

MARTIN LUTHER KING, JR COMMISSION

Enabling Laws

Act 56 of 2010
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.

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.

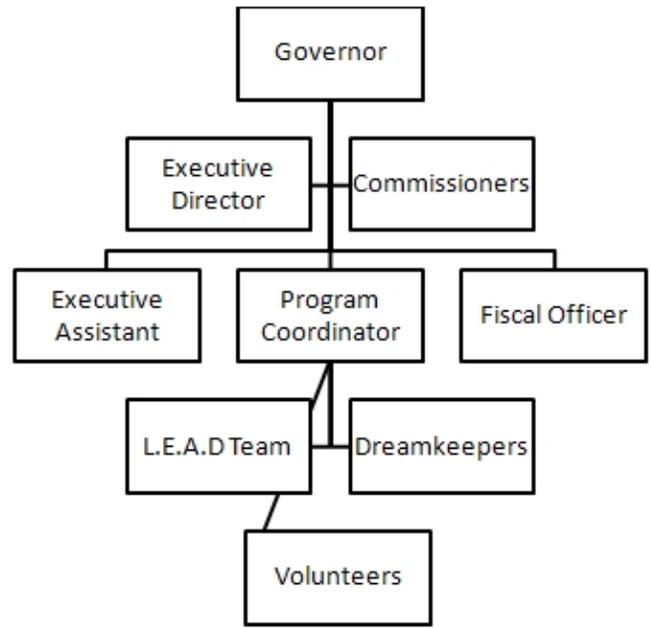
Purpose

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.

The Martin Luther King, Jr. Commission is requesting Base Level for the 2011-2013 biennium, and is not requesting additional appropriation at this time. Base Level for FY12 and FY13 is \$237,393. The appropriation is used to further the organization's efforts to enhance the awareness of peace and harmonious living among all Arkansans.

The Martin Luther King, Jr. Commission is requesting Base Level of \$61,522 for the Cash Appropriation for 2011-2013.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
MARTIN LUTHER KING, JR. COMMISSION
FOR THE YEAR ENDED JUNE 30, 2008

Findings

Review of financial transactions and internal controls of the Agency revealed a general lack of knowledge and application of State accounting and record retention policies as well as a failure by management to provide for adequate internal controls related to bank balances, equipment, receipts and expenditures. Failure to maintain a qualified and trained staff that ensures adequate policies and procedures are in place has jeopardized the assets of the Agency. Weaknesses noted during our review include the following:

- The Agency was unable to provide bank statements, cancelled checks and reconciliations for the fiscal year ended June 30, 2008.
- Supporting documentation for 69 of 80 expenditures totaling \$88,650 could not be located. Subsequent to our review, the Agency obtained 27 invoices totaling \$65,997 from various vendors. One invoice obtained was from the Peabody Hotel of Little Rock in the amount of \$8,564. The invoice was an expense of the Commission's Drum Major Leadership Conference in January 2008. Analysis of the invoice revealed two Commission employees, who reside in Little Rock, had hotel charges of \$1,325 and 10 other individuals had hotel charges of \$2,760. The Agency was unable to provide an explanation or justification for the charges for the 10 individuals.
- The Agency did not tag all capital assets adequately to ensure proper identification. Also, numerous instances were noted where complete data related to the asset was not entered into AASIS when the asset was received, making it difficult to positively identify and verify the existence of the assets. In addition, the Agency was unable to provide supporting documentation for nine equipment purchases totaling \$9,838.
- Prenumbered receipts were not used to properly account for donations and event ticket sales. Also, prior to March 5, 2008, no receipt documentation was maintained.

Review of a PayPal account established on October 9, 2008 revealed donations totaling \$1,504 were received through June 22, 2009, but had not been transferred to the Commission's checking account.

Recommendations

Seek appropriate financial management training for personnel and maintain an effective system of internal controls to ensure assets are properly safeguarded and financial documentation is maintained.

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	25 %
Black Employees	2	1	3	75 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	75 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	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	190,990	4	237,350	4	229,477	4	237,393	4	237,393	4	237,393	4	237,393	4	237,393	4	237,393	4
54S Martin Luther King - Treasury Cash	34,282	0	61,517	0	61,050	0	61,522	0	61,522	0	61,522	0	61,522	0	61,522	0	61,522	0
Total	225,272	4	298,867	4	290,527	4	298,915	4										

Funding Sources		%		%		%		%		%		%		%		%		%		
Fund Balance	4000005	6,324	2.6	20,269	6.8		0	0.0		0	0.0		0	0.0		0	0.0		0	0.0
General Revenue	4000010	173,790	70.8	214,502	71.8		214,545	71.8		214,545	71.8		214,545	71.8		214,545	71.8		214,545	71.8
Cash Fund	4000045	65,427	26.6	64,096	21.4		84,370	28.2		84,370	28.2		84,370	28.2		84,370	28.2		84,370	28.2
Total Funds		245,541	100.0	298,867	100.0		298,915	100.0		298,915	100.0		298,915	100.0		298,915	100.0		298,915	100.0
Excess Appropriation/(Funding)		(20,269)		0			0			0			0			0			0	
Grand Total		225,272		298,867			298,915			298,915			298,915			298,915			298,915	

The FY11 Budget amount in Martin Luther King - State Operations (125) and Martin Luther King - Treasury Cash (54S) exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
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	4	0	4	0	0.00 %	4	4	0	4	0	0.00 %

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 §24-24-101. 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 salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency requests Base Level appropriation for the 2011-2013 biennium.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 125 - Martin Luther King - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	108,777	142,754	139,986	142,754	142,754	142,754	142,754	142,754	142,754
#Positions		4	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	39,339	51,711	46,606	51,754	51,754	51,754	51,754	51,754	51,754
Operating Expenses	5020002	42,574	42,585	42,585	42,585	42,585	42,585	42,585	42,585	42,585
Conference & Travel Expenses	5050009	300	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		190,990	237,350	229,477	237,393	237,393	237,393	237,393	237,393	237,393
Funding Sources										
General Revenue	4000010	173,790	214,502		214,545	214,545	214,545	214,545	214,545	214,545
Cash Fund	4000045	17,200	22,848		22,848	22,848	22,848	22,848	22,848	22,848
Total Funding		190,990	237,350		237,393	237,393	237,393	237,393	237,393	237,393
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		190,990	237,350		237,393	237,393	237,393	237,393	237,393	237,393

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

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 Base Level request is \$61,522 for both years of the biennium. There are four (4) Extra Help positions authorized for this appropriation. Base Level consists of Extra Help (\$15,900), Personal Services Matching (\$1,698), Operating Expenses (\$38,924), Travel (\$2,000), and Professional Fees (\$3,000).

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

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Extra Help	5010001	1,873	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
#Extra Help		1	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	143	1,693	1,226	1,698	1,698	1,698	1,698	1,698	1,698
Operating Expenses	5020002	27,266	38,924	38,924	38,924	38,924	38,924	38,924	38,924	38,924
Conference & Travel Expenses	5050009	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
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		34,282	61,517	61,050	61,522	61,522	61,522	61,522	61,522	61,522
Funding Sources										
Fund Balance	4000005	6,324	20,269		0	0	0	0	0	0
Cash Fund	4000045	48,227	41,248		61,522	61,522	61,522	61,522	61,522	61,522
Total Funding		54,551	61,517		61,522	61,522	61,522	61,522	61,522	61,522
Excess Appropriation/(Funding)		(20,269)	0		0	0	0	0	0	0
Grand Total		34,282	61,517		61,522	61,522	61,522	61,522	61,522	61,522

The FY11 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2009-2011 biennium.