

# AUCTIONEER'S LICENSING BOARD

## Enabling Laws

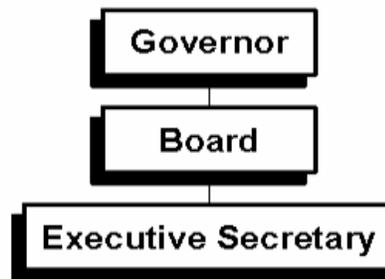
Act 1385 of 2005  
Act 266 of 1989 as amended  
A.C.A. § 17-17-201

## History and Organization

The Auctioneer's Licensing Board, consisting of seven members - four auctioneers and three consumer representatives, was created in 1989.

The mission of the organization is to protect public welfare by establishing and maintaining a high standard of integrity in the Profession of Auctioneers and Auction Houses.

The responsibility of the organization is to certify, license, register individuals and companies who meet the requirements to engage in the profession of Auctioneers and, additionally, to protect the public from illegal, incompetent, unethical and unprofessional practitioners.



## Agency Commentary

The Auctioneer's Licensing Board was created by Act 266 of 1989. The Board is self-funded from funds collected through application fees for licensure, renewal of licenses and permits, issuance of permits, late penalties, examinations, and disciplinary fines.

The primary activities of the Board are as follows: 1) Administer a professional auctioneer examination four times a year; 2) License those who pass the examination and otherwise qualify; 3) Annually issue renewal licenses to all qualified auctioneers and auction house owners; 4) Maintain and publish a register of all qualified auctioneers and auction house owners that are permitted to operated in the State; 5) Conduct investigations into allegations of violations of Statutes and Rules and Regulations; 6) Conduct hearings and take disciplinary actions when appropriate; 7) Monitor continuing professional education on auctioneers for license renewals; 8) Conduct yearly audits of auction houses to ensure compliance with record keeping and reporting requirements. All of this is done with one secretary/treasurer position and an extra help position.

The Board would like to stream-line the license renewal process by allowing users the opportunity to

renew their license on-line. This would allow the Board to see cost savings. Having people register on-line will save on postage for mailing out renewals and save on collecting and organizing a list of all auctioneers and auction house owners. The online renewal will automatically update the Agency's database.

Due to the rising cost of travel, an additional \$1,500 is requested for each year of the biennium. The Secretary/Treasurer for this Board was recently selected as a representative for the National Auctioneers License Law Officials Association (NALLOA). This association meets twice a year in various locations throughout the United States.

**Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 ARKANSAS AUCTIONEER'S LICENSING BOARD  
 FOR THE YEAR ENDED JUNE 30, 2005

Findings	Recommendations
None	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 %

**Cash Fund Balance Description as of June 30, 2006**

Fund Account	Balance	Type	Location
3440000	\$14,743	Checking and TMMP	US Bank, Bank of America, Treasury

Statutory/Other Restrictions on use:

A.C.A. 17-17-204 - Authorizes all fees, charges, and penalties collected to be deposited in a bank or banks to be designated by the board.

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 17-17-114, A.C.A. 17-17-301 and A.C.A. 17-17-302 - authorizes agency to collect and use fees, fines and penalties.

Revenue Receipts Cycle:

Fees, fines and penalties are collected during the year.

Fund Balance Utilization:

Funds are collected during the year and used for expenses.

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Fund Account	Balance	Type	Location
3440100	\$210,444	TMMP and CD	Treasury and Twin City Bank

Statutory/Other Restrictions on use:

A.C.A. 17-17-204 - Authorizes all fees, charges, and penalties collected to be deposited in a bank or banks to be designated by the board.

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 17-17-404 - authorizes agency to collect the fees at initial licensure and at each annual renewal period.

Revenue Receipts Cycle:

Funds are collected from new licensees during the year.

Fund Balance Utilization:

Funds are collected from new licensees during the year. and used to pay any claim resulting from a disciplinary hearing. The agency may use any funds above \$180,000 to advance education, underwrite seminars and for the improvement of the profession.

**Publications**

**A.C.A 25-1-204**

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Licensee List	A.C.A. 17-17-206	N	N	75	Required by A.C.A. 17-17-206

**Agency Position Usage Report**

FY2004-2005						FY2005-2006						FY2006-2007					
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:** C51 - Auctioneer's - Cash Operations

**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

The Arkansas Auctioneer's Licensing Board was established by Act 266 of 1989 as codified in Arkansas Code § 17-17-201 for promulgating rules and regulations, licensing, and publishing annually a register of all auctioneers that are licensed to do business in Arkansas. The Agency monitors auctions held within the State and gives examinations to certify new auctioneers four times a year. The Commission consists of seven (7) Commissioners that are appointed by the Governor.

This is the primary operating appropriation of the Agency. Their revenues are generated from receipt of fees charged by the Agency for examinations, licensing, renewals, and penalties.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. The Base Level request of \$40,454 for FY08 and FY09 for Regular Salaries does include board member Stipend payments. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Base Level Request is \$182,666 in both FY08 and FY09.

The Change Level Requests submitted are \$ 6,000 in FY08 and \$ 5,100 in FY09 and are summarized as follows:

1. Conference Fees & Travel of \$ 1,500 each year respectively to attend training seminars and the National Auctioneer Association. As a Board Member of the National Auctioneers License Law Officials Association (NALLOA), the Agency represents Arkansas at these meetings which are held twice a year.
2. Information Technology needs in Operating Expenses of \$4,500 in FY08 and \$3,600 in FY09. The Agency would like to update and maintain their current software and website to allow for on-line license renewal.

The Executive Recommendation provides for Agency Request.

## Appropriation

**Appropriation:** C51 Auctioneer's - Cash Operations  
**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	37,229	40,454	35,904	40,454	40,454	40,454	40,454	40,454	40,454
<b>#Positions</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Extra Help 5010001	3,805	15,780	15,780	15,780	15,780	15,780	15,780	15,780	15,780
<b>#Extra Help</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching 5010003	11,367	12,682	11,806	13,036	13,036	13,036	13,036	13,036	13,036
Operating Expenses 5020002	36,586	46,208	46,208	46,208	50,708	50,708	46,208	49,808	49,808
Conference & Travel Expenses 5050009	2,923	3,000	3,000	3,000	4,500	4,500	3,000	4,500	4,500
Professional Fees 5060010	6,169	13,688	13,688	13,688	13,688	13,688	13,688	13,688	13,688
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	0	500	500	500	500	500	500	500	500
Claims 5110015	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>98,079</b>	<b>182,312</b>	<b>176,886</b>	<b>182,666</b>	<b>188,666</b>	<b>188,666</b>	<b>182,666</b>	<b>187,766</b>	<b>187,766</b>
<b>Funding Sources</b>									
Fund Balance 4000005	224,306	240,221		171,909	171,909	171,909	97,243	97,243	97,243
Cash Fund 4000045	113,994	114,000		108,000	114,000	114,000	108,900	114,000	114,000
<b>Total Funding</b>	<b>338,300</b>	<b>354,221</b>		<b>279,909</b>	<b>285,909</b>	<b>285,909</b>	<b>206,143</b>	<b>211,243</b>	<b>211,243</b>
Excess Appropriation/(Funding)	(240,221)	(171,909)		(97,243)	(97,243)	(97,243)	(23,477)	(23,477)	(23,477)
<b>Grand Total</b>	<b>98,079</b>	<b>182,312</b>		<b>182,666</b>	<b>188,666</b>	<b>188,666</b>	<b>182,666</b>	<b>187,766</b>	<b>187,766</b>

The FY07 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2005-2007 biennium.

## Change Level by Appropriation

**Appropriation:** C51-Auctioneer's - Cash Operations

**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>182,666</b>	<b>1</b>	<b>182,666</b>	<b>100.0</b>	<b>182,666</b>	<b>1</b>	<b>182,666</b>	<b>100.0</b>
C01	Existing Program	1,500	0	184,166	100.8	1,500	0	184,166	100.8
C08	Technology	4,500	0	188,666	103.2	3,600	0	187,766	102.7

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>182,666</b>	<b>1</b>	<b>182,666</b>	<b>100.0</b>	<b>182,666</b>	<b>1</b>	<b>182,666</b>	<b>100.0</b>
C01	Existing Program	1,500	0	184,166	100.8	1,500	0	184,166	100.8
C08	Technology	4,500	0	188,666	103.2	3,600	0	187,766	102.7

### Justification

C01	The increase is for travel expenses. The Secretary/Treasurer for this Board was recently selected as a representative for the National Auctioneers License Law Officials Association (NALLOA). This association meets twice a year.
C08	The increase is for updating and maintaining our software and website. This will allow for on-line license renewals. Registering on-line will allow for cost saves from postage and time for collecting and organizing a list of all licensed auctioneers and auction house owners. The online renewal will automatically update the Agency's database.