

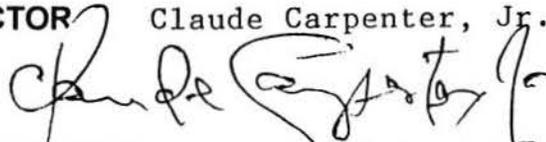
**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1999 - 2001**

The Arkansas Athletic Commission was created in 1927 by Act 131. It has a two-fold purpose. The first goal of the AAC is to protect the health, safety and welfare of the participants and the public, as they are involved in the professional sports regulated by the AAC. The second goal is to preserve and insure the entertainment value of the professional sports the AAC regulates.

The Arkansas Athletic Commission is funded from annual license fees of boxers, wrestlers, managers, matchmakers, promoters, referees, physicians, timekeepers, and other persons arranging, participating in, or otherwise dealing in matches and exhibitions regulated by the Commission. The Commission has authority to establish such fees in accordance with A.C.A. 17-22-204. Licenses are also granted to sponsors for a fee of 5% of the total gross receipts from admission charges not to exceed \$200 per exhibition. These funds are deposited in the State Treasury as non-revenue receipts.

The Commission is in agreement with the 2.8% cost of living increase in Regular Salaries for each year. There are no change level requests for the 1999-01 Biennium. The Commission is requesting special language that states:

Members shall be paid and receive a fee of no less than fifty dollars (\$50.00) per diem each day actually engaged in attending sporting events regulated by the Commission.

AGENCY Arkansas Athletic Commission	DIRECTOR Claude Carpenter, Jr. 	AGENCY PROGRAM COMMENTARY BR21	PAGE 2
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ARKANSAS STATE ATHLETIC COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1997

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 17,736	\$ 64	\$ 0	\$ 17,800	\$ 0	\$ 0	\$ 0	\$ 17,800		

Revenues					Expenditures				Other Sources (Uses)	
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 12,469	\$ 0	\$ 12,469	\$ 5,771	\$ 0	\$ 0	\$ 2,728	\$ 8,499	\$ 0

Findings

1. CASH RECEIPTS - The Agency did not issue prenumbered receipts for all income items as required by Part II, Chapter 16 of the State Accounting Procedures Manual. For the year ended June 30, 1997, the Agency made deposits of \$12,569.32. Of the total amount, \$6,229.05 was receipted, leaving \$6,340.27 in unreceipted deposits.

2. LICENSES - During the year ended June 30, 1996, the Agency began issuing license cards. Prior to this, a copy of the cash receipts also served as the licenses. These license cards were not issued in sequential order, a license was not issued for each cash receipt, and a proper inventory of the licenses was not maintained. Subsequent to June 30, 1997, the Agency ran out of these license cards. On October 27, 1997, the Agency made a deposit of \$1,486.15 for the period June 21, 1997 through October 27, 1997. During this time period, the Agency collected fees but did not issue licenses or make deposits to the State Treasury. In order to maintain proper internal control over the issuance of licenses, an inventory of licenses should be maintained, with purchases documented by a printer's certificate. Licenses should be issued in sequential order immediately upon the receipt of license fees. The Agency is currently working with the Department of Finance and Administration to develop an adequate receipting and licensing process.

Recommendations

1. Review and comply with Part II, Chapter 16 of the State Accounting Procedure Manual.

2. Establish adequate internal controls over the issuance of licenses.

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 209 - STATE ATHLETIC COMMISSION

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>1</u>	<u>0</u>	<u>1</u>	<u>100%</u>
BLACK EMPLOYEES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/08/98			<u>0</u>	<u>0%</u>
DATE			TOTAL MINORITIES	
			<u>1</u>	<u>100%</u>
			TOTAL EMPLOYEES	



 AGENCY DIRECTOR

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1999 - 2001**

The Arkansas Athletic Commission was created in 1927 by Act 131. It has a two-fold purpose. The first goal of the AAC is to protect the health, safety and welfare of the participants and the public as they are involved in the professional sports regulated by the AAC. The second goal is to preserve and insure the entertainment value of the professional sports the AAC regulates.

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Base Level includes a cost of living increase of 2.8% each year over the FY99 salary levels, related Personal Services Matching costs, and Operating Expenses. There are no change level requests for the 1999-01 Biennium. The Commission is requesting special language that states:

- ◆ Members shall be paid and receive a fee of no less than fifty dollars (\$50.00) per diem each day actually engaged in attending sporting events regulated by the Commission.

The Executive Recommendation provides for Base Level.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Athletic Commission Code: 209	Name: Athletic Commission-Treasury Code: 609	Name: Arkansas Athletic Commission Code: MAB	BR20	5

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----99-00 FISCAL YEAR-----			-----00-01 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	97-98	98-99	98-99	BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED							99-00	00-01	99-00	00-01
REGULAR SALARIES	8,366	10,876	10,834	11,397	0	11,397	11,716	0	11,716	11,397	11,716		
NUMBER OF POSITIONS	1	1	1	1	0	1	1	0	1	1	1		
PERSONAL SERV MATCHING	644	1,924	4,930	5,246	0	5,246	5,304	0	5,304	5,246	5,304		
OPERATING EXPENSES	3,940	4,110	4,110	4,110	0	4,110	4,110	0	4,110	4,110	4,110		
AL	12,950	16,910	19,874	20,753	0	20,753	21,130	0	21,130	20,753	21,130		
PROPOSED FUNDING SOURCES			*****										
UNAPPORTIONED BALANCES	10,814	10,566	*****	12,156		12,156	1,903		1,903	12,156	1,903		
GENERAL REVENUES			*****										
STATEMENTAL REVENUES			*****										
GENERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
STATE REVENUE RECEIPTS	12,702	10,500	*****	10,500		10,500	10,500		10,500	10,500	10,500		
STATE FUNDS			*****										
REGULAR FUNDING	31,516	29,066	*****	22,656		22,656	12,403		12,403	22,656	12,403		
PERSONAL SERV APPROX/ (FUNDING)	(10,566)	(12,156)	*****	(1,903)		(1,903)	8,727		8,727	(1,903)	8,727		
AL	12,950	16,910	*****	20,753		20,753	21,130		21,130	20,753	21,130		

T 007 REGULATORY BOARDS AND COMMISSIONS
 ' 209 STATE ATHLETIC COMMISSION
 'RO 609 ATHLETIC COMMISSION - TREASURY
 ID MAB ARK ATHLETIC COMMISSION-(209)

APPROPRIATION SUMMARY

The FY99 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1997-99 biennium.

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