

# DEPARTMENT OF LABOR

## Enabling Laws

Act 144 of 2012(appropriation) ;

Ark. Code Ann. §§ 11-2-101 *et. seq.* and 25-12-101(creation and general powers). Ark. Code Ann. §§ 8-7-1001 *et. seq.*(Public Employee Chemical Right to Know Act).

Ark. Code Ann. §§ 11-2-201 *et. seq.* (Mediation & Conciliation Service Nondisclosure Act).

Ark. Code Ann. §§ 11-4-201 through 11-4-612 (Wage & Hour).

Ark. Code Ann. §§ 11-11-201 *et. seq.*(Private Employment Agency Act).

Ark. Code Ann. §§ 17-28-101 *et. seq.*(electrician licensing).

Ark. Code Ann. §§ 20-20-301 *et. seq.*(child labor-hand harvesting crops).

Ark. Code Ann. §§ 20-23-101 *et. seq.*(Boiler Safety Law).

Ark. Code Ann. §§ 20-24-101 *et. seq.*(Elevator Safety Law).

Ark. Code Ann. §§ 20-27-1101 through -1103 and 20-27-1301 *et seq.*(regulation of blasting).

Ark. Code Ann. §§ 20-31-101 *et seq.*(Electrical Code Authority Act).

Ark. Code Ann. §§ 22-9-301 *et. seq.*(Prevailing Wage Law).

Ark. Code Ann. §§ 23-89-501 *et. seq.*(Amusement Ride and Amusement Attraction Safety Insurance Act).

## History and Organization

The predecessor of the Arkansas Department of Labor (hereinafter referred to as "the Agency") was established in 1913. In 1937, the Agency received its current name and much of its current structure. Its statutory mission is "to promote and develop the welfare of the wage earners of Arkansas, to improve their working conditions, and to advance their opportunities for profitable employment" (A.C.A. § 11-2-101).

The following describes the Agency's four (4) major program areas which encompass 14 functional work units.

### OCCUPATIONAL SAFETY AND HEALTH:

This division is the largest within the Agency with four (4) functional units. In addition to its regulatory authority, this division recognizes individuals and companies who have made outstanding strides in the field of industrial safety through its safety award program, and all units work collaboratively to present safety conferences and seminars throughout the state. OSHA Consultation is 90% federally funded and assists employers in complying with federal OSHA regulations. The primary role of this unit is to provide consultation and training to employers and

industries, with preference given to small, high hazard businesses. The Arkansas Occupational Safety and Health (AOSH) unit is supported by general revenue and enforces the state's safety and health laws, primarily with respect to public employment, an area not covered by federal OSHA. AOSH employees provide a variety of safety training courses to general industry, civic, and employee groups, as well as blasting training and certification. Another major responsibility of this unit is the enforcement and regulation of state law regarding the operation of amusement rides. AOSH works in conjunction with the Amusement Ride Safety Advisory Board. Fees collected for amusement ride inspections and blasting certification provide additional revenue for the Agency. Mine Safety and Health (MSHA) is 80% federally funded and assists miners in complying with federal safety and health laws by providing free on-site consultation and training to Arkansas' mining industry. The Occupational Safety and Health/Census of Fatal Occupational Injuries (OSH/CFOI) unit is responsible for conducting surveys of businesses and compiling and reporting statistics related to occupational injuries, illnesses and fatalities to facilitate and focus services. Two grants from the U. S. Department of Labor, one funded by 50% federal funds and one by 100% federal funds, support these business functions. Funding the state matching portion for each of these federal grants is provided by general revenue.

#### LABOR STANDARDS:

The Labor Standards program is responsible for enforcement of the state's wage and hour laws, child labor laws, and for licensing private employment agencies. This program also provides dispute resolution services for certain small wage disputes.

The division is organized into four (4) work units: Wage and Hour provides enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, and wage collections. The Private Employment Agency unit licenses private employment agencies and otherwise administers and enforces the provisions of the Private Employment Agency Act. The Prevailing Wage unit is responsible for administering and enforcing the Arkansas Prevailing Wage Law. This unit works under advice of a 12-member Prevailing Wage Advisory Committee created by Executive Order in 1994. Mediation Services provides voluntary intervention in collective bargaining situations. This is strictly a mediatory or conciliatory service to assist in the resolution of a labor dispute in an effort to avoid lockouts, boycotts and strikes.

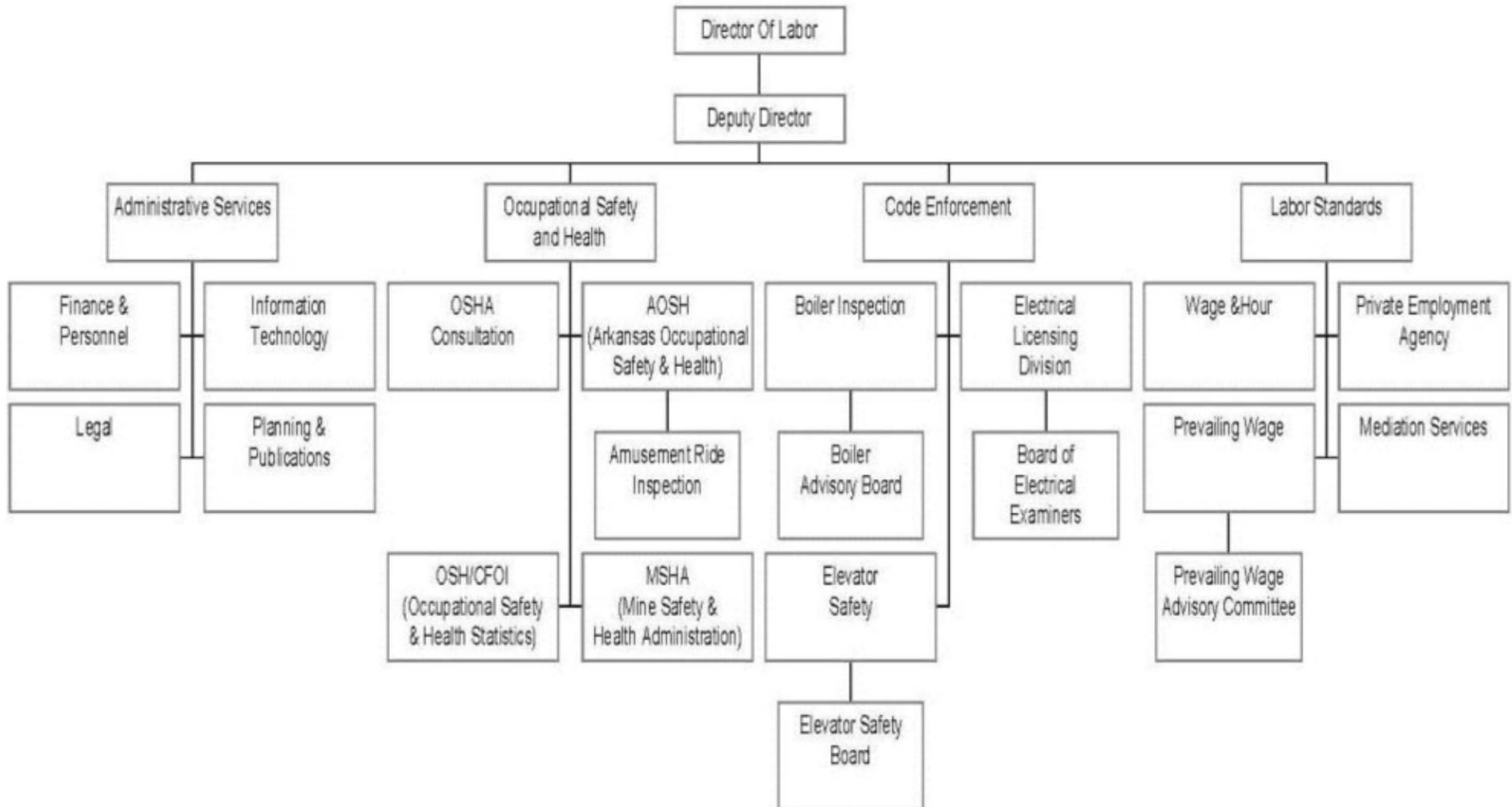
#### CODE ENFORCEMENT AND PUBLIC SAFETY:

Organizationally, there are three (3) functional work units within the Code Enforcement division. Their purpose is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. This is primarily accomplished through licensing, permitting and inspections.

Boiler Inspection is responsible for enforcement, administration and regulation of state law regarding the operation of boilers and pressure vessels. These responsibilities include inspections, permits, and licensing. This unit works cooperatively with the Boiler Safety Advisory Board, and is funded 100% by special revenue from collection of established fees. Elevator Safety is responsible for inspecting and permitting elevators and escalators, and it works with the Elevator Safety Board. Fees collected by this unit substantially subsidize the Agency's general revenue distribution. The Electrical Division works with the Board of Electrical Examiners and is responsible for licensing electricians and for enforcing the State Electrical Code. This unit is funded 100% by special revenue from collection of fees.

**ADMINISTRATIVE SERVICES:**

This division has four (4) functional work units: Finance & Personnel; Information Technology; Legal; and Planning and Publications. Each unit provides in-house support for all Agency programs and is primarily funded by general revenue with appropriate direct and indirect charges to the federal and special revenue funded programs. Planning and Publications also handles Agency press releases, board meeting announcements, publicity for Agency seminars, training programs and safety award presentations.



## **Agency Commentary**

The Arkansas Department of Labor's biennial budget requests are minimal and are needed to provide necessary managerial flexibility with regard to the use of the Agency's authorized positions.

It takes approximately 18 months to two years of on-the-job training before an AOSH inspector is minimally qualified to become certified by the National Association of Amusement Ride Safety Officials to independently conduct amusement ride inspections. The same is true for a new inspector to become certified as a Qualified Elevator Inspector (QEI certification). Additionally, the current market has made it increasingly necessary to hire less experienced persons as boiler inspectors and provide training until they can obtain their commission. Similarly, this process can take up to 18 months. As a result, in Funds Center 149, the Agency is requesting salary appropriation for and retention of one Labor Inspector position (22134003) to allow the flexibility to hire a non-commissioned boiler inspector. This would allow time for sufficient on-the job training with a commissioned inspector based on our anticipated attrition rate. The Agency is also requesting appropriation and retention of another Labor Inspector position (22093985) in Funds Center 148 for the same purpose as stated above. This position could be utilized for amusement ride inspections or elevator inspections.

Additionally, the Agency is requesting retention of one Administrative Specialist III position (22093942) which is being reallocated from Funds Center 149 (Boiler Inspection) to Funds Center 2CT (Board of Electrical Examiners). This reallocation will increase the number of positions in 2CT by one as well as provide appropriation to allow additional administrative support for the Electrical Board. Both are Special Revenue divisions within the Agency.

The Agency is also requesting appropriation and retention of one Labor Standards Investigator position in the event workload demands in the future make it necessary to hire another investigator.

Finally, the Agency has requested the permanent continuation of a previously approved downgrade for position 22094018 from an Attorney Specialist classification (Grade C126) to a Labor Division Manager (C122).

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS DEPARTMENT OF LABOR  
FOR THE YEAR ENDED JUNE 30, 2010

Findings	Recommendations
<p>The Agency entered into an information technology contract with FOCUS-Computer Management &amp; Consulting, Inc. (FOCUS), for the installation of a new receipting, invoicing, and licensing computer software system for the following divisions of the Agency: Boiler Inspection, Licensing, and Permits; Electrical Inspection and Licensing; and Elevator Inspection and Permits. FOCUS was paid a total of \$384,976.</p>	<p>Implement a fully operational receipting, invoicing, and licensing system to ensure proper recording of accounts receivable and the related receipt of licensing fees.</p>
<p>The Department of Finance and Administration (DFA) Office of Procurement approved sole source purchase orders totaling \$174,005 that listed FOCUS as the vendor to pay. However, the Agency did not obtain from DFA an information technology outline agreement approving the additional payments of \$210,971. Also, the contract did not require acquisition of the software computer source code to ensure the continued use of the FOCUS system in the event of vendor default. The vendor did not complete the terms of the contract and, subsequently, went out of business. As a result, the following deficiencies were noted based on our review of the various functions of the FOCUS system for the three-year period ended June 30, 2010:</p>	<p></p>
<ul style="list-style-type: none"><li>· Gaps in the receipt numbers issued by the system, indicating missing receipts.</li><li>· Receipts issued in the wrong fiscal year.</li><li>· Inaccurate accounts receivable amounts recorded for the Elevator Inspection and Permits Division.</li></ul>	<p>Strengthen controls to ensure claimant checks are properly and promptly receipted, safeguarded, and processed.</p>
<p>Without accurate records, state assets are at an increased risk for misappropriation.</p>	
<p>The Labor Standards Division of the Agency processes wage claims for citizens (i.e., wage claimants). Wage and hour claimant checks are generated and sent to the Agency as a result of routine workplace inspections by the Labor Standards Division. The Agency maintains a control</p>	

DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 ARKANSAS DEPARTMENT OF LABOR  
 FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

report that lists the status of checks received and payable to claimants for wage and hour violations. This report was not reviewed to ensure claimants were promptly paid. As a result, checks that had been distributed to claimants were still listed on the report.

Without timely updating of the report, Management cannot ensure the accurate and timely receipting and processing of claimant checks.

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

None

**Employment Summary**

	Male	Female	Total	%
White Employees	37	36	73	79 %
Black Employees	7	12	19	21 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			19	21 %
Total Employees			92	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		
Arkansas Department of Labor Annual Report	A.C.A. 11-2-120	Y	Y	300	Keeps citizens of the state, businesses, industries, trade associations, and the Governor aware of Department activities and Legislative and regulatory changes affecting business and labor conditions.

# 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
148 State Operations	3,849,277	57	3,940,129	57	4,329,106	59	4,040,722	57	4,131,376	59	4,131,376	59	4,042,079	57	4,132,733	59	4,132,733	59
149 Boiler Inspection	853,206	14	926,721	12	1,110,985	14	930,181	12	978,460	13	978,460	13	930,426	12	978,705	13	978,705	13
151 Federal Programs	1,130,189	15	1,267,230	15	1,403,730	15	1,270,256	15	1,270,256	15	1,270,256	15	1,270,256	15	1,270,256	15	1,270,256	15
2CT Board of Electrical Examiners	642,060	10	689,232	10	712,576	10	692,961	10	728,696	11	728,696	11	692,961	10	728,696	11	728,696	11
940 Wage and Hour - Cash	193,440	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
942 Seminar & Conference Expenses - Cash	32,037	0	53,000	0	53,000	0	53,000	0	53,000	0	53,000	0	53,000	0	53,000	0	53,000	0
<b>Total</b>	<b>6,700,209</b>	<b>96</b>	<b>7,076,312</b>	<b>95</b>	<b>7,809,397</b>	<b>99</b>	<b>7,187,120</b>	<b>95</b>	<b>7,361,788</b>	<b>99</b>	<b>7,361,788</b>	<b>99</b>	<b>7,188,722</b>	<b>95</b>	<b>7,363,390</b>	<b>99</b>	<b>7,363,390</b>	<b>99</b>

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	2,215,271	25.3	2,061,068	23.2	1,792,314	20.6	1,792,314	20.5	1,792,314	20.6	1,495,439	17.6	1,391,484	16.4	1,338,408	16.0
General Revenue	4000010	3,049,969	34.8	3,005,407	33.9	3,256,989	37.5	3,327,702	38.0	3,256,989	37.5	3,258,346	38.3	3,329,059	39.3	3,258,346	39.0
Federal Revenue	4000020	1,250,318	14.3	1,342,230	15.1	1,395,256	16.1	1,395,256	15.9	1,395,256	16.1	1,395,256	16.4	1,395,256	16.5	1,395,256	16.7
Special Revenue	4000030	2,005,089	22.9	2,139,010	24.1	1,985,000	22.9	1,985,000	22.7	1,985,000	22.9	2,103,000	24.7	2,103,000	24.8	2,103,000	25.2
Cash Fund	4000045	240,630	2.7	253,000	2.9	253,000	2.9	253,000	2.9	253,000	2.9	253,000	3.0	253,000	3.0	253,000	3.0
Merit Adjustment Fund	4000055	0	0.0	67,911	0.8	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Funds</b>		<b>8,761,277</b>	<b>100.0</b>	<b>8,868,626</b>	<b>100.0</b>	<b>8,682,559</b>	<b>100.0</b>	<b>8,753,272</b>	<b>100.0</b>	<b>8,682,559</b>	<b>100.0</b>	<b>8,505,041</b>	<b>100.0</b>	<b>8,471,799</b>	<b>100.0</b>	<b>8,348,010</b>	<b>100.0</b>
Excess Appropriation/(Funding)		(2,061,068)		(1,792,314)		(1,495,439)		(1,391,484)		(1,320,771)		(1,316,319)		(1,108,409)		(984,620)	
<b>Grand Total</b>		<b>6,700,209</b>		<b>7,076,312</b>		<b>7,187,120</b>		<b>7,361,788</b>		<b>7,361,788</b>		<b>7,188,722</b>		<b>7,363,390</b>		<b>7,363,390</b>	

Variance in Fund Balance is due to unfunded appropriation in (148) State Operations.

## 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	
104	91	4	95	9	12.50 %	99	89	6	95	4	10.10 %	99	90	5	95	4	9.09 %

## **Analysis of Budget Request**

**Appropriation:** 148 - State Operations

**Funding Sources:** HSA - Dept. of Labor Fund Account

The Department of Labor was created by A.C.A. §11-2-106 under the supervision and direction of the Director of the Department of Labor. The Director is appointed by the Governor and is subject to confirmation by the Senate. The Director is authorized in A.C.A. §11-2-108 to enforce all labor laws, not otherwise specified in law; administer and enforce all laws, rules and regulations under the purview of the Department; ensure all inspections are conducted as required by rules and regulations of the Department; conduct investigations; and collect and compile statistical information regarding labor in the State.

This appropriation is utilized to support the State Operations of the Agency and to provide the matching requirements for the Federal Occupational Safety Health Administration (OSHA), Mine Safety Health and Administration (MSHA), Revised Occupational Safety and Health Statistics (ROSH), and Census of Fatal Occupational Injuries (CFOI) grants. Funding is derived from general revenue and special revenue from fees collected by the Elevator Inspection Program; as well as non-revenue receipts from blasting certification fees and amusement ride inspections.

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.

The Agency's Change Level Request reflects the following:

An increase in Regular Salaries and Personal Services Matching in each year of \$90,654 for restoration of two positions, Labor Inspector and Labor Standards Investigator. This is to satisfy workload demands, as well as allow flexibility to hire new employees to work alongside veteran employees who will be retiring in the future, allowing the new employees time to meet qualification standards for certification. A permanent downgrade of a position, Attorney Specialist (C126) to a Labor Division Manager (C122).

A reallocation of \$9,750 in each year between General Ledger codes to better reflect anticipated expenditures.

The Executive Recommendation provides for the Agency Request, with the exception of general revenue funding for the two position restoration requests.

## Appropriation Summary

**Appropriation:** 148 - State Operations  
**Funding Sources:** HSA - Dept. of Labor Fund Account

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,472,061	2,414,615	2,734,979	2,484,734	2,551,001	2,551,001	2,485,634	2,551,901	2,551,901
<b>#Positions</b>		<b>57</b>	<b>57</b>	<b>59</b>	<b>57</b>	<b>59</b>	<b>59</b>	<b>57</b>	<b>59</b>	<b>59</b>
Personal Services Matching	5010003	793,162	795,165	863,778	825,639	850,026	850,026	826,096	850,483	850,483
Operating Expenses	5020002	568,836	704,599	704,599	704,599	704,599	704,599	704,599	704,599	704,599
Conference & Travel Expenses	5050009	13,706	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750
Professional Fees	5060010	1,512	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
<b>Total</b>		<b>3,849,277</b>	<b>3,940,129</b>	<b>4,329,106</b>	<b>4,040,722</b>	<b>4,131,376</b>	<b>4,131,376</b>	<b>4,042,079</b>	<b>4,132,733</b>	<b>4,132,733</b>
<b>Funding Sources</b>										
Fund Balance	4000005	10,607	6,750		6,750	6,750	6,750	73,017	53,076	0
General Revenue	4000010	3,049,969	3,005,407		3,256,989	3,327,702	3,256,989	3,258,346	3,329,059	3,258,346
Federal Revenue	4000020	120,129	75,000		125,000	125,000	125,000	125,000	125,000	125,000
Special Revenue	4000030	675,322	791,811		725,000	725,000	725,000	725,000	725,000	725,000
Merit Adjustment Fund	4000055	0	67,911		0	0	0	0	0	0
<b>Total Funding</b>		<b>3,856,027</b>	<b>3,946,879</b>		<b>4,113,739</b>	<b>4,184,452</b>	<b>4,113,739</b>	<b>4,181,363</b>	<b>4,232,135</b>	<b>4,108,346</b>
Excess Appropriation/(Funding)		(6,750)	(6,750)		(73,017)	(53,076)	17,637	(139,284)	(99,402)	24,387
<b>Grand Total</b>		<b>3,849,277</b>	<b>3,940,129</b>		<b>4,040,722</b>	<b>4,131,376</b>	<b>4,131,376</b>	<b>4,042,079</b>	<b>4,132,733</b>	<b>4,132,733</b>

## Change Level by Appropriation

**Appropriation:** 148 - State Operations  
**Funding Sources:** HSA - Dept. of Labor Fund Account

### Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>4,040,722</b>	<b>57</b>	<b>4,040,722</b>	<b>100.0</b>	<b>4,042,079</b>	<b>57</b>	<b>4,042,079</b>	<b>100.0</b>
C01	Existing Program	90,654	2	4,131,376	102.2	90,654	2	4,132,733	102.2
C04	Reallocation	0	0	4,131,376	102.2	0	0	4,132,733	102.2
C10	Reclass	0	0	4,131,376	102.2	0	0	4,132,733	102.2

### Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>4,040,722</b>	<b>57</b>	<b>4,040,722</b>	<b>100.0</b>	<b>4,042,079</b>	<b>57</b>	<b>4,042,079</b>	<b>100.0</b>
C01	Existing Program	90,654	2	4,131,376	102.2	90,654	2	4,132,733	102.2
C04	Reallocation	0	0	4,131,376	102.2	0	0	4,132,733	102.2
C10	Reclass	0	0	4,131,376	102.2	0	0	4,132,733	102.2

### Justification

C01	The Agency is requesting an increase of \$48,279 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of 1 position (Labor Inspector). This position would be utilized for amusement ride inspections or elevator inspections. The Agency is also requesting an increase of \$42,375 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of 1 position (Labor Standards Investigator), to satisfy workload demands in the future. These restorations will allow the necessary flexibility to hire new employees to work alongside veteran employees who will be retiring in the near future. It takes approximately 18 months to 2 years of on-the-job training before an AOSH inspector is minimally qualified to become certified by the National Association of Amusement Ride Safety Officials to independently conduct amusement ride inspections. The same is true for a new inspector to become certified as a Qualified Elevator Inspector (QEI certification).
C04	The Agency has reallocated Operating Expense appropriation between General Ledger codes to more accurately reflect anticipated expenses.
C10	The Agency is requesting the permanent continuation of a previously approved downgrade for an Attorney Specialist classification (Grade C126) to a Labor Division Manager (C122).

## **Analysis of Budget Request**

**Appropriation:** 149 - Boiler Inspection

**Funding Sources:** MLS - Dept. of Labor Special Fund

The Boiler Inspection Program is established in ACA §20-23-101 et seq. and is funded by special revenue collected by the Department from permits and inspection of all boilers used by private and public industries. In addition, fees are collected for annual and biennial inspections of all boilers and pressure vessels, the examination and licensing of boiler operators, quality control assurance surveys, ASME code shop service, licensing of firms to install and repair boilers and pressure vessels, consultation regarding boiler installation, maintenance, operation and repair.

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.

The Agency's Change Level Request reflects the following:

An increase in Regular Salaries and Personal Services Matching in each year of \$48, 279 for restoration of 1 position, Labor Inspector. This would allow flexibility in hiring a noncommissioned boiler inspector.

An increase in Regular Salaries and Personal Services Matching in each year of \$35,735 for restoration of 1 position, Administrative Specialist III. The Agency is also requesting the reallocation of this position from this appropriation to the Board of Electrical Examiners appropriation, to provide administrative support for the Board. This would transfer the Regular Salaries and Personal Services Matching increase of \$35,735 in each year to that appropriation.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 149 - Boiler Inspection

**Funding Sources:** MLS - Dept. of Labor Special Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	531,494	506,641	650,494	506,792	542,346	542,346	506,992	542,546	542,546
<b>#Positions</b>		<b>14</b>	<b>12</b>	<b>14</b>	<b>12</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>13</b>	<b>13</b>
Personal Services Matching	5010003	176,401	168,232	208,643	171,541	184,266	184,266	171,586	184,311	184,311
Operating Expenses	5020002	143,049	237,804	237,804	237,804	237,804	237,804	237,804	237,804	237,804
Conference & Travel Expenses	5050009	2,262	14,044	14,044	14,044	14,044	14,044	14,044	14,044	14,044
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
<b>Total</b>		<b>853,206</b>	<b>926,721</b>	<b>1,110,985</b>	<b>930,181</b>	<b>978,460</b>	<b>978,460</b>	<b>930,426</b>	<b>978,705</b>	<b>978,705</b>
<b>Funding Sources</b>										
Fund Balance	4000005	378,816	332,131		221,084	221,084	221,084	150,903	102,624	102,624
Special Revenue	4000030	806,521	815,674		860,000	860,000	860,000	878,000	878,000	878,000
<b>Total Funding</b>		<b>1,185,337</b>	<b>1,147,805</b>		<b>1,081,084</b>	<b>1,081,084</b>	<b>1,081,084</b>	<b>1,028,903</b>	<b>980,624</b>	<b>980,624</b>
Excess Appropriation/(Funding)		(332,131)	(221,084)		(150,903)	(102,624)	(102,624)	(98,477)	(1,919)	(1,919)
<b>Grand Total</b>		<b>853,206</b>	<b>926,721</b>		<b>930,181</b>	<b>978,460</b>	<b>978,460</b>	<b>930,426</b>	<b>978,705</b>	<b>978,705</b>

## Change Level by Appropriation

**Appropriation:** 149 - Boiler Inspection  
**Funding Sources:** MLS - Dept. of Labor Special Fund

### Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>930,181</b>	<b>12</b>	<b>930,181</b>	<b>100.0</b>	<b>930,426</b>	<b>12</b>	<b>930,426</b>	<b>100.0</b>
C01	Existing Program	84,014	2	1,014,195	109.0	84,014	2	1,014,440	109.0
C07	Agency Transfer	(35,735)	(1)	978,460	105.2	(35,735)	(1)	978,705	105.2

### Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>930,181</b>	<b>12</b>	<b>930,181</b>	<b>100.0</b>	<b>930,426</b>	<b>12</b>	<b>930,426</b>	<b>100.0</b>
C01	Existing Program	84,014	2	1,014,195	109.0	84,014	2	1,014,440	109.0
C07	Agency Transfer	(35,735)	(1)	978,460	105.2	(35,735)	(1)	978,705	105.2

### Justification

C01	The Agency is requesting an increase of \$48,279 in Regular and Personal Services Matching in each year of the biennium for restoration of 1 position (Labor Inspector). This would allow the flexibility to hire a non-commissioned boiler inspector. This would allow time for sufficient on-the job training with a commissioned inspector based on our anticipated attrition rate. The current market has made it increasingly necessary to hire less experienced persons as boiler inspectors and provide training until they can obtain their commission. This process can take up to 18 months. The Agency is requesting an increase of \$35,735 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of 1 position (Administrative Specialist III). This position would be reallocated to provide administrative support for the Electrical Board (Appropriation 2CT) upon its restoration.
C07	The Agency is requesting the reallocation of 1 restored position (Administrative Specialist III), from Appropriation 149 to Appropriation 2CT to provide administrative support for the Electrical Board.

## **Analysis of Budget Request**

**Appropriation:** 151 - Federal Programs

**Funding Sources:** FNA - Dept. of Labor-Federal Programs

Arkansas Code Annotated §11-2-121 authorizes the Director of the Department of Labor to enter into agreements with the United States Government for assistance and cooperation in enforcing and implementing state and federal laws. This appropriation is 100% federally funded and is utilized for the receipt of grant funds for conducting OSHA Consultation, Mine Safety and Health Consultation and Training, and the Occupational Injuries and Fatalities Surveys.

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.

The Agency is requesting Base Level in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 151 - Federal Programs

**Funding Sources:** FNA - Dept. of Labor-Federal Programs

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	652,631	686,064	791,503	684,943	684,943	684,943	684,943	684,943	684,943
<b>#Positions</b>		<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
Personal Services Matching	5010003	216,785	222,333	253,394	226,480	226,480	226,480	226,480	226,480	226,480
Operating Expenses	5020002	229,479	314,883	314,883	314,883	314,883	314,883	314,883	314,883	314,883
Conference & Travel Expenses	5050009	23,078	43,950	43,950	43,950	43,950	43,950	43,950	43,950	43,950
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	8,216	0	0	0	0	0	0	0	0
<b>Total</b>		<b>1,130,189</b>	<b>1,267,230</b>	<b>1,403,730</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	1,130,189	1,267,230		1,270,256	1,270,256	1,270,256	1,270,256	1,270,256	1,270,256
<b>Total Funding</b>		<b>1,130,189</b>	<b>1,267,230</b>		<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>1,130,189</b>	<b>1,267,230</b>		<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>	<b>1,270,256</b>

## **Analysis of Budget Request**

**Appropriation:** 2CT - Board of Electrical Examiners

**Funding Sources:** MLS - Dept. of Labor Special Fund

Arkansas Code Annotated §17-28-201 created the Board of Electrical Examiners consisting of the Director of the Department of Labor and eight (8) other members appointed by the Governor with the advice and consent of the Senate. The Board is authorized to adopt rules and regulations; conduct examinations for licensure; register electrical apprentices and issue certificates; and revoke or suspend licenses or certificates. This appropriation is funded by special revenues from fees collected for license issuance and renewal of electrical contractors and the examination, licensure and renewal of master, journeyman, and industrial maintenance electricians as well as residential master and journeyman electricians and air conditioning electricians.

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.

The Agency's Change Level Request consists of an increase in Regular Salaries and Personal Services Matching in each year of \$35,735 for the transfer of 1 position, Administrative Specialist III, from the Boiler Inspector appropriation to this appropriation to provide administrative support to the Board of Electrical Examiners.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 2CT - Board of Electrical Examiners

**Funding Sources:** MLS - Dept. of Labor Special Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	369,060	383,789	405,205	384,563	409,831	409,831	384,563	409,831	409,831
<b>#Positions</b>		<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>11</b>	<b>11</b>
Personal Services Matching	5010003	128,345	131,275	133,203	134,230	144,697	144,697	134,230	144,697	144,697
Operating Expenses	5020002	141,504	167,738	167,738	167,738	167,738	167,738	167,738	167,738	167,738
Conference & Travel Expenses	5050009	3,151	6,430	6,430	6,430	6,430	6,430	6,430	6,430	6,430
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
<b>Total</b>		<b>642,060</b>	<b>689,232</b>	<b>712,576</b>	<b>692,961</b>	<b>728,696</b>	<b>728,696</b>	<b>692,961</b>	<b>728,696</b>	<b>728,696</b>
<b>Funding Sources</b>										
Fund Balance	4000005	1,717,445	1,598,631		1,440,924	1,440,924	1,440,924	1,147,963	1,112,228	1,112,228
Special Revenue	4000030	523,246	531,525		400,000	400,000	400,000	500,000	500,000	500,000
<b>Total Funding</b>		<b>2,240,691</b>	<b>2,130,156</b>		<b>1,840,924</b>	<b>1,840,924</b>	<b>1,840,924</b>	<b>1,647,963</b>	<b>1,612,228</b>	<b>1,612,228</b>
Excess Appropriation/(Funding)		(1,598,631)	(1,440,924)		(1,147,963)	(1,112,228)	(1,112,228)	(955,002)	(883,532)	(883,532)
<b>Grand Total</b>		<b>642,060</b>	<b>689,232</b>		<b>692,961</b>	<b>728,696</b>	<b>728,696</b>	<b>692,961</b>	<b>728,696</b>	<b>728,696</b>

## Change Level by Appropriation

**Appropriation:** 2CT - Board of Electrical Examiners  
**Funding Sources:** MLS - Dept. of Labor Special Fund

### Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>692,961</b>	<b>10</b>	<b>692,961</b>	<b>100.0</b>	<b>692,961</b>	<b>10</b>	<b>692,961</b>	<b>100.0</b>
C07	Agency Transfer	35,735	1	728,696	105.2	35,735	1	728,696	105.2

### Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>692,961</b>	<b>10</b>	<b>692,961</b>	<b>100.0</b>	<b>692,961</b>	<b>10</b>	<b>692,961</b>	<b>100.0</b>
C07	Agency Transfer	35,735	1	728,696	105.2	35,735	1	728,696	105.2

### Justification

C07	The Agency is requesting the reallocation of 1 restored position (Administrative Specialist III), from Appropriation 149 to Appropriation 2CT to provide administrative support for the Electrical Board.
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## **Analysis of Budget Request**

**Appropriation:** 940 - Wage and Hour - Cash

**Funding Sources:** NDW - Cash in Treasury

The Department of Labor utilizes this appropriation as a "pass through" account to disburse cash funds collected from employers when it is determined an employer owes compensation to an employee resulting from wage and hour investigations and legal actions pursued by the Agency. Payments made to the Department of Labor by employers for this purpose are then disbursed to the employee.

The Agency is requesting Base Level in each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

## Appropriation Summary

**Appropriation:** 940 - Wage and Hour - Cash

**Funding Sources:** NDW - Cash in Treasury

### 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
Wages Due	5900046	193,440	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total		193,440	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
<b>Funding Sources</b>										
Fund Balance	4000005	100,128	115,229		115,229	115,229	115,229	115,229	115,229	115,229
Cash Fund	4000045	208,541	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding		308,669	315,229		315,229	315,229	315,229	315,229	315,229	315,229
Excess Appropriation/(Funding)		(115,229)	(115,229)		(115,229)	(115,229)	(115,229)	(115,229)	(115,229)	(115,229)
Grand Total		193,440	200,000		200,000	200,000	200,000	200,000	200,000	200,000

## **Analysis of Budget Request**

**Appropriation:** 942 - Seminar & Conference Expenses - Cash

**Funding Sources:** NDW - Cash in Treasury

The Department utilizes this appropriation to cover seminar and conference related costs. Cash funds collected from participants attending safety seminars and conferences hosted by the Department fund this appropriation.

The Agency is requesting Basel Level in each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

## Appropriation Summary

**Appropriation:** 942 - Seminar & Conference Expenses - Cash

**Funding Sources:** NDW - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	7,515	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conference & Travel Expenses	5050009	24,522	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>32,037</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	8,275	8,327		8,327	8,327	8,327	8,327	8,327	8,327
Cash Fund	4000045	32,089	53,000		53,000	53,000	53,000	53,000	53,000	53,000
<b>Total Funding</b>		<b>40,364</b>	<b>61,327</b>		<b>61,327</b>	<b>61,327</b>	<b>61,327</b>	<b>61,327</b>	<b>61,327</b>	<b>61,327</b>
Excess Appropriation/(Funding)		(8,327)	(8,327)		(8,327)	(8,327)	(8,327)	(8,327)	(8,327)	(8,327)
<b>Grand Total</b>		<b>32,037</b>	<b>53,000</b>		<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>