

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005

The Arkansas Tobacco Settlement Commission is responsible for evaluating and monitoring of the programs funded by the Tobacco Settlement Proceeds Act of 2000. The operations of the Commission are funded from the interest drawn on various program accounts. The budget request for ATSC reflects an increase in operating expenses for anticipated site visits to various act funded programs. The Commission is asking to restore the grants line item back to the 2001-03 authorized levels to \$1,800,000 and \$1,810,000 respectively.

The Commission will continue with the current special language as stated in the Tobacco Settlement Proceeds Act.

AGENCY ARKANSAS TOBACCO SETTLEMENT COMMISSION	DIRECTOR Chiquita Munir-Webb <i>Chiquita Munir-Webb</i>	AGENCY PROGRAM COMMENTARY	PAGE 215
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THE 2002 FISCAL YEAR WAS THE FIRST YEAR OF OPERATION FOR THE ARKANSAS TOBACCO SETTLEMENT COMMISSION. AN AUDIT HAD NOT BEEN PREPARED AS OF THE PUBLICATION DATE OF THIS MANUAL.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
 EMPLOYMENT SUMMARY
 Required by: A.C.A. 19-4-307

AGENCY TITLE: 0334 AR TOBACCO SETTLEMENT COMM

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

08/05/2002
DATE

Chiquita Munir-Webb
 AGENCY DIRECTOR

**ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
STATE AGENCY PUBLICATIONS**

Fiscal Year 2002-2003

Required by: A.C.A. 25-1-204

AGENCY: ARKANSAS TOBACCO SETTLEMENT COMMISSION

NAME OF PUBLICATION	STATUTORY AUTHORIZATION	PUBLICATION REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
Biennial Report	19-12-117(g)	X (By each August 1 preceding a general session of the General Assembly)		The report shall be accompanied by a recommendation from the Commission as to the continued funding for each program.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
ANALYSIS OF BUDGET REQUEST
2003 – 2005

The Tobacco Settlement Proceeds Act (Initiated Act 1 of 2000) established funds and accounts for the deposit, investment and management of the State of Arkansas's portion of the Master Settlement Agreement with certain tobacco manufacturers. The Arkansas Tobacco Settlement Commission was created pursuant to Section 17 of this act to monitor and evaluate expenditures made from the four program accounts. Those program accounts are the Prevention and Cessation Program Account, the Targeted State Needs Program Account, the Arkansas Biosciences Institute Program Account and the Medicaid Expansion Program Account.

The Commission is funded from the investment earnings of the Tobacco Settlement Program Fund and Program Accounts, which are deposited as trust funds into the Arkansas Tobacco Settlement Commission Fund. The Commission is authorized to hire an independent third-party to monitor and evaluate program account expenditures and prepare a biennial report for the General Assembly and Governor by each August 1 preceding a general session of the General Assembly. As funding permits, the Commission is also authorized to make grants in amounts not to exceed \$50,000 to non-profit and community-based organizations.

The FY03 budgeted amount of \$696,590 consists of Regular Salaries and Personal Services Matching for two positions (Agency Program Coordinator and Administrative Assistant II), Operating Expenses, Conference Fees & Travel, Professional Fees & Services, Capital Outlay and Grants.

The Base Level request of \$696,492 for FY04 and \$698,618 for FY05 includes a 2.7% salary increase each year over the FY03 salary levels for all incumbents plus associated increases in Personal Services Matching. Included in Personal Services Matching is a \$33 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$280 per month per budgeted employee.

The Commission is requesting a change over base level for Operating Expenses in the amount of \$1,500 each year of the biennium to allow the Agency Program Coordinator to conduct site visits and attend statewide Commission meetings. The Commission is also requesting \$1,720,360 for FY04 and \$1,730,360 for FY05 to restore the Grants line item back to 2001-03 authorized levels. Currently, investment earnings are insufficient to fund the total appropriation request for Grants. However, the potential for interest earnings increases as additional funding is realized in the Tobacco Settlement Program Fund or Program Accounts.

The Executive Recommendation provides for the restoration of the Grants line item. Expenditure of appropriation is contingent upon available funding.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Arkansas Tobacco Settlement Commission	Name: Operations	Name: Tobacco Settlement Commission – Operations	BUDGET REQUEST	
Code: 334	Code: 468	Code: TSC		219

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR TOBACCO SETTLEMENT COMMISSION
 Agency Code 334
 Appropriation Name Operations
 Appropriation Code 468
 Fund Name Tobacco Settlement Commission - Operations
 Fund Code TSC

Character Name	Expenditures					Agency Request										Recommendations						
	2001-02		2002-03		2002-03		2003-04					2004-05					2003-04		Executive		2004-05	
	Actual	Budget	Pos.	Authorized	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	2003-04	Pos.	2004-05	Pos.	
Regular Salaries	2,925	65,153	2	67,575	2	66,912	2	0	0	66,912	2	66,718	2	0	0	66,718	2	66,912	2	66,718	2	
Personal Serv Match	224	17,427	0	17,896	0	18,570	0	0	0	18,570	0	18,890	0	0	0	18,890	0	18,570	0	18,890	0	
Operating Expenses	0	30,870	0	33,870	0	30,870	0	1,500	0	32,370	0	30,870	0	1,500	0	32,370	0	30,870	0	30,870	0	
Travel-Conferences	0	500	0	500	0	500	0	0	0	500	0	500	0	0	0	500	0	500	0	500	0	
Capital Outlay	0	3,000	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Prof. Fees & Serv.	0	500,000	0	500,000	0	500,000	0	0	0	500,000	0	500,000	0	0	0	500,000	0	500,000	0	500,000	0	
Grants/Id	0	79,640	0	1,810,000	0	79,640	0	1,729,360	0	1,800,000	0	79,640	0	1,720,360	0	1,810,000	0	1,800,000	0	1,810,000	0	
Grand Total	3,149	696,590	2	2,431,841	2	696,492	2	1,721,860	0	2,418,352	2	696,618	2	1,731,660	0	2,430,478	2	2,418,852	2	2,428,978	2	

Funding Source Name	2001-02	2002-03	2002-03	2003-04	2004-05	2003-04	2004-05
Fund Balance	0	183,834	*****	0	0	0	0
Trust Funds	188,583	512,756	*****	696,492	1,721,860	696,618	1,731,660
Total Funding	188,583	696,590	*****	696,492	1,721,860	696,618	1,731,660
Excess Appor(Funding)	(183,834)	0	*****	0	0	0	0
Grand Total	3,149	696,590	*****	696,492	1,721,860	696,618	1,731,660

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR TOBACCO SETTLEMENT COMMISSION
 Agency Code 334
 Appropriation Name Operations
 Appropriation Code 468
 Fund Name Tobacco Settlement Commission - Operations
 Fund Code TSC

Character		Expenditures				
		2001-02	2002-03		2002-03	
Name	Code	Actual	Budget	Pos.	Authorized	Pos.
Regular Salaries	5010000	2,925	65,153	2	67,575	2
Personal Services Matching	5010003	224	17,427	0	17,896	0
Operating Expenses	5020002	0	30,870	0	30,870	0
Travel-Conferences	5050009	0	500	0	500	0
Capital Outlay	5120011	0	3,000	0	5,000	0
Prof. Fees & Services	5060010	0	500,000	0	500,000	0
Grants/Aid	5100004	0	79,640	0	1,810,000	0
Grand Total		3,149	696,590	2	2,431,841	2

Funding Sources						
Name	Code					
Fund Balance	4000005	0	183,834	*****	*****	*****
Trust Funds	4000050	186,983	512,756	*****	*****	*****
Total Funding		186,983	696,590	*****	*****	*****
Excess Appro/(Funding)		(183,834)	0	*****	*****	*****
Grand Total		3,149	696,590	*****	*****	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR TOBACCO SETTLEMENT COMMISSION
 Agency Code 334
 Appropriation Name Operations
 Appropriation Code 468
 Fund Name Tobacco Settlement Commission - Operations
 Fund Code TSC

Character		Agency Request											
		2003-04						2004-05					
Name	Code	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.
Regular Salaries	5010000	66,912	2	0	0	66,912	2	68,718	2	0	0	68,718	2
Personal Services Matching	5010003	18,570	0	0	0	18,570	0	18,890	0	0	0	18,890	0
Operating Expenses	5020002	30,870	0	1,500	0	32,370	0	30,870	0	1,500	0	32,370	0
Travel-Conferences	5050009	500	0	0	0	500	0	500	0	0	0	500	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0	0	0	0
Prof. Fees & Services	5060010	500,000	0	0	0	500,000	0	500,000	0	0	0	500,000	0
Grants/Aid	5100004	79,640	0	1,720,360	0	1,800,000	0	79,640	0	1,730,360	0	1,810,000	0
Grand Total		696,492	2	1,721,860	0	2,418,352	2	698,618	2	1,731,860	0	2,430,478	2

Funding Sources													
Name	Code												
Fund Balance	4000005	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Trust Funds	4000050	696,492	*****	1,721,860	*****	2,418,352	*****	698,618	*****	1,731,860	*****	2,430,478	*****
Total Funding		696,492	*****	1,721,860	*****	2,418,352	*****	698,618	*****	1,731,860	*****	2,430,478	*****
Excess Appro/(Funding)		0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Grand Total		696,492	*****	1,721,860	*****	2,418,352	*****	698,618	*****	1,731,860	*****	2,430,478	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR TOBACCO SETTLEMENT COMMISSION
Agency Code 334
Appropriation Name Operations
Appropriation Code 468
Fund Name Tobacco Settlement Commission - Operations
Fund Code TSC

Character		Recommendations							
		Executive				Legislative			
		Name	Code	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.
Regular Salaries	5010000	66,912	2	68,718	2	0	0	0	0
Personal Services Matching	5010003	18,570	0	18,890	0	0	0	0	0
Operating Expenses	5020002	30,870	0	30,870	0	0	0	0	0
Travel-Conferences	5050009	500	0	500	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0
Prof. Fees & Services	5060010	500,000	0	500,000	0	0	0	0	0
Grants/Aid	5100004	1,800,000	0	1,810,000	0	0	0	0	0
Grand Total		2,416,852	2	2,428,978	2	0	0	0	0

Funding Sources									
Name	Code								
Fund Balance	4000005	0	*****	0	*****	0	*****	0	*****
Trust Funds	4000050	2,416,852	*****	2,428,978	*****	0	*****	0	*****
Total Funding		2,416,852	*****	2,428,978	*****	0	*****	0	*****
Excess Appro/(Funding)		0	*****	0	*****	0	*****	0	*****
Grand Total		2,416,852	*****	2,428,978	*****	0	*****	0	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Rank by Appropriation

Agency Name AR TOBACCO SETTLEMENT COMMISSION
 Agency Code 334
 Appropriation Name Operations
 Appropriation Code 468
 Fund Name Tobacco Settlement Commission - Operations
 Fund Code TSC

Rank	Justification	Designation	Cost Center	2001-02		2002-03		Agency Request			Executive Recommendation			Legislative Recommendation				
				Actual	Budget	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
		BL Base Level	Total	3,149	696,590	2	696,492	2	698,618	2	696,492	2	698,618	2	0	0	0	0
1	The increase in Operating Expenses of \$1,500 each fiscal year is requested to allow the Agency Program Coordinator to conduct site visits and attend statewide Commission meetings. The increase in Grants of \$1,720,360 for FY04 and \$1,730,360 for FY05 would restore the appropriation back to the 2001-03 authorized level.	C01	482801 Tobacco Settlement Cmsn	0	0	0	1,721,860	0	1,731,860	0	1,720,360	0	1,730,360	0	0	0	0	0
		C01	Total	0	0	0	1,721,860	0	1,731,860	0	1,720,360	0	1,730,360	0	0	0	0	0
		Grand Total	Total	3,149	696,590	2	2,418,352	2	2,430,478	2	2,416,852	2	2,428,978	2	0	0	0	0