

PERFORMANCE EVALUATION & EXPENDITURE REVIEW (PEER) ITEMS COMMONLY REVIEWED

- **CASH FUND APPROPRIATION INCREASES**

Requests from various agencies, boards, commissions and institutions of higher education for additional appropriation authority to spend money which is maintained in financial institutions, or the State Treasury. Item (01) of Section 34 of Act 238 of 2010, appropriates \$300 million to the Department of Finance & Administration-Disbursing Officer. Agencies request a transfer from this appropriation from the Chief Fiscal Officer of the State who must approve it. Positions cannot be created or established in addition to those established in the agency's appropriation act.

- The Legislative Council **reviews** cash fund appropriation requests pursuant to Sections 48 and 49 of Act 238 of 2010 and A.C.A. 19-5-107.

- **MISCELLANEOUS FEDERAL GRANT APPROPRIATION REQUESTS**

Requests from various agencies for additional appropriation authority to spend unanticipated Federal grant funds. Federal funds are deposited in the State Treasury, with the exception primarily of institutions of higher education and the Department of Workforce Services, which deposit federal funds in financial institutions. Item (01) of Section 5 of Act 238 of 2010, appropriates \$2.5 billion to the Department of Finance & Administration-Disbursing Officer. Arkansas Code 19-7-501 et seq. establishes the procedures for the transfer of appropriation to the various agencies. The Governor and the Chief Fiscal Officer must approve the requests. Additional positions can be established. The salary rate of the position cannot exceed the highest rate authorized in the agency's appropriation act. The Personnel Subcommittee reviews position titles and grades for appropriateness.

- The Legislative Council provides **review** for all Miscellaneous Federal Grant requests pursuant to the Miscellaneous Federal Grant Programs Act, Arkansas Code 19-7-501 et. seq.

- **BUDGET CLASSIFICATION TRANSFERS**

Requests from various agencies, boards, commissions and institutions of higher education for transfer of appropriation only among the five (5) subclassifications of Maintenance and General Operation, which are operating expenses, conference fees and travel, professional fees and services, capital outlay and data processing. Transfers cannot increase the total amount appropriated nor can they be made from capital outlay or data processing, unless specifically authorized by law. Transfers can be made from capital outlay to data processing when the Department of Information Systems determines that they can provide services to the agency on a more cost efficient basis. The Chief Fiscal Officer of the State can approve transfers less than five (5) percent, up to \$2,500, of the affected subclassification. Cumulative transfers that exceed these amounts are submitted to the subcommittee by the Chief Fiscal Officer of the State, prior to his approval, along with his recommendation. These procedures are set out in Arkansas Code 19-4-522.

- The Legislative Council provides **review** for Budget Classification Transfer requests to A.C.A. 19-4-522.

- **CONTRACTS BETWEEN STATE AGENCIES**

Professional/Consultant Services contracts between state agencies with total amount of \$25,000 or more are forwarded by the Chief Fiscal Officer of the State for the Subcommittee's review.

- The Legislative Council **reviews** contracts between State Agencies as submitted by the Office of the State Procurement pursuant to Arkansas code 19-11-1011.

- **SUPPLEMENTAL PERSONAL SERVICES POSITIONS**

Requests from various agencies, boards, commissions and institutions of higher education for transfer of appropriation from maintenance and general operations to supplemental emergency salaries to establish new positions. Arkansas Code 21-5-301 et seq. sets out the procedures to be utilized. The positions can only be established when required to fulfill an agency's legal obligations which were not anticipated when their appropriation act was passed, are of a short-term emergency nature and the services cannot be provided by existing staff of any state agency. The salary rate of the position cannot exceed the highest rate authorized in the agency's appropriation act. The Personnel Subcommittee reviews position titles and grades for appropriateness.

- The Legislative Council provides **review** for Supplemental Personal Service Positions requests pursuant to A.C.A. 21-5-306.

- **REGULAR SALARY AND PERSONAL SERVICES MATCHING APPROPRIATION INCREASES (PAY PLAN HOLDING ACCOUNT)**

Requests from various agencies, boards, commissions and institutions of higher education for additional Treasury or Cash appropriation authority to pay Regular Salaries or Personal Services Matching or both. Sections 2 and 34 of Act 238 of 2010, provides appropriation authority to the Department of Finance & Administration - Disbursing Officer for Personal Services Matching and Regular Salaries for State Employees. Transfers are requested from these appropriations from the Chief Fiscal Officer of the State who must approve it for State Agencies or process the request for elected Constitutional Officers and their employees.

- The Legislative Council provides **review** for Regular Salary and Personal Services Matching appropriation increase request pursuant to Sections 40 through 43 and 50 of Act 238 of 2010.

- **REGULAR SALARY AND PERSONAL SERVICES MATCHING APPROPRIATION INCREASES (MERIT ADJUSTMENT FUND)**

Requests from various agencies, boards, commissions and institutions of higher education for additional appropriation authority and funding to pay Regular Salaries or Personal Services Matching or both. Sections 26 of Act 238 of 2010, provides appropriation and funding to the Department of Finance & Administration - Disbursing Officer for Personal Services Matching and Regular Salaries for State Employees. Transfers are requested from these appropriations from the Chief Fiscal Officer of the State who must approve it for State Agencies or process the request for elected Constitutional Officers and their employees.

- The Legislative Council provides **review** for Regular Salary and Personal Services Matching appropriation increase request pursuant to Sections 52 and 53 of Act 238 of 2010.

- **OVERTIME APPROPRIATION INCREASES**

Requests from various agencies, board, commissions and institutions of higher education for additional appropriation authority to pay overtime for state employees. Item (06) of Section 2 of Act 238 of 2010, appropriates \$5 million to the Dept. of Finance & Administration - Disbursing Officer. Arkansas Code 19-4-1612 establishes the procedures for the use of overtime appropriation by the various agencies. The Chief Fiscal Officer of the State specifies which employees are eligible for overtime in order to comply with the Federal Fair Labor Standards Act. Agencies request a transfer from this appropriation from the Chief Fiscal Officer of the State who must approve it.

- The Legislative Council provides **review** for Overtime Appropriation Increase request pursuant to Section 45 of Act 238 of 2010.

- **STUDENT ASSISTANCE GRANTS AND VARIOUS SCHOLARSHIP TRANSFERS**

Section 4 of Act 286 of 2010, provides appropriation authority to the Department of Higher Education for student assistance grants and various scholarships. Financial Aid Program funds and appropriations may be transferred between other financial aid programs, except funds and appropriations from either the Governor's Scholars Program or the Academic Challenge Scholarships Program may not be transferred in excess of \$1,000,000 in the aggregate in a fiscal year.

- The Legislative Council provides **review** of transfer requests for financial aid programs pursuant to Section 35 of Act 286 of 2010.

- **APPROPRIATION, FUND AND/OR POSITION TRANSFERS**

Requests from various agencies and institutions of higher education for transfers between any line item, fund source, department or division. Various provisions of law authorize these transfers and generally require the approval of both the Governor and the Chief Fiscal Officer of the State, or the Legislative Council.

- **ITEMS APPROVED ON AN EMERGENCY BASIS BY THE CHIEF FISCAL OFFICER OF THE STATE**

Any of the various requests normally reviewed by the Subcommittee from various agencies, boards, commissions and institutions of higher education, which have been approved by the Chief Fiscal Officer of the State prior to **review** by the Committee based upon emergency circumstances. The Subcommittee requires an explanation from the Chief Fiscal Officer of the State for such action.

- **MONTHLY REPORTS**

Monthly Revenue Report – Compares current actual state general revenues with the previous year and the official general revenue forecast.

General Improvement Fund Report – Reflects the current status of the General Improvement Fund (Construction Fund), including income and funds released.

Budget Stabilization Trust Fund Report – Reflects the Dept. of Finance & Administration's estimate of the fiscal year ending balance for this fund, which provides a cash flow mechanism to agencies for operating purposes.

Emergency Purchases Report – Reflects purchases made by state agencies on an emergency basis. Three (3) telephone quote bids are generally required for these purchases.

Tobacco Settlement Report - Summary of Tobacco Settlement monies received by the state reflecting income, expenses and fund balances.

State Central Services Fund Report - Reflects the financial condition of the State Central Services Fund.