**	**40,028,044**	**0**	**40,028,044**	**100.0**
C01	Existing Program	3,000,000	0	43,028,044	107.5	3,000,000	0	43,028,044	107.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**40,028,044**	**0**	**40,028,044**	**100.0**	**40,028,044**	**0**	**40,028,044**	**100.0**
C01	Existing Program	3,000,000	0	43,028,044	107.5	3,000,000	0	43,028,044	107.5

Justification	
C01	The Agency is requesting a $3,000,000 increase each year for Capital Outlay due to the replacement needs and/or purchase of equipment essential to the maintenance and operations of Camp Robinson.

Analysis of Budget Request

Appropriation: 34Y - Military Family Trust

Funding Sources: TFM - Military Family Relief Trust

This appropriation is for direct financial assistance for families of deployed soldiers. Funding comes from taxpayer donations.

The Agency's Change Level request provides for an increase of $26,453 in Operating Expenses each year of the biennium to provide additional financial assistance to families of deployed soldiers.

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

Appropriation Summary

Appropriation: 34Y - Military Family Trust

Funding Sources: TFM - Military Family Relief Trust

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	4,500	123,000	123,000	123,000	149,453	149,453	123,000	149,453	149,453
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		4,500	123,000	123,000	123,000	149,453	149,453	123,000	149,453	149,453
Funding Sources										
Fund Balance	4000005	129,265	149,453		50,453	50,453	50,453	0	0	0
Income Tax Donations	4000283	24,688	24,000		24,000	24,000	24,000	24,000	24,000	24,000
Total Funding		153,953	173,453		74,453	74,453	74,453	24,000	24,000	24,000
Excess Appropriation/(Funding)		(149,453)	(50,453)		48,547	75,000	75,000	99,000	125,453	125,453
Grand Total		4,500	123,000		123,000	149,453	149,453	123,000	149,453	149,453

Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 34Y - Military Family Trust
Funding Sources: TFM - Military Family Relief Trust

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**123,000**	**0**	**123,000**	**100.0**	**123,000**	**0**	**123,000**	**100.0**
C01	Existing Program	26,453	0	149,453	121.5	26,453	0	149,453	121.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**123,000**	**0**	**123,000**	**100.0**	**123,000**	**0**	**123,000**	**100.0**
C01	Existing Program	26,453	0	149,453	121.5	26,453	0	149,453	121.5

Justification	
C01	The Agency is requesting a $26,453 increase each year to provide additional financial assistance to families of deployed soldiers

Analysis of Budget Request

Appropriation: 393 - Cash Operations

Funding Sources: NMD - Military Oprs Cash in Treasury

This appropriation is for operating expenses of the State Military Department and funded from Cash in Treasury Funds that are derived from rentals and fees for usage of the facilities at Camp Robinson and the commercial harvesting of timber.

The Agency's Change Level requests total $274,785 each year of the biennium and reflect the following:

- Operating Expenses of $71,285 each year of the biennium for increased costs in fuel, tires, shop supplies, office supplies, and equipment maintenance.
- Conference & Travel Expenses of $3,000 each year of the biennium for additional lodging and travel to various conferences required by the programs.
- Professional Fees of $500 each year of the biennium for increased costs of forester license and dues.
- Capital Outlay of $200,000 each year of the biennium for replacement and/or purchase of equipment essential to the maintenance and operations of Camp Robinson.

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

Appropriation Summary

Appropriation: 393 - Cash Operations

Funding Sources: NMD - Military Oprs Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	19,091	1,431,405	1,431,405	1,431,405	1,502,690	1,502,690	1,431,405	1,502,690	1,502,690
Conference & Travel Expenses	5050009	987	2,500	2,500	2,500	5,500	5,500	2,500	5,500	5,500
Professional Fees	5060010	0	5,000	5,000	5,000	5,500	5,500	5,000	5,500	5,500
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	25,000	25,000	0	200,000	200,000	0	200,000	200,000
Total		20,078	1,463,905	1,463,905	1,438,905	1,713,690	1,713,690	1,438,905	1,713,690	1,713,690
Funding Sources										
Fund Balance	4000005	1,573,941	1,713,690		399,785	399,785	399,785	0	0	0
Cash Fund	4000045	159,827	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		1,733,768	1,863,690		549,785	549,785	549,785	150,000	150,000	150,000
Excess Appropriation/(Funding)		(1,713,690)	(399,785)		889,120	1,163,905	1,163,905	1,288,905	1,563,690	1,563,690
Grand Total		20,078	1,463,905		1,438,905	1,713,690	1,713,690	1,438,905	1,713,690	1,713,690

Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 393 - Cash Operations
Funding Sources: NMD - Military Oprs Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,438,905**	**0**	**1,438,905**	**100.0**	**1,438,905**	**0**	**1,438,905**	**100.0**
C01	Existing Program	274,785	0	1,713,690	119.1	274,785	0	1,713,690	119.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,438,905**	**0**	**1,438,905**	**100.0**	**1,438,905**	**0**	**1,438,905**	**100.0**
C01	Existing Program	274,785	0	1,713,690	119.1	274,785	0	1,713,690	119.1

Justification	
C01	The Agency is requesting a $71,285 increase each year for fuel, tires, shop supplies, office supplies and equipment maintenance. The Agency is requesting a $3,000 increase each year for lodging and travel to various conferences required by the program. The Agency is requesting a $500 increase each year for Professional Fees by the program for our forester license and dues. The Agency requests Capital Outlay in the amount of $200,000 in each year for replacement and/or purchase of capitalized equipment essential to the maintenance and operations of Camp Robinson.

Analysis of Budget Request

Appropriation: 443 - Counter Drug Asset Forfeiture

Funding Sources: NMD - Counter Drug Cash in Treasury

The Counter Drug Asset Forfeiture Program employs funds held in the Department's cash fund in State Treasury account. The Department assists in federal counter drug operations and receives a portion of the proceeds derived from the sale of seized assets. These funds must be used for law enforcement operations and training in accordance with the U.S. Department of Justice's Code.

The Agency is requesting Base Level for each year of the biennium.

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

Appropriation Summary

Appropriation: 443 - Counter Drug Asset Forfeiture
Funding Sources: NMD - Counter Drug Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Counter Drug Asset Forfeiture 5900046	13,417	64,847	65,256	64,847	64,847	64,847	64,847	64,847	64,847
Total	13,417	64,847	65,256	64,847	64,847	64,847	64,847	64,847	64,847
Funding Sources									
Fund Balance 4000005	56,888	56,620		4,773	4,773	4,773	0	0	0
Cash Fund 4000045	13,149	13,000		13,000	13,000	13,000	13,000	13,000	13,000
Total Funding	70,037	69,620		17,773	17,773	17,773	13,000	13,000	13,000
Excess Appropriation/(Funding)	(56,620)	(4,773)		47,074	47,074	47,074	51,847	51,847	51,847
Grand Total	13,417	64,847		64,847	64,847	64,847	64,847	64,847	64,847

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 455 - Military Support Revolving

Funding Sources: MSR - Military Support Revolving Fund

This appropriation is used for non-emergency Military Call-Up to support military training activities. Funding for the Military Support Revolving Fund, established by A.C.A. § 19-5-1095 , consists of fund transfers and deposits from federal agencies.

The Agency is requesting Base Level for each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 455 - Military Support Revolving
Funding Sources: MSR - Military Support Revolving Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Non-Emergency Call-Up Expense 5900046	25,183	553,423	553,423	553,423	553,423	553,423	553,423	553,423	553,423
Total	25,183	553,423	553,423	553,423	553,423	553,423	553,423	553,423	553,423
Funding Sources									
Fund Balance 4000005	553,423	528,240		0	0	0	0	0	0
Military Support Revolving 4000342	0	25,183		553,423	553,423	553,423	553,423	553,423	553,423
Total Funding	553,423	553,423		553,423	553,423	553,423	553,423	553,423	553,423
Excess Appropriation/(Funding)	(528,240)	0		0	0	0	0	0	0
Grand Total	25,183	553,423		553,423	553,423	553,423	553,423	553,423	553,423

Analysis of Budget Request

Appropriation: 556 - Federal Armory Assistance

Funding Sources: FMF - State Military Federal

This appropriation is used for operating costs of state armories, including State Area Command (STARC) armories. This program is 100% federally funded.

The Agency is requesting a reallocation of $25,000 from Professional Fees to Operating Expenses each year of the biennium to more accurately reflect anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 556 - Federal Armory Assistance
Funding Sources: FMF - State Military Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	141,692	144,242	141,692	166,692	166,692	141,692	166,692	166,692
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	25,000	25,000	25,000	0	0	25,000	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		0	166,692	169,242	166,692	166,692	166,692	166,692	166,692	166,692
Funding Sources										
Federal Revenue	4000020	0	166,692		166,692	166,692	166,692	166,692	166,692	166,692
Total Funding		0	166,692		166,692	166,692	166,692	166,692	166,692	166,692
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	166,692		166,692	166,692	166,692	166,692	166,692	166,692

Change Level by Appropriation

Appropriation: 556 - Federal Armory Assistance
Funding Sources: FMF - State Military Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**166,692**	**0**	**166,692**	**100.0**	**166,692**	**0**	**166,692**	**100.0**
C04	Reallocation	0	0	166,692	100.0	0	0	166,692	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**166,692**	**0**	**166,692**	**100.0**	**166,692**	**0**	**166,692**	**100.0**
C04	Reallocation	0	0	166,692	100.0	0	0	166,692	100.0

Justification	
C04	The Agency is requesting a reallocation of $25,000 each year of the biennium from Professional Fees to Operating Expenses to more accurately reflect anticipated expenses.

Analysis of Budget Request

Appropriation: 575 - Fort Chaffee Training Site

Funding Sources: FMF - State Military Federal

This appropriation is 100% federally funded for the personal services and operational costs of the Fort Chaffee Training Site.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $2,366,450 each year and reflect the following:

- Regular Salaries and Personal Services Matching of $366,450 each year to cover the costs associated with the Agency's request for nine (9) new positions: four (4) Military Firefighters (C114), three (3) Radio Dispatch Operators (C107), one (1) Military Deputy Fire Chief (C118) and one (1) Military Firefighter Shift Leader (C117). Also, reclassifying six (6) position to more accurately reflect the work being performed.
- Capital Outlay of $2,000,000 each year to purchase tractors, brush trucks, and other equipment to maintain roads and training ranges.

The Executive Recommendation provides for Agency Request in addition to title changes on five (5) positions to more accurately reflect the work being performed.

Appropriation Summary

Appropriation: 575 - Fort Chaffee Training Site

Funding Sources: FMF - State Military Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,806,824	2,253,128	2,288,996	2,274,275	2,535,261	2,535,261	2,274,613	2,535,599	2,535,599
#Positions		**66**	**78**	**78**	**78**	**87**	**87**	**78**	**87**	**87**
Extra Help	5010001	150,741	302,408	302,408	302,408	302,408	302,408	302,408	302,408	302,408
#Extra Help		**21**	**37**	**37**	**37**	**37**	**37**	**37**	**37**	**37**
Personal Services Matching	5010003	820,168	1,044,312	1,077,798	1,059,774	1,165,238	1,165,238	1,059,879	1,165,343	1,165,343
Overtime	5010006	8	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Operating Expenses	5020002	9,209,009	11,058,500	11,058,500	11,058,500	11,058,500	11,058,500	11,058,500	11,058,500	11,058,500
Conference & Travel Expenses	5050009	4,691	238,160	238,160	238,160	238,160	238,160	238,160	238,160	238,160
Professional Fees	5060010	282,561	2,302,875	2,302,875	2,302,875	2,302,875	2,302,875	2,302,875	2,302,875	2,302,875
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	666,753	1,414,000	600,000	0	2,000,000	2,000,000	0	2,000,000	2,000,000
Total		12,940,755	19,138,383	18,393,737	17,760,992	20,127,442	20,127,442	17,761,435	20,127,885	20,127,885
Funding Sources										
Federal Revenue	4000020	12,940,755	19,138,383		17,760,992	20,127,442	20,127,442	17,761,435	20,127,885	20,127,885
Total Funding		12,940,755	19,138,383		17,760,992	20,127,442	20,127,442	17,761,435	20,127,885	20,127,885
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		12,940,755	19,138,383		17,760,992	20,127,442	20,127,442	17,761,435	20,127,885	20,127,885

Budget exceeds Authorized Appropriation in Capital Outlay due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 575 - Fort Chaffee Training Site
Funding Sources: FMF - State Military Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**17,760,992**	**78**	**17,760,992**	**100.0**	**17,761,435**	**78**	**17,761,435**	**100.0**
C01	Existing Program	2,336,697	9	20,097,689	113.2	2,336,697	9	20,098,132	113.2
C10	Reclass	29,753	0	20,127,442	113.3	29,753	0	20,127,885	113.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**17,760,992**	**78**	**17,760,992**	**100.0**	**17,761,435**	**78**	**17,761,435**	**100.0**
C01	Existing Program	2,336,697	9	20,097,689	113.2	2,336,697	9	20,098,132	113.2
C10	Reclass	29,753	0	20,127,442	113.3	29,753	0	20,127,885	113.3
C14	Title Change	0	0	20,127,442	113.3	0	0	20,127,885	113.3

Justification	
C01	The Agency is requesting Regular Salaries and Personal Services Matching increases in the amount of $336,697 each year for nine (9) new positions in order to move current employees from various Fire/Police titles in order to separate into just a pure Police force at Fort Chaffee and a pure Fire Department at Fort Chaffee. The Agency is requesting Capital Outlay in the amount of $2,000,000 each year to purchase tractors, brush trucks and other equipment to maintain roads and training ranges.
C10	The Agency is requesting Regular Salaries and Personal Services Matching increases in the amount of $29,753 each year of the biennium for the reclassification of six (6) positions to move current employees from various Fire/Police titles in order to separate into just a pure Police force at Fort Chaffee and a pure Fire Department at Fort Chaffee.
C14	The Executive Recommendation provides for title changes on five (5) positions to more accurately reflect the work being performed.

Analysis of Budget Request

Appropriation: 576 - National Guard Museum

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation receives general revenue from the Miscellaneous Agencies Fund for personal services and operational costs of the Arkansas National Guard Museum.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $10,000 in appropriation and general revenue funding each year of the biennium and reflect the following:

- Operating Expenses of $7,500 each year of the biennium for increased needs of educational supplies, office supplies, wireless telecommunications, and newspaper clipping service.
- Purchase of Flags of $2,500 each year of the biennium to replace flags for the Museum.

The Executive Recommendation provides for Agency Request in appropriation only.

Appropriation Summary

Appropriation: 576 - National Guard Museum

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	51,508	52,926	53,857	53,448	53,448	53,448	53,448	53,448	53,448
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	15,284	17,057	17,409	17,312	17,312	17,312	17,312	17,312	17,312
Operating Expenses	5020002	21,613	16,950	16,950	16,950	24,450	24,450	16,950	24,450	24,450
Conference & Travel Expenses	5050009	0	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
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
Purchase of Flags	5900048	0	0	0	0	2,500	2,500	0	2,500	2,500
Total		88,405	89,333	90,616	90,110	100,110	100,110	90,110	100,110	100,110
Funding Sources										
General Revenue	4000010	88,405	89,333		90,110	100,110	90,110	90,110	100,110	90,110
Total Funding		88,405	89,333		90,110	100,110	90,110	90,110	100,110	90,110
Excess Appropriation/(Funding)		0	0		0	0	10,000	0	0	10,000
Grand Total		88,405	89,333		90,110	100,110	100,110	90,110	100,110	100,110

Change Level by Appropriation

Appropriation: 576 - National Guard Museum
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**90,110**	**1**	**90,110**	**100.0**	**90,110**	**1**	**90,110**	**100.0**
C01	Existing Program	10,000	0	100,110	111.1	10,000	0	100,110	111.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**90,110**	**1**	**90,110**	**100.0**	**90,110**	**1**	**90,110**	**100.0**
C01	Existing Program	10,000	0	100,110	111.1	10,000	0	100,110	111.1

Justification	
C01	The Agency is requesting an increase of $7,500 each year for Operating Expenses to meet the growing needs of the Museum for educational supplies, office supplies, wireless telecommunications and newspaper clipping service. The Agency is requesting an increase in the amount of $2,500 each year for flag replacement purchases for the Museum.

Analysis of Budget Request

Appropriation: 577 - AR National Guard Youth Challenge Program

Funding Sources: HMD - State Military Department

The Arkansas National Guard Youth Challenge Program provides for the personal services and operational costs to support a residential educational training program for high school dropouts to enable them to receive a General Educational Development (GED) Diploma and assistance for further education or employment. The Program is designed for two (2) cycles per year to accommodate a total of 200 students per year. This appropriation is funded by general revenue and federal reimbursements on a 25/75 split.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $263,870 in appropriation and $65,968 in general revenue funding each year of the biennium and reflect the following:

- Operating Expenses of $133,470 each year of the biennium for increased costs for food due to the increase in students and grounds and maintenance due to the age of the facilities.
- Conference & Travel Expenses of $2,000 each year of the biennium due to increased training and travel requirements from the National Youth Challenge Program for teachers and staff.
- Professional Fees of $3,400 each year of the biennium for increased costs of laboratory & diagnostic services.
- Capital Outlay of $125,000 each year of the biennium for the replacement of four (4) over 1-ton passenger vans that are used to transport the youth in the program to various events.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 577 - AR National Guard Youth Challenge Program

Funding Sources: HMD - State Military Department

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	1,282,664	1,464,847	1,703,536	1,477,216	1,477,216	1,477,216	1,478,216	1,478,216	1,478,216
#Positions		**49**	**48**	**48**	**48**	**48**	**48**	**48**	**48**	**48**
Extra Help	5010001	1,570	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help		**3**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	524,219	572,148	663,812	581,227	581,227	581,227	581,457	581,457	581,457
Overtime	5010006	24	500	500	500	500	500	500	500	500
Operating Expenses	5020002	673,810	566,530	673,836	566,530	700,000	700,000	566,530	700,000	700,000
Conference & Travel Expenses	5050009	1,874	3,000	1,900	3,000	5,000	5,000	3,000	5,000	5,000
Professional Fees	5060010	600	1,600	600	1,600	5,000	5,000	1,600	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	125,000	125,000	0	125,000	125,000
Total		2,484,761	2,618,625	3,054,184	2,640,073	2,903,943	2,903,943	2,641,303	2,905,173	2,905,173
Funding Sources										
General Revenue	4000010	650,000	718,625		723,987	789,955	789,955	724,295	790,263	790,263
Federal Revenue	4000020	1,834,761	1,900,000		1,916,086	2,113,988	2,113,988	1,917,008	2,114,910	2,114,910
Total Funding		2,484,761	2,618,625		2,640,073	2,903,943	2,903,943	2,641,303	2,905,173	2,905,173
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,484,761	2,618,625		2,640,073	2,903,943	2,903,943	2,641,303	2,905,173	2,905,173

Budget exceeds Authorized Appropriation in Conference & Travel Expenses and Professional Fees by authority of a Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 577 - AR National Guard Youth Challenge Program
Funding Sources: HMD - State Military Department

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,640,073**	**48**	**2,640,073**	**100.0**	**2,641,303**	**48**	**2,641,303**	**100.0**
C01	Existing Program	263,870	0	2,903,943	110.0	263,870	0	2,905,173	110.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,640,073**	**48**	**2,640,073**	**100.0**	**2,641,303**	**48**	**2,641,303**	**100.0**
C01	Existing Program	263,870	0	2,903,943	110.0	263,870	0	2,905,173	110.0

Justification	
C01	The Agency is requesting Operating Expenses increase of $133,470 each year for building and grounds maintenance. The age of the building will require additional building and ground maintenance and food service cost are up due to the fact that the program is increasing the number of students the agency serves. The Agency is requesting Conference & Travel Expenses increase of $2,000 each year due to training and travel requirements from the National Youth Challenge Program for teachers and staff. The Agency is requesting an increase of $3,400 each year for Professional Fees & Services for laboratory & diagnostic services by testing staff and volunteers. The Agency is requesting Capital Outlay appropriation in the amount of $125,000 each year in Capital Outlay to replace four (4) over 1-ton passenger vans that are used to transport the youth in the program to various events. The DFA Motor vehicle fund does not award appropriation on vehicles over 1-ton.

PAROLE BOARD

Enabling Laws

Act 240 of 2014
A.C.A. §16-93-201, et seq.

History and Organization

The Parole Board is dedicated to the process of promoting public safety by the return of offenders into the community through supervised, conditional release. The goal is to guide and monitor the transition from confinement to the successful completion of supervision within the community. The State Board of Parole and Community Rehabilitation was created by Act 937 of 1989, with three (3) full-time members and four (4) part-time members.

During the 79th General Assembly Regular Session the name of the State Board of Parole and Community Rehabilitation was changed to the Post Prison Transfer Board. This was followed by Act 285 & 361 of 1995, to provide that the Post Prison Transfer Board be comprised of five (5) full-time members and two (2) part-time members. Act 979 of 1999, authorized a change to six (6) full-time members and one (1) part-time member. The staff consisted of three (3) Revocation Hearing Examiners and seven (7) Clerks for a total of sixteen (16) authorized positions.

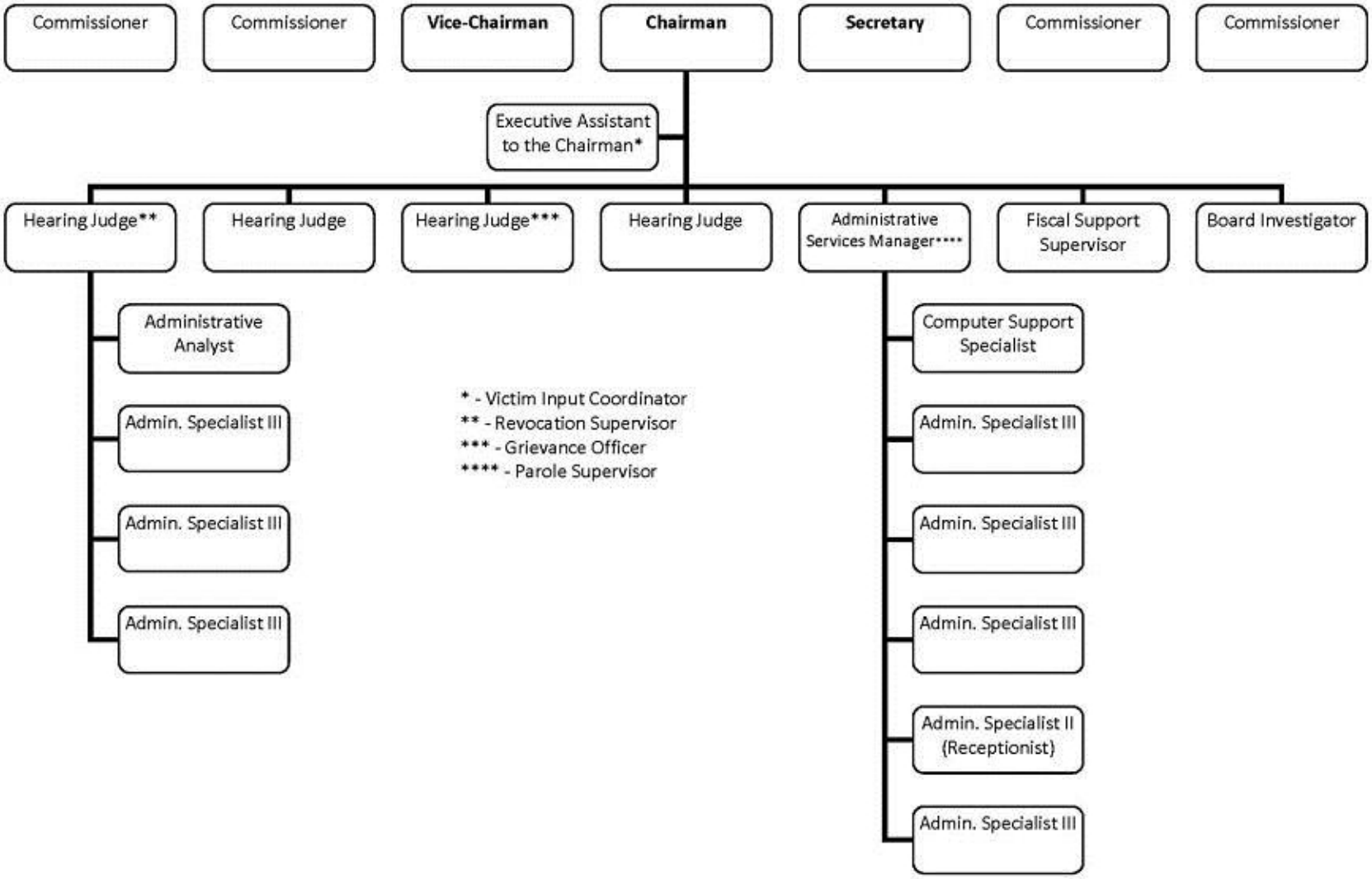
During the 85th General Assembly Regular Session, Act 1033 of 2005 changed the name of the Post Prison Transfer Board to the Parole Board and authorized three (3) additional clerical staff. The staff consisted of three (3) Revocation Hearing Examiners, five (5) Administrative Assistants, three (3) Secretaries, one (1) Management Project Analyst and one (1) Agency Manager for a total of nineteen (19) authorized positions.

During the 86th General Assembly Regular Session, Act 697 of 2007 authorized two (2) additional support staff members and changed the composition of the Board to seven (7) full-time members to be appointed from the state at large by the Governor and confirmed by the Senate. The support staff consists of one (1) Executive Assistant to the Director, three (3) Hearing Examiners, one (1) Investigator, one (1) Fiscal Support Supervisor, one (1) Information Technology/Accreditation Coordinator, two (2) Administrative Support Supervisors, one (1) Fiscal Support Specialist, three (3) Administrative Support Specialists II and two (2) Administrative Support Specialist III for a total of twenty-two (22) authorized positions.

Since 2004, Arkansas' parole caseload has grown 51%, with the parole population being 22,336 as of June 30, 2014 (according to the Department of Community Correction, DCC). The overall parole caseload decreased from FY13 to FY14 due to a 153% percent increase in parole revocations over the same period. The vast majority of revoked offenders are ultimately returned to supervision prior to discharging their sentence. During FY14, the Board considered 11,461 cases by means of a hearing or file review (screening), with 6,959 being face-to-face interviews. According to the Arkansas Department of Correction (ADC), the prison population on June 30, 2014 was 17,340. At the end of the biennium (FY17), both the prison and parole populations are projected to increase above current levels.

Depending on the date of a crime or sentence, some inmates are transfer eligible (TE) and others are parole eligible (PE). Parole/transfer is the conditional release of an inmate from incarceration to structured supervision within the community for the balance of the court-ordered sentence. Parole/transfer may be granted to an eligible person by the Board when, in its opinion, there is a reasonable probability that the person can be released without detriment to the community or the offender or when mandated by law.

Staff from DCC's Institutional Release Services' section prepare case files for use by Board members in conducting hearings and file reviews.



Agency Commentary

The Arkansas Parole Board (APB) is responsible for conducting parole hearings throughout the State, making decisions on the conditional release of inmates from correctional facilities, and reviewing all pardon and executive clemency applications and making non-binding

recommendations to the Governor. They are responsible for granting, denying, suspending, and revoking parole in accordance with legislative criteria and Board policy. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

In recent years, the Agency has adjusted to meet an ever-changing environment. As a result, we have implemented and/or dealt with the following:

- Evidenced-based practices
- Expanded reporting requirements
- Automation and mobility efforts
- Data-driven decision making
- Dramatic changes in parole and revocation policies
- Increases in staffing

The Board experienced record growth in FY14 in the form of 26% increase in parole cases and a 153% increase in the number of Revocations. The Agency is requesting additional general revenue appropriation and funding in the amount of $370,707 in FY16 and $304,207 in FY17. This request is a direct result of the items mentioned above and their recent growth. This is a budget of needs versus wants. The breakdown is reflected below:

Increases in Regular Salaries and Personal Services Matching

The Agency is requesting a Regular Salaries and Personal Services Matching increase of $108,007 in each year of the biennium for the restoration of a Revocation Hearing Judge (growth pool position) and the reclassification of three (3) positions listed below:

- Administrative Services Manager to APB Program Administrator
- Computer Support Specialist to Software Support Analyst
- Fiscal Support Specialist to APB Agency Fiscal Services Manager

Increases in Rent and Leases and Buildings and Grounds

In 2013 and 2014, the Agency added new positions marking the first time our agency has grown since 2007. This growth has resulted in a shortage of work and storage space. In addition, our current location has proven difficult to secure which has created concerns for the safety of our Board, support staff, and visiting members of the public. Our existing lease is up in 2015 and, following a 1-year extension, the Board has planned for relocation to a larger space that can be adequately secured. The increases of $9,000 in FY16 and $18,000 in FY17 for Rent and Leases and $2,500 in each year of the biennium for Building and Grounds Maintenance will provide the resources necessary for the Agency to relocate.

Increases in Data Processing Supplies, Software/Licenses and Network Services

In 2013, the Agency hired a Computer Support Specialist restoring a position that had been lost in 2010 as a result of reclassifications. The stated goal of this restored position was to continue automation efforts and expand the Board's data-driven decision making (a requirement of the Board in State law). The increases of $3,000 in FY16 and $1,000 in FY17 for Data Processing Supplies, $15,000 in FY16 and $3,000 in FY17 for Software/Licenses and $34,000 in FY16 and $35,500 in FY17 for Network Services will provide funding for the Agency to separate from the Department of Community Correction and establish an agency-run network. This will provide greater efficiency for the Agency and the ability to tailor our IT support to our specific needs. Additionally, funding is included in this request to (1) continue the move of the Board toward electronic voting in parole cases and (2) support electronic access to case information at the various units of the Departments of Correction and Community Correction. Finally, this request reflects an understanding that with the addition of in-house IT support, there must be corresponding increases in the dedicated funding for that area.

Increases in Vehicle Insurance and Building Contents Insurance

This request includes an additional $1,200 in each year of the biennium to account for increases in insurance costs resulting from relocating to new office space and purchasing new vehicles. $600 will be allocated to vehicle insurance and $600 to building and contents insurance. Any additional costs will be addressed with existing funding.

Increases in Conference and Travel

A necessary element of any successful agency is the development of its staff. The increase of $5,000 for FY16 will be put toward training our senior staff in (1) evidenced-based practices (2) data-driven decision making (3) recidivism reduction and (4) stakeholder collaboration. These items are requirements of the Board's annual training curriculum (required by § 16-93-201) and those that fulfill senior roles should be in a position to support the Board in those areas. This request will also supply additional funds to provide specialized training for our Hearing Judges in Administrative law, technical certifications for our Computer Support Specialist as the Board establishes its own network and general development opportunities for our clerical staff which are a requirement of the American Correctional Association's training standards for Parole Boards.

Increases in Professional Fees

A.C.A. § 16-93-211, § 16-93-615 and § 16-93-701 all require the Board to base its parole decisions on the results of a risk-needs assessment in order to assure that those decisions are reasoned and rational. The assumption was and continues to be that the tool will be "validated." This term means that the assessment is a valid, or accurate, predictor of an offender's risk to reoffend. Validations generally occur every three

(3) years of a tool's use. The Parole Risk Assessment Tool (PRAT) was fully adopted in 2012, and therefore it is due to be validated in 2015. Funding is not available for this project in FY15; therefore the Board is requesting $20,000 to fund this project in FY16. This amount has been determined to be the "going rate" for this type of work based on conversations with the firm that designed the tool in 2011 and the cost of retaining of PhD level graduate assistant for a semester from a local college/university.

A.C.A. § 16-93-201 creates a requirement that the Board emphasize data-driven decision making. In order to meet this requirement, the Agency has made several enhancements to our Electronic Offender Management Information System (eOMIS). eOMIS is a secure web-based database shared by the Department of Correction, Department of Community Correction, the Parole Board, and several other agencies. It contains all case information related to inmates and parolees in Arkansas. In FY14, the Board approved over $70,000 in enhancements to eOMIS related in whole or in part to the Board. With only $20,000 in available funding, the burden to fund the remaining balance had to be shifted to ADC and DCC. This increase will provide an additional $30,000 in funding for eOMIS enhancements and $30,000 for the Agency's share of the annual maintenance contract in each year of the biennium. Both development and maintenance costs are fixed cost negotiated between ADC, DCC, APB, and Marquis (the vendor).

Addition of Capital Outlay

The Agency is requesting Capital Outlay Appropriation and Funding of $113,000 in FY16 and $75,000 in FY17 in order to replace our aging vehicle fleet and outdated video equipment.

In 2006, the Board received a fleet of vehicles from DF&A. By the end of the next biennium, those vehicles will be over ten (10) years old with odometer readings in excess of 100,000 miles. The annual projected maintenance cost will also approach the market value of the existing fleet. This appropriation and funding will allow the Agency to replace the 2006 vehicles and the one purchased in 2008 by purchasing three in each year of the biennium. Each vehicle purchase is budgeted at $25,000.

The existing equipment used to conduct parole hearings via video was purchased in 2006. On average, the Board conducts one hundred forty-one (141) hearings each month via video which in FY14 resulted in over 21,500 miles NOT being driven and Board members having more time to review cases in the office. As a result of their age, the existing equipment can no longer receive maintenance support from the vendor that has the State contract. In FY14, the unit used for full board hearings failed. Due to the inability to receive maintenance support, the Agency is unable to fix the equipment and therefore has lost that functionality. There are three (3) currently operational units out of four (4) used for parole hearing; however, the feedback received indicates that they are all subject to a catastrophic failure as a result of their age. If any one of the remaining units fail, the Board will be unable to conduct hearings via video as allowed in A.C.A. § 16-93-615. In 2015, the Board will also be requesting an amendment to State law which would allow victim impact hearings to be conducted via video. $38,000 is budgeted to replace our video hearing equipment.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS PAROLE BOARD

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
Effective internal controls provide for the safeguarding of assets. During our test of equipment, seven exceptions were noted: • The Agency was unable to reconcile five asset numbers assigned in AASIS to the inventory tag numbers assigned by the Agency. Although we were able to sight equipment with the Agency's inventory tag number that matched the description of the item in AASIS, no documentation was available to verify these assets were the assets listed in AASIS. • A sixth asset was sighted that was not tagged with any identifying asset number. • The seventh asset was unable to be located. Lack of proper internal controls over capital assets could allow for the misappropriation of state assets and result in inaccurate accounting records.	To ensure that all assets are properly tagged and accounted for, we recommend Agency management: 1) conduct a complete asset inventory, 2) identify any assets that need to be added or deleted from the fixed asset listing in AASIS, 3) reconcile the Agency's inventory tag numbers to the asset numbers in AASIS, and 4) submit any missing information to the Department of Finance and Administration (DFA) for upload to AASIS. We further recommend that Agency management submit a list of any assets that cannot be accounted for to DFA for approval to remove the assets from the Agency's fixed asset listing. Agency Response: We have begun implementing several steps to address this issue which include: • We are identifying any asset that needs to be added or deleted from the fixed asset listing • We are also reconciling the Agency's inventory tag numbers to the asset numbers in AASIS and submitting any missing information to DFA. • We will submit a list of any assets that cannot be accounted for to DFA for approval to remove the assets from the Agency's fixed asset listing. We are confident that these efforts, along with closer monitoring by staff, will address current issues and prevent future ones.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	5	6	11	48 %
Black Employees	4	8	12	52 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			12	52 %
Total Employees			23	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	ACA §16-93-202	Y	Y	30	Information Purposes	0	0.00
Monthly Board Reports	ACA §16-93-210	Y	Y	7	Monitor Parole Applications and Outcomes	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
22	22	0	22	0	0.00 %	22	23	0	23	-1	-4.55 %	24	24	1	25	-1	0.00 %

Budgeted Number of Positions exceeds the Authorized Number due to a transfer from the Agency Growth Pool during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 306 - Parole Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Parole Board consists of seven members, which are appointed by the Governor and confirmed by the Senate for a seven-year term. Board members regularly conduct parole hearings throughout the State of Arkansas and make decisions on the conditional release of inmates in correctional facilities. The Board is also responsible for reviewing all pardon and executive clemency applications and making non-binding recommendations to the Governor. The Chairman of the Parole Board also serves as an ex-officio member of the Board of Corrections.

Funding for the Parole Board is from general revenue. The Agency is authorized to receive assistance from the Department of Correction (DOC) and the Department of Community Correction (DCC), as provided by Section 3 of Act 137 of 2012.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level Request provides for an increase of $370,707 in FY16 and $304,207 in FY17 in general revenue funding and appropriation for the 2015-2017 Biennium and reflects the following:

- Regular Salaries and Personal Services Matching of $108,007 in each year for the restoration of the Revocation Hearing Judge (N902 - growth pool position) and the reclassification of three (3) positions.
- Operating Expenses of $64,700 in FY16 and $61,200 in FY17 which primarily affect rent and leases, building and grounds, data processing supplies, software/licenses and network services and will allow for agency relocation and establishing an agency-run network apart from the Department of Community Correction.
- Conference & Travel of $5,000 in FY16 for increased specialized training for the senior and clerical staff, Revocation Hearing Judges and Computer Support Specialist.
- Professional Fees of $80,000 in FY16 and $60,000 in FY17 for the Parole Risk Assessment Tool (PRAT) validation analysis and Electronic Offender Management Information System (eOMIS) enhancements and annual maintenance costs.
- Capital Outlay of $113,000 in FY16 and $75,000 in FY17 for the purchase of three (3) cars in each year of the biennium and to replace aging video equipment.

The Executive Recommendation provides for Agency Request totaling $360,734 in FY16 and $294,234 in FY17 in appropriation and positions only with the exception of the reclassification of the Fiscal Support Supervisor (C118) to an Arkansas Parole Board Fiscal Services Manager (C122).

Appropriation Summary

Appropriation: 306 - Parole Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,322,799	1,390,745	1,422,864	1,333,817	1,417,783	1,409,640	1,333,917	1,417,883	1,409,740
#Positions		**23**	**25**	**24**	**24**	**25**	**25**	**24**	**25**	**25**
Personal Services Matching	5010003	407,033	434,666	440,238	420,668	444,709	442,879	420,691	444,732	442,902
Operating Expenses	5020002	269,120	273,473	281,536	273,473	338,173	338,173	273,473	334,673	334,673
Conference & Travel Expenses	5050009	3,175	5,000	5,000	5,000	10,000	10,000	5,000	5,000	5,000
Professional Fees	5060010	20,000	20,000	20,000	20,000	100,000	100,000	20,000	80,000	80,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	113,000	113,000	0	75,000	75,000
Total		2,022,127	2,123,884	2,169,638	2,052,958	2,423,665	2,413,692	2,053,081	2,357,288	2,347,315
Funding Sources										
General Revenue	4000010	2,022,127	2,123,884		2,052,958	2,423,665	2,052,958	2,053,081	2,357,288	2,053,081
Total Funding		2,022,127	2,123,884		2,052,958	2,423,665	2,052,958	2,053,081	2,357,288	2,053,081
Excess Appropriation/(Funding)		0	0		0	0	360,734	0	0	294,234
Grand Total		2,022,127	2,123,884		2,052,958	2,423,665	2,413,692	2,053,081	2,357,288	2,347,315

Budget Number of Positions exceeds the Authorized Number due to transfers from the Agency Growth Pool during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 306 - Parole Board Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,052,958**	**24**	**2,052,958**	**100.0**	**2,053,081**	**24**	**2,053,081**	**100.0**
C01	Existing Program	210,700	0	2,263,658	110.3	156,700	0	2,209,781	107.6
C06	Restore Position/Approp	88,657	1	2,352,315	114.6	88,657	1	2,298,438	112.0
C08	Technology	52,000	0	2,404,315	117.1	39,500	0	2,337,938	113.9
C10	Reclass	19,350	0	2,423,665	118.1	19,350	0	2,357,288	114.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,052,958**	**24**	**2,052,958**	**100.0**	**2,053,081**	**24**	**2,053,081**	**100.0**
C01	Existing Program	210,700	0	2,263,658	110.3	156,700	0	2,209,781	107.6
C06	Restore Position/Approp	88,657	1	2,352,315	114.6	88,657	1	2,298,438	112.0
C08	Technology	52,000	0	2,404,315	117.1	39,500	0	2,337,938	113.9
C10	Reclass	9,377	0	2,413,692	117.6	9,377	0	2,347,315	114.3

Justification	
C01	Agency requests $210,700 for FY16 and $156,700 for FY17 and includes increases in Regular Salaries and Personal Services Matching for personnel requests, Operating Expenses (rent and leases, buildings and grounds, vehicle insurance and building contents insurance), Conference and Travel (specialized training), Professional Fees (the PRAT validation assessment and eOMIS enhancements) and Capital Outlay (vehicle purchases and video equipment updates and replacement).
C06	Agency requests to restore the Revocation Hearing Judge growth pool position approved by OPM for the previous two (2) fiscal years. This position conducts revocation hearings and is necessary considering the Board's increasing caseloads.
C08	Agency requests $52,000 in FY16 and $39,500 in FY17 and inlcudes increases in data processing supplies, software/licenses and network services expense. The increases will allow the Agency to continue moving the Board towards electronic voting for its parole cases and support electronic access to case information at the Departments of Correction and Community Correction. This request is compliant with the Agency's IT Plan.
C10	Agency requests the reclassification of three (3) positions: Administrative Services Manager to APB Program Administrator, Computer Support Specialist to Software Support Analyst and Fiscal Support Specialist to APB Agency Fiscal Services Manager.

ARKANSAS PUBLIC DEFENDER COMMISSION

Enabling Laws

Act 95 of 2014
A.C.A. §16-87-201 - 214; Act 1193 of 1993

History and Organization

The Arkansas Public Defender Commission was created by Act 1193 of 1993 (codified at A.C.A. §16-87-201 through 214) in response to the Arkansas Supreme Court's ruling in *Independence County v. State,* 312 Ark. 472, 850 S.W. 2d 842 (1993). In that case, the Court held that ensuring indigents a right to counsel was a function of the State of Arkansas, and not a county obligation. Prior to that time, counties typically contracted with local attorneys to provide representation. Resources were limited, and seldom were there sufficient funds for counsel to engage experts or investigative services.

After passage of the Act, the Commission began the takeover of the public defender system in order to help rectify the inconsistencies in representation provided by the counties. It also began implementation of a system that would attempt to provide investigative services as well as experts in the field of mental health. This was a step toward improving the adversarial system rather than having defense counsel rely upon the testimony of State witnesses. The State began to provide support services to its Public Defenders which included paralegals, psychiatrists, psychologists, pathologists, investigators, mitigation specialists, translators, weapons experts, and handwriting experts to name a few. However, with the authority to provide these support services to its Public Defenders, the Commission also assumed the duties associated therewith, including allocating resources, recommendations to local judges whom to employ as Public Defenders, salaries, and payment to private counsel to handle conflict cases.

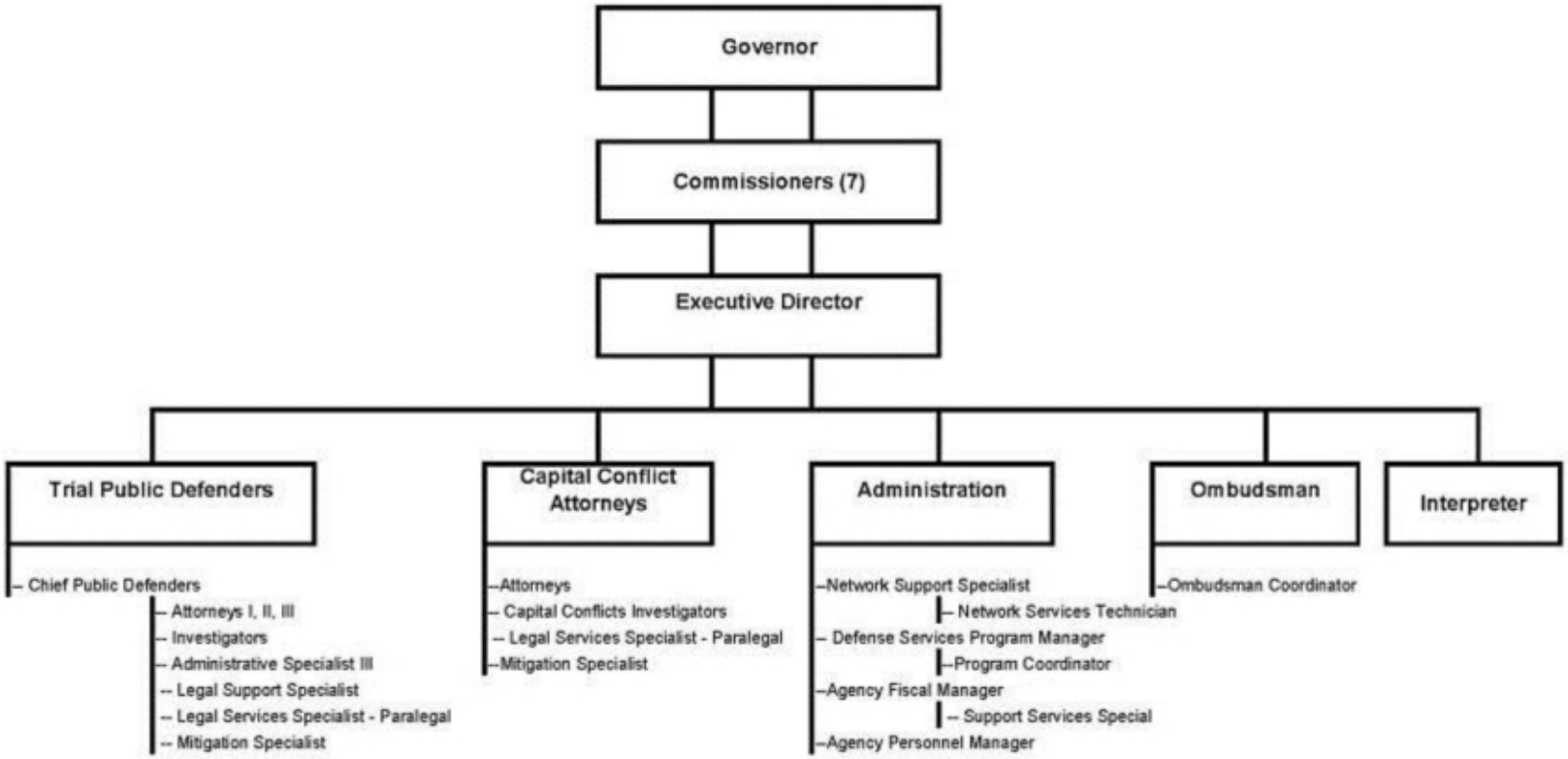
Much has changed in the legal field since the inception of the Arkansas Public Defender System. While the attrition rate for new attorneys and support staff has been minimal, the duties of the Public Defender have multiplied greatly. Crime rates have risen at a rapid pace as have the number of arrests associated with the criminal actions. Courts that at one time met once a month now meet weekly. Criminal dockets that at one time were handled by one judge in a district are now divided amongst three or four judges. The caseloads in District Courts have exploded, and with the merging of City Courts, Public Defenders frequently appear in two (2) courts in one day, in different counties. The emergence of drug courts, veteran courts, juvenile drug courts, DWI courts and domestic battery courts coupled with new sentencing programs stretch the Office of the Public Defender even further. There are even some in the judiciary who are of the belief the State of Arkansas should or will be obligated to appear in child support proceedings brought by the State as well as post-conviction proceedings.

Attorneys employed by the Commission are mandated to appear in a myriad of Courts in our State, handling misdemeanors, felonies, diversions, revocations, juvenile delinquencies and family in need of services cases, adult protective services, and mental commitments. They are required to appear in Circuit Criminal, Circuit Juvenile, Circuit Probate and District Courts. Outside our metropolitan areas, travel is a daily occurrence.

The Commission now finds itself in a precarious situation. Each month, every district is required to submit statistics for the previous month outlining the number of cases acquired (new cases) and the number of cases disposed. The classification of these cases is required as well, i.e. felony, misdemeanor, etc. with an indication as to the disposition. Based upon the guidelines established by the National Advisory Committee on Criminal Justice and adopted by the American Bar Association, we know the number of cases our attorneys should be handling. Statewide, our attorneys are surpassing the guidelines sometimes by as much as 400%. The least worked of our districts is at a utilization rate of almost 200%. To come into compliance with the guidelines, the Commission would need to employ almost 400 attorneys statewide immediately.

The history of this organization is intriguing when one realizes how it has benefitted the legal system in our State in less than twenty years. It is a vital component to our adversarial system. However, the path the agency is allowed to take in the future is much more vital if we truly believe every citizen is entitled to effective legal representation (and we should have this belief as our Supreme Court has mandated). Lawsuits against states across North America challenging the funding provided by legislatures are now extremely prevalent and growing with the latest being filed in Georgia in January, 2014. A quick search of the internet will reveal litigation in Washington, Florida, New Mexico, Ohio, and New York.

The Commission's request for this biennial budget is made only after careful and deliberate thought and analysis as well as prior submission to the seven members of our Commission who are appointed by the Governor. The analytical data composed over several months only confirms what the Public Defenders in our local communities have been saying for years. They do not have sufficient time, based upon the number of cases they carry, to provide effective legal representation for their clients.



Agency Commentary

The Public Defender Commission's ("Commission") change level requests are made with the goal of increasing the availability, the effectiveness, and the efficiency of both the Commission, the Trial Public Defender's Offices throughout the State of Arkansas, the Capital Conflicts Office and the Dependent Neglect Appellate Office. These requests are mindful of our Constitutional mandate of providing effective representation, and are made in an effort to more efficiently and effectively expend the State's limited resources. Finally, the requests are made in light of recent United States Supreme Court decisions, and Arkansas Supreme Court opinions which substantially affect the role of the attorneys and their representation of clients. Courts have increasingly scrutinized the effectiveness of counsel and have been particularly critical of over-burdensome case-loads and the lack of resources provided for the representation of indigent defendants. The Commission is aware of the need to provide finality to its cases as well as to provide effective assistance to counsel; hence, the following requests are made with those objectives in mind.

Public Defenders, like prosecutors, are essential to the workings of the Judicial System. It is estimated based upon the monthly numbers reported by our local offices, that the Public Defender system represents approximately 90-95% of those persons prosecuted by the State of Arkansas. Without an effective public defender standing beside a criminal defendant, the court system in Arkansas could not function properly. Obviously, our public defenders do more than merely stand beside their clients. An inability to function effectively as a public defender or to proceed on cases would serve no one. If the public defender system fails, the entire court system fails. If we are unprepared due to unmanageable caseloads or inadequate funding, justice is compromised for all parties.

In 2001, this agency maintained 138 attorney positions. At that time, the Arkansas Crime Information Center, in its Crime Index by Month for the calendar year, reported an offense total of 109,829. These figures include the offenses of Murder, Rape, Aggravated Assault, Burglary, Theft, Motor Vehicle Theft and Arson. At the end of fiscal year 2013, the Arkansas Public Defender Commission employed 160 attorney positions. The statistics from the Arkansas Crime Information Center report offense totals for the calendar year at 253,300. While one might look at these numbers and compute the acquisition of twenty-two (22) positions by this agency, consideration has to be given to the fact this agency has also acquired more court responsibilities in the areas of drug court, veterans court, domestic battery court as well as an explosion of criminal case offenses.

Trial Public Defender

Personnel

The Commission is requesting the addition of forty-six (46) attorneys, five (5) paralegals and five (5) capital conflict investigators. By adding these positions, the agency would be making steps to comply with the national standards proscribed by the National Advisory Commission on Criminal Justice and Goals (NAC), a U. S. Department of Justice funded initiative which has been adopted by the American Bar Association. The NAC standard, 13.2, states that an attorney, on a yearly basis, should not exceed the following representation:

150 felonies per year; OR
400 misdemeanors per year; OR
200 juvenile delinquencies per year; OR
200 mental health commitments per year; OR
25 appeals per year.

This agency has compiled utilization rates for its attorneys per district based upon reported adjudications. The districts, on a monthly basis, are obligated to report the number of new cases the office receives, the number of disposed cases, and the nature of the case. As of May, 2014, for the fiscal year ending June 30, 2014, the utilization rates for the districts throughout the state ranged at a minimum of 110.41% to 367.91%. These numbers did not factor in vacation, sick leave, travel, court preparation or court appearances. There are numerous areas of the State of Arkansas where public defenders are and have been for years handling over 300 active felony cases simultaneously.

The investigator and paralegal positions are vital to assisting the attorney in his/her ability to adequately provide effective assistance of counsel as mandated by the United States Supreme Court. Presently, this agency has three (3) capital conflict investigators. Most of our districts throughout the State have only one (1) paralegal responsible for handling the work throughout up to six (6) counties.

The need for these positions is a grave reality. The number requested will still not bring our State into compliance with the NAC standards, but is a realistic step toward addressing the serious problems that bestow the Arkansas Public Defender system. The number of serious felony offenses, including capital murder cases, continues to grow as evidenced by the ACIC statistics referred to herein. According to the Substance Abuse and Mental Health Services Administration (SAMHSA.gov), the serious mental health issues in Arkansas are prevalent. The mental health issues are inherently high in those charged with violent criminal acts. Trial public defenders are constantly trying to divide their time between the criminal act and the mental health issues affecting their clients. This trend continues to grow annually.

Changes in our court systems occur on a yearly basis. Courts typically schedule court appearances a year in advance, and attempt to accommodate prosecutors and public defenders with the schedule. Inherently, throughout the year, courts add more court appearance dates which strains the local public defender's offices further. They likewise schedule their calendars in compliance with the Court's initial calendar. When more court dates are added, there are not a sufficient number of public defenders to accommodate another court date, ultimately resulting in displeasure from a member of the judiciary. Every attempt is made by the public defender to accommodate the desires of the Court, but oftentimes, there just are not sufficient personnel to accommodate every setting.

The District Court system, which includes their expanded jurisdiction and the addition of full time Judges and staff, has and will continue to increase the workload and responsibility of public defenders. When City Courts merge into District Courts, the number of appointments for a public defender rises substantially, and has increased the number of locations an attorney has to appear. Further, the advent of the Hope Court, Diversion Courts, more Drug Courts, Juvenile Drug Courts, Veterans Courts and Swift Courts, while all good things, has vastly increased the time commitments on our staff. Rather than have court a few days a week, many of our public defenders have to be in various courts nearly all day every day.

The United State's Supreme Court has now specifically ruled attorneys must provide effective assistance of counsel at plea bargains, *Lafler v. Cooper*, 566 U.S. 132S. Ct. 1376, No. 10-209, 2012 WL 932019 (March 21, 2012); and must explain immigration consequences to pleas as well, *Padilla v. Kentucky*, 130 S.Ct. 1473 (2010). *Lafler* is common sense but its effect now that it is formally recognized is that high caseloads are extremely problematic. The Commission needs attorneys with expertise in immigration law to serve as a resource to all of our staff. We propose adding two attorneys for this purpose.

The addition of attorneys and staff to the commission is further implicated by the recent US Supreme Court cases *Jackson v. Hobbs* and *Miller v. Aabama* where it was held that the Eighth Amendment forbids a sentencing scheme that mandates life in prison without possibility of

parole for juvenile homicide offenders. These cases necessitate a review of each and every case in Arkansas where a juvenile homicide offender was tried as an adult and sentenced to life in prison without possibility of parole. In each of these cases, mitigation specialists will be required to perform a thorough review and present their findings through defense counsel in order for these sentences to be reconsidered and altered where necessary. As these cases continue to wind their way to the Arkansas Supreme Court and back to the trial court, we can now ascertain of fifty-six (56) pending cases, the majority of the Commission will have to address at some time in the near future.

M & O Request

We are requesting a small increase to allow for the necessary start up equipment for the fifty-six (56) new employees requested in this same budget. We will need office furniture, supplies, membership fees, subscription dues, and computers.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS PUBLIC DEFENDER COMMISSION

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	147	131	278	93 %
Black Employees	11	9	20	7 %
Other Racial Minorities	1	1	2	0 %
Total Minorities			22	7 %
Total Employees			300	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Reports	ACA §16-87-203	Y	Y	40	Required by Law	0	0.00

Department Appropriation Summary

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	2015-2016 Agency	Pos	2015-2016 Executive	Pos	2016-2017 Base Level	Pos	2016-2017 Agency	Pos	2016-2017 Executive	Pos
1VA	Ombudsman Program	92,763	1	90,054	1	89,962	1	90,636	1	90,636	1	90,636	1	90,636	1	90,636	1	90,636	1
337	Public Defender-Operations	2,689,980	19	2,805,509	19	2,676,028	18	2,697,708	18	2,820,186	19	2,820,186	19	2,698,567	18	2,821,166	19	2,821,166	19
530	Public Defender -Trial Office	20,686,627	225	21,016,743	225	21,016,743	225	21,096,055	225	26,813,638	281	21,377,755	228	21,104,755	225	26,508,738	281	21,372,025	228
Total		23,469,370	245	23,912,306	245	23,782,733	244	23,884,399	244	29,724,460	301	24,288,577	248	23,893,958	244	29,420,540	301	24,283,827	248
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	907,458	3.7	1,265,267	5.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
State Central Services	4000035	15,435,052	62.4	13,448,958	56.2			14,685,736	61.5	20,525,797	69.1	15,089,914	62.1	14,695,295	61.5	20,221,877	68.7	15,085,164	62.1
Bail Bond Fees	4000115	1,235,272	5.0	1,200,000	5.0			1,200,000	5.0	1,200,000	4.0	1,200,000	4.9	1,200,000	5.0	1,200,000	4.1	1,200,000	4.9
State Administration of Justice	4000470	5,852,732	23.7	6,908,027	28.9			6,908,027	28.9	6,908,027	23.2	6,908,027	28.4	6,908,027	28.9	6,908,027	23.5	6,908,027	28.4
Transfer from DHS-DYS	4000515	92,763	0.4	90,054	0.4			90,636	0.4	90,636	0.3	90,636	0.4	90,636	0.4	90,636	0.3	90,636	0.4
User / Attorney Fees	4000725	1,211,360	4.9	1,000,000	4.2			1,000,000	4.2	1,000,000	3.4	1,000,000	4.1	1,000,000	4.2	1,000,000	3.4	1,000,000	4.1
Total Funds		24,734,637	100.0	23,912,306	100.0			23,884,399	100.0	29,724,460	100.0	24,288,577	100.0	23,893,958	100.0	29,420,540	100.0	24,283,827	100.0
Excess Appropriation/(Funding)		(1,265,267)		0				0		0		0		0		0		0	
Grand Total		23,469,370		23,912,306				23,884,399		29,724,460		24,288,577		23,893,958		29,420,540		24,283,827	

Historical Data — **Agency Request and Executive Recommendation**

FY15 Budgeted amount in FC (1VA) Ombudsman Program exceeds the authorized amounts due to matching rate adjustments during the 2013-2015 Biennium.

FY15 Budgeted amount in FC (337) Public Defender - Operations exceeds the authorized amounts due to transfers from the Agency Growth Pool during the 2013-2015 Biennium.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
239	240	1	241	-2	-0.42 %	244	242	2	244	0	0.82 %	244	242	3	245	-1	0.82 %

Budgeted Number of Positions exceed the Authorized Number due to transfers from the Agency Growth Pool during Fiscal Years 2013 and 2015.

Analysis of Budget Request

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

The Ombudsman Division of the Arkansas Public Defender Commission was created during the 82nd General Assembly for the purpose of insuring that children placed within the custody of the Department of Human Services (DHS) - Division of Youth Services are receiving necessary services designed to keep them safe both mentally and physically. One position in the Ombudsman Division of the Arkansas Public Defender Commission is funded from funds transferred by the DHS. This transfer is for the benefit of the Juvenile Ombudsman Program of the Public Defender Commission.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Commission's Request provides for Base Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	71,667	69,735	69,735	69,735	69,735	69,735	69,735	69,735	69,735
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	21,096	20,319	20,227	20,901	20,901	20,901	20,901	20,901	20,901
Total		92,763	90,054	89,962	90,636	90,636	90,636	90,636	90,636	90,636
Funding Sources										
Transfer from DHS-DYS	4000515	92,763	90,054		90,636	90,636	90,636	90,636	90,636	90,636
Total Funding		92,763	90,054		90,636	90,636	90,636	90,636	90,636	90,636
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		92,763	90,054		90,636	90,636	90,636	90,636	90,636	90,636

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

The Arkansas Public Defender Commission was established in 1993 to address a variety of problems and concerns related to the representation of indigent criminal defendants in Capital Conflicts and Appeals to the Supreme Court in the State of Arkansas. The State Operations appropriation is funded from the State Central Services Fund.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Base Level Request is $2,697,708 in FY16 and $2,698,567 in FY17.

The Agency's Change Level Request provides for $122,478 in FY16 and $122,599 in FY17 in Regular Salaries and Personal Services Match appropriation associated with one (1) Public Defender III added from the Growth Pool during FY14 that the Commission wishes to continue.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	1,215,532	1,229,807	1,133,419	1,144,074	1,239,925	1,239,925	1,144,774	1,240,725	1,240,725
#Positions		**19**	**19**	**18**	**18**	**19**	**19**	**18**	**19**	**19**
Extra Help	5010001	11,985	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		**2**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	365,166	371,364	338,271	349,296	375,923	375,923	349,455	376,103	376,103
Operating Expenses	5020002	253,571	247,648	247,648	247,648	247,648	247,648	247,648	247,648	247,648
Conference & Travel Expenses	5050009	19,690	19,690	19,690	19,690	19,690	19,690	19,690	19,690	19,690
Professional Fees	5060010	824,036	925,000	925,000	925,000	925,000	925,000	925,000	925,000	925,000
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		2,689,980	2,805,509	2,676,028	2,697,708	2,820,186	2,820,186	2,698,567	2,821,166	2,821,166
Funding Sources										
State Central Services	4000035	2,689,980	2,805,509		2,697,708	2,820,186	2,820,186	2,698,567	2,821,166	2,821,166
Total Funding		2,689,980	2,805,509		2,697,708	2,820,186	2,820,186	2,698,567	2,821,166	2,821,166
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,689,980	2,805,509		2,697,708	2,820,186	2,820,186	2,698,567	2,821,166	2,821,166

FY15 Budget amounts in Regular Salaries, Personal Services Matching and Positions exceed the authorized amounts due to transfers from the Agency Growth Pool during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 337 - Public Defender-Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,697,708**	**18**	**2,697,708**	**100.0**	**2,698,567**	**18**	**2,698,567**	**100.0**
C06	Restore Position/Approp	122,478	1	2,820,186	104.5	122,599	1	2,821,166	104.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,697,708**	**18**	**2,697,708**	**100.0**	**2,698,567**	**18**	**2,698,567**	**100.0**
C06	Restore Position/Approp	122,478	1	2,820,186	104.5	122,599	1	2,821,166	104.5

Justification	
C06	The Commission would like to restore/continue this public defender III position which was received as a growth pool position in FY2014. The attorney currently in this position has over twenty (20) years legal experience including trial and appellate practice as well as litigation in the capital murder area. The loss of this experience and credentials affiliated with this attorney would create a hardship on the Commission and its local office. The position has the responsibility of handling the most complex of felony cases and assisting other less-experienced attorneys in trial preparation and plea negotiations. With the number of years of experience and qualifications, it would be extremely difficult, if not impossible, to replace.

Analysis of Budget Request

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

The Trial Public Defender Office of the Arkansas Public Defender Commission was created by Act 1341 of 1997 and provides for the establishment of a statewide public defender system in Arkansas. The Trial Public Defender Office operates under the supervision of the Executive Director of the Arkansas Public Defender Commission. Duties of all public defenders are to provide for competent, effective, and uniform representation of indigent criminal defendants throughout the State. The Commission utilizes over sixty-one (61) job share positions.

The Trial Public Defender Office is funded from a share of those funds remitted by the cities and counties from court costs and filing fees for deposit into the State Administration of Justice Fund. A portion of those funds is then allocated for deposit into the State Central Services Fund for the benefit of the Public Defender Commission per Arkansas Code §16-10-310. Arkansas Code §17-19-301 (e) allows for a fee to be charged and collected by all bail bond companies on each bond. The additional revenue helps defray the cost of the public defender system, both statewide and in each individual county.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level Request is $21,096,055 in FY16 and $21,104,755 in FY17.

The Change Level Requests submitted are $5,717,583 in FY16 and $5,403,983 in FY17 and are summarized as follows:

- A total of 56 new positions - twenty-three (23) Public Defender III positions, twenty-three (23) Public Defender II positions, five (5) Capitol Conflicts Investigators, and five (5) Legal Services Specialists with Regular Salaries, Personal Service Matching totaling $4,756,239 for both years of the biennum.

- Operating Expenses to support the overhead associated with these fifty-six (56) positions totaling $809,544 in FY16 and $495,944 in FY17. These expenses include parking, office furniture, computer equipment, associated office expenses, subscriptions and dues. The technology-related portion of this request is in compliance with the Agency's IT Plan.

- Conference Fee and Travel for the forty-six (46) newly requested attorney positions totaling $151,800 for both years of the biennium to support their required continuing education training requirements.

The Executive Recommendation provides for Base Level with the addition of the following:

- Three (3) Public Defender III positions
- Operating appropriation of $43,677 in FY16 and $29,247 in FY17
- Conference Fees and Travel of $9,900 in both years of the biennium.

Appropriation Summary

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	14,359,156	14,305,142	14,305,142	14,384,454	18,036,102	14,612,577	14,393,154	18,044,802	14,621,277
#Positions		**225**	**225**	**225**	**225**	**281**	**228**	**225**	**281**	**228**
Extra Help	5010001	6,059	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
#Extra Help		**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	4,359,128	4,538,150	4,538,150	4,538,150	5,642,741	4,538,150	4,538,150	5,642,741	4,538,150
Operating Expenses	5020002	318,084	327,551	327,551	327,551	1,137,095	371,228	327,551	823,495	356,798
Conference & Travel Expenses	5050009	10,900	10,900	10,900	10,900	162,700	20,800	10,900	162,700	20,800
Professional Fees	5060010	744,579	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Public Defender Comm. Prgms.	5900046	707,017	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000
Bail Bond Co. Public Def. Prgm.	5900047	181,704	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total		20,686,627	21,016,743	21,016,743	21,096,055	26,813,638	21,377,755	21,104,755	26,508,738	21,372,025
Funding Sources										
Fund Balance	4000005	907,458	1,265,267		0	0	0	0	0	0
State Central Services	4000035	12,745,072	10,643,449		11,988,028	17,705,611	12,269,728	11,996,728	17,400,711	12,263,998
Bail Bond Fees	4000115	1,235,272	1,200,000		1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
State Administration of Justice	4000470	5,852,732	6,908,027		6,908,027	6,908,027	6,908,027	6,908,027	6,908,027	6,908,027
User / Attorney Fees	4000725	1,211,360	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding		21,951,894	21,016,743		21,096,055	26,813,638	21,377,755	21,104,755	26,508,738	21,372,025
Excess Appropriation/(Funding)		(1,265,267)	0		0	0	0	0	0	0
Grand Total		20,686,627	21,016,743		21,096,055	26,813,638	21,377,755	21,104,755	26,508,738	21,372,025

Change Level by Appropriation

Appropriation: 530 - Public Defender -Trial Office
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**21,096,055**	**225**	**21,096,055**	**100.0**	**21,104,755**	**225**	**21,104,755**	**100.0**
C01	Existing Program	5,542,807	56	26,638,862	126.3	5,386,007	56	26,490,762	125.5
C08	Technology	174,776	0	26,813,638	127.1	17,976	0	26,508,738	125.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**20,932,450**	**225**	**20,932,450**	**100.0**	**20,943,109**	**225**	**20,943,109**	**100.0**
C01	Existing Program	1,474,040	3	22,406,490	107.0	1,466,051	3	22,409,160	107.0
C08	Technology	9,363	0	22,415,853	107.1	963	0	22,410,123	107.0
C13	Not Recommended	(1,038,098)	0	21,377,755	102.1	(1,038,098)	0	21,372,025	102.0

Justification

C01	The Arkansas Public Defender system serves a vital role in the State of Arkansas. The United States Supreme Court has mandated, beginning with Gideon v. Wainright, 372 U.S. 335 (1963) legal counsel be afforded to those facing incarceration. The Supreme Court has broadened the obligations of court-appointed counsel over the years. For instance, the decision in Padilla v. Kentucky, 559 U.S. 356 (2010), requires defense counsel to provide effective representation with regard to potential deportation to immigrant clients in the event of a plea or finding of guilt at trial. In 2012, the United States Supreme Court expanded the role of a defense attorney to mandate effective assistance of counsel at all stages of representation. See Lafler v. Cooper, 556 U.S. 1376 (2012). According to the Arkansas Crime Information Center, in 2000, the yearly offense total for the State of Arkansas was 110,052. By 2006, the offense total had increased to 155,846. By 2009, we saw an increase to 250,629. In 2012, cases totals were 253,300. While the totals for 2013 are still preliminary, indications are certain we will continue to approximate previous numbers. Our agency estimates it handles approximately 90-95% of all criminal actions in Arkansas in which an attorney appears on behalf of a client. These courts include Circuit Criminal, Circuit Juvenile and Circuit Probate (mental commitments and Adult Protective Service cases brought by Arkansas Department of Human Services). We likewise appear in District Courts where actions are brought not only by the State of Arkansas, but also by the city municipalities. Rule 8.2 of the Arkansas Rules of Criminal procedure requires the appointment of counsel to represent the indigent unless a) the client waives the appointment of counsel, or b) the court has determined that under no circumstances will incarceration be a possibility of sentence in the event guilt is determined.By adding forty-six (46) attorneys, five (5) paralegals and five (5) capital conflict investigators to this agency, this office would operate more efficiently and economically handling the myriad of conflict appointments we make annually. The request for the new additional positions includes Salary and Personnel Service Match and Operating Expenses. The Operating and Training Expense of $786,568 and $647,744 respectively in FY2016 and FY2017 is for additional office furniture, office supplies, membership fees, subscriptions and dues, telephone and parking costs associated for the overall fifty-six (56) new positions.
C08	The fifty-six (56) new positions in FY2016 will require a computer, software and connection to the internet. The estimate for this request is $174,776 in FY2016. This request will not be needed if the positions are not added. The computers can be found in the Commission IT Plan in the IT Support Cost section for Future Hardware Purchases, and the software is found in the IT Support Cost under section Future Software Purchases.

AR SCIENCE AND TECHNOLOGY AUTHORITY

Enabling Laws

Act 239 of 2014
A.C.A. 15-3-101 - A.C.A. 15-3-505

History and Organization

The Arkansas Science and Technology Authority (the Authority) was created by Act 859 of 1983: "There is hereby established for the State of Arkansas the Arkansas Science and Technology Authority, hereinafter referred to as "The Authority," which shall have the powers, functions and duties, as herein provided, to be the instrumentality of this State to exert leadership in and give directions to a broad spectrum of programs and services designed to gain for this State and its people the benefits and opportunities to be realized through advanced science and technology."

The Authority's vision, mission, goals and core values are derived from its strategic planning process and are established by the Authority's Board in the "Board of Director's Operating Guide," dated November 20, 2009.

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity and (6) We will value diversity among ourselves and our customers.

The Arkansas Science and Technology Authority is comprised of a Board of Directors and staff. The -member Board is appointed by the Governor to staggered four year terms. The Authority has a thirty person staff, eighteen state funded positions, one miscellaneous funded position and eleven federally-funded positions.

The Board makes all decisions concerning the allocation of monies to projects funded under the Authority's programs, except the Technology Transfer Assistance Grants Program where the Board approves funding to the program and the Director approves the individual project funding. Recommendations are made to the Board by three standing committees comprised exclusively of members of the Board. The committees deal respectively with sponsored projects, research and commercialization, and manufacturing extension. The Board's Executive Committee deals with proposals with deadlines and actions required between regularly scheduled meetings. The standing committees are further supported by three advisory committees.

Staff activities are designed to support the goals of the Authority's Board of Directors.

The Vice President of Finance, assisted by the Finance Program Coordinator and the Research Program Coordinator is responsible for managing programs involving Seed Capital Investments, Technology Development, Technology Transfer Assistance Grants, Basic Research Grants, Applied Research Grants, Research Matching Grants, Research Infrastructure Grants, Business Incubator Technology Certifications, and Centers for Applied Technology. These activities are overseen by the Board's Research and Commercialization Committee. The Vice President of Finance and Program Managers also provide technical assistance to (1) Arkansas Manufacturing Solutions, a state-federal partnership under the federal Manufacturing Extension Partnership, (2) and the Research and Development Tax Credit activities under the Consolidated Incentive Act.

The Vice President of Informatics , assisted by the Information Technology Manager and the Database Analyst is responsible for the Authority's initiative to become paperless, provide electronic applications for all programs, automate agency workflows, maintain the Authority's database, and prepare analytical reports. The Vice President of Informatics is also responsible for projects with deadlines, supports the Vice President of Finance with research-oriented programs, and assists in overseeing the NSF EPSCoR grant. These activities are overseen by the Board's Executive Committee.

The Vice President of Research and Sponsored Projects, assisted by the ASTA Assistant Director EPSCoR, and the EPSCoR Accountant II, is responsible for managing the Authority's ASSET Initiative The ASSET Initiative is a project jointly funded by a grant from the National Science Foundation's EPSCoR Program and by state matching support. The Vice President of Research and Sponsored Projects, assisted by the EPSCoR Assistant Director, and the EPSCoR Accountant II, manages the grant and additional STEM (Science, Technology, Engineering, and Mathematics) outreach grants. These activities are overseen by the Board's Sponsored Projects Committee.

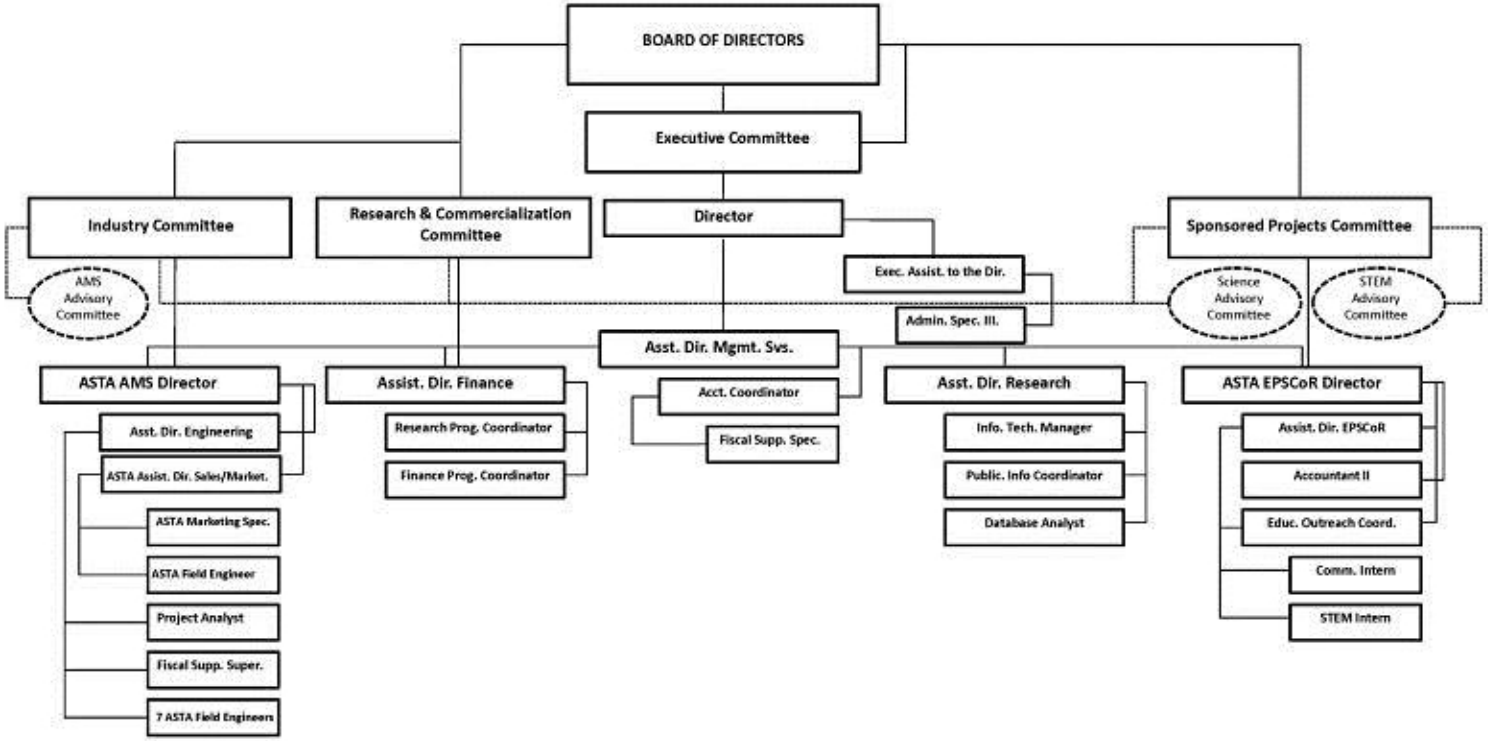
Arkansas Manufacturing Solutions (AMS) is a program created through a cooperative agreement between the National Institute of Standards and Technology and the Arkansas Science & Technology Authority. AMS is headed by the ASTA Vice President of Industry. The Vice President of Industry is responsible for federally funded positions housed at the Authority: the Science & Technology Assistant Director of Engineering, Assistant Director of Sales and Marketing, Fiscal Support Supervisor, ASTA Sales and Marketing Specialist, 5 Field Engineers, and 2 Field Engineer positions housed at the University of Arkansas at Fayetteville as well as 2 Subrecipient personnel housed at the Arkansas State University at Jonesboro. AMS is responsible for the management and administration of the Cooperative Agreement. The Field Engineers work as Project Managers throughout the state, and are responsible for the delivery of services. The activities are overseen by the Board's Industry Committee.

The Vice President of STEM (Science, Technology, Engineering, and Math) is responsible for the day to day operations of the Authority's STEM Works program. STEM Works is an initiative of the Governor's Workforce Cabinet. Its intention is to transform education by recognizing that future educational and workforce demands will be driven by the 21st Century economy, requiring higher level skills for workers at all levels and more talent to fill opening in the STEM occupations.

The Executive Vice President is responsible for the day-to-day operations of the Authority and is assisted by the Accounting Coordinator, Research Project Analyst, and the Fiscal Support Specialist. The Accounting Coordinator is responsible for the fiscal activities of the Authority and is assisted by the Fiscal Support Specialist and the Research Project Analyst. The Fiscal Support Specialist is responsible for the procurement, accounts payable, travel reconciliations and payments, and asset management activities of the Authority. The Research Project Analyst is responsible for AMS reporting. Management Services are overseen by the Board's Executive Committee.

The President is the chief executive officer and has overall responsibility for the Authority's programs and staff activities. The President is assisted by the Executive Assistant to the Director, who provides administrative support to the agency's Board of Directors and is responsible for the personnel activities of the agency. The Administrative Specialist III assists the Executive Assistant and is responsible for administrative support for the Authority's programs and cooperative agreements.

The President is selected by the Board and serves at the pleasure of the Governor.



Agency Commentary

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21st century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21st century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21st century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity, and (6) We will value diversity among ourselves and our customers.

The Arkansas Science & Technology Authority's (Authority) agency commentary is derived from the Authority's vision, mission, goals and core values that were created in its strategic planning process and is established by the Authority's Board in the "Board of Directors Operating Guide," dated November 20, 2009.

GOAL 1: ENSURE THE AVAILABILITY OF THE NEXT GENERATION OF ARKANSANS WITH SCIENCE, ENGINEERING AND MATHEMATICS SKILLS NECESSARY FOR A COMPETITIVE 21ST CENTURY WORKFORCE.

The Authority, will empower teachers to generate enthusiasm in STEM classrooms around the state using projects, such as robotics competition and summer academies, that interest and engage students in the STEM curriculum. These efforts result not only in increased student competence in STEM skill sets but also produce increases in STEM career choices for these students as they advance.

GOAL 2: MAXIMIZE THE PRODUCTION OF SCIENTIFIC AND ENGINEERING TALENT AND RESEARCH INNOVATIONS AS BUILDING BLOCKS FOR THE 21ST CENTURY ECONOMY.

The Authority continues to manage the cooperative agreement with the National Science Foundation for the EPSCoR program. The cooperative agreement has established the Arkansas ASSET Initiative (**A**dvancing and **S**upporting **S**cience, **E**ngineering and **T**echnology). This project is designed to strengthen developing research areas in Arkansas with economic development potential. The initiative is a multi-institutional, interdisciplinary, state-wide program. Integral components of the five-year research project are entrepreneurial training, support for commercialization of new technologies, and an educational outreach program that targets the STEM pipeline needed to support the advanced technologies workforce.

The ASSET Initiative project covers more than one of the Authority's five goals. The match for the project, for budget purposes, is included in goal 3.

GOAL 3: INVEST IN RESEARCH INNOVATIONS THAT BUILD KNOWLEDGE-BASED INDUSTRIES FOR ARKANSAS'S 21ST CENTURY ECONOMY.

The Authority's research and commercialization programs address this goal by supporting strategic state investments in university research activities, development of new products, and the commercialization of new technology by entrepreneurial firms.

Technology Transfer Assistance Grants (TTAG) support enterprises participating in the federal Small Business Innovation Research Program; the Technology Development Program supports enterprises developing new technologies; and the Seed Capital Investment Program provides start-up working capital.

The Authority Board of Directors requests $156,975 per year from General Revenue to support TTAG and Technology Development Programs, $292,653 to support research and an additional $800,000 to support research under a five-year, $20 million National Science Foundation research grant. We also request $6,500,000 in the Arkansas Acceleration Fund. The $800,000 for match for the National Science Foundation will be included in the $6,500,000.

The Board also requests $292,653 per year from General Revenue for Seed Capital Investments.

The Board requests authority to spend up to $1.9 million per year from the Seed Capital Investment Fund (a cash fund).

GOAL 4: STRENGTHEN ARKANSAS COMPANIES' CAPACITY TO INNOVATE, CREATE WEALTH, EXPAND KNOWLEDGE-BASED JOBS AND COMPETE GLOBALLY.

The Authority continues its state-federal technology partnership with the National Institute of Standards and Technology (NIST). The partnership allows the Authority, through the function of its Arkansas Manufacturing Solutions (AMS), to continue to meet the expressed needs of Arkansas manufacturers and provide them with the tools to become world-class competitors. AMS continues to provide technology support to the state's manufacturers through TTAG grants. AMS, connects Arkansas innovators with potential buyers, investors, distributors and manufacturers seeking breakthrough technological advancements.

The Authority Board of Directors requests $257,182 per year from General Revenue as state match for AMS.

GOAL 5: EXTEND SCIENCE AND TECHNOLOGY EXPERTISE TO TAKE ADVANTAGE OF EMERGING OPPORTUNITIES IN PARTNERSHIP WITH OTHER PROGRAMS, SERVICES AND ORGANIZATIONS.

The Authority continues to collaborate on economic development projects with AEDC and ADFA. The agencies, through shared processes, manage projects involving the Venture Capital Investment Trust, Equity Investment Tax Credit, and Research and Development Tax Credits.

The Authority further extends its expertise by membership on at least 13 boards and commissions.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	12	7	19	86 %
Black Employees	0	2	2	9 %
Other Racial Minorities	0	1	1	5 %
Total Minorities			3	14 %
Total Employees			22	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	A.C.A. §15-3-123	Y	Y	4	Detail operations and transactions conducted in previous fiscal year. Posted on website; printed by request only.	0	0.00
ARMF Biennial Report	A.C.A. §15-3-206	Y	Y	1	Report investments from the Arkansas Research Matching Fund. Posted on website; printed by request only.	0	0.00

Department Appropriation Summary

Historical Data | **Agency Request and Executive Recommendation**

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	2015-2016 Agency	Pos	2015-2016 Executive	Pos	2016-2017 Base Level	Pos	2016-2017 Agency	Pos	2016-2017 Executive	Pos
1ND	AR Manufacturing Extention Network-St	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
34G	Seed Capital Investment-Cash in Treasury	200,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0
35K	AR EPSCoR-Federal	3,665,712	3	4,000,000	3	11,473,064	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3
678	Science & Tech-St Operations	2,826,938	13	5,425,355	13	5,425,410	13	5,435,921	13	8,474,157	13	8,474,157	13	5,436,289	13	8,474,547	13	8,474,547	13
84W	New AMS - Cash in Treasury	330,660	3	1,455,986	7	1,244,065	7	890,378	7	1,455,986	9	1,455,986	9	890,378	7	1,455,986	9	1,455,986	9
85E	Energy Efficiency-Cash in Treasury	56,719	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
919	AR Manufacturing Extension Network-Fed	617,539	6	1,081,110	6	941,110	6	619,886	6	941,110	4	941,110	4	619,886	6	941,110	4	941,110	4
99Q	AR Acceleration Fund	372,347	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0
F43	STEM Education	87,028	1	67,160	1	65,430	1	66,021	1	66,021	1	66,021	1	66,021	1	66,021	1	66,021	1
Total		8,414,125	26	33,036,793	30	40,156,261	30	32,014,203	30	35,939,271	30	35,939,271	30	32,014,571	30	35,939,661	30	35,939,661	30

Funding Sources			%		%		%		%		%		%		%		%		%
Fund Balance	4000005	2,151,767	17.3	4,052,164	11.5		2,314,018	6.9	2,314,018	6.2	2,314,018	6.7	1,458,032	4.4	1,458,032	3.9	1,458,032	4.3	
General Revenue	4000010	3,084,120	24.7	5,682,537	16.1		5,693,103	17.0	8,731,339	23.3	5,731,339	16.7	5,693,471	17.1	8,731,729	23.4	5,731,729	16.7	
Federal Revenue	4000020	4,283,251	34.4	5,081,110	14.4		4,614,701	13.8	4,935,925	13.2	4,935,925	14.3	4,614,701	13.8	4,935,925	13.3	4,935,925	14.4	
Cash Fund	4000045	533,409	4.3	1,835,000	5.2		2,150,413	6.4	2,716,021	7.3	2,716,021	7.9	2,860,413	8.6	3,426,021	9.2	3,426,021	10.0	
Inter-agency Fund Transfer	4000316	913,742	7.3	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Other	4000370	0	0.0	18,700,000	52.9		18,700,000	55.9	18,700,000	50.0	18,700,000	54.4	18,700,000	56.1	18,700,000	50.2	18,700,000	54.6	
Transfer from General Imprv	4000540	1,500,000	12.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Total Funds		12,466,289	100.0	35,350,811	100.0		33,472,235	100.0	37,397,303	100.0	34,397,303	100.0	33,326,617	100.0	37,251,707	100.0	34,251,707	100.0	
Excess Appropriation/(Funding)		(4,052,164)		(2,314,018)			(1,458,032)		(1,458,032)		1,541,968		(1,312,046)		(1,312,046)		1,687,954		
Grand Total		8,414,125		33,036,793			32,014,203		35,939,271		35,939,271		32,014,571		35,939,661		35,939,661		

FY15 Budget for New AMS - Cash in Treasury (84W) exceeds authorized due to transfer from the Cash Fund Holding Account.
FY15 Budget for AR Manufacturing Extension Network-Fed (919) exceeds authorized due to transfer from the Miscellaneous Federal Grant Holding Account.
FY15 Budget for STEM Education (F43) exceeds authorized due to salary and matching rate adjustments during the 2013-2015 Biennium.
Variance in Fund Balance is due to unfunded appropriation.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
21	18	1	19	2	14.29 %	29	22	8	30	-1	24.14 %	30	22	8	30	0	26.67 %

Total Budgeted positions in FY14 exceed Authorized amount due to positions authorized from the Central Growth Pool.

Analysis of Budget Request

Appropriation: 1ND - AR Manufacturing Extention Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority Technology and Manufacturing Extension Program plans strategic state investments in, evaluates proposals and applications for, and supports Manufacturing Extension, Technology Transfer, and Applied Research. The Technology and Manufacturing Program is funded by General Revenue.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ND - AR Manufacturing Extention Network-St

Funding Sources: HUA - Miscellaneous Agencies Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Manufacturing Ext Network 5900046	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Total	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Funding Sources									
General Revenue 4000010	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Total Funding	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182

Analysis of Budget Request

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

This program is used for investment in technology-based businesses in accordance with Arkansas Code, §15-3-101 through §15-3-123. Funds are loaned to businesses, with a maximum amount of $500,000 for any one project. As businesses repay the loans, ASTA deposits the repayments into a revolving fund.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 34G - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Investments	5120013	200,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total		200,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Funding Sources										
Fund Balance	4000005	1,186,368	1,112,603		12,603	12,603	12,603	12,603	12,603	12,603
Cash Fund	4000045	126,235	800,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total Funding		1,312,603	1,912,603		1,912,603	1,912,603	1,912,603	1,912,603	1,912,603	1,912,603
Excess Appropriation/(Funding)		(1,112,603)	(12,603)		(12,603)	(12,603)	(12,603)	(12,603)	(12,603)	(12,603)
Grand Total		200,000	1,900,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

Analysis of Budget Request

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

The Experimental Program to Stimulate Competitive Research (EPSCoR), funded by the National Science Foundation is a statewide multi-university collaborative research initiative addressing two research areas: 1) plant-based bioproduction and 2) solar cell efficiency, and 3) smart grid testing.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35K - AR EPSCoR-Federal

Funding Sources: FST - ASTA Federal Programs

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	171,573	202,262	202,259	197,695	197,695	197,695	197,695	197,695	197,695
#Positions		**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	53,510	60,734	59,157	60,116	60,116	60,116	60,116	60,116	60,116
Operating Expenses	5020002	144,538	167,518	497,664	167,518	167,518	167,518	167,518	167,518	167,518
Conference & Travel Expenses	5050009	20,233	27,000	81,000	27,000	27,000	27,000	27,000	27,000	27,000
Professional Fees	5060010	69,690	74,800	224,400	74,800	74,800	74,800	74,800	74,800	74,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,206,168	3,467,686	10,408,584	3,467,686	3,467,686	3,467,686	3,467,686	3,467,686	3,467,686
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		3,665,712	4,000,000	11,473,064	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815
Funding Sources										
Federal Revenue	4000020	3,665,712	4,000,000		3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815
Total Funding		3,665,712	4,000,000		3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,665,712	4,000,000		3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815

FY15 amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority was created to develop and promote Arkansas' technological resources and to encourage the use of advanced technology in the State's business and agricultural communities. The Authority offers a variety of programs emphasizing three areas: project financing, company financing, and technology extension/development. This appropriation is funded by general revenue.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 1% Cost of Living Adjustment.

The Agency requests a Change Level increase of $3,038,236 in FY16 and $3,038,258 in FY17 as follows:

- Regular Salaries and Personal Services Matching of $38,236 in FY16 and $38,258 in FY17 to reclassify three (3) positions - Information Technology Manager Grade C120 to Information Systems Manager Grade C128, Public Information Coordinator Grade C120 to Public Information Manager C123, and Assistant Director of Management Services Grade N901 to Deputy Director Grade N907. The reclassifications are the result of an OPM job audit findings of increased responsibilities for these positions.
- Arkansas Acceleration Fund Programs line item of $3,000,000. This will provide $1,500,000 for grants to Innovate Arkansas and to the Experimental Program to Stimulate Competitive Research (EPSCoR) Research Alliance.

The Executive Recommendation provides for the positions reclassification and general revenue funding of $38,236 in FY16 and $38,258 in FY17 and appropriation only for the Arkansas Acceleration Fund Programs line item.

Appropriation Summary

Appropriation: 678 - Science & Tech-St Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	644,531	685,754	689,794	692,894	723,818	723,818	693,194	724,118	724,118
#Positions		**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**
Extra Help	5010001	5,189	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		**1**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	209,771	222,017	218,032	225,443	232,755	232,755	225,511	232,845	232,845
Operating Expenses	5020002	186,578	218,703	218,703	218,703	218,703	218,703	218,703	218,703	218,703
Conference & Travel Expenses	5050009	27,800	27,800	27,800	27,800	27,800	27,800	27,800	27,800	27,800
Professional Fees	5060010	10,788	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	1,292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Technology Development	5900046	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975
Seed Capital Investments	5900047	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Arkansas Acceleration Fund Prog	5900048	0	3,500,000	3,500,000	3,500,000	6,500,000	6,500,000	3,500,000	6,500,000	6,500,000
Total		2,826,938	5,425,355	5,425,410	5,435,921	8,474,157	8,474,157	5,436,289	8,474,547	8,474,547
Funding Sources										
General Revenue	4000010	2,826,938	5,425,355		5,435,921	8,474,157	5,474,157	5,436,289	8,474,547	5,474,547
Total Funding		2,826,938	5,425,355		5,435,921	8,474,157	5,474,157	5,436,289	8,474,547	5,474,547
Excess Appropriation/(Funding)		0	0		0	0	3,000,000	0	0	3,000,000
Grand Total		2,826,938	5,425,355		5,435,921	8,474,157	8,474,157	5,436,289	8,474,547	8,474,547

FY15 Budget in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 678 - Science & Tech-St Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**5,435,921**	**13**	**5,435,921**	**100.0**	**5,436,289**	**13**	**5,436,289**	**100.0**
C01	Existing Program	3,000,000	0	8,435,921	155.2	3,000,000	0	8,436,289	155.2
C10	Reclass	38,236	0	8,474,157	155.9	38,258	0	8,474,547	155.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**5,435,921**	**13**	**5,435,921**	**100.0**	**5,436,289**	**13**	**5,436,289**	**100.0**
C01	Existing Program	3,000,000	0	8,435,921	155.2	3,000,000	0	8,436,289	155.2
C10	Reclass	38,236	0	8,474,157	155.9	38,258	0	8,474,547	155.9

Justification	
C01	The Agency requests a Change Level increase of $3,000,000 each year for the Arkansas Acceleration Fund Programs. This will provide $1,500,000 to Innovate Arkansas and $1,500,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR) Research Alliance.
C10	The Agency requests a reclassification of three (3) positions, the Information Technology Manager Grade C120 to an Information Systems Manager Grade C128, the Public Information Coordinator Grade C120 to a Public Information Manager Grade C123, and the Assistant Director of Management Services Grade N901 to Deputy Director Grade N907. These reclassifications will increase Regular Salaries and Personal Services Matching $38,236 in FY16 and $38,258 in FY17. The requested reclassifications are the result of an OPM job audit findings of increased responsibilities of the positions.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015

Agency: Science and Technology Authority

Program: Science & Tech-St Operations

Act #: 519 Section(s) #: 3 & 12

Estimated Carry Forward Amount $ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0327 Funds Center: 678 Fund: HUA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

No Carry Forward.

Actual Funding Carry Forward Amount $ 0.00

Current status of carry forward funding:

All funding was spent in FY14.

Dr. Tim Atkinson
President

08-20-2014
Date

Analysis of Budget Request

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. Funding is provided by client (cash) service agreements and training class revenue.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests a Change Level of $565,608 each year as follows:

- Regular Salaries and Personal Services Matching of $208,769 for transfer of two (2) positions from the AMS-Federal appropriation. This is due to award reduction by the Manufacturing Extension Program (MEP) funded by the Department of Commerce National Institute of Standards and Technology (NIST). An additional $240,713 in Regular Salaries and Personal Services Matching is requested to provide sufficient appropriation for the budgeted staff.
- Operating Expenses of $331,457, which includes a reduction of ($11,000) in advertising to adjust the budget due to reduction of the federal award and increase in federal grants and aid.
- Conference and Travel of $14,500 is for new hires travel and training to develop expertise in AMS direct delivery services.
- Grants and Aid reduction of ($229,831) due to the MEP reduction in the federal award and increase in federal grants and aid.

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

Appropriation Summary

Appropriation: 84W - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	127,150	417,145	234,530	235,360	579,828	579,828	235,360	579,828	579,828
#Positions		**3**	**7**	**7**	**7**	**9**	**9**	**7**	**9**	**9**
Personal Services Matching	5010003	50,325	129,258	71,161	72,314	177,328	177,328	72,314	177,328	177,328
Operating Expenses	5020002	51,657	524,122	211,743	211,743	543,200	543,200	211,743	543,200	543,200
Conference & Travel Expenses	5050009	9,482	67,360	52,860	52,860	67,360	67,360	52,860	67,360	67,360
Professional Fees	5060010	4,900	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	87,146	243,101	358,771	243,101	13,270	13,270	243,101	13,270	13,270
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Field Services	5900046	0	0	240,000	0	0	0	0	0	0
Total		330,660	1,455,986	1,244,065	890,378	1,455,986	1,455,986	890,378	1,455,986	1,455,986
Funding Sources										
Fund Balance	4000005	784,540	1,621,890		1,005,904	1,005,904	1,005,904	149,918	149,918	149,918
Cash Fund	4000045	254,268	840,000		34,392	600,000	600,000	744,392	1,310,000	1,310,000
Inter-agency Fund Transfer	4000316	913,742	0		0	0	0	0	0	0
Total Funding		1,952,550	2,461,890		1,040,296	1,605,904	1,605,904	894,310	1,459,918	1,459,918
Excess Appropriation/(Funding)		(1,621,890)	(1,005,904)		(149,918)	(149,918)	(149,918)	(3,932)	(3,932)	(3,932)
Grand Total		330,660	1,455,986		890,378	1,455,986	1,455,986	890,378	1,455,986	1,455,986

Budget exceeds Authorized appropriation in Regular Salairies, Personal Services Matching, Operating Expenses, and Conference & Travel Expenses due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 84W - New AMS - Cash in Treasury
Funding Sources: NST - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**890,378**	**7**	**890,378**	**100.0**	**890,378**	**7**	**890,378**	**100.0**
C01	Existing Program	597,670	0	1,488,048	167.1	597,670	0	1,488,048	167.1
C03	Discontinue Program	(240,831)	0	1,247,217	140.1	(240,831)	0	1,247,217	140.1
C07	Agency Transfer	208,769	2	1,455,986	163.5	208,769	2	1,455,986	163.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**890,378**	**7**	**890,378**	**100.0**	**890,378**	**7**	**890,378**	**100.0**
C01	Existing Program	597,670	0	1,488,048	167.1	597,670	0	1,488,048	167.1
C03	Discontinue Program	(240,831)	0	1,247,217	140.1	(240,831)	0	1,247,217	140.1
C07	Agency Transfer	208,769	2	1,455,986	163.5	208,769	2	1,455,986	163.5

Justification	
C01	The Agency requests an increase of $597,670 which includes Regular Salaries and Personal Services Matching of $240,713, Operating Expenses of$342,457, and Conference and Travel of $14,500. The Regular Salaries and Personal Services Matching will provide sufficient appropriation for the budgeted staff. The increase in Operating Expenses is to adjust budget due to the reduction of the federal award and increase in federal Grants and Aid. The increase in Conference and Travel is for new hires travel and training to develop their expertise in AMS direct delivery services.
C03	The Agency requests a decrease of ($240,831), in Operating Expenses and Grants and Aid. The reduction includes ($11,000) reduction in Advertising and ($229,831) in Grants and Aid due to the MEP reduction of the federal award and increase in federal Grants and Aid.
C07	The Agency requests an increase of $208,769 for a transfer of two (2) positions, one (1) AMS Director Grade N906 and one (1) Sales and Marketing Specialist Grade N901, to AMS-Cash (84W/NST0900) from AMS-Federal (919/FST0200) resulting in an increase in Regular Salaries and Personal Services Matching of $208,769. The increase is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the U.S. Department of Commerce National Institute of Standards and Technology (NIST).

Analysis of Budget Request

Appropriation: 85E - Energy Efficiency-Cash in Treasury

Funding Sources: NST - Cash in Treasury

The Agency is contracted to develop, plan, and execute the logistical details for the Energy Efficiency program workshops and/or conferences for Arkansas manufacturers. Funding is provided by a grant from the Arkansas Economic Development Commission.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 85E - Energy Efficiency-Cash in Treasury

Funding Sources: NST - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	12,686	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
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
Grants and Aid	5100004	44,033	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		56,719	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources										
Fund Balance	4000005	64,572	159,432		159,432	159,432	159,432	159,432	159,432	159,432
Cash Fund	4000045	151,579	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding		216,151	309,432		309,432	309,432	309,432	309,432	309,432	309,432
Excess Appropriation/(Funding)		(159,432)	(159,432)		(159,432)	(159,432)	(159,432)	(159,432)	(159,432)	(159,432)
Grand Total		56,719	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 919 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. The program is funded by the U.S. Department of Commerce's National Institute of Standards and Technology (NIST) and third party reimbursements for field services and technical support from manufacturers supported under this grant.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests a Change Level of $321,224 each year as follows:

- Regular Salaries and Personal Services Matching reduction of ($208,769) from transfer of two (2) positions to the AMS-Cash appropriation. The transfer is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the Department of Commerce National Institute of Standards and Technology (NIST).
- Operating Expenses decrease of ($35,007) due to changes in the MEP award.
- Grants and Aid increase of $240,000 due to changes in the MEP award.
- Field Services increase of $325,000 due to changes in the MEP award.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 919 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	272,832	441,049	608,504	443,431	281,580	281,580	443,431	281,580	281,580
#Positions		**6**	**6**	**6**	**6**	**4**	**4**	**6**	**4**	**4**
Personal Services Matching	5010003	106,324	129,770	177,848	131,164	84,246	84,246	131,164	84,246	84,246
Operating Expenses	5020002	80,968	45,291	124,758	45,291	10,284	10,284	45,291	10,284	10,284
Conference & Travel Expenses	5050009	12,354	0	30,000	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
Grants and Aid	5100004	145,061	140,000	0	0	240,000	240,000	0	240,000	240,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Field Services	5900046	0	325,000	0	0	325,000	325,000	0	325,000	325,000
Total		617,539	1,081,110	941,110	619,886	941,110	941,110	619,886	941,110	941,110
Funding Sources										
Federal Revenue	4000020	617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110
Total Funding		617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110

Change Level by Appropriation

Appropriation: 919 - AR Manufacturing Extension Network-Fed
Funding Sources: FST - ASTA Federal Programs

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**619,886**	**6**	**619,886**	**100.0**	**619,886**	**6**	**619,886**	**100.0**
C01	Existing Program	565,000	0	1,184,886	191.1	565,000	0	1,184,886	191.1
C03	Discontinue Program	(35,007)	0	1,149,879	185.5	(35,007)	0	1,149,879	185.5
C07	Agency Transfer	(208,769)	(2)	941,110	151.8	(208,769)	(2)	941,110	151.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**619,886**	**6**	**619,886**	**100.0**	**619,886**	**6**	**619,886**	**100.0**
C01	Existing Program	565,000	0	1,184,886	191.1	565,000	0	1,184,886	191.1
C03	Discontinue Program	(35,007)	0	1,149,879	185.5	(35,007)	0	1,149,879	185.5
C07	Agency Transfer	(208,769)	(2)	941,110	151.8	(208,769)	(2)	941,110	151.8

Justification	
C01	The Agency requests an increase of $565,000 in Grants and Aid and Field Services for each year of the biennium. This is due to changes in the MEP award.
C03	The Agency requests a reduction of ($35,007) in Operating Expenses due to changes in the MEP award.
C07	The Agency requests transfer of two (2) positions, one (1) AMS Director Grade N906 and one (1) Sales and Marketing Specialist Grade N901, from AMS-Federal (919/FST0200) to AMS-Cash (84W/NST0900) resulting in a reduction of Regular Salaries and Personal Services Matching ($208,769). The reduction is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the U.S. Department of Commerce National Institute of Standards and Technology (NIST).

Analysis of Budget Request

Appropriation: 99Q - AR Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

The Arkansas Science & Technology Authority uses this fund for support and assistance for the accelerated growth of knowledge-based and high-technology jobs in the state through funding of the state's initiatives and programs defined under §15-3-501 et seq. Among those included, are initiatives and programs authorized by the Arkansas Research Alliance, Innovate Arkansas, and Arkansas Risk Capital Matching.

The Fund shall consist of funds provided by law and grants made by any person or federal government agency.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99Q - AR Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	372,347	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Total		372,347	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Funding Sources										
Fund Balance	4000005	0	1,127,653		1,127,653	1,127,653	1,127,653	1,127,653	1,127,653	1,127,653
Other	4000370	0	18,700,000		18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Transfer from General Imprv	4000540	1,500,000	0		0	0	0	0	0	0
Total Funding		1,500,000	19,827,653		19,827,653	19,827,653	19,827,653	19,827,653	19,827,653	19,827,653
Excess Appropriation/(Funding)		(1,127,653)	(1,127,653)		(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)
Grand Total		372,347	18,700,000		18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000

Analysis of Budget Request

Appropriation: F43 - STEM Education

Funding Sources: NST - Cash in Treasury

The Assistant Director of Science, Technology, Engineering, and Mathematics (STEM) Education is responsible for the daily activities of Arkansas STEM Works, an initiative of the Governor's Workforce Cabinet to improve science, technology, engineering, and mathematics education statewide. This position coordinates activities with the Department of Education, Career Education, Higher Education, Workforce Services, Economic Development Commission, Science and Technology Authority, and the General Assembly. The position assists in development of STEM Works performance measures and reports to the Governor's Workforce Cabinet.

Currently, the position is funded twenty-five percent (25%) by General Revenue and seventy-five percent (75%) by grants from the Department of Education, Higher Education, and Career Education.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: F43 - STEM Education
Funding Sources: NST - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	71,021	51,714	50,388	50,701	50,701	50,701	50,701	50,701	50,701
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	16,007	15,446	15,042	15,320	15,320	15,320	15,320	15,320	15,320
Total		87,028	67,160	65,430	66,021	66,021	66,021	66,021	66,021	66,021
Funding Sources										
Fund Balance	4000005	116,287	30,586		8,426	8,426	8,426	8,426	8,426	8,426
Cash Fund	4000045	1,327	45,000		66,021	66,021	66,021	66,021	66,021	66,021
Total Funding		117,614	75,586		74,447	74,447	74,447	74,447	74,447	74,447
Excess Appropriation/(Funding)		(30,586)	(8,426)		(8,426)	(8,426)	(8,426)	(8,426)	(8,426)	(8,426)
Grand Total		87,028	67,160		66,021	66,021	66,021	66,021	66,021	66,021

ARKANSAS SENTENCING COMMISSION

Enabling Laws

Act 94 of 2014
A.C.A. §16-90-801 - 16-90-804

History and Organization

"The purpose of the Arkansas Sentencing Commission is to establish, maintain and revise sentencing guidelines and to monitor and assess the effect of legislation and policy on correctional resources, and to educate the criminal justice community and the public regarding sentencing laws and policy."

As defined in A.C.A. §16-90-802, the Arkansas Sentencing Commission's powers and duties are:

- To adopt the initial sentencing standards grid and seriousness reference table within the new sentencing structure and to make any necessary revisions thereto;
- To establish transfer eligibility for the offenses at the seriousness levels with the more serious offenders serving one-half of their sentences and the less serious serving one-third;
- To monitor compliance with standards, assess impact on correctional resources and determine if the state sentencing policy is furthered;
- To make legislative recommendations on revisions to the target offense group, classifications of crimes, and appropriate changes to sentencing laws, policies and/or practices;
- "Strategic planning" with the Board of Correction to further the goals of equitable sentencing and rational use of correctional resources;
- To collect data relative to sentencing in coordination with the Administrative Office of the Courts, the Arkansas Crime Information Center, the circuit clerks of the State and the Departments of Correction and Community Correction; and
- To develop a research and analysis system to determine the feasibility, impact on resources and budget consequences of proposed and existing legislation affecting sentence length.
- Produce an annual report to include compliance with the sentencing guidelines, including county-by-county and statewide data, sentence to the Arkansas Department of Correction (ADC) and the Department of Community Correction (DCC), average sentence length by offense type and seriousness level, percentage of upward departures; average number of months above the recommended sentence, and a comparison with data from prior years beginning with 2012;
- Prepare and conduct annual continuing legal education seminars regarding the sentencing guidelines to be presented to judges, prosecuting attorneys and their deputies, and public defenders and their deputies; and

- Collaborate with the Administrative Office of the Courts to produce and implement an integrated sentencing and departure form that shall include demographic information including the race and ethnicity of the offender and victim(s), the placement decision, sentence length, any departure from the sentencing guidelines on placement and sentence length, the number of months above or below the presumptive sentence, justification for departure and signature of the judge and prosecuting attorney.

The Commission has adopted the initial sentencing grid and the seriousness reference table; continues to establish transfer eligibility for all offenses created or modified by the General Assembly after each legislative session; reviews and revises the guidelines as deemed necessary. The Commission also continues to work with the Departments of Correction and Community Correction in developing a continuum of sanctions which makes the most efficient use of the correctional resources of the State.

The Commission works with the Departments of Correction and Community Correction in producing projections on the inmate, parole and probation populations of the State. Commission staff monitors these projections for accuracy on a monthly basis. The Commission also does extensive analysis and tracking of sentencing trends. The population projections and sentencing trends are used to produce impact assessments of proposed legislation for the General Assembly during each legislative session.

The Sentencing Commission provides daily research assistance to judges, defense attorneys and prosecutors throughout the State. The Commission provides timely updates on new developments in criminal law to all criminal justice constituents.

The Sentencing Commission, in collaboration with the Administrative Office of the Courts and other criminal justice agencies, developed an integrated Sentencing Order which the circuit courts began using on January 2, 2012. The Commission has also developed an electronic database of the Sentencing Order to collect data for the annual report. A report of the 2012 and 2013 data has been prepared and submitted to the Governor and Legislative committees.

Commission staff conducts training seminars on the use of the sentencing guidelines and the Sentencing Order. The Commission also provides other Continuing Legal Education training for attorneys practicing in the criminal law field. This training emphasizes all segments of the criminal justice system and the correctional resources of the State. These training sessions include segments on programs available at the ADC, understanding how to compute time on sentences and transfer eligibility, Parole Board procedures, and a tour of the local DCC facility with an emphasis on the therapeutic community treatment model available for offenders with substance abuse behavior. Increased knowledge and understanding of available alternative sanctions helps divert nonviolent offenders from the more costly prison beds. This training is certified by the Arkansas Continuing Legal Education Board.

The Commission is composed of nine voting members: three (3) circuit judges, two (2) prosecuting attorneys, two (2) defense attorneys, and two (2) members of the general public. The Commission currently has five (5) full time staff positions. The Executive Director is responsible for compiling the work of the Commission and drafting suggested legislation. The Assistant Director, Attorney and Legal Services Specialist

are responsible for data entry, data transference and analysis, impact studies and research on various sentencing practices. The Assistant Director also serves as the Agency Fiscal Officer. The Attorney and Legal Services Specialist are responsible for educational efforts, legal research, data collection from judicial districts throughout the State, and other special projects. The Administrative Services Specialist provides administrative, secretarial, and accounting support to the staff and commission.

Agency Commentary

The Arkansas Sentencing Commission is requesting an additional staff position for a Legal Support Specialist. The Commission is tasked with reporting on sentencing practices for the State of Arkansas. All criminal cases passing through Circuit Court must be reported on a Sentencing Order. This office receives each Sentencing Order entered for all criminal cases prosecuted in the State. For the Commission, this

means collecting data from all 75 counties. The volume of data processed by the office is very high. For example there were 60,752 offenses entered into the Sentencing Order Database in 2013. There are currently three staff members entering this high volume of data. This new position would allow the senior staff to conduct more guidelines training, especially in the outlying counties where courtroom schedules make it difficult for court personnel to travel to Little Rock. The agency is also requesting an upgrade in the Legal Services Specialist position to an Attorney. This will allow the agency to reduce the turnover in this position. These position requests reflect the increase of $53,217 in Regular Salaries and Personal Services Matching for each year of the biennium.

The Arkansas Sentencing Commission has submitted two Non-Personnel Change Level request for the up-coming biennium. Change Level C01 includes a $6,300 increase for both fiscal year 2016 and 2017. The increases over the Base Level are for an increase in rent on office facilities and parking fees. Change Level C08 totaling $15,025 for FY 2016 and $4,425 for FY 2017, represents a price increase on Department of Information Services fees, for both years, an update to the agency's website and the replacement of obsolete desktop computers in the first year and obsolete printers during the second year of the biennium. There is also a request for an increase in funds for professional services to cover the costs of producing prison, probation and parole population projections and impact assessments on proposed criminal justice legislation.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS SENTENCING COMMISSION

Findings	Recommendations

The most recent audit report was not available at the time of printing.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	0	5	5	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			5	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Arkansas Sentencing Seminar Manual	A.C.A. 16-90-802(d)(10)	N	Y	300	Continuing legal education regarding the sentencing guidelines. Presented to judges, prosecuting attorneys and deputies, and public defenders and their deputies.	300	0.00
Commission Annual Report	A.C.A. 16-90-802(d)	N	Y	50	Legislative mandate and for information on commission activities and findings.	0	0.00
Sentencing Standards Grid, Offenses Seriousness Rankings, and Related Material (Bench Book)	A.C.A. 16-90-802 et seq.	N	N	2,500	Policy manual for sentencing standards used by criminal justice practitioners in criminal proceedings. This manual is also available via the Internet.	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %	5	5	0	5	0	0.00 %

Analysis of Budget Request

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Sentencing Commission was established by Acts 532 & 550 of 1993 as codified at Arkansas Code 16-90-801 - 16-90-804 for the purpose of instituting sentencing standards to ensure that sanctions imposed following conviction are proportional to the seriousness of the offense of conviction and the extent of the offender's criminal history. The Commission has developed the sentencing grid, the seriousness reference table and established transfer eligibility for all offenses. The Commission provides impact assessments of proposed legislation for the Governor and General Assembly through a professional service contract with the Institute on Crime, Justice and Correction. This contract also has provided training to the staff of the Sentencing Commission and the Department of Correction in the use of a software program that is utilized in data analysis of criminal justice laws, policies and procedures. The Commission consists of nine (9) Commissioners that are appointed by the Governor for a five-year term.

This is the operating appropriation of the Commission. It is funded entirely by general revenue.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

For the 2015-17 Biennium, the Board is requesting $74,542 in FY16 and $63,942 in FY17 in general revenue funding and appropriation and includes the following:

- Regular Salaries and Personal Services Matching of $53,217 for both years of the biennium to reclassify the Legal Services Specialist (C117) to an Attorney (C124) and for the addition of a Legal Support Specialist (C113).
- Operating Expenses of $20,325 in FY16 and $9,725 in FY17 including increases in postage, rents and leases, mileage, miscellaneous technical services (costs of maintaining the agency website) and other expenses (costs of computer replacements).
- Conference and Travel of $1,000 in each year of the biennium for staff training.
- Reallocation of $5,250 between Operating Expenses and Professional Fees commitment items to better reflect current agency spending.

The Executive Recommendation provides for the following above Base Level:

- Operating Expenses increase of $1,000 in funding and appropriation for increased rents and leases.
- Reallocation of $5,250 in appropriation between Operating Expenses and Professional Fees commitment items to better reflect current agency spending.

Appropriation Summary

Appropriation: 806 - Sentencing Commission State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	249,524	247,258	247,597	249,704	289,041	249,704	250,904	290,241	250,904
#Positions		**5**	**5**	**5**	**5**	**6**	**5**	**5**	**6**	**5**
Personal Services Matching	5010003	80,844	80,729	78,801	81,208	95,088	81,208	81,477	95,357	81,477
Operating Expenses	5020002	61,928	61,917	63,506	61,917	81,242	61,917	61,917	70,642	61,917
Conference & Travel Expenses	5050009	4,316	4,550	4,550	4,550	5,550	4,550	4,550	5,550	4,550
Professional Fees	5060010	70,000	70,000	70,000	70,000	71,000	71,000	70,000	71,000	71,000
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		466,612	464,454	464,454	467,379	541,921	468,379	468,848	532,790	469,848
Funding Sources										
General Revenue	4000010	464,454	464,454		467,379	541,921	468,379	468,848	532,790	469,848
Merit Adjustment Fund	4000055	2,066	0		0	0	0	0	0	0
M & R Sales	4000340	92	0		0	0	0	0	0	0
Total Funding		466,612	464,454		467,379	541,921	468,379	468,848	532,790	469,848
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		466,612	464,454		467,379	541,921	468,379	468,848	532,790	469,848

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 806 - Sentencing Commission State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**467,379**	**5**	**467,379**	**100.0**	**468,848**	**5**	**468,848**	**100.0**
C01	Existing Program	43,833	1	511,212	109.4	43,833	1	512,681	109.3
C04	Reallocation	0	0	511,212	109.4	0	0	512,681	109.3
C08	Technology	15,025	0	526,237	112.6	4,425	0	517,106	110.3
C10	Reclass	15,684	0	541,921	115.9	15,684	0	532,790	113.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**467,379**	**5**	**467,379**	**100.0**	**468,848**	**5**	**468,848**	**100.0**
C01	Existing Program	12,002	0	479,381	102.6	12,002	0	480,850	102.6
C04	Reallocation	0	0	479,381	102.6	0	0	480,850	102.6
C08	Technology	0	0	479,381	102.6	0	0	480,850	102.6
C10	Reclass	0	0	479,381	102.6	0	0	480,850	102.6
C13	Not Recommended	(11,002)	0	468,379	100.2	(11,002)	0	469,848	100.2

Justification	
C01	Agency requests an additional position and the reallocation of an existing position to more adequately support the agency's needs. The increase in operational costs covers the State Building Authority's 3% increase in rental of the agency's office space and in parking fees for an additional employee. It also covers an increase in prepaid postage used to mail the sentencing guidelines manual to courtroom practitioners throughout the state. The increase in mileage will allow the senior staff to conduct more guidelines training, especially in the outlying counties where courtroom schedules make it difficult for court personnel to travel to Little Rock for training.
C04	Agency requests to reallocate funds from subscriptions and publications by canceling the subscription to LOISLAW, a legal research tool. The information derived from this subscription is now available through the legislative website at no cost to the agency. The increases in professional services will cover the cost of producing prison, probation and parole population projections and impact assessment on proposed criminal justice legislation. Other funds are being reallocated from one general ledger code to another code that is more descriptive of the expense.
C08	Agency requests appropriation and funding to cover the cost of replacing obsolete desktop computers which will be six years old at the start of the biennium. Also included are costs for updating and maintaining the agency Internet website. The current site uses programming language that is obsolete and incompatible with current technology. This request also includes cost increases in telephone and Internet access due to Department of Information Services price increases. This request is in compliance with the Agency's IT Plan.
C10	Agency requests the reclassification of the Legal Services Specialist (C117) to an Attorney (C124).

ARKANSAS STATE POLICE

Enabling Laws

Act 267 of 2014
A.C.A. §12-8-101 et seq.

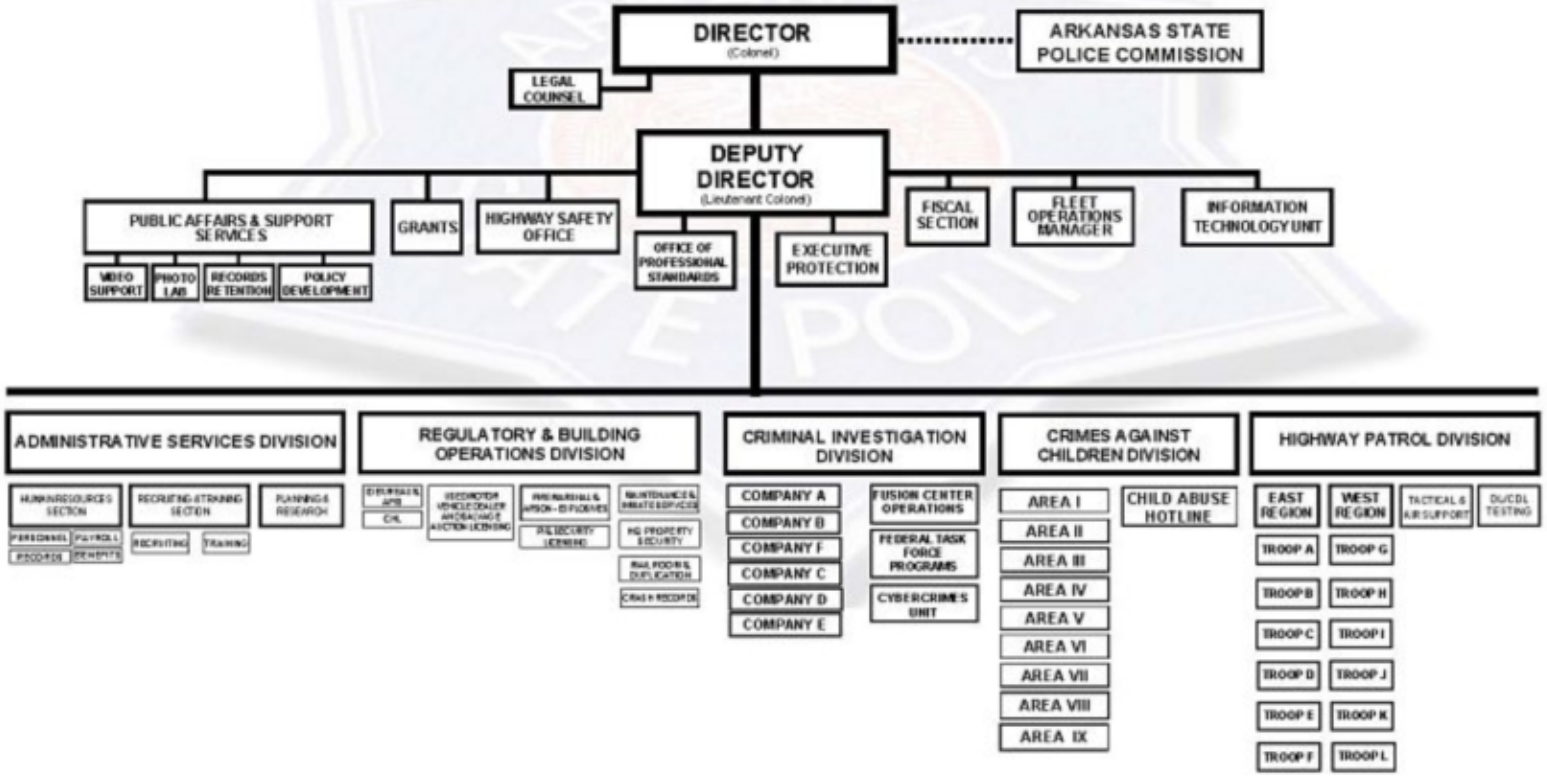
History and Organization

The Department of Arkansas State Police evolved from the original Arkansas State Rangers created in 1935. Act 231 of 1945 abolished the Arkansas State Police Department and created the current Department of Arkansas State Police. Act 38 of 1971 transferred the Arkansas State Police to the Department of Public Safety as the Police Services Division. The Department remained as an operating Division of the Department of Public Safety until Act 45 of 1981 abolished the Department of Public Safety and the Department of Arkansas State Police (ASP) was returned to its status as a separate agency.

The statutory responsibilities of the Department of Arkansas State Police are described in A.C.A. §12-8-101 et seq. Stated simply, the Department of Arkansas State Police is responsible for enforcement of the traffic laws, criminal laws, investigation of motor vehicular crashes, cases of child abuse, maltreatment and neglect, protection of the public and public property and apprehension of criminals. Additionally, the ASP is responsible for driver's license testing and other regulatory functions.

The Director of the Arkansas State Police is appointed by the Governor (A.C.A. §12-8-104). The Director's primary duties are: to promote rules and regulations necessary for the efficient operation of the Arkansas State Police; supervise and control for the purpose of discipline and proper management of all members and employees of the Arkansas State Police; and to appoint, with approval of the Arkansas State Police Commission, all members of the Arkansas State Police.

The Arkansas State Police Commission is composed of seven (7) members appointed by the Governor for a term of seven (7) years, each with the advice and consent of the Arkansas Senate. Act 149 of 1999 now requires that four (4) of the Commissioners be appointed from the congressional districts with three (3) being appointed at large, and no more than two (2) Commissioners being appointed from the same congressional district. Terms are staggered so that one term expires January 14 each year. One member (elected by the Commission) serves as Chairman. The Arkansas State Police Commission is required to conduct monthly meetings and is empowered (A.C.A. §12-8-103) to approve or disapprove each promotion or demotion and review each application for employment. In addition, the Commission hears appeals and approves or disapproves any disciplinary action and acts as administrators for the Arkansas State Police Uniformed Employee Health Plan (A.C.A. §12-8-210).



Agency Commentary

The Director's Office provides overall administration of the agency and directly manages the Arkansas Highway Safety Office, Agency Fiscal Management, Executive Protection, Legal Services, Grants Management, Fleet Management, Information Technology, Public Affairs and Support Services and Internal Affairs. The Director, in consultation with the Deputy Director, oversees the daily operations of the agency.

The Department of Arkansas State Police (ASP) is organized into five (5) divisions: the Highway Patrol Division, the Administrative Services Division, the Regulatory & Building Operations Division, the Crimes Against Children Division and the Criminal Investigation Division.

The Highway Patrol Division (HPD) is comprised of twelve (12) troop headquarters located throughout the state. The HPD is responsible for patrolling the Arkansas Highway System, responding to calls for service, and investigating motor vehicle crashes. Included within some troops are personnel assigned to Interstate Criminal Patrol teams. These teams place a special focus on identifying criminal activity traveling the Arkansas Highway System. The HPD also coordinates canine activities, including handler training throughout the agency. The HPD administers Arkansas driver's license tests and commercial driver's license testing programs. The HPD also manages the agency's tactical and air support unit, which includes the SWAT Team, Crisis Negotiation Team, Mobile Incident Command Center, and the Ballistic Engineered Armored Response Vehicle (BEAR). Aviation assets are managed by HPD and provide both fixed wing and rotor wing aircraft for a multitude of law enforcement and executive protection missions.

The Administrative Services Division (ASD) operates the human resource functions for the agency that includes recruiting, hiring, promotions and all personnel transactions. The ASD conducts all trooper applicant testing and competitive promotional testing. The ASD coordinates and provides training throughout the agency, including troop school and in-service training. The ASD administers the uniformed officers' health insurance plan and monitors the ASP Retirement System.

The Regulatory & Building Operations Division (RBOD) is responsible for regulatory administration concerning licensing/permits for used motor vehicles dealers, concealed handguns, private investigators, security guards, alarm technicians and fireworks establishments. The Division manages the Arkansas Automated Fingerprint Identification System (AFIS) and Identification Bureau (ID). AFIS/ID is responsible for collection of all arrest records for the state as well as all non-criminal justice related background checks. Also, the State Fire Marshal Office and Crash Records Repository are located within the RBOD.

The Crimes Against Children Division (CACD) is comprised of the Child Abuse Hotline Section and the Investigation Section.

- The hotline operates 24 hours a day and seven days a week with a toll free number for the public and mandated reporters to report child maltreatment and other crimes against children (800-482-5964). The hotline receives over 5,100 calls per month. Investigations are launched from the reports meeting the criteria of state and federal statutes. Calls are either dispatched to the Department of Human Services, Children and Family Services Division or Arkansas State Police CACD.

- The Investigation Section is comprised of nine (9) areas throughout Arkansas, responsible for the receipt and investigation of reports involving sexual abuse and severe physical maltreatment of children. The CACD Investigation Section works with law enforcement to prosecute crimes against children.

The Criminal Investigation Division (CID) is comprised of six (6) companies located throughout Arkansas. The Division provides investigative support to city, county, state and federal law enforcement agencies. CID manages the "Morgan Nick" Critical Incident Command Center and the Internet Crimes Against Children Unit. The Division investigates white collar crimes and cases of public corruption via referrals from the Division of Legislative Audit or through various Prosecuting Attorneys.

The State of Arkansas Fusion Center is located within the Arkansas State Police Central Headquarters facility in Little Rock, Arkansas. The mission of the Arkansas State Fusion Center is to provide an integrated, multi-discipline, information sharing network to collect, analyze, and disseminate information to stakeholders in a timely manner in order to protect the citizens and the critical infrastructure of Arkansas.

A total of 1,081 fulltime personnel positions and 20 Extra Help positions are requested for the Biennium.

Appropriation 519 - State Police Operations

This is the primary operating appropriation for the Department of Arkansas State Police. Change level requests are:

General Revenue Requests:

1. Arkansas State Police (ASP) requests the following position changes:

   - 3 New positions- 1 DL/CDL Coordinator to be responsible for half of the Agency's DL Examiners, 1 Executive Assistant to the Director to be responsible for the ASP Commission, 1 Skilled Tradesman to oversee work at ASP Headquarters.
   - 41 Re-class positions- 40 Civilian positions, 1 Commission position
   - 62 Restored positions- 2 Civilian positions, 60 Commissioned positions

2. ASP requests funding and appropriation for a Troop School each year of the biennium. Troop School is needed to maintain current staffing levels and the integrity of the Agency's mission by providing timely response to call for services and meet legislative mandates.

   Anticipated cost is $2,408,194 for FY16 and $2,104,094 in FY17.

   In addition, the Agency requests $1,747,548 to cover Troop School FY16 salary and fringe expenses that will be paid in FY17.

3. ASP requests funding and appropriation for Information Technology needs in FY16 of $1,354,800, to include a phone system upgrade at Headquarters, scanners, computers, printers, servers, licenses, and development of a Records Management System (RMS). In FY17 the Agency requests funding and appropriation of $915,800 for the continued development of the RMS, network switches, computers, scanners, and network equipment.

4. ASP requests funding of $1,331,176 and appropriation of $4,331,176 for Agency Operations in FY16 and funding of $1,428,429 and appropriation of $4,428,429 in FY17. FY16 items to include an increase in extra help, microfiche transfer to digital for Human Resources documents, purchase of 3 canines, handheld radios, roof coating and replacement of 13 air conditioners at Headquarters. FY17 items to include an increase in extra help, data transcription services, handheld radios, fuel pump systems for Headquarters and

Troop locations, upgrade of the Crimes Against Children Division voice recording system, and promotional testing services. Personal Services Matching appropriation increase of $3 million each year for additional payments to the Arkansas State Police Uniformed Health Plan.

5. ASP requests funding and appropriation for the Crimes Against Children Investigation Division (CACD) in FY16 of $391,933 for data transcription services and training.

6. ASP requests funding and appropriation for SWAT in FY16 of $282,775 for the purchase of night vision goggles and training for state-wide response.

Special Revenue Requests:

1. ASP requests a dedicated revenue stream and appropriation be established to support the maintenance and operations of Mobile Officer Virtual Environment (MOVE). This system is designed to support all law enforcement agencies throughout the State for electronic data collection and sharing of traffic and criminal citations. Agency requests 3 new positions, C117 Computer Support Analysts.

   Anticipated cost is $1,321,496 for FY16 and $1,592,388 in FY17.

2. ASP requests appropriation only for Concealed Handgun Carry Licensing (CHCL) in FY16 of $167,563 and FY17 of $169,255. This includes 3 new positions (C109, Administrative Specialist II) and additional extra help to assist with increased work load.

3. ASP requests appropriation only for PI/Security Operations in FY16 of $304,402 and FY17 of $109,466. Appropriation is needed for 1 new position (C117, Computer Support Analyst), software maintenance, training, development of an electronic testing system, mobile storage system, and an ID card printer.

4. ASP requests appropriation only for the Fleet Rotation Maintenance in FY16 of $683,100 and FY17 of $1,012,100. Appropriation is needed to equip, repair, and maintain agency vehicles. FY16 items include In-Car radios and 6 - 4x4 trucks for the Criminal Investigation Division (CID). FY17 items include radars, 2 maintenance trucks, and 3 - 4x4 trucks for the Maintenance Section.

519 Summary

Total Appropriation Change Level request in FY16 is $13,324,991.
Total New General Revenue request in FY16 is $5,919,539.

Total Appropriation Change Level request in FY17 is $12,751,944.

Total New General Revenue request in FY17 is $6,346,532.

Appropriation 345 - AFIS Operations, Maintenance & Equipment

This appropriation is for operation and maintenance of the Automated Fingerprint Identification System (AFIS). The AFIS system provides computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the State with the technology to quickly and accurately process fingerprint records through forty (40) remote livescan stations located across the State.

The Agency requests appropriation of $3,593,922 in both years of the biennium. Change level requests are $2,011,480 for both years of the biennium to include:

- Operating Expenses of $10,000 both years of the biennium to replace outdated computers.
- Conference & Travel Expenses of $1,480 both years of the biennium for increased training.
- Capital Outlay of $2,000,000 both years of the biennium for software upgrade ACIC and INA for National Fingerprint File.

This appropriation is funded through Special Revenues collected from fees for Criminal History Background Checks.

Appropriation 521 - ASP Federal Programs

This appropriation is utilized by ASP to support the operations of federal grants. The Agency is requesting $1,145,442 each year of the biennium. Change level requests are $907,545 for FY16 & FY17.

We anticipate receiving federal funding for Internet Crimes Against Children. Change level requests are:

- Overtime and Fringe
- Operating Expenses for software maintenance, subscriptions/licenses, and data processing supplies.
- Conference & Travel Expenses
- Professional Fees
- Grants and Aid
- Capital Outlay for Cellbrite system, server, and forensic software.

Appropriation 524 - Confiscated Funds

This appropriation is utilized for State and Federal Asset Forfeitures. The Agency is requesting $3,000,000 each year of the biennium.

Change level requests are $1,000,000 each year of the biennium for transfers to cover asset forfeitures.

Appropriation 526 - Criminal Background Checks

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from Special Revenues collected from fees for Criminal History Background Checks and federal charges for FBI background checks.

The Agency requests appropriation of $3,445,675 for FY16 and $3,413,315 for FY17. Change level requests are $771,354 in FY16 and $733,918 in FY17 and include:

- Restore 1 - Administrative Specialist I, C115 position.
- Capital Outlay of $700,000 each year of the biennium for software upgrades to the ID Background Check System with AFIS and INA.

Appropriation 1AJ - ASP Methamphetamine Federal Grant (METH)

This appropriation is utilized by ASP to support the operations of federal methamphetamine grants. Agency requests appropriation of $750,108 each year of the biennium. This appropriation is only used for federal expenditures authorized through grant awards.

Change level requests are $750,108 each year of the biennium. Agency anticipates new Federal funding for training and certifying law enforcement officers for meth lab cleanups. Capital Outlay to include density meters.

Appropriation 1FD - Highway Safety Program (State)

This appropriation is utilized by ASP through the Highway Safety Office to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. Agency requests appropriation of $384,650 in FY16 and $390,226 in FY17. This appropriation is funded from Special Revenues collected through the Child Passenger Protection Fund.

Change level requests are $73,756 in FY16 and $78,721 in FY17 each year of the biennium. Agency requests Re-class of ASP Program Manager position to Grants Manager position. Increases include operating expenses, training, sub-grants, and software expenses.

Appropriation 1FJ - Highway Safety Program (Federal)

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded primarily with federal funds from the National Highway Traffic Safety Administration (NHTSA).

The Agency requests appropriation of $42,264,561 in FY16 and $42,293,521 in FY17. Change level requests are $1,654,150 in FY16 and $1,675,601 in FY17 which includes:

- 1 New position Highway Safety Program Specialist and 3 Re-class positions.
- Overtime of $207,667 each year of the biennium
- Operating Expenses of $786,946 in FY16 and $814,946 in FY17
- Capital Outlay of $539,300 in FY16 and $532,000 in FY17 to include servers, load balancers, mapping plotter, location tool, ESRI ARC GIS data appliance and licenses.

Appropriation 2EG - Homeland Security

This appropriation is utilized for the Department of Homeland Security grants. This appropriation is funded with federal funds.

The Agency requests appropriation of $1,005,979 in FY16 and $1,042,472 in FY17. Change level requests are $869,079 in FY16 and $905,572 in FY17 which includes:

- Operating Expenses of $318,459 in FY16 and $327,461 in FY17 for operating, public safety equipment maintenance, and software maintenance.
- Conference and Travel of $139,620 in FY16 and $91,957 in FY17 for Fusion Center training.
- Capital Outlay of $411,000 in FY16 and $486,154 in FY17 for bomb suits, server package, snap trends analytical tool, laminator, bomb robot, aquarim mini tactical unit, telescopic manipulator, trailer, chemical readers, chassis upgrade for robot.

Appropriation 9KA - ASP AWIN General Revenue

This appropriation is utilized for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with general revenue to the Arkansas State Police and expensed by the Department of Information Services.

The Agency requests appropriation of $7,850,392 for FY16 and $8,015,392 for FY17. Change level requests are $1,580,471 for FY16 and $1,745,471 for FY17. Request includes increased Operating Expenses for utilities, building and ground maintenance, network service expenses, and software maintenance.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF ARKANSAS STATE POLICE

FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	546	251	797	85 %
Black Employees	74	58	132	14 %
Other Racial Minorities	7	3	10	1 %
Total Minorities			142	15 %
Total Employees			939	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
ASP Uniformed Employee Health Insurance Plan	Act 267 of 2014	Y	Y	1	Required by Statute	0	0.00

Change in Fee Schedule

CURRENT FEE STRUCTURE				PROPOSED CHANGE			
					Estimated Receipts		
Description	Fee Amount	Estimated Receipts 2014-2015	Authorizing Act or AR Code	Fee Amount	2015-2016	2016-2017	Reason for Change
Lien Filing for Title Lien	$0.50	$175,572	27-14-602 (b) (3)	$2.00	$702,288	$702,288	Dedicated revenue stream for MOVE
Direct Lien Filing Fee	$1.00	$259,555	27-14-806 (a) (3)	$3.00	$778,665	$778,665	Dedicated revenue stream for MOVE

Department Appropriation Summary

Historical Data | **Agency Request and Executive Recommendation**

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	2015-2016 Agency	Pos	2015-2016 Executive	Pos	2016-2017 Base Level	Pos	2016-2017 Agency	Pos	2016-2017 Executive	Pos
1AJ	Methamphetamine Investigation - Federal	173,836	0	0	0	450,070	0	0	0	750,108	0	750,108	0	0	0	750,108	0	750,108	0
1FD	Highway Safety Program - State	281,137	1	309,903	1	353,293	1	310,894	1	384,650	1	384,650	1	311,505	1	390,226	1	390,226	1
1FJ	Highway Safety Program - Federal	22,228,216	11	40,980,307	12	41,534,838	12	40,610,411	12	42,264,561	13	42,264,561	13	40,617,920	12	42,293,521	13	42,293,521	13
2EG	Homeland Security-Federal	342,336	0	574,011	0	205,400	0	136,900	0	1,005,979	0	1,005,979	0	136,900	0	1,042,472	0	1,042,472	0
345	Automated Fingerprint Identification System (AF	2,872,498	0	3,582,442	0	4,476,250	0	1,582,442	0	3,593,922	0	3,593,922	0	1,582,442	0	3,593,922	0	3,593,922	0
519	ASP-Operations	83,458,303	979	82,237,529	985	86,309,257	1,047	82,618,914	985	95,943,905	1,057	96,889,414	1,056	83,221,626	985	95,973,570	1,057	96,918,515	1,056
521	Various Federal Programs	423,299	0	522,825	0	435,714	0	237,897	0	1,145,442	0	1,145,442	0	237,897	0	1,145,442	0	1,145,442	0
524	Confiscated Funds Transfer	0	0	2,000,000	0	3,150,000	0	2,000,000	0	3,000,000	0	3,000,000	0	2,000,000	0	3,000,000	0	3,000,000	0
526	Criminal Background Checks	2,451,157	10	3,069,689	9	3,371,064	10	2,674,321	9	3,445,675	10	3,445,675	10	2,679,397	9	3,413,315	10	3,413,315	10
9KA	AR Wireless Information Network (AWIN)	6,634,773	0	6,269,921	0	6,859,894	0	6,269,921	0	6,759,714	0	6,900,714	7	6,269,921	0	7,254,247	0	7,399,195	7
Total		118,865,555	1,001	139,546,627	1,007	147,145,780	1,070	136,441,700	1,007	158,293,956	1,081	159,380,465	1,087	137,057,608	1,007	158,856,823	1,081	159,946,716	1,087

Funding Sources			%		%		%		%		%		%		%		%
Fund Balance	4000005	10,089,050	7.9	9,209,517	6.1	11,462,279	7.5	11,462,279	6.9	11,462,279	7.2	17,228,832	10.7	8,255,181	5.0	1,390,133	0.9
General Revenue	4000010	66,923,271	52.3	66,957,393	44.3	67,239,618	43.8	73,648,950	44.3	67,239,618	42.1	67,685,625	41.9	75,016,483	45.2	67,685,625	44.6
Federal Revenue	4000020	23,230,492	18.1	42,106,843	27.9	41,049,208	26.7	45,230,090	27.2	45,230,090	28.3	41,058,717	25.4	45,297,543	27.3	45,297,543	29.8
Special Revenue	4000030	21,529,318	16.8	26,967,361	17.9	28,170,592	18.3	29,216,418	17.6	29,216,418	18.3	29,659,062	18.4	30,704,888	18.5	30,704,888	20.2
General Improvement Fund	4000265	364,852	0.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	2,672,884	2.1	486,913	0.3	508,956	0.3	508,956	0.3	508,956	0.3	524,456	0.3	524,456	0.3	524,456	0.3
Special State Asset Forfeiture	4000465	0	0.0	2,000,000	1.3	2,000,000	1.3	3,000,000	1.8	3,000,000	1.9	2,000,000	1.2	3,000,000	1.8	3,000,000	2.0
Transfer from DHS	4000510	2,926,312	2.3	2,927,879	1.9	2,927,879	1.9	2,927,879	1.8	2,927,879	1.8	2,937,879	1.8	2,937,879	1.8	2,937,879	1.9
Transfer State Admn of Justice	4000570	338,893	0.3	353,000	0.2	312,000	0.2	312,000	0.2	312,000	0.2	315,000	0.2	315,000	0.2	315,000	0.2
Total Funds		128,075,072	100.0	151,008,906	100.0	153,670,532	100.0	166,306,572	100.0	159,897,240	100.0	161,409,571	100.0	166,051,430	100.0	151,855,524	100.0
Excess Appropriation/(Funding)		(9,209,517)		(11,462,279)		(17,228,832)		(8,012,616)		(516,775)		(24,351,963)		(7,194,607)		8,091,192	
Grand Total		118,865,555		139,546,627		136,441,700		158,293,956		159,380,465		137,057,608		158,856,823		159,946,716	

WITH FEE INCREASE.
Variances in fund balance due to unfunded appropriation in (526) Criminal Background Checks.
Budget exceeds Authorized Appropriation in (2EG) Homeland Security-Federal and (521) Various Federal Programs due to a transfer from the Miscellaneous Federal Grant Holding Account.

Department Appropriation Summary

Historical Data | **Agency Request and Executive Recommendation**

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	2015-2016 Agency	Pos	2015-2016 Executive	Pos	2016-2017 Base Level	Pos	2016-2017 Agency	Pos	2016-2017 Executive	Pos
1AJ	Methamphetamine Investigation - Federal	173,836	0	0	0	450,070	0	0	0	750,108	0	750,108	0	0	0	750,108	0	750,108	0
1FD	Highway Safety Program - State	281,137	1	309,903	1	353,293	1	310,894	1	384,650	1	384,650	1	311,505	1	390,226	1	390,226	1
1FJ	Highway Safety Program - Federal	22,228,216	11	40,980,307	12	41,534,838	12	40,610,411	12	42,264,561	13	42,264,561	13	40,617,920	12	42,293,521	13	42,293,521	13
2EG	Homeland Security-Federal	342,336	0	574,011	0	205,400	0	136,900	0	1,005,979	0	1,005,979	0	136,900	0	1,042,472	0	1,042,472	0
345	Automated Fingerprint Identification System (AF	2,872,498	0	3,582,442	0	4,476,250	0	1,582,442	0	3,593,922	0	3,593,922	0	1,582,442	0	3,593,922	0	3,593,922	0
519	ASP-Operations	83,458,303	979	82,237,529	985	86,309,257	1,047	82,618,914	985	95,943,905	1,057	96,889,414	1,056	83,221,626	985	95,973,570	1,057	96,918,515	1,056
521	Various Federal Programs	423,299	0	522,825	0	435,714	0	237,897	0	1,145,442	0	1,145,442	0	237,897	0	1,145,442	0	1,145,442	0
524	Confiscated Funds Transfer	0	0	2,000,000	0	3,150,000	0	2,000,000	0	3,000,000	0	3,000,000	0	2,000,000	0	3,000,000	0	3,000,000	0
526	Criminal Background Checks	2,451,157	10	3,069,689	9	3,371,064	10	2,674,321	9	3,445,675	10	3,445,675	10	2,679,397	9	3,413,315	10	3,413,315	10
9KA	AR Wireless Information Network (AWIN)	6,634,773	0	6,269,921	0	6,859,894	0	6,269,921	0	6,759,714	0	6,900,714	7	6,269,921	0	7,254,247	0	7,399,195	7
Total		118,865,555	1,001	139,546,627	1,007	147,145,780	1,070	136,441,700	1,007	158,293,956	1,081	159,380,465	1,087	137,057,608	1,007	158,856,823	1,081	159,946,716	1,087
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	10,089,050	7.9	9,209,517	6.1			11,462,279	7.5	11,462,279	6.9	11,462,279	7.2	17,228,832	10.7	7,209,355	4.4	658,871	0.4
General Revenue	4000010	66,923,271	52.3	66,957,393	44.3			67,239,618	43.8	73,648,950	44.6	67,239,618	42.3	67,685,625	41.9	75,016,483	45.8	67,685,625	45.1
Federal Revenue	4000020	23,230,492	18.1	42,106,843	27.9			41,049,208	26.7	45,230,090	27.4	45,230,090	28.5	41,058,717	25.4	45,297,543	27.6	45,297,543	30.2
Special Revenue	4000030	21,529,318	16.8	26,967,361	17.9			28,170,592	18.3	28,170,592	17.0	28,170,592	17.7	29,659,062	18.4	29,659,062	18.1	29,659,062	19.8
General Improvement Fund	4000265	364,852	0.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	2,672,884	2.1	486,913	0.3			508,956	0.3	508,956	0.3	508,956	0.3	524,456	0.3	524,456	0.3	524,456	0.3
Special State Asset Forfeiture	4000465	0	0.0	2,000,000	1.3			2,000,000	1.3	3,000,000	1.8	3,000,000	1.9	2,000,000	1.2	3,000,000	1.8	3,000,000	2.0
Transfer from DHS	4000510	2,926,312	2.3	2,927,879	1.9			2,927,879	1.9	2,927,879	1.8	2,927,879	1.8	2,937,879	1.8	2,937,879	1.8	2,937,879	2.0
Transfer State Admn of Justice	4000570	338,893	0.3	353,000	0.2			312,000	0.2	312,000	0.2	312,000	0.2	315,000	0.2	315,000	0.2	315,000	0.2
Total Funds		128,075,072	100.0	151,008,906	100.0			153,670,532	100.0	165,260,746	100.0	158,851,414	100.0	161,409,571	100.0	163,959,778	100.0	150,078,436	100.0
Excess Appropriation/(Funding)		(9,209,517)		(11,462,279)				(17,228,832)		(6,966,790)		529,051		(24,351,963)		(5,102,955)		9,868,280	
Grand Total		118,865,555		139,546,627				136,441,700		158,293,956		159,380,465		137,057,608		158,856,823		159,946,716	

WITHOUT FEE INCREASE.
Variances in fund balance due to unfunded appropriation in (526) Criminal Background Checks.
Budget exceeds Authorized Appropriation in (2EG) Homeland Security-Federal and (521) Various Federal Programs due to a transfer from the Miscellaneous Federal Grant Holding Account.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,015	931	69	1000	15	8.28 %	1,045	955	45	1000	45	8.61 %	1,070	951	56	1007	63	11.12 %

Analysis of Budget Request

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

This program is specifically targeted at methamphetamine laboratory investigation and the Environmental Protection Agency requirements for the dismantling and disposal of equipment and chemicals used in the manufacture of methamphetamine. This appropriation is used for federal expenditures authorized through grant awards.

The Agency's Change Level requests total $750,108 each year and reflect the following:

- Overtime and Personal Services Matching of $161,610 each year for meth lab investigations and clean-up.
- Operating Expenses of $355,998 each year for meth lab investigations and clean-up. This request also includes software and licenses upgrade costs which are documented in the Agency's IT Plan.
- Conference and Travel Expenses of $82,500 each year for training required as a condition of receiving federal grants.
- Professional Fees of $105,000 each year for physical examinations of officers to be certified for meth lab clean-up.
- Capital Outlay of $45,000 each year to purchase equipment meth lab investigations and clean-up.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1AJ - Methamphetamine Investigation - Federal

Funding Sources: FLA - ASP Federal

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Personal Services Matching	5010003	3	0	23,367	0	38,610	38,610	0	38,610	38,610
Overtime	5010006	0	0	76,661	0	123,000	123,000	0	123,000	123,000
Operating Expenses	5020002	78,333	0	120,191	0	355,998	355,998	0	355,998	355,998
Conference & Travel Expenses	5050009	18,100	0	57,964	0	82,500	82,500	0	82,500	82,500
Professional Fees	5060010	0	0	18,027	0	105,000	105,000	0	105,000	105,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	77,400	0	153,860	0	45,000	45,000	0	45,000	45,000
Total		173,836	0	450,070	0	750,108	750,108	0	750,108	750,108
Funding Sources										
Federal Revenue	4000020	173,836	0		0	750,108	750,108	0	750,108	750,108
Total Funding		173,836	0		0	750,108	750,108	0	750,108	750,108
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		173,836	0		0	750,108	750,108	0	750,108	750,108

Change Level by Appropriation

Appropriation: 1AJ - Methamphetamine Investigation - Federal
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**	**0.0**
C01	Existing Program	629,070	0	629,070	100.0	629,070	0	629,070	100.0
C08	Technology	121,038	0	750,108	119.2	121,038	0	750,108	119.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**	**0.0**
C01	Existing Program	629,070	0	629,070	100.0	629,070	0	629,070	100.0
C08	Technology	121,038	0	750,108	119.2	121,038	0	750,108	119.2

Justification	
C01	Anticipate new award to train and certify local law enforcement agencies on meth clean up.
C08	Increase software and licenses for meth related programs. IT Plan> IT Support Costs> Software

Analysis of Budget Request

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

Arkansas State Police utilizes this program, through the Highway Safety Office, to purchase child safety seats and provide education/administration of the Child Passenger Protection Program. This appropriation is funded from special revenues collected through the Arkansas Child Passenger Protection Fund.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $43 increase in FY16 and an additional $47 increase in FY17 the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $715 per month in FY16 and $762 per month in FY17. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $73,756 in FY16 and $78,721 in FY17 and reflect the following:

- Reclassification of an ASP Program Manager to a Grants Manager to more accurately reflect work performed.
- Operating Expenses of $52,175 each year to increase the educational programs for Child Safety Seats. This request also includes software and licenses upgrade costs which are documented in the Agency's IT Plan.
- Conference & Travel Expenses of $18,000 each year for additional training on Child Safety Seats.
- Grants and Aid of $3,581 in FY16 and $8,546 in FY17 to allow additional grants to purchase Child Safety Seats.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FD - Highway Safety Program - State

Funding Sources: SCP - State Police Equipment Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	66,806	65,449	63,102	65,675	65,675	65,675	65,675	65,675	65,675
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	21,386	29,292	28,104	30,057	30,057	30,057	30,668	30,668	30,668
Operating Expenses	5020002	3,961	4,175	31,100	4,175	56,350	56,350	4,175	56,350	56,350
Conference & Travel Expenses	5050009	569	0	20,000	0	18,000	18,000	0	18,000	18,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	188,415	210,987	210,987	210,987	214,568	214,568	210,987	219,533	219,533
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		281,137	309,903	353,293	310,894	384,650	384,650	311,505	390,226	390,226
Funding Sources										
Fund Balance	4000005	485,229	426,155		366,252	366,252	366,252	355,358	281,602	281,602
Special Revenue	4000030	222,063	250,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding		707,292	676,155		666,252	666,252	666,252	655,358	581,602	581,602
Excess Appropriation/(Funding)		(426,155)	(366,252)		(355,358)	(281,602)	(281,602)	(343,853)	(191,376)	(191,376)
Grand Total		281,137	309,903		310,894	384,650	384,650	311,505	390,226	390,226

FY15 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 1FD - Highway Safety Program - State
Funding Sources: SCP - State Police Equipment Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**310,894**	**1**	**310,894**	**100.0**	**311,505**	**1**	**311,505**	**100.0**
C01	Existing Program	69,756	0	380,650	122.4	74,721	0	386,226	124.0
C08	Technology	4,000	0	384,650	123.7	4,000	0	390,226	125.3
C10	Reclass	0	0	384,650	123.7	0	0	390,226	125.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**310,894**	**1**	**310,894**	**100.0**	**311,505**	**1**	**311,505**	**100.0**
C01	Existing Program	69,756	0	380,650	122.4	74,721	0	386,226	124.0
C08	Technology	4,000	0	384,650	123.7	4,000	0	390,226	125.3
C10	Reclass	0	0	384,650	123.7	0	0	390,226	125.3

Justification	
C01	Agency requests increase in Operating Expenses, Conference & Travel Expenses and Grants and Aid in order to increase the educational programs for Child Safety Seats, to increase training opportunities for Child Safety Seat awareness and to fund additional Child Safety Seat sub-grants which are used to purchase Child Safety Seats.
C08	Increase in Operating Expenses of $4,000 for software expenses/licenses. IT Plan>IT Support Costs> Software
C10	Reclass ASP Program Manager to a Grants Manager position.

Analysis of Budget Request

Appropriation: 1FJ - Highway Safety Program - Federal

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is utilized by Arkansas State Police Highway Safety Office for the administration of the State Highway Safety Program. This program is funded with federal funds from the National Highway Traffic Safety Administration (NHTSA).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $43 increase in FY16 and an additional $47 increase in FY17 in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $715 per month in FY16 and $762 per month in FY17. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $1,654,150 in FY16 and $1,675,601 in FY17 and reflect the following:

- Regular Salaries and Personal Services Matching of $55,050 in FY16 and $55,801 in FY17 for an ASP Highway Safety Program Specialist and reclassification of three (3) positions to more accurately reflect work performed.
- Overtime and Personal Services Matching of $272,854 each year for additional time spent on Traffic Safety and Seatbelt programs.
- Operating Expenses of $786,946 in FY16 and $814,946 in FY17 for indirect costs on new grants and to purchase 100 in-car video cameras. Costs associated with these requests are documented in the Agency's IT Plan.
- Capital Outlay of $539,300 in FY16 and $532,000 in FY17 to purchase servers, location tools, mapping plotters, ESRI Mapping software, GIS Data Appliance software, ESRI licenses, and load balancers. Costs associated with these requests are documented in the Agency's IT Plan.
- $1,312,374 in FY16 and $2,193,574 in FY17 reallocation between general ledger codes in Operating Expenses, Conference & Travel Expenses and Professional Fees each year of the biennium to more accurately reflect anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1FJ - Highway Safety Program - Federal

Funding Sources: SMP - Department of Arkansas State Police Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	451,830	493,489	553,023	498,459	533,683	533,683	499,059	534,283	534,283
#Positions		**11**	**12**	**12**	**12**	**13**	**13**	**12**	**13**	**13**
Extra Help	5010001	22,820	82,640	82,641	82,640	82,640	82,640	82,640	82,640	82,640
#Extra Help		**2**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	308,762	481,948	432,442	431,123	516,136	516,136	438,032	523,796	523,796
Overtime	5010006	437,022	687,541	500,500	500,500	708,167	708,167	500,500	708,167	708,167
Operating Expenses	5020002	2,221,624	5,756,490	5,766,123	5,756,490	6,543,436	6,543,436	5,756,490	6,571,436	6,571,436
Conference & Travel Expenses	5050009	30,415	257,615	257,615	257,615	257,615	257,615	257,615	257,615	257,615
Professional Fees	5060010	2,176,065	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750	3,442,750
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	15,583,782	29,640,834	30,362,744	29,640,834	29,640,834	29,640,834	29,640,834	29,640,834	29,640,834
Capital Outlay	5120011	995,896	137,000	137,000	0	539,300	539,300	0	532,000	532,000
Total		22,228,216	40,980,307	41,534,838	40,610,411	42,264,561	42,264,561	40,617,920	42,293,521	42,293,521
Funding Sources										
Federal Revenue	4000020	22,228,216	40,980,307		40,610,411	42,264,561	42,264,561	40,617,920	42,293,521	42,293,521
Total Funding		22,228,216	40,980,307		40,610,411	42,264,561	42,264,561	40,617,920	42,293,521	42,293,521
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		22,228,216	40,980,307		40,610,411	42,264,561	42,264,561	40,617,920	42,293,521	42,293,521

Budget exceeds Authorized Appropriation in Personal Services Matching and Overtime due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1FJ - Highway Safety Program - Federal
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**40,610,411**	**12**	**40,610,411**	**100.0**	**40,617,920**	**12**	**40,617,920**	**100.0**
C01	Existing Program	664,695	1	41,275,106	101.6	672,981	1	41,290,901	101.7
C04	Reallocation	0	0	41,275,106	101.6	0	0	41,290,901	101.7
C08	Technology	985,357	0	42,260,463	104.1	998,335	0	42,289,236	104.1
C10	Reclass	4,098	0	42,264,561	104.1	4,285	0	42,293,521	104.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**40,610,411**	**12**	**40,610,411**	**100.0**	**40,617,920**	**12**	**40,617,920**	**100.0**
C01	Existing Program	664,695	1	41,275,106	101.6	672,981	1	41,290,901	101.7
C04	Reallocation	0	0	41,275,106	101.6	0	0	41,290,901	101.7
C08	Technology	985,357	0	42,260,463	104.1	998,335	0	42,289,236	104.1
C10	Reclass	4,098	0	42,264,561	104.1	4,285	0	42,293,521	104.1

Justification	
C01	Agency requests increased Overtime for the Traffic Safety & Seatbelt Program worked by ASP Officers. Agency is requesting an increase in Operating Expenses for indirect costs associated with new federal grants. Agency is requesting Regular Salaries and Personal Services Matching for an ASP Highway Safety Program Specialist.
C04	Agency requests reallocation of a portion of training, professional services and operating expenses due to Federal Program realignment. Three federal programs were combined into a new program called MAP-21.
C08	FY16 Capital purchases for E-Cite to include web servers, location tools, and mapping plotters. FY16 Capital purchases for E-Crash to include ESRI Mapping software, GIS Data Appliance software, data base server, mapping/location server, ESRI licenses. FY17 Capital purchases for E-Cite to include servers and load balancers. FY17 Capital purchases for E-Crash to include servers and a load balancer. FY17 Capital purchases for CDL to include servers. Agency requests increase in Operating Expenses for Public Safety Military Supplies to purchase 100 In-car cameras. These cameras were purchased as Capital Outlay in previous years but will now be considered Operating Expenses equipment components. Increase software and licenses for meth related programs. IT Plan> Projects> Move; IT Plan> Projects>FMCSA-CDL-Improvement; IT Plan> Projects>Video Storage - In-car Video
C10	Agency requesting the reclassification of one (1) ASP Program Manager to a Grants Manager position and two (2) ASP Highway Safety Program Specialist to Grants Coordinator.

Analysis of Budget Request

Appropriation: 2EG - Homeland Security-Federal

Funding Sources: FLA - ASP Federal

This appropriation is utilized for Department of Homeland Security Grants. This program is funded with federal funds from the Arkansas Department of Emergency Management (ADEM).

The Agency's Change Level requests total $869,079 in FY16 and $905,572 in FY17 and reflect the following:

- Operating Expenses of $318,459 in FY16 and $327,461 in FY17 for anticipated increases in analytical tools, public safety equipment maintenance and software maintenance. Costs associated with these requests are documented in the Agency's IT Plan.
- Conference & Travel Expenses of $139,620 in FY16 and $91,957 in FY17 for anticipated increases in training for forensic analysts, data sharing, and Homeland Security.
- Capital Outlay of $411,000 in FY16 and $486,154 in FY17 to purchase bomb suits, mini tactical unit, trailer, chemical readers, servers, global defender blast mitigation system, telescopic manipulator, chassis upgrade for bomb robot, and a bomb robot. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2EG - Homeland Security-Federal
Funding Sources: FLA - ASP Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Operating Expenses	5020002	124,268	151,696	75,000	75,000	393,459	393,459	75,000	402,461	402,461
Conference & Travel Expenses	5050009	68,920	132,132	61,900	61,900	201,520	201,520	61,900	153,857	153,857
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	149,148	290,183	68,500	0	411,000	411,000	0	486,154	486,154
Total		342,336	574,011	205,400	136,900	1,005,979	1,005,979	136,900	1,042,472	1,042,472
Funding Sources										
Federal Revenue	4000020	342,336	574,011		136,900	1,005,979	1,005,979	136,900	1,042,472	1,042,472
Total Funding		342,336	574,011		136,900	1,005,979	1,005,979	136,900	1,042,472	1,042,472
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		342,336	574,011		136,900	1,005,979	1,005,979	136,900	1,042,472	1,042,472

Budget exceeds Authorized Appropriation in Operating Expenses, Conference & Travel Expenses, and Capital Outlay due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 2EG - Homeland Security-Federal
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**136,900**	**0**	**136,900**	**100.0**	**136,900**	**0**	**136,900**	**100.0**
C01	Existing Program	584,117	0	721,017	526.7	341,116	0	478,016	349.2
C08	Technology	284,962	0	1,005,979	734.8	564,456	0	1,042,472	761.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**136,900**	**0**	**136,900**	**100.0**	**136,900**	**0**	**136,900**	**100.0**
C01	Existing Program	584,117	0	721,017	526.7	341,116	0	478,016	349.2
C08	Technology	284,962	0	1,005,979	734.8	564,456	0	1,042,472	761.5

Justification	
C01	Agency requests increase in Operating Expenses for public safety equipment and analytical tools. Increase in training for forensic analysts, data sharing conferences and Homeland Security training. FY16 Capital Outlay includes purchase of bomb suits, laminators and an emergency mobile command kit. FY17 Capital Outlay includes mini tactical unit and a trailer.
C08	Anticipate additional federal funding to be used for Operating Expenses and Capital Outlay. FY16 IT Capital Outlay includes the purchase of a server, snap trends analytical tool, and a bomb robot. FY17 IT Capital Outlay includes big IP servers, telescopic manipulator, global defender blast mitigation system, chemical readers, chassis upgrade for robot, and purchase of new robot. IT Plan>Project>Fusion Center

Analysis of Budget Request

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

The Automated Fingerprint Identification System (AFIS) provides state of the art computer filing, recording and matching of fingerprint records. It provides law enforcement agencies throughout the state with the technology to quickly and accurately process fingerprint records through twenty-two (22) remote live-scan stations located across the state. This appropriation is funded through special revenues collected from fees for Criminal History Background Checks.

The Agency's Change Level requests total $2,011,480 each year of the biennium and reflect the following:

- Operating Expenses of $10,000 each year of the biennium for purchase of computers. Costs associated with these requests are documented in the Agency's IT Plan.
- Conference & Travel Expenses increase of $1,480 for additional training on AFIS upgrades.
- Capital Outlay of $2,000,000 each year of the biennium for the upgrade of electronic fingerprint capture stations, AFIS hardware upgrades and fingerprint storage. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)

Funding Sources: SEF - State Police Equipment Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	864,061	1,571,822	2,465,150	1,571,822	1,581,822	1,581,822	1,571,822	1,581,822	1,581,822
Conference & Travel Expenses	5050009	9,116	10,620	11,100	10,620	12,100	12,100	10,620	12,100	12,100
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	1,999,321	2,000,000	2,000,000	0	2,000,000	2,000,000	0	2,000,000	2,000,000
Total		2,872,498	3,582,442	4,476,250	1,582,442	3,593,922	3,593,922	1,582,442	3,593,922	3,593,922
Funding Sources										
Fund Balance	4000005	1,823,968	1,416,633		534,191	534,191	534,191	2,388,749	377,269	377,269
Special Revenue	4000030	2,465,163	2,700,000		3,437,000	3,437,000	3,437,000	3,437,000	3,437,000	3,437,000
Total Funding		4,289,131	4,116,633		3,971,191	3,971,191	3,971,191	5,825,749	3,814,269	3,814,269
Excess Appropriation/(Funding)		(1,416,633)	(534,191)		(2,388,749)	(377,269)	(377,269)	(4,243,307)	(220,347)	(220,347)
Grand Total		2,872,498	3,582,442		1,582,442	3,593,922	3,593,922	1,582,442	3,593,922	3,593,922

Change Level by Appropriation

Appropriation: 345 - Automated Fingerprint Identification System (AFIS)
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,582,442**	**0**	**1,582,442**	**100.0**	**1,582,442**	**0**	**1,582,442**	**100.0**
C01	Existing Program	1,480	0	1,583,922	100.1	1,480	0	1,583,922	100.1
C08	Technology	2,010,000	0	3,593,922	227.1	2,010,000	0	3,593,922	227.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,582,442**	**0**	**1,582,442**	**100.0**	**1,582,442**	**0**	**1,582,442**	**100.0**
C01	Existing Program	1,480	0	1,583,922	100.1	1,480	0	1,583,922	100.1
C08	Technology	2,010,000	0	3,593,922	227.1	2,010,000	0	3,593,922	227.1

Justification	
C01	Increase in conference and seminar fees for training on new Automated Fingerprint Identification System (AFIS) upgrade.
C08	Agency requests increase in technology to cover new computers ($10,000) and a software upgrade for the National Fingerprint File. IT Plan>Major Application>AFIS 16/17.

Analysis of Budget Request

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is the primary operating account for the Department of Arkansas State Police. Approximately 74% of the total funding comes from general revenue. The remaining 26% is derived from a variety of sources, including Federal reimbursement, DWI/Court Awards, transfer from Department of Human Services to support the Crimes Against Children Division (CACD), miscellaneous revenue sources and a broad spectrum of special revenue.

Special revenue sources include Arkansas Drivers License Fees, Commercial Drivers License Fees, license fees for security guards and private investigators, permit fees for concealed weapons and used motor vehicle dealer license fees.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $43 increase in FY16 and an additioanl $47 increase in FY17 in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $715 per month in FY16 and $762 per month in FY17. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency's Change Level requests total $13,324,991, funded with general revenue of $5,919,539, in FY16 and $12,751,944 funded with general revenue of $6,346,532, in FY17 and reflects the following:

- Regular Salaries and Personal Services Matching of $7,242,014 in FY16 and $7,282,622 in FY17 for the following:
  1. Addition of ten (10) new positions: four (4) Computer Support Analysts (C117), three (3) Administrative Specialist II (C109), one (1) ASP DL/CDL Coordinator (C117), one (1) Executive Assistant to the Director (C118) and one (1) Skilled Tradesman (C115).
  2. Restoration of sixty-two (62) positions: fifty-seven (57) ASP Corporals (C121), two (2) ASP Captains (C128), one (1) ASP Lieutenant (C126), one (1) Fire Marshall Inspector (C115), and one (1) Broadcast Production Specialist (C114).
  3. Reclassification of forty-one (41) positions to more accurately reflect work being performed.
  4. To allow increased contributions to the Arkansas State Police Uniformed Health Plan.
- Extra Help and Personal Services Matching of $98,451 each year of the biennium for Troop Schools and Concealed Handgun Carry Licensing.
- Operating Expenses of $3,657,862 in FY16 and $3,432,037 in FY17 for the following:
  1. To conduct a troop school each year, increase in transcription services, roof coating, replace thirteen (13) A/C units and various other operational needs.

2. Information Technology needs including recurring costs, maintenance, and purchase/replacement of IT equipment and software. Costs associated with these requests are documented in the Agency's IT Plan; and
3. Equip, repair, and maintain agency vehicles and aircraft.

- Conference and Travel Expenses of $343,774 in FY16 and $336,149 in FY17 for training (state and federal) for all aspects of ASP operations.
- Professional Fees of $215,600 in FY16 and $215,685 in FY17 for increased costs in recruit testing, promotional testing, vendor contracting for in-house training and development of electronic testing software. Costs associated with these requests are documented in the Agency's IT Plan.
- Capital Outlay of $1,767,290 in FY16 and $1,387,000 in FY17 for the purchase/replacement of phone system, records management system, servers, network switches, fuel mastery systems, K-9 dogs, night vision goggles, radars, trucks, mobile storage system, card printer, replace the security gate at the Governor's Mansion and a voice recording system. Costs associated with these requests are documented in the Agency's IT Plan.

The Agency is also proposing increases in two (2) fees to support the maintenance and operations of the Mobile Officer Virtual Environment (MOVE) system.

The Executive Recommendation provides for $14,270,500 in FY16 and $13,696,889 in FY17 in appropriation only as follows:

- Regular Salaries and Personal Services Matching of $7,187,523 in FY16 and $7,227,567 in FY17 for the following:
  1. Addition of nine (9) new positions including: four (4) Computer Support Analyst (C117), three (3) Administrative Specialist II (C109), one (1) ASP DL/CDL Coordinator (C117) and one (1) Construction/Maintenance Coord (C116).
  2. Restoration of sixty-two (62) positions including: fifty-seven (57) ASP Corporals (C121), two (2) ASP Captains (C128), one (1) ASP Lieutenant (C126), one (1) Fire Marshall Inspector (C115), and one (1) Broadcast Production Specialist (C114).
  3. Reclassification of forty (40) positions to more accurately classify these positions based on work being performed.
  4. Increased contributions to the Arkansas State Police Uniformed Health Plan.
- Extra Help and Personal Services Matching of $98,451 each year.
- For Maintenance and Operations, the Executive Recommendation provides for the Agency Request, with additional appropriation of $1,000,000 in Capital Outlay.

Appropriation Summary

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	43,088,258	44,965,594	47,214,477	45,108,733	47,866,816	47,831,873	45,144,633	47,902,716	47,867,773
#Positions		**979**	**985**	**1,047**	**985**	**1,057**	**1,056**	**985**	**1,057**	**1,056**
Extra Help	5010001	34,245	60,000	120,847	60,000	150,000	150,000	60,000	150,000	150,000
#Extra Help		**4**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**
Personal Services Matching	5010003	23,762,323	25,162,767	25,892,204	25,646,013	30,138,395	30,118,847	26,212,825	30,745,815	30,725,703
Overtime	5010006	76,319	97,450	102,288	97,450	97,450	97,450	97,450	97,450	97,450
Operating Expenses	5020002	12,589,626	11,308,118	12,114,611	11,308,118	14,965,980	14,965,980	11,308,118	14,740,155	14,740,155
Conference & Travel Expenses	5050009	106,603	73,600	129,830	73,600	417,374	417,374	73,600	409,749	409,749
Professional Fees	5060010	181,303	200,000	200,000	200,000	415,600	415,600	200,000	415,685	415,685
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	3,494,626	245,000	410,000	0	1,767,290	2,767,290	0	1,387,000	2,387,000
Covert Ops	5900047	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Total		83,458,303	82,237,529	86,309,257	82,618,914	95,943,905	96,889,414	83,221,626	95,973,570	96,918,515
Funding Sources										
Fund Balance	4000005	5,955,885	6,159,990		10,558,726	10,558,726	10,558,726	13,955,936	7,596,310	731,262
General Revenue	4000010	60,653,350	60,687,472		60,969,697	66,889,236	60,969,697	61,415,704	67,762,236	61,415,704
Federal Revenue	4000020	62,805	29,700		64,000	64,000	64,000	66,000	66,000	66,000
Special Revenue	4000030	17,008,164	22,151,301		21,233,592	22,279,418	22,279,418	22,722,062	23,767,888	23,767,888
Other	4000370	2,672,884	486,913		508,956	508,956	508,956	524,456	524,456	524,456
Transfer from DHS	4000510	2,926,312	2,927,879		2,927,879	2,927,879	2,927,879	2,937,879	2,937,879	2,937,879
Transfer State Admn of Justice	4000570	338,893	353,000		312,000	312,000	312,000	315,000	315,000	315,000
Total Funding		89,618,293	92,796,255		96,574,850	103,540,215	97,620,676	101,937,037	102,969,769	89,758,189
Excess Appropriation/(Funding)		(6,159,990)	(10,558,726)		(13,955,936)	(7,596,310)	(731,262)	(18,715,411)	(6,996,199)	7,160,326
Grand Total		83,458,303	82,237,529		82,618,914	95,943,905	96,889,414	83,221,626	95,973,570	96,918,515

WITH FEE INCREASE

Appropriation Summary

Appropriation: 519 - ASP-Operations

Funding Sources: SMP - Department of Arkansas State Police Fund

Commitment Item		Historical Data 2013-2014 Actual	Historical Data 2014-2015 Budget	Historical Data 2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Regular Salaries	5010000	43,088,258	44,965,594	47,214,477	45,108,733	47,866,816	47,831,873	45,144,633	47,902,716	47,867,773
#Positions		**979**	**985**	**1,047**	**985**	**1,057**	**1,056**	**985**	**1,057**	**1,056**
Extra Help	5010001	34,245	60,000	120,847	60,000	150,000	150,000	60,000	150,000	150,000
#Extra Help		**4**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**
Personal Services Matching	5010003	23,762,323	25,162,767	25,892,204	25,646,013	30,138,395	30,118,847	26,212,825	30,745,815	30,725,703
Overtime	5010006	76,319	97,450	102,288	97,450	97,450	97,450	97,450	97,450	97,450
Operating Expenses	5020002	12,589,626	11,308,118	12,114,611	11,308,118	14,965,980	14,965,980	11,308,118	14,740,155	14,740,155
Conference & Travel Expenses	5050009	106,603	73,600	129,830	73,600	417,374	417,374	73,600	409,749	409,749
Professional Fees	5060010	181,303	200,000	200,000	200,000	415,600	415,600	200,000	415,685	415,685
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	3,494,626	245,000	410,000	0	1,767,290	2,767,290	0	1,387,000	2,387,000
Covert Ops	5900047	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Total		83,458,303	82,237,529	86,309,257	82,618,914	95,943,905	96,889,414	83,221,626	95,973,570	96,918,515
Funding Sources										
Fund Balance	4000005	5,955,885	6,159,990		10,558,726	10,558,726	10,558,726	13,955,936	6,550,484	0
General Revenue	4000010	60,653,350	60,687,472		60,969,697	66,889,236	60,969,697	61,415,704	67,762,236	61,415,704
Federal Revenue	4000020	62,805	29,700		64,000	64,000	64,000	66,000	66,000	66,000
Special Revenue	4000030	17,008,164	22,151,301		21,233,592	21,233,592	21,233,592	22,722,062	22,722,062	22,722,062
Other	4000370	2,672,884	486,913		508,956	508,956	508,956	524,456	524,456	524,456
Transfer from DHS	4000510	2,926,312	2,927,879		2,927,879	2,927,879	2,927,879	2,937,879	2,937,879	2,937,879
Transfer State Admn of Justice	4000570	338,893	353,000		312,000	312,000	312,000	315,000	315,000	315,000
Total Funding		89,618,293	92,796,255		96,574,850	102,494,389	96,574,850	101,937,037	100,878,117	87,981,101
Excess Appropriation/(Funding)		(6,159,990)	(10,558,726)		(13,955,936)	(6,550,484)	314,564	(18,715,411)	(4,904,547)	8,937,414
Grand Total		83,458,303	82,237,529		82,618,914	95,943,905	96,889,414	83,221,626	95,973,570	96,918,515

WITHOUT FEE INCREASE

Change Level by Appropriation

Appropriation: 519 - ASP-Operations
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**82,618,914**	**985**	**82,618,914**	**100.0**	**83,221,626**	**985**	**83,221,626**	**100.0**
C01	Existing Program	10,092,490	68	92,711,404	112.2	9,668,287	68	92,889,913	111.6
C08	Technology	3,213,893	4	95,925,297	116.1	3,065,049	4	95,954,962	115.3
C10	Reclass	18,608	0	95,943,905	116.1	18,608	0	95,973,570	115.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**82,618,914**	**985**	**82,618,914**	**100.0**	**83,221,626**	**985**	**83,221,626**	**100.0**
C01	Existing Program	10,041,342	67	92,660,256	112.2	9,616,575	67	92,838,201	111.6
C08	Technology	3,213,893	4	95,874,149	116.0	3,065,049	4	95,903,250	115.2
C10	Reclass	15,265	0	95,889,414	116.1	15,265	0	95,918,515	115.3
C19	Executive Changes	1,000,000	0	96,889,414	117.3	1,000,000	0	96,918,515	116.5

Justification	
C01	Agency requests existing program increases for Extra Help to address heavy work periods in biennium, costs to conduct a Troop School each year of biennium, increase in E Citation Operations for dedicated revenue stream requested, increase of data transcription services for Crimes Against Children and Criminal Investigation Division, cost for validation of agency physical evaluation program to support Health Plan, purchase of 13 air conditioners for Headquarters building, purchase of 3 dogs for Troops K, E and B, purchase night vision goggles to enhance missions of the SWAT team, purchase roof coating/sealer for ASP Headquarters roof, replace security gate at Governor's Mansion, and replace diesel fuel pump system at Headquarters. Personal Services Matching appropriation increase of $3 million each year for additional payments to the Arkansas State Police Uniformed Health Plan.
C08	FY16 Technology requests include a mobile storage system (IT Plan>Projects> PI & SG Testing), computers, printers, scanners, servers, handheld radios (IT Plan> IT Support Costs> Hardware), microfiche transfer to digital (IT Plan> Projects> Microfiche Conversion-HR), RMS system (IT Plan>Projects> Records Retention), Fusion Center software/subscriptions (IT Plan> Projects> Fusion), and replace phone system at Headquarters (IT Plan> Projects> ASP PBX Upgrade). FY17 Technology requests include network switches, servers, computers, printers, scanners, handheld radios, upgrading CACD voice recording system (IT Plan> IT Support Costs> Hardware), and RMS system phase II (IT Plan>Projects> Records Retention).
C10	Reclass 41 positions to align with job duties and Agency needs.
C19	The Executive Recommendation provides additional appropriation of $1,000,000 in Capital Outlay.

Analysis of Budget Request

Appropriation: 521 - Various Federal Programs

Funding Sources: FLA - ASP Federal

This federally funded appropriation is utilized by Arkansas State Police to support various programs received as grants from the United States Department of Justice. The Agency anticipates receiving federal funding from Internet Crimes Against Children (ICAC) grants.

The Agency's Change Level requests total $907,545 each year of the biennium and reflect the following:

- Overtime and Personal Service Matching of $8,608 each year for anticipated increases in ICAC investigations.
- Operating Expenses of $208,595 each year for software subscriptions, data base subscriptions, internet expenses and supplies for various ICAC programs. Costs associated with these requests are documented in the Agency's IT Plan.
- Conference & Travel Expenses of $97,179 each year for additional training on child investigation techniques and forensic investigations.
- Professional Fees of $74,469 each year to participate in Supporting Heroes in Mental Health Foundational Training Wellness Program (SHIFT).
- Grants and Aid of $397,500 each year for anticipated increases of sub-grants to ICAC task forces within the state.
- Capital Outlay of $121,194 each year for the purchase of Cellbrite system, server package, polygraph system, FRED system and forensic software. Costs associated with these requests are documented in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 521 - Various Federal Programs
Funding Sources: FLA - ASP Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	0	0	62,500	0	0	0	0	0	0
#Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	181	3,123	26,464	3,123	5,179	5,179	3,123	5,179	5,179
Overtime	5010006	598	9,948	24,324	9,948	16,500	16,500	9,948	16,500	16,500
Operating Expenses	5020002	127,220	175,835	102,400	102,400	310,995	310,995	102,400	310,995	310,995
Conference & Travel Expenses	5050009	84,147	113,129	47,426	47,426	144,605	144,605	47,426	144,605	144,605
Professional Fees	5060010	0	0	0	0	74,469	74,469	0	74,469	74,469
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	111,269	210,790	75,000	75,000	472,500	472,500	75,000	472,500	472,500
Capital Outlay	5120011	99,884	10,000	97,600	0	121,194	121,194	0	121,194	121,194
Total		423,299	522,825	435,714	237,897	1,145,442	1,145,442	237,897	1,145,442	1,145,442
Funding Sources										
Federal Revenue	4000020	423,299	522,825		237,897	1,145,442	1,145,442	237,897	1,145,442	1,145,442
Total Funding		423,299	522,825		237,897	1,145,442	1,145,442	237,897	1,145,442	1,145,442
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		423,299	522,825		237,897	1,145,442	1,145,442	237,897	1,145,442	1,145,442

Budget exceeds Authorized Appropriation in Operating Expenses, Conference & Travel Expenses, and Grants and Aid to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 521 - Various Federal Programs
Funding Sources: FLA - ASP Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**237,897**	**0**	**237,897**	**100.0**	**237,897**	**0**	**237,897**	**100.0**
C01	Existing Program	716,016	0	953,913	401.0	716,016	0	953,913	401.0
C08	Technology	191,529	0	1,145,442	481.5	191,529	0	1,145,442	481.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**237,897**	**0**	**237,897**	**100.0**	**237,897**	**0**	**237,897**	**100.0**
C01	Existing Program	716,016	0	953,913	401.0	716,016	0	953,913	401.0
C08	Technology	191,529	0	1,145,442	481.5	191,529	0	1,145,442	481.5

Justification	
C01	The Agency is requesting an increase for Internet Crimes Against Children Program to include Overtime and Personal Services Matching for officers assigned to Crimes Against Children investigations; Operating Expense and Conference & Travel Expenses for forensic investigation training for officers, training in child investigation techniques, internet expenses; and Grants and Aid for sub-grants to Internet Crimes Against Children Task Forces within the state. Also, requesting an increase for Professional Fees to participate in Supporting Heroes in Mental Health Foundational Training Wellness Program (SHIFT). Agency will hire a mental health professional to mitigate mental and physical stress of personnel faced with child abuse images.
C08	Increase in software maintenance, software licenses, and data processing supplies. FY16 Capital purchases are a Cellbrite system, a server package, polygraph equipment, and forensic software. FY17 Capital purchases are a FRED system, a Cellbrite system, and a polygraph system. IT Plan>Projects> Cyber Crimes

Analysis of Budget Request

Appropriation: 524 - Confiscated Funds Transfer

Funding Sources: TPC - Court Awards Fund

The Department of Arkansas State Police is authorized, after seeking the approval of the Chief Fiscal Officer of the State, to request transfer from the appropriation made herein for "Confiscated Funds Transfer" to the Maintenance and General Operations classifications established in the operations appropriation (Appropriation 519) of the Department of Arkansas State Police, and may be used for motor vehicle purchases and associated taxes and/or motor vehicle equipping/renovation costs, overtime, personal services matching, agency operational needs and capital improvements for the Department of Arkansas State Police. Fund transfers may be requested from the Court Awards Fund to the Department of Arkansas State Police Fund in the same amount and for the same purposes as the appropriation transfer requested under the provisions of this section. The provisions of this section are subject to prior review and approval of the Arkansas Legislative Council or Joint Budget Committee.

The Agency's Change Level requests total $1,000,000 each year of the biennium in Refund/Investments/Transfers for additional transfers for agency operational needs and capital improvements.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 524 - Confiscated Funds Transfer
Funding Sources: TPC - Court Awards Fund

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Investments/Transfers 5110020	0	2,000,000	3,150,000	2,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000
Total	0	2,000,000	3,150,000	2,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000
Funding Sources									
Special State Asset Forfeiture 4000465	0	2,000,000		2,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000
Total Funding	0	2,000,000		2,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,000,000		2,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000

Change Level by Appropriation

Appropriation: 524 - Confiscated Funds Transfer
Funding Sources: TPC - Court Awards Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,000,000**	**0**	**2,000,000**	**100.0**	**2,000,000**	**0**	**2,000,000**	**100.0**
C01	Existing Program	1,000,000	0	3,000,000	150.0	1,000,000	0	3,000,000	150.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,000,000**	**0**	**2,000,000**	**100.0**	**2,000,000**	**0**	**2,000,000**	**100.0**
C01	Existing Program	1,000,000	0	3,000,000	150.0	1,000,000	0	3,000,000	150.0

Justification	
C01	Agency requests an increase in Refunds/Investments/Transfers to establish appropriation for available Asset Forfeiture funding throughout the biennium.

Analysis of Budget Request

Appropriation: 526 - Criminal Background Checks

Funding Sources: SEF - State Police Equipment Fund

This appropriation is utilized by Arkansas State Police to conduct criminal history background checks. This appropriation is funded from special revenues collected from the fees for Criminal History Background Checks and the federal charge for FBI Background Checks.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $43 increase in FY16 and an additional $47 increase in FY17 in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $715 per month in FY16 and $762 per month in FY17. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Change Level requests total $771,354 in FY16 and $733,918 in FY17 and reflect the following:

- Regular Salaries and Personal Services Matching of $33,354 in FY16 and $33,918 in FY17 for restoration of an Administrative Specialist I.
- Operating Expenses of $38,000 in FY16 for additional data processing supplies, ink ribbons, laminate and identification cards. Costs associated with these requests are documented in the Agency's IT Plan.
- Capital Outlay of $700,000 each year of the biennium for software upgrades to the Criminal Background Check System. Costs associated with these requests are documented in the Agency's IT Plan.

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

Appropriation Summary

Appropriation: 526 - Criminal Background Checks
Funding Sources: SEF - State Police Equipment Fund

Commitment Item		Historical Data 2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Agency Request and Executive Recommendation 2015-2016 Base Level	2015-2016 Agency	2015-2016 Executive	2016-2017 Base Level	2016-2017 Agency	2016-2017 Executive
Regular Salaries	5010000	168,951	199,371	232,239	200,760	219,615	219,615	200,760	219,615	219,615
#Positions		**10**	**9**	**10**	**9**	**10**	**10**	**9**	**10**	**10**
Personal Services Matching	5010003	90,412	138,298	154,475	141,541	156,040	156,040	146,617	161,680	161,680
Overtime	5010006	0	5,000	10,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	1,796,914	2,318,320	2,558,650	2,318,320	2,356,320	2,356,320	2,318,320	2,318,320	2,318,320
Conference & Travel Expenses	5050009	300	8,700	15,700	8,700	8,700	8,700	8,700	8,700	8,700
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	394,580	400,000	400,000	0	700,000	700,000	0	700,000	700,000
Total		2,451,157	3,069,689	3,371,064	2,674,321	3,445,675	3,445,675	2,679,397	3,413,315	3,413,315
Funding Sources										
Fund Balance	4000005	1,823,968	1,206,739		3,110	3,110	3,110	528,789	0	0
Special Revenue	4000030	1,833,928	1,866,060		3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Total Funding		3,657,896	3,072,799		3,203,110	3,203,110	3,203,110	3,728,789	3,200,000	3,200,000
Excess Appropriation/(Funding)		(1,206,739)	(3,110)		(528,789)	242,565	242,565	(1,049,392)	213,315	213,315
Grand Total		2,451,157	3,069,689		2,674,321	3,445,675	3,445,675	2,679,397	3,413,315	3,413,315

Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 526 - Criminal Background Checks
Funding Sources: SEF - State Police Equipment Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,674,321**	**9**	**2,674,321**	**100.0**	**2,679,397**	**9**	**2,679,397**	**100.0**
C01	Existing Program	33,354	1	2,707,675	101.2	33,918	1	2,713,315	101.3
C08	Technology	738,000	0	3,445,675	128.8	700,000	0	3,413,315	127.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**2,674,321**	**9**	**2,674,321**	**100.0**	**2,679,397**	**9**	**2,679,397**	**100.0**
C01	Existing Program	33,354	1	2,707,675	101.2	33,918	1	2,713,315	101.3
C08	Technology	738,000	0	3,445,675	128.8	700,000	0	3,413,315	127.4

Justification	
C01	Restore one Administrative Specialist I position.
C08	Agency requests increase in Operating Expenses for data processing supplies, ink ribbons, laminate and identification cards. Capital requested is to update the Criminal Background Check System. IT Plan>Major Applications>AFIS 16/17.

Analysis of Budget Request

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: SMP - Department of Arkansas State Police Fund

This appropriation is used for the maintenance and operation of the Arkansas Wireless Information Network (AWIN) for the State of Arkansas. This appropriation is funded with general revenue.

The Agency's Change Level requests total $489,793 in FY16 and $984,326 in FY17 for appropriation and general revenue funding and reflect the following:

- Operating Expenses of $489,793 in FY16 and $984,326 in FY17 for additional costs on tower leases, vehicle maintenance expenses, software maintenance, tower maintenance and utilities. Costs associated with these requests are documented in the Agency's IT Plan.
- $340,188 reallocation between general ledger codes in Operating Expenses each year of the biennium to more accurately reflect anticipated expenses.

The Executive Recommendation provides for the Agency Request for appropriation only. In addition, the Executive Recommendation provides to transfer three (3) Network Support Analysts (C118), one (1) State Systems Administrator Lead (C129), one (1) DIS Project Manager (C122), one (1) Computer Support Specialist (C119) and one (1) Computer Operator (C114) from Department of Information Systems (DIS) to Department of Arkansas State Police to support internal administration of the Arkansas Wireless Information Network. In conjunction with this transfer of positions, Operating Expenses appropriation previously paid to DIS will be reduced by $413,922.

Appropriation Summary

Appropriation: 9KA - AR Wireless Information Network (AWIN)

Funding Sources: SMP - Department of Arkansas State Police Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	0	0	0	0	0	376,635	0	0	376,635
#Positions		**0**	**0**	**0**	**0**	**0**	**7**	**0**	**0**	**7**
Personal Services Matching	5010003	0	0	0	0	0	178,287	0	0	182,235
Operating Expenses	5020002	5,748,536	6,269,921	6,859,894	6,269,921	6,759,714	6,345,792	6,269,921	7,254,247	6,840,325
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	886,237	0	0	0	0	0	0	0	0
Total		6,634,773	6,269,921	6,859,894	6,269,921	6,759,714	6,900,714	6,269,921	7,254,247	7,399,195
Funding Sources										
General Revenue	4000010	6,269,921	6,269,921		6,269,921	6,759,714	6,269,921	6,269,921	7,254,247	6,269,921
General Improvement Fund	4000265	364,852	0		0	0	0	0	0	0
Total Funding		6,634,773	6,269,921		6,269,921	6,759,714	6,269,921	6,269,921	7,254,247	6,269,921
Excess Appropriation/(Funding)		0	0		0	0	630,793	0	0	1,129,274
Grand Total		6,634,773	6,269,921		6,269,921	6,759,714	6,900,714	6,269,921	7,254,247	7,399,195

Change Level by Appropriation

Appropriation: 9KA - AR Wireless Information Network (AWIN)
Funding Sources: SMP - Department of Arkansas State Police Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**6,269,921**	**0**	**6,269,921**	**100.0**	**6,269,921**	**0**	**6,269,921**	**100.0**
C01	Existing Program	126,833	0	6,396,754	102.0	126,833	0	6,396,754	102.0
C04	Reallocation	0	0	6,396,754	102.0	0	0	6,396,754	102.0
C08	Technology	362,960	0	6,759,714	107.8	857,493	0	7,254,247	115.7

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**6,269,921**	**0**	**6,269,921**	**100.0**	**6,269,921**	**0**	**6,269,921**	**100.0**
C01	Existing Program	126,833	0	6,396,754	102.0	126,833	0	6,396,754	102.0
C04	Reallocation	0	0	6,396,754	102.0	0	0	6,396,754	102.0
C07	Agency Transfer	554,922	7	6,951,676	110.9	558,870	7	6,955,624	110.9
C08	Technology	362,960	0	7,314,636	116.7	857,493	0	7,813,117	124.6
C19	Executive Changes	(413,922)	0	6,900,714	110.1	(413,922)	0	7,399,195	118.0

Justification	
C01	The Agency is requesting an increase in Operating Expenses for increased utilities, tower leases, and tower maintenance.
C04	Reallocation between GL codes in Operating Expenses each year to more accurately reflect anticipated expenses.
C07	The Executive Recommendation provides to transfer three (3) Network Support Analysts (C118), one (1) State Systems Administrator Lead (C129), one (1) DIS Project Manager (C122), one (1) Computer Support Specialist (C119) and one (1) Computer Operator (C114) from Department of Information Systems to Department of Arkansas State Police to support internal administration of the Arkansas Wireless Information Network.
C08	The Agency is requesting an increase in Operating Expenses for cost of software maintenance, data processing equipment and network system equipment for the AWIN system, IT Plan> Major Applications> AWIN
C19	The Executive Recommendation provides for the reduction of Operating Expenses paid to Department of Information Systems due to the transfer of seven (7) positions.

AR DEPARTMENT OF VETERANS' AFFAIRS

Enabling Laws

Act 262 of 2014
A.C.A. §20-81-102 et seq.

History and Organization

Act 343 of 1925 created our Agency as the Arkansas Service Bureau to aid World War Veterans and Veterans of American Wars to obtain government benefits and for other purposes.

Act 234 of 1945 renamed our Agency to the Arkansas Veterans' Service Office and changed our responsibilities to assisting all veterans and their dependents in securing their rights and benefits under all laws, both state and federal.

Act 536 of 1975 appropriated funds to the Arkansas Veterans' Service Office for assisting the seventy-five (75) counties in paying salaries and/or expenses of County Veterans Service Officers who meet the training qualifications, the scheduled numbers of working hours per month and other qualifications prescribed or as may be prescribed by our office.

Act 377 of 1975 created the Governor's Task Force on Veterans' Affairs to study any and all matters relating to and affecting the affairs of veterans in the state of Arkansas as requested by the Governor or as deemed necessary by the Task Force, and to make recommendations to the Governor on request or as deemed appropriate by the majority of the members of the Task Force.

Act 619 of 1977 authorized the Arkansas Veterans' Service Office to establish and maintain an Arkansas Veterans' Home in the building formerly used by the School for the Blind and Deaf located at 20th and Madison Streets, Little Rock, Arkansas.

Act 324 of 1979, codified in A.C.A. §20-81-102 et seq., renamed our Agency as the Arkansas Department of Veterans' Affairs, which would assume all the duties and responsibilities of the Arkansas Veterans Service Office as well as to supervise the operation of the Arkansas Veterans' Home; supervise the activities, training and testing of all the County Veterans Service Officers in each county and to create a Governor's Task Force on Veterans' Affairs.

Act 432 of 1985, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to require the Arkansas Department of Veterans' Affairs to promulgate guidelines for admission to the Arkansas Veterans' Home and to conform to federal requirements necessary to qualify the Arkansas Veterans' Home as a Nursing Home and Domiciliary for veterans.

Act 431 of 1985, codified in A.C.A. §20-81-107, authorized the Arkansas Department of Veterans' Affairs to accept the donation of real property for use as Veterans Cemeteries.

Act 157 of 1987, codified in A.C.A. §20-81-105, amended Section 6 of Act 324 of 1979 to provide for the conversion of the Arkansas Veterans' Home to a Nursing Home and Domiciliary for veterans without the necessity of obtaining a certificate of need.

Act 733 of 1987 appropriated funds to supplement private donations for expansion of the Little Rock, Fayetteville and Fort Smith National Cemeteries.

Act 670 of 1991, amended A.C.A. §20-81-104(b)(4) to authorize members of the Governor's Task Force on Veterans' Affairs to attend conventions, conferences or meetings of recognized veterans organizations.

Act 136 of 1993 amended A.C.A. §20-81-104 to change the name of the Governor's Task Force on Veterans' Affairs to the Governor's Commission on Veterans' Affairs.

Act 719 of 1993 amended A.C.A. §20-81-103 regarding the qualifications for appointment of the Director of the Department of Veterans' Affairs.

Act 235 of 1997 amended A.C.A. §20-81-112 by authorizing the Arkansas Department of Veterans' Affairs to establish and operate an Arkansas State Veterans' Cemetery system.

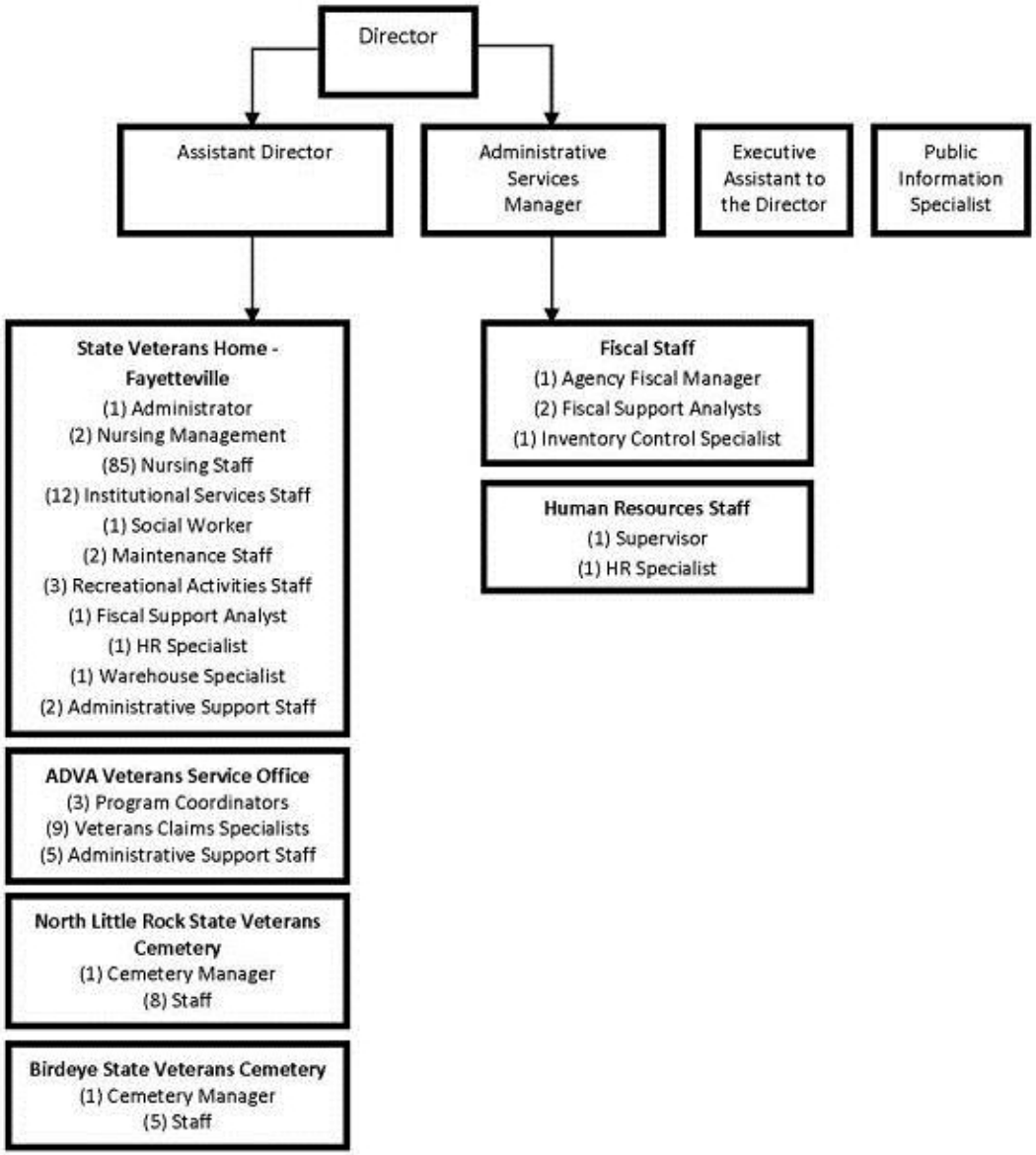
MISSION

The mission of this Agency is to ensure that veterans, their dependents and survivors receive the maximum benefits to which they are entitled under federal and state laws.

SERVICES PERFORMED

- Assist veterans, their dependents and survivors in their claims with the U.S. Department of Veterans Affairs (USDVA) for benefits they are entitled to under Title 38, United States Code.
- Supervise the activities, training and testing of a network of County Veterans Service Officers (CVSOs). There are 75 counties with county veterans service officers who are trained and supervised by this agency to serve veterans, their dependents and survivors.
- Establish, implement and maintain a program for providing financial assistance to counties to help defray the salaries and/or expenses of the CVSOs.

- Establish, operate and maintain the Arkansas Veterans' Cemetery system.
- Maintain the Fayetteville Veterans' Home that opened in June 2006 that houses a 108 bed skilled care nursing facility.
- Participate on such boards, committees and/or projects which relate to the Agency's mission or as directed by a competent state authority.
- To promulgate rules and regulations as deemed necessary.


Director
Assistant Director
Administrative Services Manager
Executive Assistant to the Director
Public Information Specialist
State Veterans Home - Fayetteville
(1) Administrator
(2) Nursing Management
(85) Nursing Staff
(12) Institutional Services Staff
(1) Social Worker
(2) Maintenance Staff
(3) Recreational Activities Staff
(1) Fiscal Support Analyst
(1) HR Specialist
(1) Warehouse Specialist
(2) Administrative Support Staff
ADVA Veterans Service Office
(3) Program Coordinators
(9) Veterans Claims Specialists
(5) Administrative Support Staff
North Little Rock State Veterans Cemetery
(1) Cemetery Manager
(8) Staff
Birdeye State Veterans Cemetery
(1) Cemetery Manager
(5) Staff
Fiscal Staff
(1) Agency Fiscal Manager
(2) Fiscal Support Analysts
(1) Inventory Control Specialist
Human Resources Staff
(1) Supervisor
(1) HR Specialist

Agency Commentary

Arkansas Department of Veterans Affairs
The goal of this Agency is to serve, assist and advocate for all Veterans, their dependents, and survivors in securing available Veterans benefits. The agency directly cares for Veterans by operating a 108-bed skilled and long-term care residential facility in Fayetteville. A second skilled and long-term care residential nursing facility, to be located in North Little Rock, AR, is estimated to be complete during the late FY17 / early FY18 time-frame. In addition, the agency provides Veterans with a dignified, final resting place through operation of two State Veterans Cemeteries, one in North Little Rock and another in Birdeye, AR.

Appropriation 224: State Operations - Administrative and Veterans Claims Services
This appropriation is utilized to provide administrative support services to Veterans, to ensure that all operational and stewardship objectives of the Agency are met; and to advocate for Veterans at the state, regional and national levels. Additionally, the appropriation is used for Veterans Claims services and programs provided by (8) ADVA Veterans Service Officers, (3) ADVA Veterans Service Program Managers; and (75) County Veterans Service Officers located statewide who are trained and evaluated by ADVA.

The Agency requests Change Levels as follows:

Regular Salaries: $123,889 increase in appropriation and funding to restore (2) positions and re-class (18) positions. The increase will help support labor market rates for key agency positions and help meet needs in crucial areas of agency fiscal management.

Personal Services Matching: $46,006 in FY16 and $46,036 increase in appropriation and funding in FY17 to restore (2) positions and re-class (18) positions. The increase will help support labor market rates for key agency positions and help meet needs in crucial areas of agency fiscal management.

Operating Expenses: $30,207 increase in appropriation and funding to cover the state wide 3% increase in rent charged to existing facilities, network services expense associated with improving agency connectivity and moving critical agency data to the State data center, upgrade/replacement of old office equipment; and to provide training to agency personnel related to operational requirements.

Conference & Travel Expenses: $2,800 increase in appropriation and funding to address travel requirements associated with national Veterans services conferences.

Grants and Aid: $91,500 increase in appropriation and funding to increase the amount of training and assistance provided to counties for Veterans services.

Appropriation 2QD: Fayetteville Veterans Home
This appropriation is utilized to care for residents of the State Veterans Home at Fayetteville, a long-term/skilled care residential Veterans

home which is funded by private payments, federal funds and Medicaid revenue. The Home does not receive general revenue funding; however, some agency positions that provide support and fiscal oversight of the facility are funded partially with general revenue.

The agency anticipates an increase in resident census. The average monthly resident census during FY14 was 64 residents. As of August 12, 2014, the current resident census is 82, a 28% increase. The home is authorized by OLTC to care for a maximum of 108 residents.

The Agency requests Change Levels as follows:

Regular Salaries: $22,860 increase in appropriation due to the restoration of (1) un-budgeted position and (1) position being reclassified.

Personal Services Matching: $11,400 increase in appropriation due to the restoration of (1) un-budgeted position and (1) position being reclassified.

Operating Expenses: $932,939 increase in cash appropriation to address the following anticipated increases: rent related to expansion to a third floor of the existing facility, increases in network services, advertising, satellite/cable service, mileage associated with oversight of the facility, board member travel and lodging, bed tax, food, health and lab supplies, medicine and miscellaneous technical service cost increases related to resident census increase.

Conference & Travel Expenses: $635 increase in appropriation to address conference and travel requirements.

Professional Fees: $75,000 increase in appropriation to address increase in medical fees and therapy services associated with census increase.

Capital Outlay: $30,000 increase in appropriation to address capital requirements associated with the census increase at the Fayetteville Veteran home.

Appropriation 38S: Veterans' Cemeteries Cash Fund

This appropriation is utilized to support all capital expenditures, 50% of the total operating costs; and a portion of the regular salaries and personal services matching expenditures of the two State Veterans Cemeteries. This appropriation is 100% funded by federal burial plot allowances and private burial fees charged for eligible dependent burials.

The Agency requests Change Levels as follows:

Regular Salaries: $8,568 increase in appropriation due to (1) position being reclassified.

Personal Services Matching: $2,459 increase in appropriation due to (1) position being reclassified.

Capital Outlay: $215,000 increase in appropriation both years of the biennium. This increase will be used to purchase additional equipment required as a result of the North Little Rock cemetery expansion and the increase in association with ground maintenance and projected

increase in burials at the cemetery, the Kubota M59 TLB (tractor, loader, and backhoe) currently utilized to perform interments will present issues when second interments are performed in the double-depth burial sections. When a second burial is performed at a site, the M59 must be backed up to the site and 3 headstones per row must be removed and later reset in order to reach the target site. The purchase of an excavator will greatly reduce the man hours needed for a service (requiring only 1-2 total headstones to be removed and reset) since the excavator can safely maneuver down rows and turn 90 degrees to perform digging. This will also reduce negative impact to the turf because the excavator is a lighter machine.

Appropriation 490: Veterans' Cemeteries

This appropriation is utilized to support 50% of the operating costs and majority of the staffing costs required to maintain the Veterans cemeteries in North Little Rock and Birdeye.

The Agency requests Change Levels in Operating Expenses increase of $28,920 in appropriation and funding both years of the biennium to cover an increase in expenditures associated with interment growth at both cemeteries and physical expansion of the North Little Rock Cemetery.

Appropriation 81H: Military Funeral Honors

This appropriation is utilized to provide $50 stipends to military honor guard teams for each military funeral honors service conducted at Veterans' funerals at the North Little Rock and Birdeye State Veterans cemeteries. Funding is through the sale of special military license plates.

The Agency is requesting Base Level for each year of the biennium.

Appropriation F50: NLR Cemetery - Federal

This appropriation is utilized to support expansion of the State Veterans Cemetery located in North Little Rock, AR. This project is 100% financed by federal grant AR-12-05 from the Veterans Cemetery Grants Service of the U.S. Department of Veterans Affairs.

The Agency is requesting Base Level for each year of the biennium.

Appropriation M49: Veterans' Home - Cash

This appropriation is utilized to support the design and construction of a Veterans Home long-term care facility in North Little Rock.
The Agency requests Change Levels in Operating Expenses of $102,727 in FY16 and $152,727 increase in appropriation in FY17. This increase will primarily be used to pay for architectural design and professional fees associated with the design of the new Veterans home.

Findings	Recommendations
In accordance with R4-19-4-501 of the Department of Finance and Administration (DFA) Office of Accounting Financial Management Guide, a receipt must be issued for each payment received in person, or a cash log must be prepared in duplicate for payments received through the mail. DLA staff reconciliation of receipts issued by the Agency to deposits for September 2011 revealed that three deposits containing payments for 13 clients, totaling $19,721, were not supported by a receipt or cash log as follows: · Payments totaling $4,328 for four clients in the Little Rock Patient Trust bank account. · Payment totaling $5,061 for one client in the Fayetteville Patient Trust bank account. · Payments totaling $10,332 for eight clients in the Treasury account representing Fayetteville maintenance payments.	Strengthen internal controls to ensure all payments received are receipted as required by DFA policy. Agency Response: The Agency will reconcile cash logs and receipts with deposits monthly to ensure deposits are supported by appropriate documentation.
DLA staff reviewed 40 expenditure items to determine the Agency's compliance with various state policies. The review revealed that 15 items totaling $227,259 were not recorded to the appropriate general ledger account as follows: · Seven items totaling $163,356 for food services were recorded as miscellaneous technical services; these items should have been recorded as contractual food services. · Three items totaling $60,577 for physical, occupational, or speech therapy services were recorded as miscellaneous technical services; these items should have been recorded as medical fees. · One item totaling $1,446 for meals and lodging related to employee travel was recorded as assistance, grants, and aids; this item should have been recorded as meals and lodging. · One item totaling $858 for x-ray services was recorded as other expenses and services; this item should have been recorded as medical fees · One item totaling $699 for drug purchases was recorded as health and lab supplies; this item should have been recorded as drugs and medicine. · One item totaling $280 for food purchases for resale was recorded as	Strengthen controls to ensure expenditures are recorded in a general ledger account that reflects an accurate accounting of expenditures. In addition, the Agency should provide training to personnel responsible for assigning the general ledger accounts to expenditures to ensure management is provided accurate financial information. Agency Response: The Agency will match expenditures to the most specific general ledger code available. It will also run a quarterly report to ensure expenditures are consistently being recorded to the most appropriate general ledger coding.

Findings	Recommendations

contractual food services; this item should have been recorded as food purchases.

- One item totaling $43 for servicing a van was recorded as tires; this item should have been recorded as vehicle maintenance.

Recording errors were also addressed in the Agency's Internal Control and Compliance

Performance Audit Findings

AR DEPARTMENT OF VETERANS' AFFAIRS

Findings and Conclusions:

Arkansas Department of Veterans Affairs (ADVA)
Review Period: July 1, 2011 - June 30, 2012
Report Issued: December 12, 2013

Findings and Conclusions:

- ADVA receives reimbursements for the cost of caring for eligible veterans. Division of Legislative Audit (DLA) testing revealed that the Agency understated expenditures and, as a result, did not receive all of the reimbursement to which it was entitled. Other testing revealed the per diem on other veterans was incorrectly calculated, resulting in excess reimbursements.

Recommendations:

- ADVA should continue to work with the federal awarding agency to correct the per diem calculation. In addition, the Agency should establish policies and procedures to ensure per diems are calculated correctly and reported completely. Training staff responsible for completing these duties is also recommended.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	42	60	102	77 %
Black Employees	8	8	16	12 %
Other Racial Minorities	4	10	14	11 %
Total Minorities			30	23 %
Total Employees			132	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	NA	N	N	0	NA	0	0.00

Department Appropriation Summary

Appropriation		2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	2015-2016 Base Level	Pos	Agency	Pos	Executive	Pos	2016-2017 Base Level	Pos	Agency	Pos	Executive	Pos
224	State Operations	1,955,018	32	1,882,424	26	1,903,697	28	1,862,961	26	2,157,363	28	2,123,424	28	1,863,991	26	2,158,423	28	2,124,483	28
2QD	Fayetteville Veterans' Home	7,570,993	99	7,358,618	114	7,198,552	116	7,407,006	114	8,479,840	115	8,479,840	115	7,410,095	114	8,482,929	115	8,482,929	115
38S	Veterans' Cemeteries - Cash In Treasury	414,228	5	488,834	5	474,000	5	362,148	5	588,175	5	580,600	5	362,148	5	588,175	5	580,600	5
490	Veterans' Cemeteries - State	486,409	10	558,369	10	716,226	11	526,091	10	555,011	10	555,011	10	526,864	10	555,784	10	555,784	10
81H	Military Funeral Honor	1,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
F50	NLR Cemetery - Federal	2,388,181	0	1,139,062	0	1,139,062	0	1,139,062	0	1,139,062	0	1,139,062	0	1,139,062	0	1,139,062	0	1,139,062	0
M49	Veterans' Home Cash	29,923	0	483,000	0	483,000	0	483,000	0	585,727	0	585,727	0	483,000	0	635,727	0	635,727	0
Total		12,845,752	146	12,010,307	155	12,014,537	160	11,880,268	155	13,605,178	158	13,563,664	158	11,885,160	155	13,660,100	158	13,618,585	158
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	1,343,244	9.7	1,051,771	8.2			874,693	6.5	874,693	6.3	874,693	6.5	1,772,812	12.1	498,066	3.6	505,641	3.8
General Revenue	4000010	2,408,174	17.3	2,440,793	18.9			2,389,052	17.7	2,712,374	19.7	2,404,052	17.8	2,390,855	16.3	2,714,207	19.8	2,405,855	17.9
Federal Revenue	4000020	6,401,588	46.1	4,985,387	38.7			5,414,062	40.2	5,414,062	39.2	5,414,062	40.1	5,514,062	37.6	5,514,062	40.2	5,514,062	41.1
Special Revenue	4000030	33,403	0.2	100,000	0.8			50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.3	50,000	0.4	50,000	0.4
Cash Fund	4000045	2,109,424	15.2	2,800,789	21.7			3,020,000	22.4	3,020,000	21.9	3,020,000	22.4	3,165,000	21.6	3,165,000	23.1	3,165,000	23.6
Merit Adjustment Fund	4000055	33,253	0.2	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer from Medicaid	4000545	1,568,437	11.3	1,506,260	11.7			1,725,000	12.8	1,725,000	12.5	1,725,000	12.8	1,775,000	12.1	1,775,000	12.9	1,775,000	13.2
Total Funds		13,897,523	100.0	12,885,000	100.0			13,472,807	100.0	13,796,129	100.0	13,487,807	100.0	14,667,729	100.0	13,716,335	100.0	13,415,558	100.0
Excess Appropriation/(Funding)		(1,051,771)		(874,693)				(1,592,539)		(190,951)		75,857		(2,782,569)		(56,235)		203,027	
Grand Total		12,845,752		12,010,307				11,880,268		13,605,178		13,563,664		11,885,160		13,660,100		13,618,585	

Variances in fund balances due to unfunded appropriation.

FY15 Budget exceeds authorized amount in (2QD) Fayetteville Veterans' Home and (38S) Veterans' Cemeteries - Cash in Treasury due to matching rate adjustments during the 2013-2015 Biennium.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
225	192	33	225	0	14.67 %	160	133	27	160	0	16.88 %	160	132	24	156	4	17.50 %

Analysis of Budget Request

Appropriation: 224 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Veterans Affairs assists Arkansas veterans, their dependents and survivors in securing their rights and benefits under Federal and State laws. The Department supervises the activities, training, and testing of County Veterans Service Officers and provides financial assistance to Counties to defray their salaries and expenses. This appropriation provides for the administrative costs of the Department and is funded by general revenue.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Base Level request is $1,862,961 in FY16 and $1,863,991 in FY17.

The Agency's Change Level request is $294,402 in FY16 and $294,432 in FY17 and reflects the following:

- Regular Salaries increase of $123,889 each year of the biennium and Personal Services Matching increase of $46,006 in FY16 and $46,036 increase in FY17 due to (2) un-budgeted positions being restored and (19) agency requested position reclassifications.
- Operating Expenses increase of $30,207 each year of the biennium. This increase will provide for a 3% increase in rent, building and grounds maintenance, upgrade office equipment, network service expense, software/licenses expenses, office supplies and other miscellaneous items.
- Conference & Travel Expenses increase of $2,800 to address travel requirements associated with National Veterans Services Conferences.
- Grants & Aid increase of $91,500 to allow the agency to increase the amount of training and assistance provided to Arkansas counties for Veterans services.

The Executive Recommendation provides for the Agency Request for appropriation only with $15,000 in additional general revenue funding and several positions being reclassed at a lower class grade than the agency requested.

Appropriation Summary

Appropriation: 224 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	1,195,916	1,064,051	1,110,783	1,046,504	1,170,393	1,144,154	1,047,304	1,171,193	1,144,954
#Positions		**32**	**26**	**28**	**26**	**28**	**28**	**26**	**28**	**28**
Personal Services Matching	5010003	412,377	430,355	404,896	428,439	474,445	466,745	428,669	474,705	467,004
Operating Expenses	5020002	61,234	101,568	101,568	101,568	131,775	131,775	101,568	131,775	131,775
Conference & Travel Expenses	5050009	2,485	2,950	2,950	2,950	5,750	5,750	2,950	5,750	5,750
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	283,006	283,500	283,500	283,500	375,000	375,000	283,500	375,000	375,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,955,018	1,882,424	1,903,697	1,862,961	2,157,363	2,123,424	1,863,991	2,158,423	2,124,483
Funding Sources										
General Revenue	4000010	1,921,765	1,882,424		1,862,961	2,157,363	1,877,961	1,863,991	2,158,423	1,878,991
Merit Adjustment Fund	4000055	33,253	0		0	0	0	0	0	0
Intra-agency Fund Transfer	4000317	0	0		0	0	0	0	0	0
Total Funding		1,955,018	1,882,424		1,862,961	2,157,363	1,877,961	1,863,991	2,158,423	1,878,991
Excess Appropriation/(Funding)		0	0		0	0	245,463	0	0	245,492
Grand Total		1,955,018	1,882,424		1,862,961	2,157,363	2,123,424	1,863,991	2,158,423	2,124,483

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 224 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,862,961**	**26**	**1,862,961**	**100.0**	**1,863,991**	**26**	**1,863,991**	**100.0**
C01	Existing Program	206,634	2	2,069,595	111.1	206,634	2	2,070,625	111.1
C10	Reclass	87,768	0	2,157,363	115.8	87,798	0	2,158,423	115.8
C11	Upgrade/Downgrade	0	0	2,157,363	115.8	0	0	2,158,423	115.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**1,862,961**	**26**	**1,862,961**	**100.0**	**1,863,991**	**26**	**1,863,991**	**100.0**
C01	Existing Program	206,634	2	2,069,595	111.1	206,634	2	2,070,625	111.1
C10	Reclass	53,829	0	2,123,424	114.0	53,858	0	2,124,483	114.0
C11	Upgrade/Downgrade	0	0	2,123,424	114.0	0	0	2,124,483	114.0

Justification	
C01	Reflects $55,981 increase in Regular Salaries and $26,146 in Personal Services Matching to restore 2 positions; $30,207 increase in Operating Expenses; $2,800 increase in Conference & Travel; $91,500 increase in Grants and Aid for training and assistance provided to counties for Veterans services.
C10	Reflects $67,908 increase in Regular Salaries and $19,860 in Personal Services Matching to reclass 19 positions.
C11	Reflects agency request to upgrade the position of ADVA Assistant Director from C126 to N905.

Analysis of Budget Request

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

The Fayetteville Veterans' Home is responsible for providing Intermediate and Skilled Nursing care to honorably discharged wartime and/or service connected disabled Veterans. During the 2003-2005 Biennium, the Arkansas Department of Veterans' Affairs received state and federal appropriation and funding to construct this new Veterans' Home to serve the needs of Veterans in northwest Arkansas. The Fayetteville Home opened to residents in June 2006 and has a present capacity of 108 residents. Continuing operations of the Home are supported by Medicare, Medicaid, maintenance fees provided by the residents, and a federal per diem reimbursement from the U.S. Department of Veterans Affairs.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level request is $7,407,006 in FY16 and $7,410,095 in FY17.

The Agency's Change Level request is $1,072,834 each year of the biennium and reflects the following:

- Regular Salaries increase of $22,860 and Personal Services Matching increase of $11,400 for each year of the biennium due to (1) agency position being restored and (1) agency requested position reclassified.
- Operating Expenses increase of $1,262,000 each year of the biennium due to the increase in census numbers at the Fayetteville Veterans' Home. This increase will provide for the third floor expansion at the existing facility, telecommunications wired, network services expense, rent of facilities, contractual food services and food purchases, temporary employment services, health and laboratory supplies and other miscellaneous items.
- Conference & Travel Expenses increase of $635 to address travel requirements associated with Veteran Affairs Conferences.
- Professional Fees increase of $208,550 to address the increase in medical fees and therapy services associated with the census increase at the Fayetteville Home.
- Capital Outlay increase of $30,000 to address capital requirements associated with the census increase at the Fayetteville Home.
- ($462,611) reflects the excess appropriation that was discontinued and reallocated to various Operating Expenses and Professional Fees general ledger line item codes due to items being underbudgeted.

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

Appropriation Summary

Appropriation: 2QD - Fayetteville Veterans' Home

Funding Sources: NVA - ADVA Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	2,893,136	3,299,234	3,299,234	3,326,202	3,349,062	3,349,062	3,328,602	3,351,462	3,351,462
#Positions		**99**	**114**	**116**	**114**	**115**	**115**	**114**	**115**	**115**
Extra Help	5010001	22,721	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help		**2**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**
Personal Services Matching	5010003	1,347,969	1,524,596	1,364,530	1,546,016	1,557,416	1,557,416	1,546,705	1,558,105	1,558,105
Overtime	5010006	98,052	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Operating Expenses	5020002	2,570,934	1,694,538	1,774,538	1,694,538	2,627,477	2,627,477	1,694,538	2,627,477	2,627,477
Conference & Travel Expenses	5050009	3,410	5,250	5,250	5,250	5,885	5,885	5,250	5,885	5,885
Professional Fees	5060010	324,119	280,000	200,000	280,000	355,000	355,000	280,000	355,000	355,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	283,860	475,000	475,000	475,000	475,000	475,000	475,000	475,000	475,000
Capital Outlay	5120011	26,792	0	0	0	30,000	30,000	0	30,000	30,000
Total		7,570,993	7,358,618	7,198,552	7,407,006	8,479,840	8,479,840	7,410,095	8,482,929	8,482,929
Funding Sources										
Fund Balance	4000005	668,726	35,969		155,725	155,725	155,725	1,048,719	0	0
Federal Revenue	4000020	3,631,394	3,596,325		4,050,000	4,050,000	4,050,000	4,175,000	4,175,000	4,175,000
Cash Fund	4000045	1,738,405	2,375,789		2,525,000	2,525,000	2,525,000	2,600,000	2,600,000	2,600,000
Transfer from Medicaid	4000545	1,568,437	1,506,260		1,725,000	1,725,000	1,725,000	1,775,000	1,775,000	1,775,000
Total Funding		7,606,962	7,514,343		8,455,725	8,455,725	8,455,725	9,598,719	8,550,000	8,550,000
Excess Appropriation/(Funding)		(35,969)	(155,725)		(1,048,719)	24,115	24,115	(2,188,624)	(67,071)	(67,071)
Grand Total		7,570,993	7,358,618		7,407,006	8,479,840	8,479,840	7,410,095	8,482,929	8,482,929

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.
Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 2QD - Fayetteville Veterans' Home
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,407,006**	**114**	**7,407,006**	**100.0**	**7,410,095**	**114**	**7,410,095**	**100.0**
C01	Existing Program	1,535,339	1	8,942,345	120.7	1,535,339	1	8,945,434	120.7
C03	Discontinue Program	(462,611)	0	8,479,734	114.5	(462,611)	0	8,482,823	114.5
C10	Reclass	106	0	8,479,840	114.5	106	0	8,482,929	114.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,407,006**	**114**	**7,407,006**	**100.0**	**7,410,095**	**114**	**7,410,095**	**100.0**
C01	Existing Program	1,535,339	1	8,942,345	120.7	1,535,339	1	8,945,434	120.7
C03	Discontinue Program	(462,611)	0	8,479,734	114.5	(462,611)	0	8,482,823	114.5
C10	Reclass	106	0	8,479,840	114.5	106	0	8,482,929	114.5

Justification	
C01	Reflects $22,777 increase in Regular Salaries and $11,377 increase in Personal Services Matching to restore 1 position. $932,939 increase in Operating Expenses; $635 increase in Conference & Travel Expenses; $75,000 increase in Professional Fees; $30,000 increase in Capital Outlay; $462,611 reflects the amount of excess appropriation that was discontinued and reallocated to Operating Expense GL line items that were underbudgeted.
C03	$462,611 reflects the amount of excess appropriation that was discontinued and reallocated to Operating Expense GL line items where items were underbudgeted.
C10	Reflects $83 increase in Regular Salaries and $23 in Personal Services Matching to reclass 1 position, C110 Warehouse Specialist to C114 Warehouse Manager.

Analysis of Budget Request

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

This appropriation is cash funded by burial fees that the Agency has accumulated specifically for use at the State Veterans' Cemetery located in North Little Rock, AR. This appropriation is utilized to support the operations of, and to provide land improvements for, the Arkansas State Veterans' Cemetery.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level request is $362,148 each year of the biennium.

The Agency's Change Level request is $226,027 each year of the biennium and reflects the following:

- Regular Salaries increase of $8,568 and Personal Services Matching increase of $2,459 for each year of the biennium due to agency request to re-class (1) C117 Veterans Cemetery Manager to C121 Veterans Cemetery Manager II and (4) extra help positions with no extra help appropriation.
- Capital Outlay increase of $215,000 each year of the biennium to allow the agency to purchase additional excavator equipment as a result of cemetery expansion and the increase in associated grounds maintenance and cemetery burials.

The Executive Recommendation provides for the Agency Request with the exception of (4) extra help positions and that the C117 Veterans Cemetery Manager position be upgraded to C120 Veterans Service Program Manager. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury

Funding Sources: NVA - ADVA Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	138,385	150,920	151,000	153,028	161,596	155,711	153,028	161,596	155,711
#Positions		**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
Extra Help	5010001	0	0	0	0	0	0	0	0	0
#Extra Help		**0**	**0**	**0**	**0**	**4**	**0**	**0**	**4**	**0**
Personal Services Matching	5010003	52,279	67,914	53,000	69,120	71,579	69,889	69,120	71,579	69,889
Operating Expenses	5020002	94,423	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
Conference & Travel Expenses	5050009	375	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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	128,766	130,000	130,000	0	215,000	215,000	0	215,000	215,000
Total		414,228	488,834	474,000	362,148	588,175	580,600	362,148	588,175	580,600
Funding Sources										
Fund Balance	4000005	90,130	364,948		451,114	451,114	451,114	658,966	432,939	440,514
Federal Revenue	4000020	382,013	250,000		225,000	225,000	225,000	200,000	200,000	200,000
Cash Fund	4000045	307,033	325,000		345,000	345,000	345,000	365,000	365,000	365,000
Total Funding		779,176	939,948		1,021,114	1,021,114	1,021,114	1,223,966	997,939	1,005,514
Excess Appropriation/(Funding)		(364,948)	(451,114)		(658,966)	(432,939)	(440,514)	(861,818)	(409,764)	(424,914)
Grand Total		414,228	488,834		362,148	588,175	580,600	362,148	588,175	580,600

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 38S - Veterans' Cemeteries - Cash In Treasury
Funding Sources: NVA - ADVA Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**362,148**	**5**	**362,148**	**100.0**	**362,148**	**5**	**362,148**	**100.0**
C01	Existing Program	215,000	0	577,148	159.4	215,000	0	577,148	159.4
C10	Reclass	11,027	0	588,175	162.4	11,027	0	588,175	162.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**362,148**	**5**	**362,148**	**100.0**	**362,148**	**5**	**362,148**	**100.0**
C01	Existing Program	215,000	0	577,148	159.4	215,000	0	577,148	159.4
C10	Reclass	3,452	0	580,600	160.3	3,452	0	580,600	160.3

Justification	
C01	Reflects $215,000 increase in Capital Outlay to purchase additional excavator equipment as a result from cemetery expansion.
C10	Reflects $8,568 increase in Regular Salaries and $2,459 in Personal Services Matching due to the reclass of C117 Veterans Cemetery Manager to C121 Veterans Cemetery Manager II.

Analysis of Budget Request

Appropriation: 490 - Veterans' Cemeteries - State

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 270 of 1999 authorized appropriation for the construction of a State Veterans' Cemetery. This appropriation is used to provide for the daily operations and grounds maintenance for the Cemetery and is funded from general revenue.

Act 913 of 2007 established the appropriation for purchase and construction of a National Veterans' Affairs Cemetery in Cross, St. Francis, or Poinsett County. One hundred (100) acres of land was purchased in Birdeye, Arkansas (Cross County) for the future site of the cemetery. Archeological, boundary/topographical, and geotech/geological surveys were completed to ensure the site is appropriate for the construction and development of a the cemetery.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level request is $526,091 in FY16 and $526,864 in FY17.

The Agency's Change Level request is $28,920 each year of the biennium and provides for a $28,920 increase in Operating Expenses for each biennium year to cover the increase in expenditures associated with interment growth at both cemeteries and the physical expansion of the North Little Rock Cemetery.

The Executive Recommendation provides for the Agency Request appropriation only.

Appropriation Summary

Appropriation: 490 - Veterans' Cemeteries - State

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	277,497	306,992	430,721	284,802	284,802	284,802	285,402	285,402	285,402
#Positions		**10**	**10**	**11**	**10**	**10**	**10**	**10**	**10**	**10**
Personal Services Matching	5010003	120,169	142,227	176,355	132,139	132,139	132,139	132,312	132,312	132,312
Operating Expenses	5020002	87,363	106,150	106,150	106,150	135,070	135,070	106,150	135,070	135,070
Conference & Travel Expenses	5050009	1,380	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
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		486,409	558,369	716,226	526,091	555,011	555,011	526,864	555,784	555,784
Funding Sources										
General Revenue	4000010	486,409	558,369		526,091	555,011	526,091	526,864	555,784	526,864
Intra-agency Fund Transfer	4000317	0	0		0	0	0	0	0	0
Total Funding		486,409	558,369		526,091	555,011	526,091	526,864	555,784	526,864
Excess Appropriation/(Funding)		0	0		0	0	28,920	0	0	28,920
Grand Total		486,409	558,369		526,091	555,011	555,011	526,864	555,784	555,784

Change Level by Appropriation

Appropriation: 490 - Veterans' Cemeteries - State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**526,091**	**10**	**526,091**	**100.0**	**526,864**	**10**	**526,864**	**100.0**
C01	Existing Program	28,920	0	555,011	105.5	28,920	0	555,784	105.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**526,091**	**10**	**526,091**	**100.0**	**526,864**	**10**	**526,864**	**100.0**
C01	Existing Program	28,920	0	555,011	105.5	28,920	0	555,784	105.5

Justification	
C01	Reflects $28,920 increase in Operating Expenses associated with the interment growth at both cemeteries and expansion of the cemetery.

Analysis of Budget Request

Appropriation: 81H - Military Funeral Honor

Funding Sources: SMF - Funeral Honor

This appropriation is utilized to pay for the costs of providing military funeral honors at veterans' funerals. Funding is through the sale of special military license plates.

The Agency Request is Base Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 81H - Military Funeral Honor

Funding Sources: SMF - Funeral Honor

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Military Honors	5900046	1,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total		1,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources										
Fund Balance	4000005	82,724	115,127		115,127	115,127	115,127	65,127	65,127	65,127
Special Revenue	4000030	33,403	100,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		116,127	215,127		165,127	165,127	165,127	115,127	115,127	115,127
Excess Appropriation/(Funding)		(115,127)	(115,127)		(65,127)	(65,127)	(65,127)	(15,127)	(15,127)	(15,127)
Grand Total		1,000	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: F50 - NLR Cemetery - Federal

Funding Sources: FVV - NLR Cemetery - Federal

This appropriation is utilized to support expansion of the State Veterans Cemetery located in North Little Rock, Arkansas. This project is 100% financed by federal grant AR-12-05 from the Veterans Cemetery Grants Service of the U.S. Department of Veterans Affairs.

The Agency Request is Base Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F50 - NLR Cemetery - Federal

Funding Sources: FVV - NLR Cemetery - Federal

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	699,764	408,494	408,494	408,494	408,494	408,494	408,494	408,494	408,494
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	109,655	41,039	41,039	41,039	41,039	41,039	41,039	41,039	41,039
Construction	5090005	1,578,762	689,529	689,529	689,529	689,529	689,529	689,529	689,529	689,529
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		2,388,181	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062
Funding Sources										
Federal Revenue	4000020	2,388,181	1,139,062		1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062
Total Funding		2,388,181	1,139,062		1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		2,388,181	1,139,062		1,139,062	1,139,062	1,139,062	1,139,062	1,139,062	1,139,062

Analysis of Budget Request

Appropriation: M49 - Veterans' Home Cash

Funding Sources: NVA - ADVA Treasury Cash

This appropriation is cash funded and is utilized to support the design and construction of a Veterans Home long-term care facility in North Little Rock.

The Base Level request is $483,000 each year of the biennium.

The Agency is requesting $102,727 increase in FY16 and $152,727 increase in FY17 in Operating Expenses to support the design and construction of the New Veterans Home.

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

Appropriation Summary

Appropriation: M49 - Veterans' Home Cash

Funding Sources: NVA - ADVA Treasury Cash

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	29,923	483,000	483,000	483,000	585,727	585,727	483,000	635,727	635,727
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		29,923	483,000	483,000	483,000	585,727	585,727	483,000	635,727	635,727
Funding Sources										
Fund Balance	4000005	501,664	535,727		152,727	152,727	152,727	0	0	0
Cash Fund	4000045	63,986	100,000		150,000	150,000	150,000	200,000	200,000	200,000
Total Funding		565,650	635,727		302,727	302,727	302,727	200,000	200,000	200,000
Excess Appropriation/(Funding)		(535,727)	(152,727)		180,273	283,000	283,000	283,000	435,727	435,727
Grand Total		29,923	483,000		483,000	585,727	585,727	483,000	635,727	635,727

Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: M49 - Veterans' Home Cash
Funding Sources: NVA - ADVA Treasury Cash

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**483,000**	**0**	**483,000**	**100.0**	**483,000**	**0**	**483,000**	**100.0**
C01	Existing Program	102,727	0	585,727	121.3	152,727	0	635,727	131.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**483,000**	**0**	**483,000**	**100.0**	**483,000**	**0**	**483,000**	**100.0**
C01	Existing Program	102,727	0	585,727	121.3	152,727	0	635,727	131.6

Justification	
C01	Agency request $102,727 increase in Operating Expenses in FY16 and $152,727 increase from Base Level in FY17 to support the design and construction of the New Veterans Home.

VETERANS' CHILD WELFARE SERVICE OFFICE

Enabling Laws

Act 198 of 2014
A.C.A. §20-81-101

History and Organization

The American Legion Child Welfare Division originated as a unit of the American Legion in 1923 to provide aid to the needy children of hospitalized and deceased veterans. Funds were provided through the American Legion Posts and Auxiliary Units.

Act 189 of 1969 changed the name of the Agency to the Arkansas Veterans Child Welfare Service Office. The Agency was put under the supervision of a Director appointed by the Governor upon written recommendation by the governing body of the American Legion Department of Arkansas. The Agency was delegated the responsibility of establishing temporary and interim welfare assistance for the minor age children of hospitalized and recently deceased Honorably Discharged Veterans who reside in Arkansas.

Act 100 of 1997 allowed our Agency to assist children of Honorably Discharged Arkansas Veterans who are deceased, hospitalized or medically incapacitated. Funds for the Agency are procured by funded appropriation from the State of Arkansas and from the American Legion Posts and Auxiliary Units through memorials, donations and contributions received throughout the year.

Agency Commentary

The Veterans Child Welfare Service Office is delegated the responsibility of providing temporary assistance to the minor age children of Honorably Discharged Veterans if recently deceased, hospitalized or medically incapacitated. Funding for this Agency consists of general revenue funding. The Agency consists of two (2) positions: Veterans Child Welfare Director and Business Operations Specialist.

The Board is requesting an increase in Operating Expenses each year in the amount of $1,000 to cover office supplies, building & contents insurance and an increase in the monthly DIS bill.

Findings	Recommendations

Ark. Code Ann. § 20-81-101(b)(1) allows the Agency to establish a program to provide temporary assistance for minor children of honorably discharged Arkansas veterans who are deceased or medically incapacitated. One form of assistance the Agency offers is paying delinquent rent or house payments and utilities for up to three months during a one-year period. The Agency requires clients to submit an application along with a statement from the landlord or mortgage company verifying the amount owed. If the client requires assistance with utilities, copies of utility bills must also be provided.

Review of rent or house payment assistance revealed the following:

- Supporting documentation for three payments clearly listed the client accounts as delinquent for three and one-half months, which exceeded the three-month limit established by the Agency. Excess assistance totaled $974.
- Supporting documentation for one payment clearly listed the client account as delinquent for four months, which exceeded the three-month limit established by the Agency. Excess assistance totaled $400.
- Supporting documentation for one payment clearly stated that the assistance represented a down payment totaling $2,400. The Agency does not have established policies for this type of assistance. This client also received three months assistance with house payments totaling $2,160.

Although the Agency is authorized to operate an assistance program, proper segregation of duties requires that the custody of assets, authorization of related transactions affecting those assets, and recording of related transactions be segregated. Adequate controls are not in place due to the limited number of personnel, and as a result, disbursements are being made outside the established criteria.

The Agency also offers temporary assistance to clients using state warrants payable to WalMart. DLA staff were unable to determine the criteria the Agency used in determining client eligibility. DLA staff reviewed award letters issued to clients that instructed clients to go to the service desk at WalMart and show the manager the letter of instruction, a separate document specifically for WalMart, and the warrant. The

Establish control procedures to ensure adherence to existing policies concerning assistance for rent or house payments.

We also recommend the Agency re-evaluate the assistance offered through issuance of warrants payable to WalMart. The Agency should establish additional policies documenting criteria for eligibility and must establish control procedures to ensure appropriate documentation is consistently provided.

Agency Response:

This finding concerns the length and amount of our assistance as well as a reference to WalMart assistance provided to some families. We have established basic internal guidelines which we use to provide assistance. To think that all veterans require the same level of assistance or that we must have an absolute limit on how much assistance we can provide, places a limit on us which the acts of Arkansas never intended. Any instance of providing more than 3 months of assistance is an exception to our guidelines, not our norm. We handle each veteran's children's needs on a case by case basis. Our goal is to keep that child in the home and off the streets. A homeless veteran with children is a really sad situation.

The auditor took serious issue with the WalMart assistance we provide to some families. The use of WalMart has been a part of this Agency for many years. I [the Director] did not start the program but I will defend it. We help the veteran provide for the basic needs of his/her children through the use of WalMart. Many children are able to go to school properly clothed and with adequate school supplies because of the use of WalMart. Shoes, clothing, school supplies, food, as well as other necessities can be purchased at WalMart to fill the needs of these children. The WalMart needs are as varied as the needs of each individual veteran. Every action taken by this Agency in its 90 plus years since inception has been within the guidelines of the various Arkansas Acts which govern it and all action taken is to help the children of the veterans who honorably served our country.

Findings	Recommendations

award letter identifies the items allowable for purchase, which typically include food, school supplies, children's clothing, toiletries, cleaning and laundry supplies, and gasoline. The award letter also instructs the client to mail the receipts supporting the purchases to the Agency in the stamped envelopes provided.

The letter of instruction provided to WalMart identifies the items allowable for purchase as well as items that are unallowable (e.g., magazines, tobacco products, alcoholic beverages, toys, and CDs), giving the appearance that the Agency is placing responsibility with WalMart to monitor items purchased, although WalMart is not considered part of the control structure of the Agency.

Additionally, the Agency requests that WalMart allow the client to place unspent monies from the warrant on a gift card for future use.

The Agency issued warrants payable to WalMart totaling $4,350. DLA staff reviewed the supporting documentation for these warrants to determine compliance with the Agency award letters. Our review revealed $3,116 not supported by adequate documentation as follows:

- Two receipts provided as support for purchases from a warrant totaling $1,000 did not indicate payment was tendered with a warrant or gift card.
- Four receipts provided as support for purchases from a warrant totaling $1,500 did not indicate payment was tendered with a warrant or gift card. In addition, two receipts provided were from Big Lots, and one receipt was from Target.
- Three $600 warrants were issued to WalMart on behalf of one client. Receipts provided as support for purchases from the first warrant were considered adequate. However, purchases from the second warrant totaling $16 were not supported, and there were no receipts supporting purchases from the third $600 warrant.

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	1	1	2	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			2	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	NA	N	N	0	NA	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
2	2	0	2	0	0.00 %	2	2	0	2	0	0.00 %	2	2	0	2	0	0.00 %

Analysis of Budget Request

Appropriation: 064 - Vet Child Welfare Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Veterans Child Welfare Service offers temporary financial assistance to the minor children of recently deceased, hospitalized or medically incapacitated veterans with limited or no income, until a more permanent source of income is established. Veterans and their families are eligible for assistance for up to three months with rent or house payments and utilities. Additional assistance will be at the Director's discretion. The Staff also counsels with families and refers them to other agencies for further assistance. The program is also subsidized by the American Legion and its Auxiliary. This appropriation is funded from general revenue.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Base Level request is $160,519 each year of the biennium.

The Agency's Change Level request is $1,000 each year of the biennium and provides for an increase in Operating Expenses in the amount of $1,000. This increase will provide for $200 in office supplies, $300 for building & contents insurance and $500 due to an increase in the monthly DIS bill.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 064 - Vet Child Welfare Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	85,686	83,805	83,805	84,631	84,631	84,631	84,631	84,631	84,631
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	29,179	28,621	28,235	29,096	29,096	29,096	29,096	29,096	29,096
Operating Expenses	5020002	2,019	2,432	2,432	2,432	3,432	3,432	2,432	3,432	3,432
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
Grants and Aid	5100004	35,763	44,360	44,746	44,360	44,360	44,360	44,360	44,360	44,360
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		152,647	159,218	159,218	160,519	161,519	161,519	160,519	161,519	161,519
Funding Sources										
General Revenue	4000010	152,647	159,218		160,519	161,519	161,519	160,519	161,519	161,519
Total Funding		152,647	159,218		160,519	161,519	161,519	160,519	161,519	161,519
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		152,647	159,218		160,519	161,519	161,519	160,519	161,519	161,519

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 064 - Vet Child Welfare Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**160,519**	**2**	**160,519**	**100.0**	**160,519**	**2**	**160,519**	**100.0**
C01	Existing Program	1,000	0	161,519	100.6	1,000	0	161,519	100.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**160,519**	**2**	**160,519**	**100.0**	**160,519**	**2**	**160,519**	**100.0**
C01	Existing Program	1,000	0	161,519	100.6	1,000	0	161,519	100.6

Justification	
C01	$1,000 increase in Operating Expenses reflects agency request of $200 in Office Supplies, $300 for Building & Contents Insurance and $500 increase due to the increase of monthly DIS bill.

WORKERS' COMPENSATION COMMISSION

Enabling Laws

Act 236 of 2014
Constitution of Arkansas Amendment 7
Constitution of Arkansas Amendment 26

History and Organization

Workers' compensation insurance is directed to the moral, social and economic benefits of protecting employers, employees, and their dependents from financial burdens imposed by job-related injury and disease. Arkansas law provides that employers in categories not specifically exempted must provide insurance coverage for employee costs incurred as a result of job-related accidents and disease.

The Arkansas Workers' Compensation Commission (WCC) enforces the workers' compensation law to ensure that all covered employer‘s secure insurance coverage from commercial carriers or through self-insurance programs. In addition, the Commission regulates workers' compensation awards to insure that benefit providers make correct and timely payments to eligible claimants.

The extent of disability and the fairness of total compensation can be an item of dispute among the parties involved. The Arkansas Workers' Compensation Commission, through its three Commissioners and a staff of Administrative Law Judges, adjudicates disputed workers' compensation cases with binding decisions that can be appealed to the Arkansas Court of Appeals and the Arkansas Supreme Court.

The constitutional authority for the organization and operation of the Arkansas Workers' Compensation Commission is found in Amendment No. 26 to the Constitution of the State of Arkansas, which was adopted by the people at the General Election held November 8, 1938. The amendment provides that the General Assembly shall have the power to enact laws prescribing the amount of compensation to be paid by employers for injuries to or death of employees and to provide the means, methods and forum for adjudicating claims under said law.

Pursuant to the constitutional authority, the people of the State of Arkansas, acting under the Initiated and Referendum amendment (Amendment 7) to the Constitution of Arkansas, adopted Initiated Act No. 4 of 1948 known as the Workmen's Compensation Law. The Act, together with certain amendments, now comprises the workers' compensation law of this state.

The Commission

The three-member commission is responsible for the administration of the workers' compensation law in Arkansas. The Commissioners are appointed by the Governor for a term of six years. One of the Commissioners represents the interests of labor, another management, and the Chairman acts as a neutral party, representing the interests of the public.

The administrative and regulatory functions of the Arkansas Workers' Compensation Commission include monitoring all claims and benefit payments to injured workers, processing settlements, lump sum payments, and requests for changes of physicians; ensuring that employers maintain required insurance coverage; approving applications of employers to act as self-insurers; and participating in programs to explain the functions of the Commission to the general public. The divisions that assist in carrying out these functions are: Adjudication, Administrative Services, Clerk of the Commission, Data Processing, Health and Safety, Legal Advisor, Medical Cost Containment, Operations and Compliance, Self-Insurance, Special Funds, and Support Services. These divisions operate under the direction of a Chief Executive Officer.

Adjudication

It is the function and responsibility of the Adjudication Division to see that the primary purposes of the workers' compensation laws are accomplished. Specifically, that timely temporary and permanent disability benefits are paid to all legitimately injured workers who suffer an injury or disease arising out of and in the course of their employment, together with reasonable and necessary medical expenses, before returning them to the work force.

The Division is currently staffed by twelve (12) Administrative Law Judges (ALJs), and nine (9) Administrative Assistants as support staff. Nine (9) ALJs have offices in Little Rock, two (2) are in Fort Smith, and one (1) is located in Springdale.

Based upon the number of claims filed within each county, Arkansas has been divided into six (6) geographic districts. Administrative Law Judges travel throughout the state within an assigned district and conduct hearings when disputes arise between injured employees and their employers and/or insurance carriers. Cases are assigned according to the county in which the incident occurred. Pulaski County cases are assigned to all ALJs who have offices in Little Rock as a means of balancing the overall caseload.

Clerk of the Commission

The Clerk's office was established to serve as a conduit for filing, processing and internal routing of pleadings, legal documents and other notices received by the Workers' Compensation Commission. This office is responsible for the assignment of all cases to the Administrative Law Judges and Legal Advisors. In addition, the Clerk maintains the required dockets for cases appealed to the Full Commission, prepares the record/transcripts for lodging with the Court of Appeals, reviews the record on appealed cases, certifies record composition, and certifies copies of documents from the commission files requested in writing from interested parties.

Administrative Services

Fiscal Section:

The Commission's operations are funded from a premium tax (limited by law to three percent) on workers' compensation premiums paid by

insurance companies writing workers' compensation policies, companies qualifying as self-insurers, and all public employers. The Fiscal Section of the Administrative Services Division disburses these funds. All purchasing, accounting, investments, travel and budget analyses are the responsibility of this division.

Human Resources Section:
The Human Resources section of the Administrative Services Division is responsible for developing, implementing and monitoring Commission human resource systems and policy, as well as payroll transactions. Job announcement, interviewing and selection of applicants, performance evaluation, leave accounting, quality management, training and the switchboard are administered by the division. In addition, human resources coordinates with the Office of Personnel Management, provides support to the Chief Executive Officer in the compilation and analysis of Commission personnel budget requests, and counsels with agency management and staff regarding the resolution of sensitive issues associated with performance, discipline, promotion, and selection or other related matters.

Information Technology
The IT Division is responsible for the automation of the Commission. The backbone of the system is an in-house developed application that captures data from the inception of a claim and maintains and updates this data throughout the life of the claim. The Division currently maintains databases consisting of reported claims, employers, insurance carriers and adjusters, and various other supporting databases.

Health and Safety
Act 796 of 1993 created the Health and Safety Division that serves as a resource center on safety issues pertinent to employers and employees in Arkansas. Within the Division are the following sections: Accident Prevention Section, Hazardous Employer Section, Job Safety Information Section, and Education and Training Section.

Legal Advisor
The Legal Advisor Division is a dispute resolution system created to provide legal information and assistance to interested parties who have questions concerning the Arkansas workers' compensation law. The Legal Advisors are attorneys who know both the law and the procedures through which the parties must navigate during the claims process. The Division gives presentations at various conferences and meetings, and will make on-site visits to businesses when invited to do so. The Legal Advisors serve as a link between unrepresented claimants and insurance adjusters, and often help resolve problems before they escalate into issues that must be litigated.

Legal Advisors also conduct mediations, legal advisor conferences, and assist the Commission staff.

Medical Cost Containment
The major function of this Division is to oversee the Medical Fee Schedule, which limits the reimbursement to providers for treatment rendered to injured workers and the administration of the Comprehensive Managed Care Program (including requests for changes of physician), which was established by Act 796 of 1993.

Operations and Compliance

The Operations section of this Division is concerned primarily with the processing of compensation claims filed directly with the Commission by parties other than the employer receives and establishes files for all First Reports of Injury. The Compliance section is the investigative arm of the Commission, making certain all employers under the law have secured payment of compensation. Act 796 of 1993 provided for Certificates of Non-Coverage (CnC), which are processed by the Compliance section.

Self-Insurance

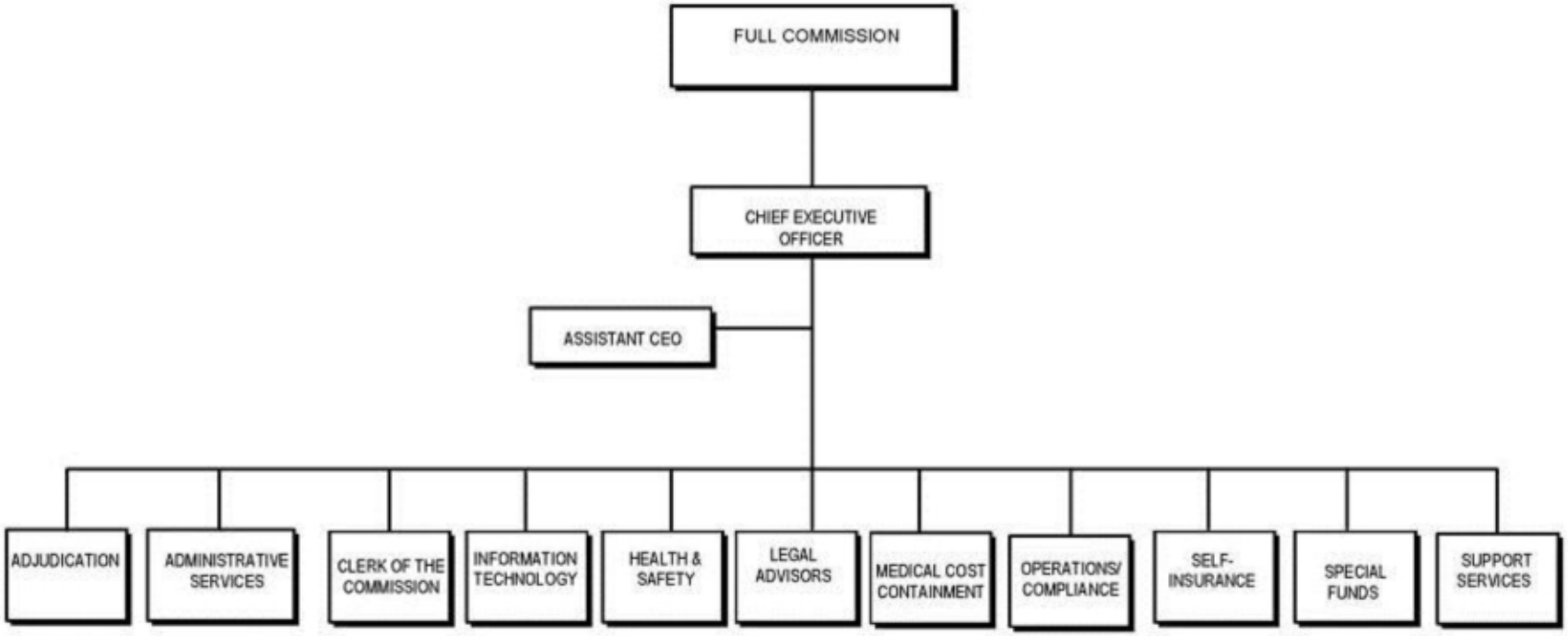
The Commissionʻs Self-Insurance Division is responsible for the administration and regulation of the Self-Insurance Program in Arkansas. Commission Rule 099.05 governs the operation of the program. The Division processes the applications for individual self-insurance, group self-insurance, group members, and applications for third-party administrators. The Division prepares an annual renewal evaluation on both individual self-insurers and group self-insurers, subject to Commission approval, to renew the Certificate of Authority for Self-Insurance. The Division prepares annual renewal evaluations on third-party administrators, subject to Commission approval, for renewal of their Certificate of Authority to act as a Third-Party Administrator. The Division also collects the workers' compensation premium tax from the self-insurers and group self-insurers. The Division also administers Rule 099.39 (report card monitoring) for the insurance companies, self-insurers and TPA's.

Special Funds

The Special Funds Division is comprised of two individual funds, the Second Injury Trust Fund and the Death and Permanent Total Disability Trust Fund. The Second Injury Trust Fund was statutorily created to encourage employment of disabled workers by limiting, in the event of subsequent injury, the employer's liability for permanent disability benefits. Act 1415 of 2007 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Death and Permanent Total Disability Trust Fund pays weekly benefits to permanent and totally disabled workers or dependents of deceased workers after the workers' compensation insurer has paid indemnity liability of a threshold amount that is equal to 325 times the maximum total disability rate at the time of the injury.

Support Services

This division coordinates the annual educational conference programs for the Commission. Support Services prepares the agency biennial report from information compiled by the IT Division. This Division is responsible for maintaining and operating all mailroom activities for the Commission and supporting the District offices. Support Services oversees the Commissions security and maintenance of its buildings.



Agency Commentary

The Arkansas Workers' Compensation Commission operates with four appropriations. These are:

Appropriation 866 - Seminar
Appropriation 203 - Death & Permanent Total Disability Claims
Appropriation 355 - WCC Administration
Appropriation 356 - Second Injury Claims

Appropriation 866 - Seminar
The Commission annually hosts AWCC Educational Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conferences.
The Commission is requesting only the continuation of Base Level for each year of the biennium.

Appropriation 203 - Death and Permanent Total Disability Claims
This appropriation contains three parts:

- Refund of Taxes - To address premium tax overpayments
- Claims - The Commission is requesting continuation at Base Level for each year of the biennium
- Investments - The Commission is requesting a change level decrease of $7,000,000 for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer

Appropriation 355 - WCC Administration
This appropriation is to pay expenditures related to the operation of the Commission such as Regular Salaries and Personal Services Matching for all Commission employees, Operating Expenses, Conference Fees and Travel, Professional Fees, and Capital Outlay. Included in Base Level are 146 positions each year. The change level requests include the following:

- Operating Expenses - The Commission is requesting continuation at Base Level for utilities, minor building repairs and maintenance, debt service, and fuel cost.
- Capital Outlay - $40,000 is requested as a change level increase. This increase will be necessary to purchase a new vehicle as a replacement of an existing vehicle if needed and for additions to our law library.
- Computer Hardware/Software - $243,800 is requested for each year of the biennium, this is a change level decrease of $16,200. This request is in accordance with the Commission's information technology plan.
- Personnel - The Commission is requesting discontinuing two positions for a change level decrease of $45,066 plus matching of $20,208 for a total decrease of $65,274.
- Investments - The Commission is requesting a change level decrease of $1,000,000 for each year of the biennium for investments in the Money Market Management Fund at the Office of the Treasurer.
- Building Repairs/Maintenance - $500,000 is requested for each year of the biennium for a Capital Project request. This request is a change level increase of $394,550.

Appropriation 356 - Second Injury Claims
This appropriation contains two parts:

- Refund of Taxes - To refund premium tax overpayments.

- Claims - The Commission is requesting a change level decrease of $3,000,000 for each year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
WORKERS' COMPENSATION COMMISSION

FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

State Contracts Over $50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	26	52	78	75 %
Black Employees	4	20	24	23 %
Other Racial Minorities	0	2	2	2 %
Total Minorities			26	25 %
Total Employees			104	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	11-9-208	N	N	25	To meet the requirements of ACA 11-9-208 and to have sufficient copies for interested parties.	25	15.00
Biennial Report	11-9-208	Y	Y	50	To meet the requirements of Act 1276 and ACA 11-9-208 and to have sufficient copies for interested parties.	50	25.00

Department Appropriation Summary

Appropriation		Historical Data 2013-2014 Actual	Pos	2014-2015 Budget	Pos	2014-2015 Authorized	Pos	Agency Request and Executive Recommendation 2015-2016 Base Level	Pos	Agency	Pos	Executive	Pos	2016-2017 Base Level	Pos	Agency	Pos	Executive	Pos
203	Refunds and Claims	15,600,277	0	158,750,000	0	158,750,000	0	158,750,000	0	151,750,000	0	151,750,000	0	158,750,000	0	151,750,000	0	151,750,000	0
355	Administration	9,735,835	109	27,768,565	146	28,041,892	146	27,812,558	146	26,771,084	144	26,771,084	144	27,819,815	146	26,778,341	144	26,778,341	144
356	Second Injury Claims	26,891	0	7,250,000	0	7,250,000	0	7,250,000	0	4,250,000	0	4,250,000	0	7,250,000	0	4,250,000	0	4,250,000	0
866	Seminar-Cash in Treasury	10,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0
99T	Building Repair	0	0	105,450	0	105,450	0	105,450	0	500,000	0	105,450	0	105,450	0	500,000	0	105,450	0
Total		25,373,003	109	194,014,015	146	194,287,342	146	194,058,008	146	183,411,084	144	183,016,534	144	194,065,265	146	183,418,341	144	183,023,791	144
Funding Sources			%		%				%		%		%		%		%		%
Fund Balance	4000005	134,386,011	86.9	129,236,604	66.5			181,290	0.3	181,290	0.3	181,290	0.3	0	0.0	0	0.0	0	0.0
Cash Fund	4000045	409	0.0	33,000	0.0			33,000	0.1	33,000	0.1	33,000	0.1	33,000	0.1	33,000	0.1	33,000	0.1
Trust Fund	4000050	20,223,187	13.1	64,925,701	33.4			53,874,255	99.6	54,268,805	99.6	53,874,255	99.6	53,874,255	99.9	54,268,805	99.9	53,874,255	99.9
Total Funds		154,609,607	100.0	194,195,305	100.0			54,088,545	100.0	54,483,095	100.0	54,088,545	100.0	53,907,255	100.0	54,301,805	100.0	53,907,255	100.0
Excess Appropriation/(Funding)		(129,236,604)		(181,290)				139,969,463		128,927,989		128,927,989		140,158,010		129,116,536		129,116,536	
Grand Total		25,373,003		194,014,015				194,058,008		183,411,084		183,016,534		194,065,265		183,418,341		183,023,791	

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
148	110	38	148	0	25.68 %	146	102	44	146	0	30.14 %	146	105	41	146	0	28.08 %

Analysis of Budget Request

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

The Workers' Compensation Commission administers the Death and Permanent Disability Claims Program as established by Act 221 of 1973 (ACA §11-9-301 et seq.) An employee or dependent that has received the maximum benefit of $75,000 from his/her employer under the provisions of Act 221 of 1973 is then eligible to receive benefits payable by the Commission from this appropriation. Funding is derived from the premium taxing authority authorized in Act 393 of 1983.

The Agency's Base Level is $158,750,000 each year of the 2015-2017 Biennium which includes Refunds/Reimbursements, Claims, and Investments.

The Commission is requesting a Change Level decrease of ($7,000,000) each year of the biennium in the Investments line item due to declining revenue.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	523,047	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Claims	5110015	15,077,230	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Investments	5120013	0	137,000,000	137,000,000	137,000,000	130,000,000	130,000,000	137,000,000	130,000,000	130,000,000
Total		15,600,277	158,750,000	158,750,000	158,750,000	151,750,000	151,750,000	158,750,000	151,750,000	151,750,000
Funding Sources										
Fund Balance	4000005	122,508,721	117,381,305		177,210	177,210	177,210	0	0	0
Trust Fund	4000050	10,472,861	41,545,905		34,545,905	34,545,905	34,545,905	34,545,905	34,545,905	34,545,905
Total Funding		132,981,582	158,927,210		34,723,115	34,723,115	34,723,115	34,545,905	34,545,905	34,545,905
Excess Appropriation/(Funding)		(117,381,305)	(177,210)		124,026,885	117,026,885	117,026,885	124,204,095	117,204,095	117,204,095
Grand Total		15,600,277	158,750,000		158,750,000	151,750,000	151,750,000	158,750,000	151,750,000	151,750,000

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

Appropriation: 203 - Refunds and Claims
Funding Sources: TDP - Death & Permanent Total Disability Trust

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**158,750,000**	**0**	**158,750,000**	**100.0**	**158,750,000**	**0**	**158,750,000**	**100.0**
C03	Discontinue Program	(7,000,000)	0	151,750,000	95.6	(7,000,000)	0	151,750,000	95.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**158,750,000**	**0**	**158,750,000**	**100.0**	**158,750,000**	**0**	**158,750,000**	**100.0**
C03	Discontinue Program	(7,000,000)	0	151,750,000	95.6	(7,000,000)	0	151,750,000	95.6

Justification	
C03	The Commission is requesting a decrease in the investment appropriation of $7,000,000 due to declining revenue.

Analysis of Budget Request

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

The Workers' Compensation Commission (WCC) Administration appropriation is comprised of all administrative and judicial functions within the Commission. Funding is derived from a premium tax (limited by law to 3%) on workers' compensation insurance premiums.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a $10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of $420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency's Base Level request is $27,812,558 in FY16 and $27,819,815 in FY17 with one hundred forty-six (146) budgeted base level positions.

The Agency's Change Level requests totaling ($1,041,474) each year are as follows:

- Discontinue two (2) positions, an Administrative Specialist III Grade C112 and Mail Services Coordinator Grade C107, totaling ($65,274) each year in Regular Salaries and Personal Services Matching, due to the duties being absorbed through technology.
- Reclassifications on three (3) positions: a (C009C) Hearing Reporter Grade C118 to (C010C) Executive Assistant to Director Grade C118; a (G076C) Administrative Services Manager Grade C124 to (A042C) Insurance Senior Examiner Grade C122; and a (X123C) Insurance Investigator Grade C116 to (A093C) Statistician Grade C114.
- Capital Outlay increase $40,000 each year for the purchase of a new vehicle and Library Holdings.
- Investments decrease ($1,000,000) each year.
- Computer Software/Hardware decrease ($16,200) each year.

The Executive Recommendation provides for the Agency Request, with the exception of the position reclassifications.

Appropriation Summary

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Regular Salaries	5010000	6,043,288	7,249,888	7,484,141	7,291,317	7,246,251	7,246,251	7,296,317	7,251,251	7,251,251
#Positions		**109**	**146**	**146**	**146**	**144**	**144**	**146**	**144**	**144**
Extra Help	5010001	22,688	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	2,075,695	2,349,533	2,388,607	2,382,097	2,361,889	2,361,889	2,384,354	2,364,146	2,364,146
Overtime	5010006	10	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Expenses	5020002	1,003,008	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084	1,719,084
Conference & Travel Expenses	5050009	12,295	96,096	96,096	96,096	96,096	96,096	96,096	96,096	96,096
Professional Fees	5060010	22,915	268,464	268,464	268,464	268,464	268,464	268,464	268,464	268,464
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	492,312	685,500	685,500	685,500	685,500	685,500	685,500	685,500	685,500
Capital Outlay	5120011	3,355	30,000	30,000	0	40,000	40,000	0	40,000	40,000
Investments	5120013	0	15,000,000	15,000,000	15,000,000	14,000,000	14,000,000	15,000,000	14,000,000	14,000,000
Computer Software/Hardware	5900044	60,269	260,000	260,000	260,000	243,800	243,800	260,000	243,800	243,800
Total		9,735,835	27,768,565	28,041,892	27,812,558	26,771,084	26,771,084	27,819,815	26,778,341	26,778,341
Funding Sources										
Fund Balance	4000005	10,208,154	10,219,219		0	0	0	0	0	0
Trust Fund	4000050	9,746,900	17,549,346		16,500,000	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000
Total Funding		19,955,054	27,768,565		16,500,000	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000
Excess Appropriation/(Funding)		(10,219,219)	0		11,312,558	10,271,084	10,271,084	11,319,815	10,278,341	10,278,341
Grand Total		9,735,835	27,768,565		27,812,558	26,771,084	26,771,084	27,819,815	26,778,341	26,778,341

Investments provide appropriation authority to reinvest Commission fund balances in both years of the biennium.

Change Level by Appropriation

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**27,812,558**	**146**	**27,812,558**	**100.0**	**27,819,815**	**146**	**27,819,815**	**100.0**
C01	Existing Program	40,000	0	27,852,558	100.1	40,000	0	27,859,815	100.1
C03	Discontinue Program	(1,081,474)	(2)	26,771,084	96.3	(1,081,474)	(2)	26,778,341	96.3
C10	Reclass	0	0	26,771,084	96.3	0	0	26,778,341	96.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**27,812,558**	**146**	**27,812,558**	**100.0**	**27,819,815**	**146**	**27,819,815**	**100.0**
C01	Existing Program	40,000	0	27,852,558	100.1	40,000	0	27,859,815	100.1
C03	Discontinue Program	(1,081,474)	(2)	26,771,084	96.3	(1,081,474)	(2)	26,778,341	96.3
C10	Reclass	0	0	26,771,084	96.3	0	0	26,778,341	96.3

Justification	
C01	The Commission is requesting a change level increase of $40,000 for capital outlay. This appropriation is necessary for a car and Library Holdings.
C03	The Commission is requesting the following change level decreases: 1. To discontinue two positions, this is a change level decrease of $65,274. The duties of these positions have been absorbed through technology. 2. A change level decrease of $16,200 in our computer hardware/software appropriation. 3. A change level decrease of $1,000,000 in the investment appropriation.
C10	This request is for reclassifications on three (3) positions: a (C009C) Hearing Reporter Grade C118 to (C010C) Executive Assistant to Director Grade C118; a (G076C) Administrative Services Manager Grade C124 to (A042C) Insurance Senior Examiner Grade C122; and a (X123C) Insurance Investigator Grade C116 to (A093C) Statitician Grade C114.

Analysis of Budget Request

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

The Workers' Compensation Commission administers a Second Injury Claims Fund A.C.A. 19-5-911 for the purpose of paying claims of permanently disabled persons in accordance with Act 253 of 1979. Funding is derived from the premium taxing authority authorized by Act 393 of 1983. Act 1415 of 200 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Commission appropriation need for this program is due to claims prior to January 1, 2008.

Base Level is $7,250,000 each year of the 2015-2017 Biennium which includes Refunds/Reimbursements and Claims.

The Agency's Change Level request is a decrease each year of ($3,000,000) in the Claims line item due to the Commission no longer taking new recipients for this program. The Agency is currently working with 100 to 200 injured workers. The total request for this appropriation is $4,250,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 356 - Second Injury Claims
Funding Sources: TSW - Second Injury Trust Fund

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		**Actual**	**Budget**	**Authorized**	**Base Level**	**Agency**	**Executive**	**Base Level**	**Agency**	**Executive**
Refunds/Reimbursements	5110014	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Claims	5110015	26,891	7,000,000	7,000,000	7,000,000	4,000,000	4,000,000	7,000,000	4,000,000	4,000,000
Total		26,891	7,250,000	7,250,000	7,250,000	4,250,000	4,250,000	7,250,000	4,250,000	4,250,000
Funding Sources										
Fund Balance	4000005	1,550,584	1,527,119		2,119	2,119	2,119	0	0	0
Trust Fund	4000050	3,426	5,725,000		2,722,900	2,722,900	2,722,900	2,722,900	2,722,900	2,722,900
Total Funding		1,554,010	7,252,119		2,725,019	2,725,019	2,725,019	2,722,900	2,722,900	2,722,900
Excess Appropriation/(Funding)		(1,527,119)	(2,119)		4,524,981	1,524,981	1,524,981	4,527,100	1,527,100	1,527,100
Grand Total		26,891	7,250,000		7,250,000	4,250,000	4,250,000	7,250,000	4,250,000	4,250,000

Change Level by Appropriation

Appropriation: 356 - Second Injury Claims
Funding Sources: TSW - Second Injury Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,250,000**	**0**	**7,250,000**	**100.0**	**7,250,000**	**0**	**7,250,000**	**100.0**
C03	Discontinue Program	(3,000,000)	0	4,250,000	58.6	(3,000,000)	0	4,250,000	58.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**7,250,000**	**0**	**7,250,000**	**100.0**	**7,250,000**	**0**	**7,250,000**	**100.0**
C03	Discontinue Program	(3,000,000)	0	4,250,000	58.6	(3,000,000)	0	4,250,000	58.6

Justification	
C03	The Commission is requesting a change level decrease in the Second Injury claims appropriation of $3,000,000 due to the Commission no longer taking new recipients for this program.

Analysis of Budget Request

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

The Workers' Compensation Commission (WCC) annually hosts the Arkansas WCC Education Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conference and contribute to "Kids Chance" scholarships. This scholarship program assists the children of employees who died as a result of a job-related accident or children of employees who were permanently and totally disabled in a compensable accident under the state workers' compensation laws. The scholarships allow students to continue their education at a vocational/technical school, college, or a university.

The Commission requests Base Level of $140,000 each year of the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 866 - Seminar-Cash in Treasury
Funding Sources: NWC - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation					
		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Scholarships	5100030	10,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		10,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Funding Sources										
Fund Balance	4000005	118,552	108,961		1,961	1,961	1,961	0	0	0
Cash Fund	4000045	409	33,000		33,000	33,000	33,000	33,000	33,000	33,000
Total Funding		118,961	141,961		34,961	34,961	34,961	33,000	33,000	33,000
Excess Appropriation/(Funding)		(108,961)	(1,961)		105,039	105,039	105,039	107,000	107,000	107,000
Grand Total		10,000	140,000		140,000	140,000	140,000	140,000	140,000	140,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 99T - Building Repair

Funding Sources: TJW - Workers' Compensation Trust

This appropriation is for maintenance, renovation, equipping, construction, improvement, upgrade and repair projects for the Workers' Compensation Commission. It is funded from the Workers' Compensation Fund.

The Agency's Base Level request is $105,450 each year of the 2015-2017 Biennium which includes Building Repairs and Maintenance.

The Agency's Change Level request is an increase of $394,550 each year of the biennium. This request is to purchase a new HVAC system and for other major building repairs.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 99T - Building Repair
Funding Sources: TJW - Workers' Compensation Trust

	Historical Data			Agency Request and Executive Recommendation					
	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
Commitment Item	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Building Repairs and Maintenance 5090005	0	105,450	105,450	105,450	500,000	105,450	105,450	500,000	105,450
Total	0	105,450	105,450	105,450	500,000	105,450	105,450	500,000	105,450
Funding Sources									
Trust Fund 4000050	0	105,450		105,450	500,000	105,450	105,450	500,000	105,450
Total Funding	0	105,450		105,450	500,000	105,450	105,450	500,000	105,450
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	105,450		105,450	500,000	105,450	105,450	500,000	105,450

Change Level by Appropriation

Appropriation: 99T - Building Repair
Funding Sources: TJW - Workers' Compensation Trust

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**105,450**	**0**	**105,450**	**100.0**	**105,450**	**0**	**105,450**	**100.0**
C01	Existing Program	394,550	0	500,000	474.2	394,550	0	500,000	474.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	**Base Level**	**105,450**	**0**	**105,450**	**100.0**	**105,450**	**0**	**105,450**	**100.0**
C01	Existing Program	0	0	105,450	100.0	0	0	105,450	100.0

Justification	
C01	The Commission is requesting a change level increase of $394,550 for a new HVAC system and other major building repairs.