

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999**

The operation and programs for The Contractors Licensing Board are prescribed by Act 150 of 1965, as amended, and also Act 162 of 1987, as amended.

More specifically, determining qualifications of applicants for contractors license and authorizing the issuance of new and renewal licenses. Investigating all alleged and factual violations of the contractors licensing and bond laws, and bringing such to conclusion. Holding hearings, assessing penalties and meeting compliance as may be possible in the State of Arkansas. Having an annual roster of the licensed contractors printed and properly distributed. Annual reports to the governor that state the transactions of the Board and a copy of such report filed with the Secretary of State. The cost and expenses of administration of this Act are solely by the fees and violation penalties received by this Board. The maximum filing fees as set forth by law are \$100.00 for an original license and \$100.00 for a renewal license as well. The current filing fee is \$100.00 for an original, and \$50.00 for a renewal if renewed on time. We currently have approximately 5,000 licensed contractors who are qualified to perform work in the State of Arkansas. The Contractors Licensing Board will meet approximately 30 times per year in the normal course of business.

It is the desire of this Board and administration to effectively, efficiently and economically comply with the legislative intent of the Acts. This will be the continuing efforts of the Board and its staff. The Contractors Licensing Board's present staff consists of 1 Administrator/Investigator, 4 Investigators, 3 Senior Clerk positions, and 1 Junior Clerk position. The Contractors Licensing Board has requested an additional position for the next biennial, that of an Attorney for in house purposes and meeting the needs of compliance and licensing and bond law. Approximately 50% of the violations found of the licensing and bond law are from out of state or non resident contractors doing business in the State of Arkansas. This biennial budget request does contain priority requests, all of which the Board feels very important to its efficient operation. There is sufficient funding to support all of the requests. The total appropriations shows almost 1 million dollars for each year, however more than 1/4 of a million dollars of that is not a direct expenditure, leaving just over \$700,000 a year in a direct expenditure provided the maximums were met in every category.

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
CONTRACTORS LICENSING BOARD	HOWARD WILLIAMS	BR21	113

CONTRACTOR'S LICENSING BOARD
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 831,888	\$ 484,777	\$ 233,603	\$ 1,550,268	\$ 1,759	\$ 15,331	\$ 17,090	\$ 1,533,178		

Revenues					Expenditures					Other Sources (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 00	\$ 00	\$ 275,850	\$ 439,355	\$ 715,205	\$ 290,389	\$ 50,000	\$ 3,459	\$ 161,613	\$ 505,461	\$ 00

Findings

BURGLARY - On May 30, 1995, the Agency discovered that a portion of their central air conditioning unit was missing. The cost of repairs to the unit totaled \$1,276.55. Little Rock Police investigation was inconclusive as to the identity of the burglar. Subsequent to the burglary the Agency installed security railing around the unit.

Recommendations

Our findings in this matter are being reported in accordance with Ark. Code Ann. 10-4-111 and 21-2-708.

Audited by Division of Legislative Audit
JA0722494

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

AGENCY TITLE 224 - CONTRACTOR'S LICENSING BOARD

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>4</u>	<u>5</u>	<u>9</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 <u>08/10/96</u> DATE			<u>0</u>	<u>0%</u>
			TOTAL MINORITIES	
			<u>9</u>	<u>100%</u>
			TOTAL EMPLOYEES	

Harvey Williams

 AGENCY DIRECTOR

SUMMARY
STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY
 AGENCY: CONTRACTOR'S LICENSING BOARD

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: A03 - CONTRACTOR'S LICENSING - CASH</u>				
Capital Outlay		\$7,500	\$7,500	The Agency utilized \$7,229 of the additional appropriation in FY96 and has budgeted \$7,500 in FY97.
Investments		\$90,000	\$90,000	\$15,132 was utilized of the additional appropriation in FY96 and \$183,084 is budgeted in FY97.

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Contractor's Licensing Board is funded from the receipt of fees charged for examination, issuance and renewal of commercial contractor's licenses and penalties associated with violations of regulations. Expenditures from the cash fund are solely dependent on the availability of funds.

The Board is requesting priorities totaling \$118,012 and \$119,595 respectively for each year of the Biennium. Specific requests for FY98 include Salary and associated Matching costs for an Attorney position in the amount of \$59,912. Increases of \$21,000 for postage, telephone, janitorial services, and subscriptions are requested. Professional Fees and Services of \$5,000 for transcription services, Capital Outlay of \$7,500 for computer equipment and Investments increase of \$25,000 complete the Agency's request. FY99 priority requests reflect the same amounts as FY98 with a salary increase for the new position.

The Executive Recommendation provides for \$16,000 in Operating Expenses; \$5,000 in Professional Fees and Services; \$7,500 in Capital Outlay and \$25,000 in Investments for FY98 and FY99.

AGENCY	APPROPRIATION	CASH FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Contractor's Licensing Board Code: 224	Name: Contractor's Licensing Board-Cash Code: A03	Name: Contractor's Licensing Board - Cash Code: 311	BR20	117

ARKANSAS BUDGET SYSTEM

01 CHARACTER TITLE	02		03	04	05	06	07	08	09	10	11	12	13	14
	-----EXPENDITURES-----		96-97	96-97 AUTHORIZED APPRO	-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96 ACTUAL	96-97 BUDGETED	BASE		PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE		
										97-98	98-99	97-98	98-99	
REGULAR SALARIES	280,448	289,194	273,660	303,221	48,000	351,221	311,708	49,344	361,052	303,221	311,708			
NUMBER OF POSITIONS	9	9	9	9	1	10	9	1	10	9	9			
PERSONAL SERV MATCHING	69,433	72,334	72,479	80,807	11,512	92,319	82,315	11,751	94,066	80,807	82,315			
OPERATING EXPENSES	150,371	162,981	162,981	162,981	21,000	183,981	162,981	21,000	183,981	178,981	178,981			
CONF FEES & TRAVEL	4,213	4,700	4,700	4,700	0	4,700	4,700	0	4,700	4,700	4,700			
CONF FEES & SERVICES	22,541	18,000	18,000	18,000	5,000	23,000	18,000	5,000	23,000	23,000	23,000			
EQUIPMENT OUTLAY	7,229	7,500	7,500	0	7,500	7,500	0	7,500	7,500	7,500	7,500			
GRANTS/AIDS	0	50,000	50,000	50,000	0	50,000	50,000	0	50,000	50,000	50,000			
INVESTMENTS	125,000	183,084	199,868	183,084	25,000	208,084	183,084	25,000	208,084	208,084	208,084			
REFUNDS/REIMBURSEMENTS	0	50,000	50,000	50,000	0	50,000	50,000	0	50,000	50,000	50,000			
TOTAL	659,235	837,793	839,188	852,793	118,012	970,805	862,788	119,595	982,383	906,293	916,288			
PROPOSED FUNDING SOURCES			*****											
UNDEVELOPED BALANCES	608,358	750,596	*****	495,887		495,887	226,178		226,178	495,887	226,178			
GENERAL REVENUES			*****											
SPECIAL REVENUES			*****											
FEDERAL FUNDS			*****											
STATE CENTRAL SERVICES FUND			*****											
NON-REVENUE RECEIPTS			*****											
ASH FUNDS	676,473	400,000	*****	400,000	93,012	493,012	400,000	93,012	493,012	428,500	428,500			
Investments	125,000	183,084	*****	183,084	25,000	208,084	183,084	25,000	208,084	208,084	208,084			
TOTAL FUNDING	1,409,831	1,333,680	*****	1,078,971	118,012	1,196,983	809,262	118,012	927,274	1,132,471	862,762			
EXCESS APPRO/ (FUNDING)	(750,596)	(495,887)	*****	(226,178)		(226,178)	53,526	1,583	55,109	(226,178)	53,526			
TOTAL	659,235	837,793	*****	852,793	118,012	970,805	862,788	119,595	982,383	906,293	916,288			

EPT 007 REGULATORY BOARDS AND COMMISSIONS
 GY 224 CONTRACTOR'S LICENSING BOARD
 PPRO A03 CASH OPERATIONS
 UND 311 CONTRACTORS LICENSING BOARD CASH(224)

The FY97 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 1995-97 biennium.

APPROPRIATION SUMMARY
 BR 215

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIAL REQUESTS						RECOMMENDATIONS						
					ACTUAL 95-96	BUDGETED 96-97	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE						
							REQUEST	REQUEST						1997-98	1998-99				
000		311	224 A03	B	659,235 9	837,793 9	852,793 9					862,788 9			852,793 9	862,788 9			
001		311	224 A03	P01			118,012 1					119,595 1			53,500	53,500			
<p>The regular salaries and personal service matching are all requests to meet the obligation of a new position requested for the biennial budget. The Board feels that these numbers will reflect a positive ability to attract a properly qualified individual for this position.</p> <p>The 02 requests as prescribed in the priority request are for postage, telephone, service charge by Act 1230, janitorial services, subscriptions & publications, all of which we have exceeded in the last fiscal year and feel that it is very necessary to keep proper appropriations in order to meet the growing obligations of the agency.</p> <p>Character 10 is an expenditure for professional services rendered. It has been necessary for the last 2 fiscal years to ask for additional appropriation and the Board feels this \$5,000.00 additional appropriation will remove the need for additional requests.</p> <p>The character 11 request is for data processing equipment and this allows us to continue to upgrade our equipment. This is a number of \$7,500.00 that has been ongoing for a number of years and we find that in most years we spend the majority of this appropriation.</p> <p>Character 13 is for certificates of deposit and this is just to allow us to have appropriation in excess of \$200,000.00 for the purpose of investing as necessary to meet the best rates possible for surplus monies.</p>																			

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 224 CONTRACTOR'S LICENSING BOARD
 APPRO A03 CASH OPERATIONS
 FUND 311 CONTRACTORS LICENSING BOARD CASH(224)

RANK BY APPROPRIATION
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