

DFA - ABC ENFORCEMENT

Enabling Laws

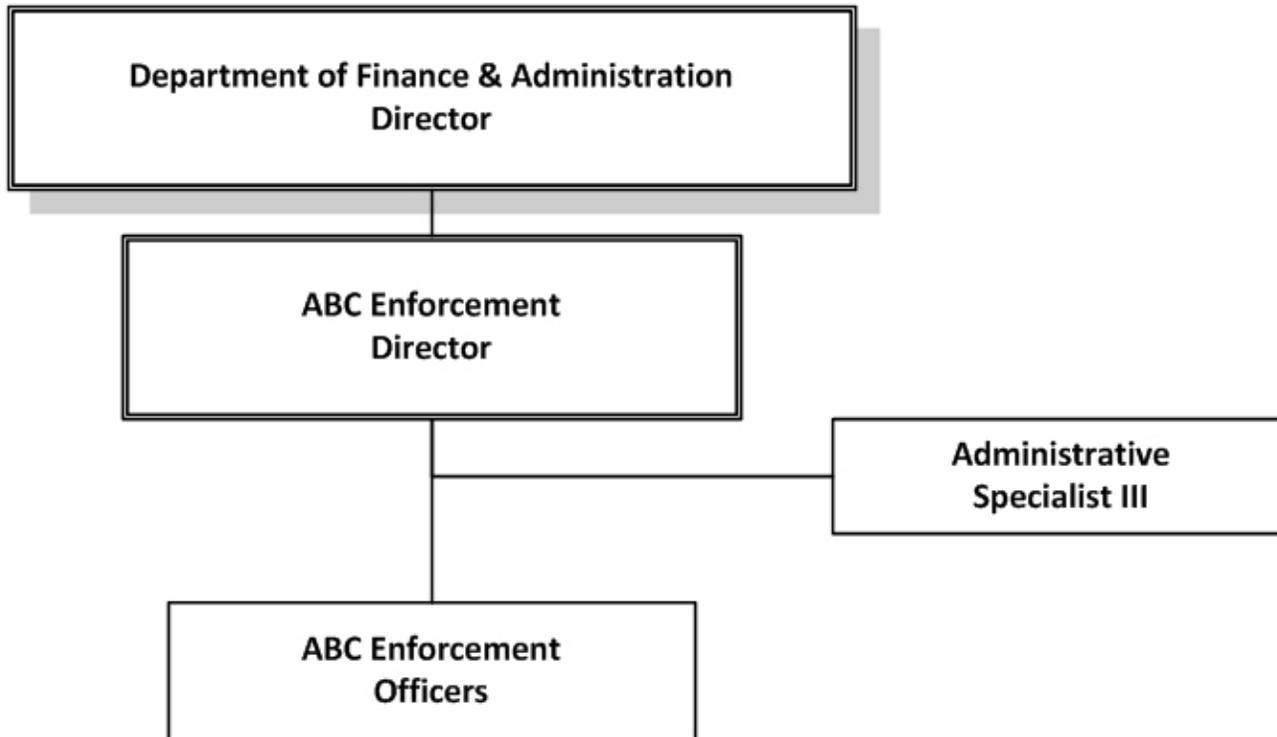
Act 60 of 2012
ACA §3-2-101 - §3-2-412

History and Organization

The mission of the Alcoholic Beverage Control Enforcement Division is to enforce all Arkansas Code Annotated Laws of the State Control Act, cigarette, sales, Rules and Regulations adopted by the Alcoholic Beverage Control Board, and the training and assistance for all law enforcement agencies as well as other organizations regarding alcoholic beverages.

Alcoholic Beverage Control Enforcement Division was established with the creation of the Alcoholic Beverage Control Department of 1935. The head of the Alcoholic Beverage Control Enforcement Division is appointed by the Director of the Department of Finance and Administration with the approval of the Governor.

In addition to enforcement, the Alcoholic Beverage Control Enforcement Division conducts background investigations of those persons, businesses and organizations who apply for licenses under the Alcoholic Beverage Control Act. The Alcoholic Beverage Control agents conduct inspections and report on permit applications in addition to the investigations of violations and apprehensions of violators. The agents also investigate and inspect the damaged shipments of any controlled beverages which have been involved in a fire, wreck, or other casualty to certify the extent and the amount of damage for the purpose of returning any taxes which have been paid to the State. The agents also answer complaints, confiscate moonshine and perform other special assignments; such as food stamp fraud when used to purchase alcoholic beverages. All Alcoholic Beverage Control Enforcement agents must be certified law enforcement officers.



Agency Commentary

The Alcoholic Beverage Control Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. ABC Enforcement agents are certified law enforcement officers.

The ABC Enforcement Division is funded from general revenue. The agency is requesting a change over base level (funding and appropriation) in the amount of \$2,600 for FY14 and FY15.

- Capital Outlay in the amount of \$2,600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year. Several of the current vehicles have over 100,000 miles.
- Reclassification of X041C DFA ABC Assistant Director grade C121 to X085C DFA ABC Enforcement Officer grade C118 to assign an additional agent to the NW Arkansas area of the State.

At this time, the NW area of the State has two agents covering approximately 600 permitted outlets in Carroll, Washington, Madison and Benton counties. Currently Benton county only has private clubs since it is still a dry county. Benton county which includes the city of Rogers is scheduled to hold an election to change from a dry to wet county. This could add approximately 300 permitted outlets to Benton county.

ABC Enforcement administers the federally funded program for Combating Underage Drinking. The current budget level allows for sufficient appropriation for expenses in enforcement investigation, mileage and other investigative materials.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	14	2	16	80 %
Black Employees	3	1	4	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	20 %
Total Employees			20	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	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1SQ ABC Enforcement - Federal Operations	434,474	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0	484,754	0
217 ABC Enforcement - State Operations	1,275,300	20	1,284,385	20	1,244,071	20	1,288,471	20	1,291,071	20	1,291,071	20	1,290,112	20	1,292,712	20	1,292,712	20
Total	1,709,774	20	1,769,139	20	1,728,825	20	1,773,225	20	1,775,825	20	1,775,825	20	1,774,866	20	1,777,466	20	1,777,466	20

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue 4000010	1,255,763	73.4	1,244,071	70.3			1,288,471	72.7	1,291,071	72.7	1,291,071	72.7	1,290,112	72.7	1,292,712	72.7	1,292,712	72.7
Federal Revenue 4000020	434,474	25.4	484,754	27.4			484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3	484,754	27.3
Merit Adjustment Fund 4000055	0	0.0	40,314	2.3			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition 4000184	19,537	1.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	1,709,774	100.0	1,769,139	100.0			1,773,225	100.0	1,775,825	100.0	1,775,825	100.0	1,774,866	100.0	1,777,466	100.0	1,777,466	100.0
Excess Appropriation/(Funding)	0		0				0		0		0		0		0		0	
Grand Total	1,709,774		1,769,139				1,773,225		1,775,825		1,775,825		1,774,866		1,777,466		1,777,466	

FY13 Budget amount in Appropriation 217 exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
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	
20	19	1	20	0	5.00 %	20	20	0	20	0	0.00 %	20	20	0	20	0	0.00 %

Analysis of Budget Request

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

This federally funded appropriation provides operations for the Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division, Combating Underage Drinking Program. The Program helps to reduce the availability of alcoholic beverages to minors and the consumption of alcoholic beverages by minors. Activities of the program include targeting establishments suspected of a pattern of violations of State laws governing the sale and consumption of alcohol by minors, public advertising programs to educate establishments about prohibitions and sanctions, and innovative programs to prevent and combat underage drinking.

The Agency is requesting Base Level of \$484,754 each year of the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	60,321	100,754	100,754	100,754	100,754	100,754	100,754	100,754	100,754
Conference & Travel Expenses	5050009	192	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	373,961	374,000	374,000	374,000	374,000	374,000	374,000	374,000	374,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		434,474	484,754	484,754	484,754	484,754	484,754	484,754	484,754	484,754
Funding Sources										
Federal Revenue	4000020	434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Total Funding		434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		434,474	484,754		484,754	484,754	484,754	484,754	484,754	484,754

Analysis of Budget Request

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. All ABC Enforcement agents are certified law enforcement officers and cover approximately 5,000 permitted outlets.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 88% of the Agency's budget is personnel related costs with the remaining 12% maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. Base Level is \$1,288,471 for FY14 and \$1,290,112 for FY15.

The Agency is requesting a Change Level increase in Capital Outlay of \$2,600 in appropriation and funding each year to pay sales and use tax for two replacement vehicles each year that are purchased through DFA Motor Vehicle Acquisition Fund. Replacement of aging, high mileage vehicles will be determined in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement. The Agency is also requesting a reclassification of the ABC Assistant Director position to an ABC Enforcement Officer position in order to assign an additional agent to the northwest area of the state.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	849,220	822,091	830,390	823,391	823,391	823,391	824,691	824,691	824,691
#Positions		20	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	267,126	308,494	259,881	313,880	313,880	313,880	314,221	314,221	314,221
Operating Expenses	5020002	116,685	151,200	151,200	151,200	151,200	151,200	151,200	151,200	151,200
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
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	42,269	2,600	2,600	0	2,600	2,600	0	2,600	2,600
Total		1,275,300	1,284,385	1,244,071	1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Funding Sources										
General Revenue	4000010	1,255,763	1,244,071		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Merit Adjustment Fund	4000055	0	40,314		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	19,537	0		0	0	0	0	0	0
Total Funding		1,275,300	1,284,385		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,275,300	1,284,385		1,288,471	1,291,071	1,291,071	1,290,112	1,292,712	1,292,712

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,288,471	20	1,288,471	100.0	1,290,112	20	1,290,112	100.0
C01	Existing Program	2,600	0	1,291,071	100.2	2,600	0	1,292,712	100.2
C10	Reclass	0	0	1,291,071	100.2	0	0	1,292,712	100.2

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,288,471	20	1,288,471	100.0	1,290,112	20	1,290,112	100.0
C01	Existing Program	2,600	0	1,291,071	100.2	2,600	0	1,292,712	100.2
C10	Reclass	0	0	1,291,071	100.2	0	0	1,292,712	100.2

Justification

C01	Capital Outlay (appropriation and funding), in the amount of \$2600 each fiscal year, is requested to pay Sales & Use Tax for the replacement of two vehicles each year due to high mileage.
C10	Reclassification of X041C DFA ABC Assistant Director grade C121 to X085C DFA ABC Enforcement Officer grade C118 to assign additional agent to the NW Arkansas area of the State.