

DEPARTMENT OF LABOR

Enabling Laws

Act 77 of 2014 (appropriation) ;

Ark. Code Ann. §§ 11-2-101 *et seq.* and 25-12-101 (creation and general powers).

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." Ark. Code Ann. § 11-2-101.

The following describes the Agency's four (4) major divisions which encompass 11 functional program areas.

OCCUPATIONAL SAFETY AND HEALTH:

This division is the largest within the Agency with three (3) primary functional program areas. In addition to its regulatory authority, this division recognizes individuals and companies who have made outstanding strides in the field of occupational safety through its safety award program, and all programs 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 program 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) program is supported by general revenue and enforces the state's occupational 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 program 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. Also under the umbrella of the AOSH program is the Training and Education and Mine Safety and Health program. Certified instructors provide basic safety and health training, including CPR certification, and provide mandatory training for miners and mine operators. In previous years, the Agency has received a grant from the federal Mine Safety and Health Administration to provide the mandatory MSHA training. This was an 80% federal and 20% state grant. With the likelihood of this grant being greatly reduced or completely eliminated, the Agency plans to reallocate one position from this program to another and has already increased training fees to help support this program area.

The Occupational Safety and Health/Census of Fatal Occupational Injuries (OSH/CFOI) program is responsible for conducting surveys of businesses and compiling and reporting statistics related to occupational injuries, illnesses and fatalities to facilitate and focus services. A federal grant from the U. S. Department of Labor's Bureau of Labor Statistics funds 50% of these business functions. General revenue provides the other 50% required state match for this program.

LABOR STANDARDS:

The Labor Standards division is supported by general revenue and is responsible for enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay and prevailing wage, and provides dispute resolution services for certain small wage disputes. The division licenses private employment agencies and otherwise administers and enforces the provisions of the Private Employment Agency Act. Additionally, the division conducts annual wage surveys to establish minimum wages for laborers and mechanics employed on public works projects covered by the Arkansas Prevailing Wage law. A 12-member Prevailing Wage Advisory Committee was created by Executive Order in 1994 to provide advice related to the administration of this program. Additionally, one state mediator 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. Finally, the division is responsible for enforcing a number of miscellaneous laws establishing employment standards, *e.g.*, Ark. Code Ann. § 11-5-116 (break times for nursing mothers) and § 11-2-124 (social media accounts of employees).

CODE ENFORCEMENT AND PUBLIC SAFETY:

Organizationally, there are three (3) functional program areas 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 program 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 works in conjunction with the Elevator Safety Board. Fees collected through this program substantially subsidize the Agency's general revenue distribution.

The Board of Electrical Examiners is responsible for licensing electricians and the Agency is responsible for enforcing the State Electrical Code as adopted by the board. This program is funded 100% by special revenue from collection of fees.

ADMINISTRATIVE SERVICES:

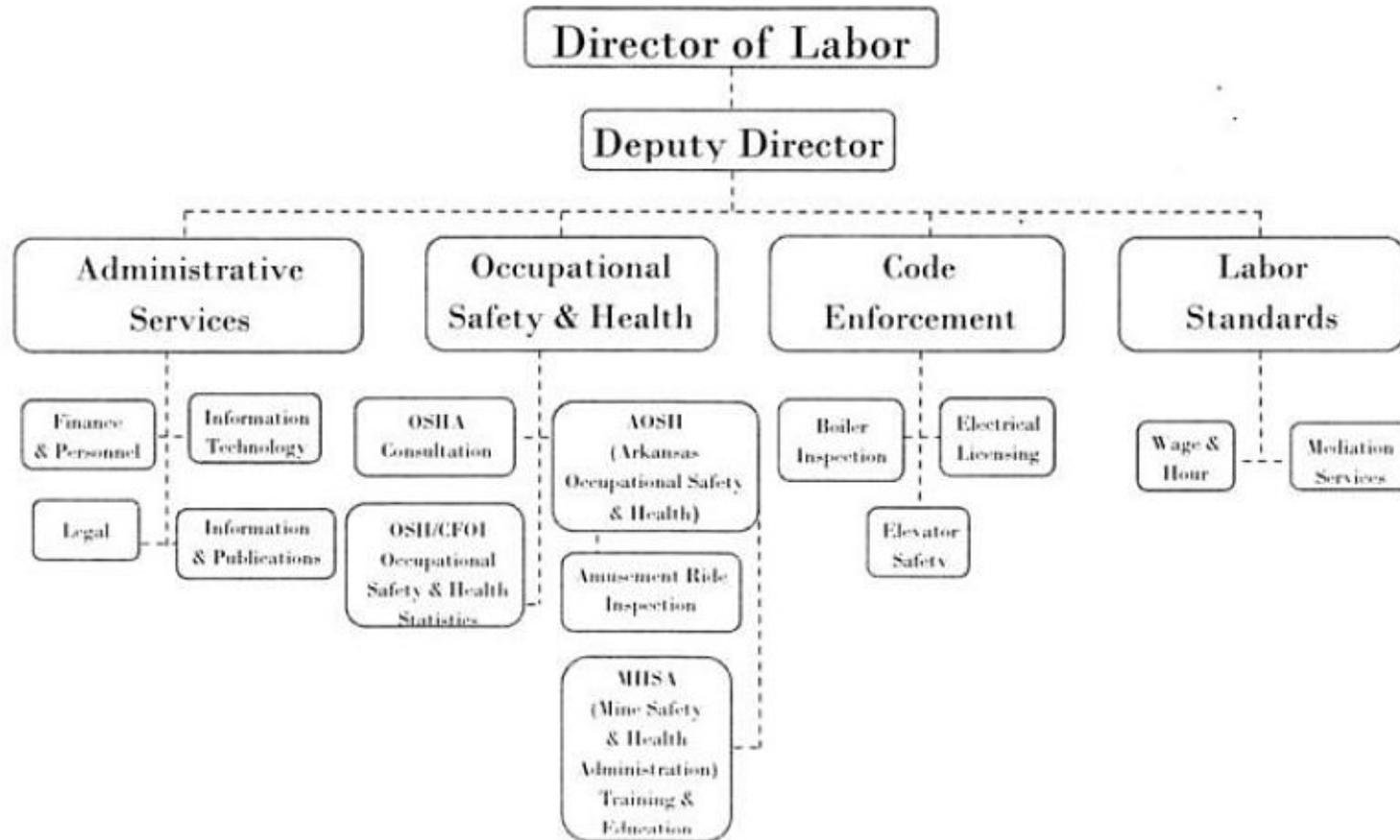
The Administrative Services division provides in-house support for all agency programs. This division is primarily funded by general revenue with appropriate direct and indirect charges to the federal and special revenue funded programs. There are four (4) functional work areas in this division.

Finance and Personnel is responsible for monitoring the Agency's budget and managing federal grants, procurement and inventory management; recruitment and hiring; handling benefits and payroll; and policy development, implementation and compliance.

Information Technology is responsible for planning, designing, implementing, installing and maintaining the Agency's computer network and all associated components and user support and training.

Legal provides counsel and other services to the Agency and its regulatory boards including drafting administrative regulations and handling litigation.

Information and Publications is responsible for the design and development of agency publications, whether print or electronic. This includes maintenance of the Agency's website, as well as publication of regulations and an e-newsletter. They handle press releases and public announcements, as well as providing assistance, coordination and marketing for agency events.



Agency Commentary

The Arkansas Department of Labor's biennial budget requests are minimal and are needed to provide necessary administrative flexibility for reallocation and best utilization of the Agency's currently authorized positions. In summary, the Agency is requesting restoration of three currently authorized positions in three separate program areas; consideration for reclassification of two Information Technology positions; and the continuation of a currently approved downgrade.

For years it has become increasingly difficult to recruit qualified applicants in our technical positions that require specific knowledge and/or work related experience. It takes approximately 18 months of on-the-job training before a new AOSH inspector is minimally qualified to become certified by the National Association of Amusement Ride Safety Officials to independently conduct amusement ride inspections. Similarly, while elevator and boiler inspectors are required to have some related work experience in the specialized field to meet qualifications to test for certification or a commission, it generally takes a minimum of six to nine months of work experience with the Agency and additional training for a new inspector to become certified as a Qualified Elevator Inspector (QEI) or attain a Commission from the National Board of Boiler and Pressure Vessel Inspectors. Since the Agency currently has several inspectors nearing eligibility or are currently eligible to retire, the Agency will inevitably have turnover in these program areas. Therefore, the Agency is requesting restoration of one Labor Inspector position (22134003) in Funds Center 149 (Boiler Inspection) to allow for the flexibility to hire a new boiler inspector or to reallocate this position to another program in the event we need to begin the process of training a replacement for a tenured inspector planning to retire.

Additionally, the Agency is requesting restoration of one Administrative Specialist II position (22094003) in Funds Center 2CT (Board of Electrical Examiners) to allow for additional administrative support for the Electrical Board as needed during peak periods.

In anticipation of a possible state minimum wage increase, the Agency is also requesting restoration of one Labor Standards Investigator position (22151182) in Funds Center 148 for the Labor Standards division in the event workload demands make it necessary to hire an additional investigator.

Two of the Agency's Information Systems (IS) employees provide support for approximately 82% of the Agency's employees who are state network users. These are positions 22093940 and 22094013. They are both currently classified as Information Systems Coordination Specialist (D061C, Grade C119). They both primarily work independently with only general direction or supervision. With such a small staff of IS professionals, these employees must perform a diversity of tasks and utilize the knowledge and experience they have gained to keep our agency's equipment, network and users performing at optimum levels. Over the past six years, the use of advanced technologies and information systems has brought about significant changes within our agency. Because of the multifaceted work they perform and vast knowledge and abilities required to function effectively, we strongly support reclassifications that are more in line with the jobs they perform and the necessary knowledge, skills and abilities they possess. The Agency is requesting one Grade C123 and one Grade C124 in order to get these two positions to a level that will aid the Agency in the future in recruiting knowledgeable and experienced replacements as well as provide an opportunity for career advancement in this field

Finally, the Agency has requested the permanent continuation of a previously approved downgrade for position 22094008 from an Editor classification (Grade C117) to a Media Specialist (C116).

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF LABOR
FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

None

None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	37	35	72	80 %
Black Employees	6	12	18	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			18	20 %
Total Employees			90	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Arkansas Department of Labor Annual Report	A.C.A. 11-2-120	Y	Y	25	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.	13	5.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
148 State Operations	3,890,815	57	4,098,978	58	4,189,757	59	4,189,089	58	4,232,210	59	4,232,210	59	4,191,489	58	4,234,610	59	4,234,610	59
149 Boiler Inspection	838,688	12	948,965	12	989,767	13	956,886	12	1,006,010	13	1,006,010	13	956,898	12	1,006,022	13	1,006,022	13
151 Federal Programs	1,057,385	15	1,267,224	16	1,282,629	16	1,274,741	16	1,274,741	16	1,274,741	16	1,276,353	16	1,276,353	16	1,276,353	16
2CT Board of Electrical Examiners	626,081	11	683,448	10	736,999	11	688,673	10	720,777	11	720,777	11	689,454	10	721,558	11	721,558	11
940 Wage and Hour - Cash	107,629	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	24,006	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
Total	6,544,604	95	7,251,615	96	7,452,152	99	7,362,389	96	7,486,738	99	7,486,738	99	7,367,194	96	7,491,543	99	7,491,543	99

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	1,833,183	22.1	1,768,100	20.1		1,551,498	17.9	1,551,498	17.8	1,551,498	17.8	1,300,233	15.2	1,219,005	14.3	1,219,005	14.3
General Revenue	4000010	3,208,786	38.6	3,209,846	36.5		3,267,489	37.7	3,310,610	38.0	3,310,610	38.0	3,269,361	38.3	3,312,482	38.9	3,312,482	38.9
Federal Revenue	4000020	1,180,102	14.2	1,483,035	16.8		1,495,635	17.3	1,495,635	17.2	1,495,635	17.2	1,517,335	17.8	1,517,335	17.8	1,517,335	17.8
Special Revenue	4000030	1,889,815	22.7	2,089,132	23.7		2,095,000	24.2	2,095,000	24.1	2,095,000	24.1	2,205,000	25.8	2,205,000	25.9	2,205,000	25.9
Cash Fund	4000045	200,818	2.4	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
Total Funds		8,312,704	100.0	8,803,113	100.0		8,662,622	100.0	8,705,743	100.0	8,705,743	100.0	8,544,929	100.0	8,506,822	100.0	8,506,822	100.0
Excess Appropriation/(Funding)		(1,768,100)		(1,551,498)			(1,300,233)		(1,219,005)		(1,219,005)		(1,177,735)		(1,015,279)		(1,015,279)	
Grand Total		6,544,604		7,251,615			7,362,389		7,486,738		7,486,738		7,367,194		7,491,543		7,491,543	

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
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	
99	90	5	95	4	9.09 %	99	91	4	95	4	8.08 %	99	90	6	96	3	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 include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

Agency Base Level is \$4,189,089 in FY16 and \$4,191,489 in FY17.

The Agency requests:

- Increase of Regular Salaries and Personal Services Matching of \$43,121 in each year of the biennium for the restoration of one Labor Standards Investigator (Grade C116) position.
- The Reclassification of three (3) positions that will not result in any additional appropriation or funds. Two positions are currently classified as Information Systems Coordination Specialist (Grade C119). The Agency is requesting that one (1) position be reclassified to Senior Software Support Analyst (Grade 123) and one (1) position to Senior Software Specialist (Grade 124). The Agency also has one position currently downgraded from Editor (Grade 117) to Media Specialist (C116) and requests permanent reclassification.

The Executive Recommendation provides for the Agency Request, with the exception that two (2) Systems Coordination Specialist positions be reclassified as Senior Software Support Analyst (Grade C123) and Software Support Analyst (Grade C121).

Appropriation Summary

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

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,484,568	2,489,456	2,598,815	2,555,412	2,586,125	2,586,125	2,557,118	2,587,831	2,587,831
#Positions		57	58	59	58	59	59	58	59	59
Personal Services Matching	5010003	829,318	879,173	860,593	903,328	915,736	915,736	904,022	916,430	916,430
Operating Expenses	5020002	557,221	704,599	704,599	704,599	704,599	704,599	704,599	704,599	704,599
Conference & Travel Expenses	5050009	19,708	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750
Professional Fees	5060010	0	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		3,890,815	4,098,978	4,189,757	4,189,089	4,232,210	4,232,210	4,191,489	4,234,610	4,234,610
Funding Sources										
Fund Balance	4000005	4,217	4,237		4,237	4,237	4,237	7,637	7,637	7,637
General Revenue	4000010	3,208,786	3,209,846		3,267,489	3,310,610	3,310,610	3,269,361	3,312,482	3,312,482
Federal Revenue	4000020	153,530	165,000		165,000	165,000	165,000	165,000	165,000	165,000
Special Revenue	4000030	528,519	724,132		760,000	760,000	760,000	760,000	760,000	760,000
Total Funding		3,895,052	4,103,215		4,196,726	4,239,847	4,239,847	4,201,998	4,245,119	4,245,119
Excess Appropriation/(Funding)		(4,237)	(4,237)		(7,637)	(7,637)	(7,637)	(10,509)	(10,509)	(10,509)
Grand Total		3,890,815	4,098,978		4,189,089	4,232,210	4,232,210	4,191,489	4,234,610	4,234,610

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	4,189,089	58	4,189,089	100.0	4,191,489	58	4,191,489	100.0
C01	Existing Program	43,121	1	4,232,210	101.0	43,121	1	4,234,610	101.0
C10	Reclass	0	0	4,232,210	101.0	0	0	4,234,610	101.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	4,189,089	58	4,189,089	100.0	4,191,489	58	4,191,489	100.0
C01	Existing Program	43,121	1	4,232,210	101.0	43,121	1	4,234,610	101.0
C10	Reclass	0	0	4,232,210	101.0	0	0	4,234,610	101.0

Justification

C01	The Agency is requesting an increase of \$43,121 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of one Labor Standards Investigator position (Grade C116). Should the effort to increase the state minimum wage above the federal rate be successful, the Agency's workload in the Labor Standards Division would significantly increase and approval of this request would allow the agency to hire one additional investigator.
C10	The Agency is requesting three reclassifications that will not result in any additional appropriation or funds. Two positions are currently classified as Information Systems Coordination Specialist (Grade C119). The Agency is requesting that one be reclassified to Senior Software Support Analyst (Grade 123) and one to Senior Software Specialist (Grade 124). With the advanced technologies now in place and multifaceted work they perform, the recommended classifications are more in line with the job functions they perform. If approved, having these levels of classifications will aid the Agency in future recruitment of knowledgeable and experienced replacements, as well as provide an opportunity for career advancement. The Agency also has one position currently downgraded from Editor (Grade 117) to Media Specialist (C116) and is requesting permanent reclassification to the Media Specialist.

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 include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Request includes Base Level and an increase in Regular Salaries and Personal Services Matching totaling \$49,124 in each year of the 2015-17 Biennium to hire one (1) Labor Inspector (Grade C119).

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		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	522,547	513,754	551,617	518,803	554,357	554,357	518,809	554,363	554,363
#Positions		12	12	13	12	13	13	12	13	13
Personal Services Matching	5010003	180,642	183,363	186,302	186,235	199,805	199,805	186,241	199,811	199,811
Operating Expenses	5020002	132,591	237,804	237,804	237,804	237,804	237,804	237,804	237,804	237,804
Conference & Travel Expenses	5050009	2,908	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
Total		838,688	948,965	989,767	956,886	1,006,010	1,006,010	956,898	1,006,022	1,006,022
Funding Sources										
Fund Balance	4000005	326,977	350,286		241,321	241,321	241,321	169,435	120,311	120,311
Special Revenue	4000030	861,997	840,000		885,000	885,000	885,000	895,000	895,000	895,000
Total Funding		1,188,974	1,190,286		1,126,321	1,126,321	1,126,321	1,064,435	1,015,311	1,015,311
Excess Appropriation/(Funding)		(350,286)	(241,321)		(169,435)	(120,311)	(120,311)	(107,537)	(9,289)	(9,289)
Grand Total		838,688	948,965		956,886	1,006,010	1,006,010	956,898	1,006,022	1,006,022

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	956,886	12	956,886	100.0	956,898	12	956,898	100.0
C01	Existing Program	49,124	1	1,006,010	105.1	49,124	1	1,006,022	105.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	956,886	12	956,886	100.0	956,898	12	956,898	100.0
C01	Existing Program	49,124	1	1,006,010	105.1	49,124	1	1,006,022	105.1

Justification

C01	The Agency is requesting an increase of \$49,124 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of one Labor Inspector (Grade C119). This position is currently reallocated to State Operations for the purpose the Agency needs for it to be restored, which is to allow the flexibility to hire a new employee to work alongside veteran employees who will be retiring or who resigns. In our compliance divisions, it takes approximately 18 months of on-the-job training before a new inspector is minimally qualified to obtain necessary certification in a specialized field.
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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 include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency is requesting Base Level in each year of the 2015-2017 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	623,692	669,960	695,086	674,074	674,074	674,074	675,374	675,374	675,374
#Positions		15	16	16	16	16	16	16	16	16
Personal Services Matching	5010003	220,578	238,431	228,710	241,834	241,834	241,834	242,146	242,146	242,146
Operating Expenses	5020002	187,489	314,883	314,883	314,883	314,883	314,883	314,883	314,883	314,883
Conference & Travel Expenses	5050009	25,626	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	0	0	0	0	0	0	0	0	0
Total		1,057,385	1,267,224	1,282,629	1,274,741	1,274,741	1,274,741	1,276,353	1,276,353	1,276,353
Funding Sources										
Fund Balance	4000005	85,049	54,236		105,047	105,047	105,047	160,941	160,941	160,941
Federal Revenue	4000020	1,026,572	1,318,035		1,330,635	1,330,635	1,330,635	1,352,335	1,352,335	1,352,335
Total Funding		1,111,621	1,372,271		1,435,682	1,435,682	1,435,682	1,513,276	1,513,276	1,513,276
Excess Appropriation/(Funding)		(54,236)	(105,047)		(160,941)	(160,941)	(160,941)	(236,923)	(236,923)	(236,923)
Grand Total		1,057,385	1,267,224		1,274,741	1,274,741	1,274,741	1,276,353	1,276,353	1,276,353

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

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 of \$32,104 in each year of the 2015-17 Biennium for the restoration of one (1) Administrative Specialist II (Grade C109) position.

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		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	352,442	370,811	416,642	373,904	395,731	395,731	374,528	396,355	396,355
#Positions		11	10	11	10	11	11	10	11	11
Personal Services Matching	5010003	128,163	138,469	146,189	140,601	150,878	150,878	140,758	151,035	151,035
Operating Expenses	5020002	142,456	167,738	167,738	167,738	167,738	167,738	167,738	167,738	167,738
Conference & Travel Expenses	5050009	3,020	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
Total		626,081	683,448	736,999	688,673	720,777	720,777	689,454	721,558	721,558
Funding Sources										
Fund Balance	4000005	1,315,445	1,188,663		1,030,215	1,030,215	1,030,215	791,542	759,438	759,438
Special Revenue	4000030	499,299	525,000		450,000	450,000	450,000	550,000	550,000	550,000
Total Funding		1,814,744	1,713,663		1,480,215	1,480,215	1,480,215	1,341,542	1,309,438	1,309,438
Excess Appropriation/(Funding)		(1,188,663)	(1,030,215)		(791,542)	(759,438)	(759,438)	(652,088)	(587,880)	(587,880)
Grand Total		626,081	683,448		688,673	720,777	720,777	689,454	721,558	721,558

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	688,673	10	688,673	100.0	689,454	10	689,454	100.0
C01	Existing Program	32,104	1	720,777	104.7	32,104	1	721,558	104.7

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	688,673	10	688,673	100.0	689,454	10	689,454	100.0
C01	Existing Program	32,104	1	720,777	104.7	32,104	1	721,558	104.7

Justification

C01	The Agency is requesting an increase of \$32,104 in Regular Salaries and Personal Services Matching in each year of the biennium for the restoration of one Administrative Specialist II position (Grade C109). There are peak periods throughout the year when additional administrative support is needed. Restoration of this position will allow some flexibility for the Agency to hire additional support as needed.
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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 requests Base Level in each year of the 2015-17 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Wages Due	5900046	107,629	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total		107,629	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources										
Fund Balance	4000005	90,351	152,932		152,932	152,932	152,932	152,932	152,932	152,932
Cash Fund	4000045	170,210	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding		260,561	352,932		352,932	352,932	352,932	352,932	352,932	352,932
Excess Appropriation/(Funding)		(152,932)	(152,932)		(152,932)	(152,932)	(152,932)	(152,932)	(152,932)	(152,932)
Grand Total		107,629	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 2015-17 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		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	4,414	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conference & Travel Expenses	5050009	19,592	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
Total		24,006	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Funding Sources										
Fund Balance	4000005	11,144	17,746		17,746	17,746	17,746	17,746	17,746	17,746
Cash Fund	4000045	30,608	53,000		53,000	53,000	53,000	53,000	53,000	53,000
Total Funding		41,752	70,746		70,746	70,746	70,746	70,746	70,746	70,746
Excess Appropriation/(Funding)		(17,746)	(17,746)		(17,746)	(17,746)	(17,746)	(17,746)	(17,746)	(17,746)
Grand Total		24,006	53,000		53,000	53,000	53,000	53,000	53,000	53,000