

DEPARTMENT OF PARKS AND TOURISM

Enabling Laws

Appropriation Acts: Act 208 of 2016

Arkansas Code: 25-13-101 to 103; 25-13-104; 13-5-320; 13-5-321; 13-9-101 to 105; 13-13-102; 23-89-518; 26-58-124; 15-11-101 to 102; 15-11-201 to 209; 22-4-202; 22-4-307; 25-16-904; 3-5-701, 703; 14-170-205; 15-11-301 to 306; 15-11-401 to 410; 15-11-501 to 511; 15-11-802; 15-20-703,705 to 708; 25-13-301; 26-52-1006; 26-51-2207; 27-67-224; 25-13-101,102; 27-69-201 to 207; 15-11-601 to 604; 8-6-404; 8-6-612; 8-6-606; 8-6-1003; 19-6-484; 13-5-201 to 207; 13-5-309; 13-5-313, 314, 316, 317; 13-5-401 to 604; 13-5-801; 13-5-1013; 13-7-103; 13-7- 401; 13-14-103,105; 14-270-201, 203; 15-11-210, -211; 15-11-702 to 709; 15-12-101 to 103; 15-45-302; 19-5-051; 19-5-986; 19-6-426, 484; 21-5-701,705; 22-4-102 to 22-4-111,113; 22-4-201,203; 22-4-302; 22-4-305, 310, 312 to 313; 22-4-401 to 408; 22-4-501 to 504; 25-13-103; 25-17-304; 26-75-303; 27-24-1601 to 1602; 27 -67-204; 27-67-322; 6-20-205; 12-61-123; 13-3-101 to 109; 13-3-201 to 207, 209; 5-14-134;27-67-204.

History and Organization

The mission of the Department of Parks and Tourism is to enhance the quality of life in Arkansas by promoting, protecting, interpreting and managing the State's natural and cultural resources.

The reorganization of State government, as affected by Act 38 of 1971, gave considerable emphasis to Arkansas' travel and recreation industry. This was emphasized by the creation of the Department of Parks and Tourism and by the expansion of the overall effort of the Agency. The Executive Director is appointed by the Governor and is responsible for personnel and administration; policy is set by various commissions. Within the department itself, organization of the staff functions and delivery of services are divided into six defined areas with each managed by a division director. The Executive Director's office coordinates the overall operations of the department and also directs the personnel, internal audit and public information functions.

The Personnel Section of the Department of Parks and Tourism works directly for the Executive Director. The primary functions of this section include human resources management, the personnel process, policy, affirmative action, training, human resources management, personnel records, performance evaluation, job classification and the application/interview process. It works with all divisions of the department to

provide technical assistance, employee counseling and career planning.

The Administration Division provides administrative support for all department divisions in the accounting, auditing, purchasing and payroll areas, as well as the mail room, printing reproduction, warehouse functions, and data processing service. All department budgetary funding responsibilities are coordinated, verified, and monitored by the Administration Division.

The State Parks, Recreation and Travel Commission, the policy board of the Parks and Tourism divisions of the department, has seventeen members appointed by the Governor. One is a historian, four members represent News Media (minimum of one), one member represents age 60+ of population, one member represents occupation/avocation of Culture/Arts, one member represents occupation/avocation of Conservation/Recreation, seven members represent the Tourism industry, and two emeritus (lifetime). Each of the four Congressional Districts of the State is represented on this commission.

The Parks Division is the largest in the department. It is charged with conserving and protecting the State's natural, historical and cultural resources, providing recreation and educational opportunities to the State's citizens and visitors, enhancing the economy through tourism, and leadership in resource conservation. The State Parks Division, beginning operations in 1937, four years after the initial development of the first State parks in 1933 by the National Parks Service advisors and the Civilian Conservation Corps (CCC), is responsible for the development, maintenance, and operation of over 54,353 acres of land, consisting of 52 State parks and museums that offer a variety of natural, cultural, historical, educational, and recreational experiences. Characterized by 891 buildings (including 183 historic structures), six national historic and one natural landmark, 1,786 campsites, over 963 picnic site, four lodges (242 guest rooms), 8 restaurants, 400 miles of trails, 120 miles of roads, 10 marinas, 199 cabins, hundreds of miles of utilities, and over 8 million visitors annually, the State parks are like running small cities. In FY 2016 the parks generated \$28 million in revenue.

The Parks Division administers the Outdoor Recreation Grants Program from the U.S. Department of Interior, the Natural and Cultural Resources Fund for cities and counties, the Trails for Life Grant Program, the Statewide Comprehensive Outdoor Recreation Plan (SCORP), and provides technical assistance in park development and operation for cities and counties. The staff participates in statewide trail programs, environmental reviews, and conservation, recreation and environmental committees on behalf of the department. The Arkansas Outdoor Recreation Grants Advisory Committee is organized under provisions of the Land and Water Conservation Fund Act of 1965 and the Arkansas Open Project Selection Process as approved by the National Park Service. The Committee shall consist of five members appointed by the Governor.

In 1996, Amendment 75 was passed by the voters establishing a 1/8 cent conservation tax to repair, renovate and improve the State parks. In 1999, ArkansasStateParks.com web site was developed to enhance marketing, educational and informational efforts.

The State Parks Division (ASP) works with the Prairie Grove Battlefield Advisory Commission, which is composed of seven members appointed by the Governor, and charged with advising ASP for the preservation and development of the park commemorating those that

fought the Battle of Prairie Grove in 1862.

The Arkansas Museum of Natural Resources Advisory Committee, consisting of fifteen members, appointed by the Governor, serves in an advisory capacity to the Agency. At least half of the members are residents of oil and brine producing counties of south Arkansas. The Advisory Committee advises in the establishment of policies and procedures for the operation and development of the Arkansas Museum of Natural Resources and coordinates efforts to encourage gifts or donations to the museum.

The Plantation Agriculture Review Committee is a five-member group appointed by the Governor to advise the Agency in the establishment of policies and procedures for the development and operation of the Plantation Agriculture Museum and develops and coordinates efforts to encourage gifts or donations to the Plantation Agriculture Museum.

The Ozark Folk Cultural Center Commission members are selected by the seated Commission members and must be approved by the City Council of Mountain View. The nine (9) member board was created by legislation for the purpose of construction and operation of the Ozark Folk Center. The OFCCC serves as an advisory board and approves Capital Improvements/Major Maintenance Expenditures Reserve Account projects.

The overall purpose of the Tourism Division is to enrich the quality of life and improve the economy of Arkansas by generating travel and enhancing the image of the State. The division's out-of-state efforts are to: (1) generate travel and tourism to Arkansas by utilizing sophisticated marketing techniques; (2) enhance the image of the State via advertising messages, the Internet, and editorial efforts with national media; (3) encourage investment in Arkansas' tourism industry by providing an environment of cooperation and incentive where possible; and (4) encourage retirement and relocation to the State. The division's in-state objectives are to: (1) encourage travel and tourism in Arkansas by Arkansas people; (2) build pride by image enhancement and educational efforts; (3) be a leader and advocate to build understanding and support for the important role tourism plays in the Arkansas economy; (4) work to present and enhance the image of Arkansas. In 1998, arkansas.com web site was developed to expand the State's marketing and promotional efforts.

The Tourism Division has four in-house sections: Communications, Tourism Development, Group Travel, and Welcome Center Administration. The Communications Section generates articles and photos (which are made available to the public and the media), arranges and hosts "familiarization" tours for visiting journalists and writers, and also has Internet responsibilities. The Tourism Development Section conducts hospitality training seminars, provides technical assistance to city and county governments, assists communities and businesses with tourism development plans, promotes and assists in the development of retirement and relocation to the state, and aids in the planning and promotion of local festivals. It also administers the Division's matching fund program which makes grant monies available to recognized regional tourism promotion associations and the Tourism attraction Feasibility Grant Program. The Group Travel Section markets the state to increase visitor expenditures made by motor coach tours, conventions, and other group travelers and assists the Arkansas tourism industry in its group travel and convention marketing efforts. The Welcome Center Administration Section operates the State's system of 13 Welcome Centers located at major entry points into Arkansas. Trained staff at these facilities, which are a cooperative venture with the Arkansas State

Highway & Transportation Department, provide that critical "first impression" to our visitors, encouraging them to get off the main highways and explore all corners of the Natural State. The Tourism Division also has a Research Administrator whose responsibilities include compiling travel and tourism-related statistics, monitoring literature inventory and distribution, and producing the Division's annual report.

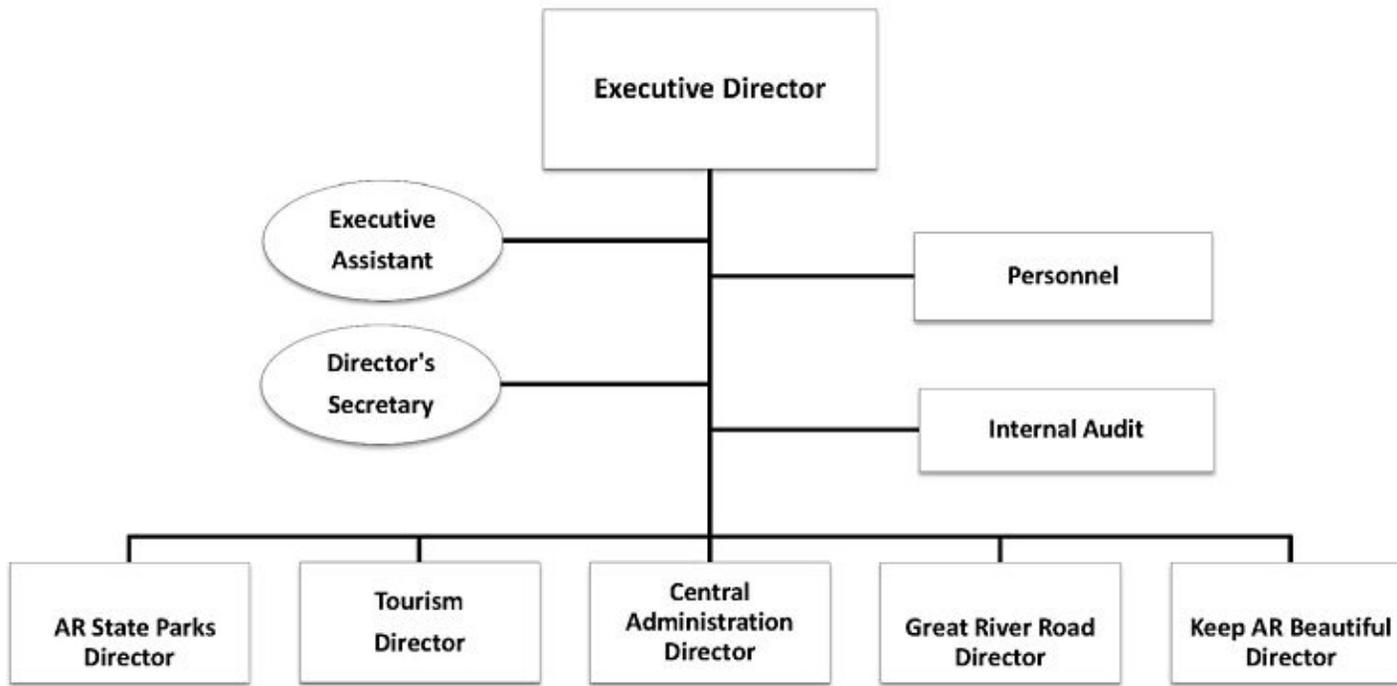
In addition, the Tourism Division works with two outside organizations, an advertising agency and an Internet agency, which provide professional services to augment the Division's promotional efforts for our \$7.3-billion-dollar tourism industry. The ad agency produces an annual marketing plan, creates and places media campaigns, conducts research, and assists in a variety of public relations efforts. The Internet agency keeps the arkansas.com web site current, conducts research, places key-word buys, and coordinates search engine optimization efforts. During FY 2016, traffic on arkansas.com totaled 6,084,291 visitors - which led to 2.6 million industry referrals for additional information or making reservations.

The Great River Road was reorganized under the Tourism Division, for administrative purposes. The Great River Road has a policy board, the Arkansas Mississippi River Parkway Commission, composed of ten members appointed by the Governor. The members represent the ten counties bordering the Mississippi River. The Great River Road Section is charged with preserving and promoting all tourism and historic aspects of the ten counties. The Section also works with the other states of the International Mississippi River Parkway Commission to secure National Scenic Byway status for all states in cooperation with the Federal Highway Administration. This International Parkway provides a unique route for tourists from Canada to the Gulf of Mexico.

The Keep Arkansas Beautiful Commission (KArB) was established in 1989 by Executive Order of the Governor. Since 1993, the Keep Arkansas Beautiful Commission has been a division of the Department of Parks and Tourism. In 1996, Amendment 75 the Conservation Amendment created funding for the Keep Arkansas Beautiful Commission. Act 1278 of 1997 superseded the Executive order and re-created the KArB Commission and a new Commission was appointed by the Governor, consisting of nine Commissioners appointed to six-year terms. Two members are appointed from each of the four Congressional Districts and one from the state at-large.

Keep Arkansas Beautiful has developed and maintains a year-round program to provide public education and to inspire voluntary community environmental improvement activities. Since 1998, KeepArkansasBeautiful.com and a full range of media have been developed to enhance marketing, educational and informational efforts toward improving individual behaviors toward our environment.

Keep Arkansas Beautiful is charged with: (1) raising public awareness of our litter problem; (2) educating the general public of the economics and ecological impact of litter; (3) encouraging litter prevention; (4) increasing awareness of litter laws and enforcement; (5) promoting recycling and recycling benefits to consumers; (6) generating interest in beautification projects; (7) supporting communities statewide in establishing litter prevention programs, ongoing recycling campaigns, and beautification projects.



Agency Commentary

Administration Division

These services include internal audit, personnel, accounting, purchasing, budgeting, computer technology services, printing and warehousing. In addition, overall department coordination, direction and liaison with the Governor, Legislature and various Commissions are responsibilities of this division.

The budget request includes reallocations in the maintenance and operation cost elements necessary to reflect the current level of operations and support of agency staff. Also included in the change is the Administration Division's share of the Department's Technology Plan, which covers normal equipment replacement of computers, software updates, network services charges, and training

An increase in personal services and matching is requested for FY2018 & FY2019 for a new Human Resources Recruiter position. With the expansion of new facilities and growth of staff over the years, coupled with accelerated retirement rates of our workforce, the recruiting workload and advertising has grown exponentially. This agency needs a professional dedicated to this duty. The Human Resources Recruiter would be responsible for planning, developing, and implementing recruitment and staffing strategies for our agency.

Tourism Division

The Tourism Division has a dual mission: 1) to enhance the image of the state; and 2) to improve the state's economy by increasing travel to Arkansas and also encouraging retirement and relocation through various marketing mediums. These tasks are accomplished by investing in research-based, targeted advertising that entices new travelers to the state year after year, as well as potential new residents. To help expand the state's tourism industry, the Department has no choice but to maintain an aggressive presence in the travel marketplace. To achieve this goal, we must meet our regional competition head on and increase our print and broadcast advertising presence, as well as add cutting edge content and tools to the Arkansas.com website.

Partnering with us in this endeavor are the state's 12 regional promotional associations. They utilize the state's (2 to 1) Regional Matching Funds Program and assist the grassroots efforts of local tourism attractions and events and help extend the reach of Arkansas's advertising messaging. The 12 regions focus consumer attention on local destinations by maintaining and expanding their advertising campaigns and continually upgrading website content.

The Tourism Division is also responsible for promoting the Natural State as a group travel destination. This objective is accomplished by participating in motor coach marketplaces and sporting event trade shows, as well as other convention-based selling opportunities which include both domestic and international buyers.

Travel expenditures in Arkansas generated more than \$7.3 billion dollars in 2015 and contributed approximately \$374 million in state tax receipts. To continue this upward trend, the Tourism Division requests additional authorization in Appropriation 504 (the state's 2% tourism tax) to increase advertising, regional matching fund grants, travel show participation, and capital expenditures (for replacement vehicles and photographic equipment).

The budget request includes an increase in M & O for FY2018 & FY2019. The increase reflects changes in the maintenance and operation costs necessary to reflect the current level of operations and support of agency staff. Increases include expenses for travel and lodging, annual Membership Dues, and increased costs of operating 14 welcome center locations.

An increase in advertising expense for FY2018 and FY2019 is also requested. The additional funds will allow for a boost in our comprehensive advertising investment for the State. As the travel industry continues to evolve, Arkansas must stay abreast of changing trends and technologies to effectively reach potential visitors to our state. We must maintain an active presence in the marketplace by getting our message to prospective visitors. The additional funds will allow us to expand our internet marketing campaign and purchase additional broadcast and print media. Also, the increased funding will help Arkansas take advantage of the growing tide of retiring baby boomers, many of whom will be relocating. The additional dollars will give us the means to invite this desirable group to move to The Natural State.

We're also requesting the reallocation of funds in 995 (Gift Shop), moving M & O dollars to the resale category. Such a transfer will give us more flexibility in purchasing *Arkansas: The Natural State* products for retail sales to the public.

An increase for FY2018 and FY2019 in personnel services and matching is requested for upgrading the ADPT Welcome Center Administrator from C123 to C124 and two ADPT Development Managers from C122 to C123. In addition, the Tourism Division is requesting the upgrade of two ADPT Consultants from C115 to C116. Also, the Division is requesting several changes within its Welcome Center program: upgrading six ADPT Welcome Center Manager IIs from C115 to C116; upgrading 7 ADPT Welcome Center Manager Is from C113 to C114; upgrading 13 ADPT Welcome Center Assistant Managers from C109 to C111; and upgrading 19 Travel Consultants from C107 to C109. The above upgrades are requested due to the low salaries for these positions which has resulted in high turnover and the commensurate costs of interviewing and training replacement employees.

The Division also requests one new position: an ADPT Consultant to handle the increased workload within the Group Travel Section, specifically to deal with sports-related shows and events resulting from the Division's increased emphasis on amateur sports tournaments, motorcycling, and bicycling (both road and mountain).

Lastly, the Department requests permission to move the 8 positions now funded by 504 - 2% Tourism Tax - to "agency position" status, giving the Tourism Division much more flexibility to handle its budget for staffing. These 8 positions are: ADPT Development Manager (2); Travel Information Writer (1); ADPT Welcome Center Manager I (1); Fiscal Support Specialist (1); Administrative Specialist (1); ADPT Welcome Center Assistant Manager (1); and Travel Consultant (1).

State Parks Division

The State Parks Division operates 52 state parks and museums covering 54,353 acres of forest, wetlands, fish, and wildlife habitat, outdoor recreation facilities and unique historic and cultural resources. The system includes over 891 buildings (including 183 historic structures) in its inventory with the buildings and contents insured for over \$363 million. Our state parks have over 1,786 camp sites, over 963 picnic sites, 199 cabins, four lodges (242 guest rooms), eight restaurants, ten marinas, 400 miles of hiking trails, over 120 miles of roads and hundreds of miles of utilities. The parks have over 8 million visitors each year who come from all regions of the country. In FY 2016 the parks generated \$28 million in revenue. Each park is similar to a small city, except the population changes every week. There are constant maintenance needs with buildings, recreational facilities, roads and utility systems. There are customer service, law enforcement and emergency services, fire protection, financial management, recreational and educational programs, supervision, visitor safety and security responsibilities to be concerned with on a 24/7 basis.

Personnel Requests - The State Parks Division requests 4 new regular positions to support new and expanded operations at Jacksonport, Lake Charles, Woolly Hollow and the Park Director's office. Upgrade requests on twelve titles (Desk Clerk, Asst. Lodge Sales Director, Lodge Sales Director, Asst. Lodge Manager, Lodge Manager, Asst. Restaurant Manager, Restaurant Manager, Park Superintendent II, III, IV, & V, and Chief Park Planner) to enable the agency to be more competitive in the job market and decrease the high turnover in these titles. Re-class requests on 11 positions to better classify and utilize proper titles in multiple locations throughout the park system.

Parks General Revenue (Appropriation 499) - The general revenue request for the Parks Division is "continuing Level".

Parks Cash Fund (Appropriation 986) - Generated from numerous retail facilities and services provided at the state parks and museums, this is the major operating fund for their day to day operations and maintenance. An increase in M&O \$900,577 is requested for both years of the biennium to fund maintenance and operations for implementation of a new on-line reservation system, and for expected increases related to higher fuel and utility costs. An increase in Professional Fees & Services of \$637,588 for FY18 and \$736,588 FY19 is requested for additional expenses for marketing and advertising new facilities/parks at Mississippi River, Reopening of Queen Wilhelmina, Delta Heritage Trail, Jacksonport and Logoly. The Parks Division requests a decrease in Construction by \$1,271,385 for each year of the biennium. The agency was approved for \$1,771,385 during FY16 & FY17 for construction projects at Delta Heritage Trail. The Delta Heritage cash construction requirement should be completed by the end of FY17. An increase of \$50,000 for FY18 and FY19 for increasing contract labor costs at the Ozark Folk Center.

Amendment 75 - 1/8¢ Conversation Tax (Appropriation 500) - This request is to continue the long term plan to repair, renovate, improve, expand and properly equip the 52 state parks and address the backlog of \$211 million in projects yet to be completed. We are requesting an increase in Regular Salaries for the upgrade request and the various position reclassifications to better classify employees and \$250,000 in Extra Help to keep salaries competitive to attract quality employees in remote locations, accommodate the final installment of the minimum wage and to fund a change in accounting for auto gratuities required by the IRS. An increase in Professional Fees & Services of \$200,000 for

FY18 and FY19 is requested for additional expenses for marketing and advertising at various park locations throughout the system and to compete for high quality celebrity concerts at the Ozark Folk Center. We are requesting to continue the \$1,878,000 both years of the biennium in Capital Outlay in order to meet the parks and museums needs to replace worn out and deteriorated equipment. We are requesting an increase \$750,000 in FY18 and FY19 in Special Maintenance for increases in costs for plumbing, electrical, other building materials and addressing the growing cost of maintaining 891 buildings and facilities.

Parks SCORP Federal (Appropriation 2JJ) - We are asking to continue base level.

Parks Outdoor Recreation Grant Program (579 Appropriation) - We are asking for Capital Outlay of \$30,000 for replacement of an aging vehicle.

Trails for Life (Appropriation 1MH) - this request is to discontinue this program. All funds obligated to this program should be granted to grantees by the end of FY18. 433 Oil & Brine appropriation - We are requesting a decrease in this appropriation due to declining revenues resulting from reduced tax collections.

Keep Arkansas Beautiful

The Keep Arkansas Beautiful Program is predominantly funded by the 1/8¢ Conservation Amendment, but also receives some revenue from litter law enforcement fines. The mission of the program is to educate and inspire improved behavior change toward or environment.

It is responsible for communicating and coordination of anti-litter efforts, encouraging of recycling, and promotion of scenic beautification. In addition to two statewide cleanup campaigns each year, Keep Arkansas Beautiful maintains year-round educational, marketing and informational events and activities that engage citizen volunteers to improve their community environments. Additionally, the director serves the director of the Dept. of Parks and Tourism as a division head, responsible for all operations and accountability of the commission.

Program growth has resulted in the establishment and supervision of an active network of local affiliated communities which undertake environmental improvements within their local areas as well as participating in statewide activities. The program utilizes the voluntary efforts of individual citizens who are engaged to take personal responsibility for improving their community environments. These volunteers, working with government and organizations accomplish visual and physical improvement programs, contributing more than \$5.82 in cost avoidance benefit value to each program dollar. This relationship is enhanced and sustained through an extensive and continuous education and public awareness communications program, planning, training and support processes and voluntary public engagement opportunities offered by the program.

An increase in Advertising Expenses is requested in FY2018 and FY2019 to permit improved web-based communications between our program and the public, our affiliated communities and our volunteers. This budget category has remained static over the past nine years and now needs realignment to include better utilization of on-line media, digital and promotional communications opportunities and to continue

website improvement and maintenance. We also request a decrease in Profession Fees in both years as our needs are greater for additional advertising funding rather than professional services and administrative expenses. Additionally, we seek a Capital Outlay appropriation of \$35,000 to purchase a new automobile for the division replacing the 2005 vehicle currently in service.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS DEPARTMENT OF PARKS AND TOURISM
FOR THE YEAR ENDED JUNE 30, 2015

Findings

Sound information system controls require a disaster recovery plan be established and periodically tested to ensure critical business processes can be restored in the event of an interruption.

No disaster recovery plan exists at the Agency, which increases the risk that routine business processes will not be successfully reinstated in a reasonable time frame in the event of a disaster.

Recommendations

We recommend Agency management implement an adequate disaster recovery plan and perform testing on a periodic basis.

Agency Response:

No disaster recovery plan exists.

This finding relates to the IT section. While we acknowledge that there is no formal written disaster recovery plan by the MIS section of Arkansas Department of Parks and Tourism (ADPT), most critical systems are hosted by DIS and are not internally managed by the Department. All network connections and routers are owned and managed by DIS and fall under their Continuity of Operations Plan. All network switches deemed critical are DIS-owned and managed. The database for Maestro (the property management system for State Parks) is managed by DIS. All server hardware is owned by DIS and leased to ADPT. The virtual servers themselves are managed by ADPT MIS. Backups are conducted daily and replicated to the DIS Datacenter in west Little Rock.

The following actions are underway to implement a more comprehensive IT disaster recovery plan:

1. Identify all critical business processes to ensure each is adequately covered. We already define Maestro as a critical application for State Parks; however, there are other servers/services/applications that could be considered critical for other divisions within ADPT.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS DEPARTMENT OF PARKS AND TOURISM
FOR THE YEAR ENDED JUNE 30, 2015

Findings

Recommendations

Adequate controls should be in place to ensure electronic transfers of funds (Ebanking) are properly authorized and the supporting information systems architecture provides a secure environment.

Several deficiencies were noted:

- Controls were inadequate to prevent a single user from performing a complete fund transfer process.
- A terminated user was not deactivated timely.
- User authentication was inadequate.

- Out-of-band confirmations were not performed for Ebanking transactions.

Failure to provide adequate controls increases the risk of errors and fraud.

2. Since our most critical systems are hosted by DIS, we will implement a process by which we are incorporated into the DIS Continuity of Operations Plan (CoOP). This will include formally defining each item that is covered under the DIS CoOP and which item ADPT covers as well as working with DIS to create a method to periodically test the recovery plan.

3. Create and document a plan for each of the ADPT responsible items.

We recommend the Agency implement adequate Ebanking controls.

Agency Response:

- Controls were inadequate to prevent a single user from performing a complete fund transfer process.

Central Office Management is currently working with Regions Bank to establish dual controls within the ITreasury system for the Agency's ACH process. If one user enters and saves an ACH batch transfer, another user will then have to release the ACH batch transfer. The roles will be interchangeable so that the Agency is not restricted from completing a transfer if a person is out of the office.

- A terminated user was not deactivated timely.

Each Monday, Human Resources sends out an "Action" memo of employee hires, transfers, and terminations. This memo will be cross checked against Shift4 each week to ensure that terminated employees with Shift4 access are updated to "No Access." The weekly memo will be documented with the users that were updated in Shift4 and will be filed for future review/audit.

- User authentication was inadequate.

Currently, the only user authentication that Regions offers is for the Agency's ITreasury Administrator. She receives a phone call with a verification code to complete the sign-on process as Administrator. Other users enter a security code or answer security questions when they want to change their password. Authentication of users is in the control of Regions Bank and not the Agency and was already in place at the time of the

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS DEPARTMENT OF PARKS AND TOURISM
 FOR THE YEAR ENDED JUNE 30, 2015

Findings

Recommendations

audit.

- Out-of-band confirmations were not performed for Ebanking transactions.

Central Office Management is currently working with Regions Bank to establish out-of-band confirmations for Ebanking transactions. The Agency is requesting confirmations when a bank is added or deleted from the ACH Template, when an ACH batch is saved in ITreasury, and when a batch is released from ITreasury.

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2016

None

Employment Summary

	Male	Female	Total	%
White Employees	370	305	675	91 %
Black Employees	20	31	51	7 %
Other Racial Minorities	8	10	18	2 %
Total Minorities			69	9 %
Total Employees			744	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				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2015-2016		2016-2017		2016-2017		2017-2018					2018-2019						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1MH Trails for Life Grants	150,943	0	200,000	0	260,000	0	200,000	0	75,000	0	75,000	0	200,000	0	0	0	0	0
2JJ SCORP Program-Federal	637,062	0	3,271,148	0	3,271,148	0	3,271,148	0	3,271,148	0	3,271,148	0	3,271,148	0	3,271,148	0	3,271,148	0
433 Museum Natural Res-Spec Rev	100,512	3	109,860	3	114,490	3	110,988	3	77,179	3	77,179	3	110,988	3	77,179	3	77,179	3
499 State Operations	21,850,974	435	21,600,330	430	21,794,605	430	21,694,473	430	21,738,044	431	21,694,473	430	21,713,829	430	21,757,400	431	21,713,829	430
500 Conservation Tax	31,828,102	152	52,171,716	160	52,170,991	160	50,625,638	160	54,126,392	164	53,976,263	160	50,637,051	160	54,137,805	164	53,987,676	160
502 Keep Arkansas Beautiful-ConsTax	594,746	3	686,608	3	694,073	3	687,165	3	752,665	3	752,665	3	687,289	3	717,789	3	717,789	3
504 Tourism Promotion-Special Rev	13,507,638	8	14,880,113	8	14,875,489	8	14,847,093	8	16,538,419	9	16,497,093	8	14,847,093	8	16,538,419	9	16,497,093	8
54L Wildlife Observation Trails	0	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0
579 Outdoor Recreation Grants Prg	2,706,468	3	7,829,933	4	7,869,651	4	7,805,680	4	7,835,680	4	7,835,680	4	7,805,680	4	7,835,680	4	7,835,680	4
986 Operations & Construction-Cash in Treasury	31,100,518	188	33,792,543	191	34,508,136	191	33,303,827	191	34,418,202	191	34,418,202	191	33,310,526	191	34,523,901	191	34,523,901	191
994 Retirement & Relocation Program	0	0	228,278	0	228,278	0	228,278	0	428,278	0	428,278	0	228,278	0	428,278	0	428,278	0
995 Tourism - Cash in Treasury	20,193	0	55,010	0	65,200	0	55,010	0	55,010	0	55,010	0	55,010	0	55,010	0	55,010	0
996 Entertainers Hall of Fame-Treas	124	0	37,460	0	38,420	0	37,460	0	37,460	0	37,460	0	37,460	0	37,460	0	37,460	0
Total	102,497,280	792	135,869,613	799	136,897,095	799	133,873,374	799	140,360,091	805	140,125,065	799	133,910,966	799	140,386,683	805	140,151,657	799

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	39,326,769	27.3	41,679,578	28.3	11,407,072	9.6	11,407,072	9.6	11,407,072	9.6	6,309,076	5.4	4,558,805	4.0	4,603,325	4.0	
General Revenue	4000010	21,850,974	15.2	21,600,330	14.7	21,694,473	18.3	21,738,044	18.3	21,694,473	18.2	21,713,829	18.7	21,757,400	19.0	21,713,829	19.0	
Federal Revenue	4000020	662,935	0.5	3,324,086	2.3	3,224,086	2.7	3,224,086	2.7	3,224,086	2.7	3,124,086	2.7	3,124,086	2.7	3,124,886	2.7	
Special Revenue	4000030	50,012,589	34.7	50,483,533	34.3	51,916,335	43.7	52,116,335	43.8	52,119,529	43.8	53,707,678	46.3	53,907,678	47.1	53,909,382	47.1	
Cash Fund	4000045	32,320,596	22.4	29,180,044	19.8	29,571,884	24.9	29,571,884	24.8	29,571,884	24.8	30,027,608	25.9	30,027,608	26.3	30,027,608	26.3	
Interest	4000300	2,571	0.0	2,000	0.0	2,000	0.0	2,000	0.0	2,000	0.0	2,000	0.0	2,000	0.0	2,000	0.0	
Interest Income / Royalties	4000307	424	0.0	500	0.0	500	0.0	500	0.0	500	0.0	500	0.0	500	0.0	500	0.0	
Transfers from Agencies	4000690	0	0.0	1,006,614	0.7	1,006,614	0.8	1,006,614	0.8	1,006,614	0.8	1,006,614	0.9	1,006,614	0.9	1,006,614	0.9	
Total Funds		144,176,858	100.0	147,276,685	100.0	118,822,964	100.0	119,066,535	100.0	119,026,158	100.0	115,891,391	100.0	114,384,691	100.0	114,388,144	100.0	
Excess Appropriation/(Funding)		(41,679,578)		(11,407,072)		15,050,410		21,293,556		21,098,907		18,019,575		26,001,992		25,763,513		
Grand Total		102,497,280		135,869,613		133,873,374		140,360,091		140,125,065		133,910,966		140,386,683		140,151,657		

Variance in Fund Balance due to unfunded appropriation in Fund Centers 500, 502, 504, 579, and 986.

FY17 Budget amounts in FC 500 and FC 504 exceed the Authorized amount due to salary and matching rate adjustments during the 2015 - 2017 Biennium.

Agency Position Usage Report

FY2014 - 2015						FY2015 - 2016						FY2016 - 2017					
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	
787	754	25	779	8	4.19 %	799	756	31	787	12	5.38 %	799	752	35	787	12	5.88 %

Analysis of Budget Request

Appropriation: 1MH - Trails for Life Grants

Funding Sources: NPT - Parks Treasure Fund

The appropriation is funded by proceeds derived from the Health Department - Tobacco Settlement Proceeds Act for grants to cities and counties for the purpose of constructing health and fitness trails and other related facilities that target public health and fitness improvements in their communities.

The agency has decided that the Trails for Life Program will be discontinued due to decreased funding.

The Agency Base Level is \$200,000 each year of the biennium.

The Change Level Request is for a reduction of (\$125,000) in FY18 and (\$200,000) in FY19.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MH - Trails for Life Grants

Funding Sources: NPT - Parks Treasure Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	150,943	200,000	260,000	200,000	75,000	75,000	200,000	0	0
Total		150,943	200,000	260,000	200,000	75,000	75,000	200,000	0	0
Funding Sources										
Fund Balance	4000005	4,111	30,221		5,221	5,221	5,221	0	0	0
Cash Fund	4000045	175,000	175,000		0	0	0	0	0	0
Interest	4000300	2,053	0		0	0	0	0	0	0
Total Funding		181,164	205,221		5,221	5,221	5,221	0	0	0
Excess Appropriation/(Funding)		(30,221)	(5,221)		194,779	69,779	69,779	200,000	0	0
Grand Total		150,943	200,000		200,000	75,000	75,000	200,000	0	0

Expenditure of Appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 1MH - Trails for Life Grants
Funding Sources: NPT - Parks Treasure Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	200,000	0	200,000	100.0	200,000	0	200,000	100.0
C03	Discontinue Program	(125,000)	0	75,000	37.5	(200,000)	0	0	0.0

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	200,000	0	200,000	100.0	200,000	0	200,000	100.0
C03	Discontinue Program	(125,000)	0	75,000	37.5	(200,000)	0	0	0.0

Justification

C03	Discontinue the trails for life program. Funding has decreased to the point that the agency can no longer provide new grants and has decided to allow the program to discontinue.
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Analysis of Budget Request

Appropriation: 2JJ - SCORP Program-Federal

Funding Sources: FPT - Parks & Tourism Federal

The Department utilizes this appropriation to provide for the Outdoor Recreation Grant Program and the Development of the Statewide Comprehensive Outdoor Recreation Plan. This appropriation is funded by the Federal Land and Water Conservation Fund Program (LWCF).

The Base Level Request is \$3,271,148 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2JJ - SCORP Program-Federal

Funding Sources: FPT - Parks & Tourism Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	58,651	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950
Conference & Travel Expenses	5050009	0	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100
Professional Fees	5060010	1,975	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	576,436	3,178,098	3,178,098	3,178,098	3,178,098	3,178,098	3,178,098	3,178,098	3,178,098
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		637,062	3,271,148	3,271,148	3,271,148	3,271,148	3,271,148	3,271,148	3,271,148	3,271,148
Funding Sources										
Fund Balance	4000005	334,171	360,044		412,982	412,982	412,982	365,920	365,920	365,920
Federal Revenue	4000020	662,935	3,324,086		3,224,086	3,224,086	3,224,086	3,124,086	3,124,086	3,124,886
Total Funding		997,106	3,684,130		3,637,068	3,637,068	3,637,068	3,490,006	3,490,006	3,490,806
Excess Appropriation/(Funding)		(360,044)	(412,982)		(365,920)	(365,920)	(365,920)	(218,858)	(218,858)	(219,658)
Grand Total		637,062	3,271,148		3,271,148	3,271,148	3,271,148	3,271,148	3,271,148	3,271,148

Analysis of Budget Request

Appropriation: 433 - Museum Natural Res-Spec Rev

Funding Sources: SAH - Arkansas Oil Museum Fund

The Department utilizes this appropriation to provide operating expenses for the Museum of Natural Resources (formerly the Oil and Brine Museum). Pursuant to Arkansas Code §25-58-301, this appropriation receives its income from the 1/2 Cent Tax on each barrel of oil produced in the State.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases.

The Agency Base Level is \$110,988 each year of the biennium with three (3) Regular positions.

The Change Level Request is for a reduction of Regular Salaries and Personal Services Matching (\$33,809) each year of the biennium due to the special revenue that funds this appropriation has decreased due to reduced tax collection.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 433 - Museum Natural Res-Spec Rev

Funding Sources: SAH - Arkansas Oil Museum Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	73,877	76,682	82,490	77,282	50,028	50,028	77,282	50,028	50,028
#Positions		3	3	3	3	3	3	3	3	3
Extra Help	5010001	0	0	2,043	0	0	0	0	0	0
#Extra Help		0	0	0	0	0	0	0	0	0
Personal Services Matching	5010003	26,635	33,178	29,957	33,706	27,151	27,151	33,706	27,151	27,151
Operating Expenses	5020002	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
Total		100,512	109,860	114,490	110,988	77,179	77,179	110,988	77,179	77,179
Funding Sources										
Fund Balance	4000005	33,032	13,523		0	0	0	0	6,555	9,749
Special Revenue	4000030	81,003	96,337		83,734	83,734	86,928	85,224	85,224	86,928
Total Funding		114,035	109,860		83,734	83,734	86,928	85,224	91,779	96,677
Excess Appropriation/(Funding)		(13,523)	0		27,254	(6,555)	(9,749)	25,764	(14,600)	(19,498)
Grand Total		100,512	109,860		110,988	77,179	77,179	110,988	77,179	77,179

The Expenditure of Appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 433 - Museum Natural Res-Spec Rev
Funding Sources: SAH - Arkansas Oil Museum Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	110,988	3	110,988	100.0	110,988	3	110,988	100.0
C03	Discontinue Program	(33,809)	0	77,179	69.5	(33,809)	0	77,179	69.5

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	110,988	3	110,988	100.0	110,988	3	110,988	100.0
C03	Discontinue Program	(33,809)	0	77,179	69.5	(33,809)	0	77,179	69.5

Justification

C03	The special revenue that funds this appropriation has decreased due to reduced tax collection. The agency only funds salaries at the Arkansas Museum of Natural Resources from this appropriation and will reduce the number of employees paid from this appropriation.
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Analysis of Budget Request

Appropriation: 499 - State Operations

Funding Sources: HGA - Parks & Tourism Account

This appropriation provides State Funding for the personal services and operating expenses of the Central Administration, Tourism (including Great River Road), and Parks (including Museum Services) Divisions of the Department of Parks and Tourism. The funding source for this appropriation is general revenue.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY17 line item maximum plus the previously authorized 2016 1% Cost of Living Adjustment authorized by Act 1007 (3 (B)) of 2015. The Base Level request for Regular Salaries includes board member stipend payments.

The Base Level Request is \$21,694,473 in FY18 and \$21,713,829 in FY19.

The Agency Change Level Request provides for Regular Salaries and Personal Services Matching of \$43,972 each year of the biennium for a new Human Resources Recruiter position as well as an increase in Board Member stipends each year. Reallocation is also requested to cover IT expenses for normal computer replacement in various Central Administration sections based on the Agency's replacement policy. M&O costs are redistributed from other expenditures to low value assets to meet this requirement.

The Executive Recommendation provides for Base Level in addition to the Reallocation requested.

Appropriation Summary

Appropriation: 499 - State Operations
Funding Sources: HGA - Parks & Tourism Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	15,160,357	14,782,870	14,854,438	14,799,125	14,830,238	14,799,125	14,814,425	14,845,538	14,814,425
#Positions		435	430	430	430	431	430	430	431	430
Extra Help	5010001	17,907	30,600	33,100	30,600	30,600	30,600	30,600	30,600	30,600
#Extra Help		2	8	8	8	8	8	8	8	8
Personal Services Matching	5010003	5,534,884	5,647,911	5,709,248	5,725,799	5,738,257	5,725,799	5,729,855	5,742,313	5,729,855
Operating Expenses	5020002	493,640	493,423	549,893	493,423	493,423	493,423	493,423	493,423	493,423
Conference & Travel Expenses	5050009	4,198	4,950	7,350	4,950	4,950	4,950	4,950	4,950	4,950
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	22,000	22,588	22,588	22,588	22,588	22,588	22,588	22,588	22,588
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Tourism Promotion	5900046	0	0	0	0	0	0	0	0	0
Advertising Expense	5900047	617,888	617,888	617,888	617,888	617,888	617,888	617,888	617,888	617,888
Conference-DAC	5900048	100	100	100	100	100	100	100	100	100
Total		21,850,974	21,600,330	21,794,605	21,694,473	21,738,044	21,694,473	21,713,829	21,757,400	21,713,829
Funding Sources										
General Revenue	4000010	21,850,974	21,600,330		21,694,473	21,738,044	21,694,473	21,713,829	21,757,400	21,713,829
Total Funding		21,850,974	21,600,330		21,694,473	21,738,044	21,694,473	21,713,829	21,757,400	21,713,829
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		21,850,974	21,600,330		21,694,473	21,738,044	21,694,473	21,713,829	21,757,400	21,713,829

Change Level by Appropriation

Appropriation: 499 - State Operations
Funding Sources: HGA - Parks & Tourism Account

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	21,694,473	430	21,694,473	100.0	21,713,829	430	21,713,829	100.0
C01	Existing Program	43,571	1	21,738,044	100.2	43,571	1	21,757,400	100.2
C04	Reallocation	0	0	21,738,044	100.2	0	0	21,757,400	100.2

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	21,694,473	430	21,694,473	100.0	21,713,829	430	21,713,829	100.0
C01	Existing Program	12,427	0	21,706,900	100.1	12,427	0	21,726,256	100.1
C04	Reallocation	0	0	21,706,900	100.1	0	0	21,726,256	100.1
C13	Not Recommended	(12,427)	0	21,694,473	100.0	(12,427)	0	21,713,829	100.0

Justification

C01	An increase in salaries and matching is requested for both years for a new Human Resources Recruiter position. With the expansion of new facilities and growth of staff over the years, coupled with accelerated retirement rates of our long-term workforce, the workload in regard to recruiting and advertising has grown exponentially and can no longer be handled as an "other duty as assigned" by existing staff. This agency needs a professional dedicated to this duty. The Human Resources Recruiter would be responsible for planning, developing, and implementing recruitment and staffing strategies for our agency. There's a request for an increase in Board Members' stipend for \$401 each year of the biennium.
C04	A reallocation is required to cover IT expenses for normal computer replacement in various Central Administration sections based on the Agency's computer replacement policy. M&O costs are redistributed from other expenditures to low value assets to meet this requirement.

Analysis of Budget Request

Appropriation: 500 - Conservation Tax

Funding Sources: SPT - Dept. of Parks & Tourism Treasury Fund

This appropriation provides for the special revenue funding from the 1/8 Cent Sales Tax levied by Amendment 75 (A.C.A.19-6-484). The Department utilizes these funds to supplement existing funding for State Parks and to provide for their repair and further development, consistent with the referendum presented to and approved by the citizens of Arkansas in 1996.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases.

The Base Level Request is \$50,625,638 in FY18 and \$50,637,051 in FY19.

The Change Level Request provides for \$3,500,754 each year of the biennium and is summarized as follows:

- Regular Salaries and Personal Services Matching of \$172,754 each year for four (4) new positions to support new and expanded operations at Jacksonport, Lake Charles, Woolly Hollow and the Parks Director's office.
- Extra Help of \$250,000 each year to keep salaries competitive and to fund a change in accounting for auto gratuities required by the IRS.
- Professional Fees and Services of \$200,000 each year to market and advertise new facilities/parks and for performing high quality celebrity concerts at the Ozark Folk Center.
- Construction of \$250,000 each year to clear some of the backlog of construction projects.
- Capital Outlay of \$1,878,000 each year to meet the parks and museums needs to replace deteriorated equipment.
- Special Maintenance of \$750,000 each year for buildings and facilities maintenance and repairs.

The Executive Recommendation provides for the Agency Request with the exception of four (4) new positions requested above. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 500 - Conservation Tax
Funding Sources: SPT - Dept. of Parks & Tourism Treasury Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	4,794,195	5,069,136	5,050,002	5,074,436	5,179,207	5,074,436	5,083,636	5,188,407	5,083,636
#Positions		152	160	160	160	164	160	160	164	160
Extra Help	5010001	1,828,675	1,784,077	1,784,077	1,784,077	2,034,077	2,034,077	1,784,077	2,034,077	2,034,077
#Extra Help		268	237	237	237	237	237	237	237	237
Personal Services Matching	5010003	2,415,785	2,161,644	2,180,053	2,188,266	2,256,249	2,210,891	2,190,479	2,258,462	2,213,104
Operating Expenses	5020002	11,036,469	12,122,078	12,122,078	12,122,078	12,122,078	12,122,078	12,122,078	12,122,078	12,122,078
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	386,779	413,894	413,894	413,894	613,894	613,894	413,894	613,894	613,894
Construction	5090005	7,734,192	26,624,272	26,624,272	26,624,272	26,874,272	26,874,272	26,624,272	26,874,272	26,874,272
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	1,526,483	1,578,000	1,578,000	0	1,878,000	1,878,000	0	1,878,000	1,878,000
Special Maintenance	5120032	2,105,524	2,418,615	2,418,615	2,418,615	3,168,615	3,168,615	2,418,615	3,168,615	3,168,615
Total		31,828,102	52,171,716	52,170,991	50,625,638	54,126,392	53,976,263	50,637,051	54,137,805	53,987,676
Funding Sources										
Fund Balance	4000005	25,175,220	24,096,584		3,113,828	3,113,828	3,113,828	0	0	0
Special Revenue	4000030	30,749,466	31,188,960		32,124,629	32,124,629	32,124,629	33,088,368	33,088,368	33,088,368
Total Funding		55,924,686	55,285,544		35,238,457	35,238,457	35,238,457	33,088,368	33,088,368	33,088,368
Excess Appropriation/(Funding)		(24,096,584)	(3,113,828)		15,387,181	18,887,935	18,737,806	17,548,683	21,049,437	20,899,308
Grand Total		31,828,102	52,171,716		50,625,638	54,126,392	53,976,263	50,637,051	54,137,805	53,987,676

FY17 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2015-2017 Biennium. Expenditure of Appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 500 - Conservation Tax
Funding Sources: SPT - Dept. of Parks & Tourism Treasury Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	50,625,638	160	50,625,638	100.0	50,637,051	160	50,637,051	100.0
C01	Existing Program	3,500,754	4	54,126,392	106.9	3,500,754	4	54,137,805	106.9

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	50,625,638	160	50,625,638	100.0	50,637,051	160	50,637,051	100.0
C01	Existing Program	3,395,983	0	54,021,621	106.7	3,395,983	0	54,033,034	106.7
C13	Not Recommended	(45,358)	0	53,976,263	106.6	(45,358)	0	53,987,676	106.6

Justification

C01	An increase of \$104,771 in Regular Salaries for both years of the biennium for four new positions. One position is in central office to coordinate section activities for the director, one position at Jacksonport for the new visitor center, one position at Woolly Hollow for the new visitor center, and a full time position at Lake Charles to replace an extra help position due to increased year round visitation and extra help is no longer able to fulfill the needs at this park. An increase in Extra Help of \$250,000 for both years of biennium to keep salaries competitive to attract quality employees in remote locations and to fund a change in accounting for auto gratuities required by the IRS. An increase of \$200,000 for both years in Professional Fees and Services for additional expenses to market and advertise new facilities/parks and to compete for high quality celebrity concerts at the Ozark Folk Center. An increase of \$250,000 in construction for both years of the biennium to clear some of the backlog of construction projects. To reestablish Capital Outlay each year of the biennium of \$1,878,000 to meet the parks and museums needs to replace worn out and deteriorated equipment. An increase of \$750,000 for both years of the biennium in Special Maintenance to address a backlog of maintenance repairs and renovations to buildings and grounds and energy conversation measures.
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Analysis of Budget Request

Appropriation: 502 - Keep Arkansas Beautiful-ConsTax

Funding Sources: SBA - Keep Arkansas Beautiful

Act 1278 of 1997 (A.C.A. 15-11-603) established the Keep Arkansas Beautiful Commission to implement a statewide litter prevention program through the voluntary actions of local communities. This appropriation provides for the special revenue funding from the 1/8th Cent Sales Tax levied by Amendment 75 (A.C.A. 19-6-484). This funding will be utilized to support the Keep Arkansas Beautiful Commission and its activities.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency Base Level is \$687,165 in FY18 and \$687,289 in FY19.

The Agency's Change Level Request is \$65,500 in FY18 and \$30,500 in FY19 and is summarized as follows:

- Advertising Expense of \$40,900 each year of the biennium to better realign communications with the public through on-line media and also sustain website additions and maintenance.
- Capital Outlay of \$35,000 in FY18 to replace the 2005 program vehicle currently in place.
- Professional Fees decrease of (\$10,400) each year of the biennium to support the increased Advertising Expenses.

The Executive Recommendation provides for the Agency Request. Also, the Executive Recommendation provides for the Agency Request for Capital Outlay to replace aging, high mileage vehicles in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

Appropriation Summary

Appropriation: 502 - Keep Arkansas Beautiful-ConsTax

Funding Sources: SBA - Keep Arkansas Beautiful

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	112,442	116,260	121,997	116,260	116,260	116,260	116,360	116,360	116,360
#Positions	3	3	3	3	3	3	3	3	3
Extra Help 5010001	273	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	40,683	41,969	43,697	42,526	42,526	42,526	42,550	42,550	42,550
Operating Expenses 5020002	61,362	89,928	89,928	89,928	89,928	89,928	89,928	89,928	89,928
Conference & Travel Expenses 5050009	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Professional Fees 5060010	9,235	35,400	35,400	35,400	25,000	25,000	35,400	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	1,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Outlay 5120011	0	0	0	0	35,000	35,000	0	0	0
Advertising Expense 5900047	369,751	379,051	379,051	379,051	419,951	419,951	379,051	419,951	419,951
Total	594,746	686,608	694,073	687,165	752,665	752,665	687,289	717,789	717,789
Funding Sources									
Fund Balance 4000005	190,479	275,909		282,389	282,389	282,389	309,105	243,605	243,605
Special Revenue 4000030	680,176	693,088		713,881	713,881	713,881	735,297	735,297	735,297
Total Funding	870,655	968,997		996,270	996,270	996,270	1,044,402	978,902	978,902
Excess Appropriation/(Funding)	(275,909)	(282,389)		(309,105)	(243,605)	(243,605)	(357,113)	(261,113)	(261,113)
Grand Total	594,746	686,608		687,165	752,665	752,665	687,289	717,789	717,789

Change Level by Appropriation

Appropriation: 502 - Keep Arkansas Beautiful-ConsTax
Funding Sources: SBA - Keep Arkansas Beautiful

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	687,165	3	687,165	100.0	687,289	3	687,289	100.0
C01	Existing Program	75,900	0	763,065	111.0	40,900	0	728,189	106.0
C03	Discontinue Program	(10,400)	0	752,665	109.5	(10,400)	0	717,789	104.4

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	687,165	3	687,165	100.0	687,289	3	687,289	100.0
C01	Existing Program	75,900	0	763,065	111.0	40,900	0	728,189	106.0
C03	Discontinue Program	(10,400)	0	752,665	109.5	(10,400)	0	717,789	104.4

Justification

C01	An increase of \$40,900 each year for both years is requested to better realign our communications with the public, our program participants and volunteers through on-line media opportunities and media and to sustain website additions and maintenance. Increase of \$35,000 in FY18 for a program vehicle to replace the 2005 automobile currently in service.
C03	A decrease of \$10,400 each year for both years is requested to use these funds for needed advertising expenses to increase web-based communications.

Analysis of Budget Request

Appropriation: 504 - Tourism Promotion-Special Rev

Funding Sources: TDT - Tourism Development Fund

Act 629 of 1989 (A.C.A. §19-5-956) established the Tourism Development Trust Fund to promote tourism in Arkansas. Pursuant to A.C.A. § 26-52-1006, funding is derived from a 2% Gross Receipts Tax on tourist-related business. The Department utilizes this appropriation for operating expenses to promote Arkansas tourism through advertising and website promotion, grassroots campaigns, and printed materials.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases.

The Base Level Request includes appropriation of \$14,847,093 each year of the biennium.

The Agency's Change Level Request provides for \$1,691,326 each year and is summarized as follows:

- Regular Salary and Personal Services Matching of \$41,326 for one (1) new position in the Group Travel Section - ADPT Consultant (P034C) to assist in the lucrative sports marketing arena each year of the biennium.
- Operating Expenses of \$150,000 each year to cover additional costs in association membership dues, brochure printing, software maintenance, lodging, warehouse rental, equipment rental and website hosting.
- Advertising Expenses of \$1,500,000 each year to cope with recent changes in the travel industry particularly internet marketing campaigns as well as purchasing additional broadcast and print media in each year.
- Reallocation of appropriation within the Tourism Promotion line item totaling \$20,000 for more efficient allocation of maintenance and operating expenses. Those areas include software maintenance, rent, additional lodging, staff vehicle insurance, and professional and administrative fees.

The Executive Recommendation provides for the Agency Request with the exception of the one (1) new position requested above.

Appropriation Summary

Appropriation: 504 - Tourism Promotion-Special Rev

Funding Sources: TDT - Tourism Development Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2017-2018			2018-2019		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	243,845	246,896	244,711	247,496	276,747	247,496	247,496	276,747	247,496
#Positions	8	8	8	8	9	8	8	9	8
Extra Help 5010001	23,972	27,502	25,000	27,502	27,502	27,502	27,502	27,502	27,502
#Extra Help	7	8	8	8	8	8	8	8	8
Personal Services Matching 5010003	99,640	100,950	101,013	102,330	114,405	102,330	102,330	114,405	102,330
Operating Expenses 5020002	1,244,753	1,682,575	1,682,575	1,682,575	1,830,575	1,830,575	1,682,575	1,830,575	1,830,575
Conference & Travel Expenses 5050009	1,424	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360
Professional Fees 5060010	13,441	15,000	15,000	15,000	17,000	17,000	15,000	17,000	17,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	22,940	35,000	35,000	0	0	0	0	0	0
Tourist Promotion 5900046	1,050,595	1,272,000	1,272,000	1,272,000	1,272,000	1,272,000	1,272,000	1,272,000	1,272,000
Advertising Expense 5900047	10,807,028	11,344,830	11,344,830	11,344,830	12,844,830	12,844,830	11,344,830	12,844,830	12,844,830
Small Festival Expenses, Advertis: 5900048	0	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total	13,507,638	14,880,113	14,875,489	14,847,093	16,538,419	16,497,093	14,847,093	16,538,419	16,497,093
Funding Sources									
Fund Balance 4000005	666,893	1,910,741		2,453,545	2,453,545	2,453,545	3,723,310	2,031,984	2,073,310
Special Revenue 4000030	14,750,968	15,420,917		16,114,858	16,114,858	16,114,858	16,840,027	16,840,027	16,840,027
Interest 4000300	518	2,000		2,000	2,000	2,000	2,000	2,000	2,000
Total Funding	15,418,379	17,333,658		18,570,403	18,570,403	18,570,403	20,565,337	18,874,011	18,915,337
Excess Appropriation/(Funding)	(1,910,741)	(2,453,545)		(3,723,310)	(2,031,984)	(2,073,310)	(5,718,244)	(2,335,592)	(2,418,244)
Grand Total	13,507,638	14,880,113		14,847,093	16,538,419	16,497,093	14,847,093	16,538,419	16,497,093

FY17 Budget amount in Regular Salaries and Extra Help exceeds the authorized amount due to salary adjustments during the 2015-2017 Biennium.

Change Level by Appropriation

Appropriation: 504 - Tourism Promotion-Special Rev
Funding Sources: TDT - Tourism Development Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	14,847,093	8	14,847,093	100.0	14,847,093	8	14,847,093	100.0
C01	Existing Program	1,691,326	1	16,538,419	111.4	1,691,326	1	16,538,419	111.4
C04	Reallocation	0	0	16,538,419	111.4	0	0	16,538,419	111.4

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	14,847,093	8	14,847,093	100.0	14,847,093	8	14,847,093	100.0
C01	Existing Program	1,662,075	0	16,509,168	111.2	1,662,075	0	16,509,168	111.2
C04	Reallocation	0	0	16,509,168	111.2	0	0	16,509,168	111.2
C13	Not Recommended	(12,075)	0	16,497,093	111.1	(12,075)	0	16,497,093	111.1

Justification

C01	An increase in advertising expenses of \$1,500,000 in FY18 and FY19 is requested to allow for the agency to maintain an active presence in marketing Arkansas to prospective visitors. The increase will allow for a boost in advertising investment that is needed to cope with recent changes in the travel industry. Arkansas must stay abreast of changing demands in methods of reaching potential visitors to our state, particularly in the area of expanded internet marketing campaigns as well as the purchase of additional broadcast and print media. We are requesting an increase of \$150,000 in maintenance and operation expenses over the biennium to cover anticipated additional costs in association membership dues, brochure printing, software maintenance, lodging, warehouse rental, equipment rental and website hosting. Additionally, we are requesting a new position in the Group Travel Section to help us compete in the very active and lucrative sports marketing arena: ADPT Consultant (P034C) Particular areas of growth include amateur team sports, especially tournaments geared toward baseball, softball, and soccer teams. Several of the state's local convention and visitor bureaus have been very successful luring a variety of major regional and national tournaments to Arkansas. Working with them at sports marketing shows to bring additional groups into the state offers lucrative opportunities for Arkansas's tourism industry. A big advantage is that landing such tournaments helps communities fill their local lodging accommodations over the weekends, typically the days when hotels/motels are running low occupancy rates and are seeking additional customers. In addition, Arkansas is aiming to position itself as the premier state for biking (both road biking and mountain biking) and motorcycling enthusiasts. We've had notable success, not only in obtaining major editorial coverage in leading publications but also in bringing the International Mountain Bicycling Association to Arkansas for its 2017 World Summit. To fully tap into these markets will require a substantial amount of travel to consumer shows specializing in these niche markets. Presently we don't have the staff to adequately handle the sports marketing component. Our team is busy working with meeting and convention planners, motor coach owners and operators, and reunion planners. This new position would augment our Tourism Group Travel section for this purpose. Our team is busy working with meeting and convention planners, motor coach owners and operators, and reunion planners. This new position would augment our Tourism Group Travel section for this purpose.
C04	The reallocation of funds within the 504 Tourism Promotion appropriation totaling \$20,000 is requested for more efficient allocation of maintenance and operation expenses. Those areas include \$5,000 in software maintenance, \$2,000 in rent, \$2,000 for additional lodging, \$1,000 for staff vehicle insurance and \$10,000 in professional and administrative fees.

Analysis of Budget Request

Appropriation: 54L - Wildlife Observation Trails

Funding Sources: SWO - Operations

Act 686 of 2009 established that the Arkansas Game and Fish Commission make available \$1,000,000 in FY2010 and FY2011 for the Wildlife Observation Trails Pilot Program. Wildlife Observation Trail means a trail route designed to promote conservation and management of wildlife resources of the state and to promote tourism and economic development through the enjoyment, use, protection and improvement of the natural resources of Arkansas.

The Agency requests Base Level of \$1,006,614 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 54L - Wildlife Observation Trails

Funding Sources: SWO - Operations

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	6,614	6,614	6,614	6,614	6,614	6,614	6,614	6,614
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
Grants and Aid	5100004	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		0	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614
Funding Sources										
Transfers from Agencies	4000690	0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614
Total Funding		0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614

Analysis of Budget Request

Appropriation: 579 - Outdoor Recreation Grants Prg

Funding Sources: MPT - Parks & Tourism Outdoor Recreation

The Agency utilizes this appropriation for operating expenses and outdoor recreational grants to cities and counties. Funding is derived from the State Parks' portion of the proceeds of the Real Estate Transfer Tax increase levied by Act 729 of 1987, and further increased by Act 1181 of 1993 (A.C.A. 26-60-105).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$7,805,680 each year of the biennium.

The Agency Change Level Request is for Capital Outlay of \$30,000 each year of the biennium for potential replacement of an aging vehicle.

The Executive Recommendation provides for the Agency Request. Also, the Executive Recommendation provides for the Agency Request for Capital Outlay to replace aging, high mileage vehicles in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 579 - Outdoor Recreation Grants Prg
Funding Sources: MPT - Parks & Tourism Outdoor Recreation

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	108,811	149,563	177,011	149,563	149,563	149,563	149,563	149,563	149,563
#Positions		3	4	4	4	4	4	4	4	4
Extra Help	5010001	0	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	56,857	56,759	69,029	57,506	57,506	57,506	57,506	57,506	57,506
Operating Expenses	5020002	11,093	37,020	37,020	37,020	37,020	37,020	37,020	37,020	37,020
Conference & Travel Expenses	5050009	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
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	2,529,707	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881
Capital Outlay	5120011	0	25,000	25,000	0	30,000	30,000	0	30,000	30,000
Total		2,706,468	7,829,933	7,869,651	7,805,680	7,835,680	7,835,680	7,805,680	7,835,680	7,835,680

Funding Sources										
Fund Balance	4000005	5,173,320	4,973,980		0	0	0	0	0	0
Special Revenue	4000030	2,507,128	2,855,953		2,650,955	2,650,955	2,650,955	2,730,484	2,730,484	2,730,484
Total Funding		7,680,448	7,829,933		2,650,955	2,650,955	2,650,955	2,730,484	2,730,484	2,730,484
Excess Appropriation/(Funding)		(4,973,980)	0		5,154,725	5,184,725	5,184,725	5,075,196	5,105,196	5,105,196
Grand Total		2,706,468	7,829,933		7,805,680	7,835,680	7,835,680	7,805,680	7,835,680	7,835,680

Expenditure of Appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 579 - Outdoor Recreation Grants Prg
Funding Sources: MPT - Parks & Tourism Outdoor Recreation

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	7,805,680	4	7,805,680	100.0	7,805,680	4	7,805,680	100.0
C01	Existing Program	30,000	0	7,835,680	100.4	30,000	0	7,835,680	100.4

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	7,805,680	4	7,805,680	100.0	7,805,680	4	7,805,680	100.0
C01	Existing Program	30,000	0	7,835,680	100.4	30,000	0	7,835,680	100.4

Justification

C01	A request for \$30,000 in Capital Outlay for both years of the biennium for potential replacement of an aging vehicle.								
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Analysis of Budget Request

Appropriation: 986 - Operations & Construction-Cash in Treasury

Funding Sources: NPT - Parks Fund

This appropriation is financed by cash receipts and interest income generated by the State Park System. Cash receipts include the fees charged for park facility usage and/or property rentals, the sale of items purchased from gift shops, restaurant operations, and other miscellaneous receipts. The Department utilizes this appropriation to provide staff and operational support to park and museum activities.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes 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 a Cost of Living Adjustment or Merit Pay Increases.

Base Level includes appropriation of \$33,303,827 in FY18 and \$33,310,526 in FY19.

The Agency Change Level Request provides for \$1,114,375 in FY18 and \$1,213,375 in FY19 and is summarized as follows:

- Extra Help and Personal Services Matching of \$272,625 each year to fund the final installment of the minimum wage.
- Operating Expenses of \$900,577 each year for implementation of a new on-line reservation system and also for expected increases related to higher fuel and utility costs.
- Professional Fees of \$637,558 in FY18 and \$736,558 in FY19 for marketing/advertising new and expanded facilities/parks.
- Capital Outlay of \$525,000 each year of the biennium for the replacement of aging vehicles and deteriorating equipment.
- Contractual Services of \$50,000 each year to accommodate increases in vendor contracts at the Ozark Folk Center and also to fund a new internship program.
- Construction decrease of (\$1,271,385) each year due to completion of the rails to trails match on the Delta Heritage trail.

The Executive Recommendation provides for the Agency Request. Also, the Executive Recommendation provides for the Agency Request for Capital Outlay to replace aging, high mileage vehicles in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement.

Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 986 - Operations & Construction-Cash in Treasury

Funding Sources: NPT - Parks Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	5,812,132	5,965,718	5,928,135	5,970,918	5,970,918	5,970,918	5,976,318	5,976,318	5,976,318
#Positions		188	191	191	191	191	191	191	191	191
Extra Help	5010001	3,530,921	4,269,367	4,269,367	4,269,367	4,519,367	4,519,367	4,269,367	4,519,367	4,519,367
#Extra Help		420	553	553	553	553	553	553	553	553
Personal Services Matching	5010003	3,219,584	2,753,946	2,756,545	2,785,030	2,807,655	2,807,655	2,786,329	2,808,954	2,808,954
Operating Expenses	5020002	7,594,228	9,048,948	9,799,525	9,048,948	9,949,525	9,949,525	9,048,948	9,949,525	9,949,525
Conference & Travel Expenses	5050009	14,543	40,500	40,500	40,500	40,500	40,500	40,500	40,500	40,500
Professional Fees	5060010	681,948	871,542	871,542	871,542	1,509,100	1,509,100	871,542	1,608,100	1,608,100
Construction	5090005	3,068,779	1,771,385	1,771,385	1,771,385	500,000	500,000	1,771,385	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Resale (COGS)	5090017	4,309,492	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961
Capital Outlay	5120011	0	525,000	525,000	0	525,000	525,000	0	525,000	525,000
Debt Service	5120019	2,580,430	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999
Contractual Services	5900043	288,461	436,177	436,177	436,177	486,177	486,177	436,177	486,177	486,177
Total		31,100,518	33,792,543	34,508,136	33,303,827	34,418,202	34,418,202	33,310,526	34,523,901	34,523,901
Funding Sources										
Fund Balance	4000005	7,009,644	8,027,740		3,215,041	3,215,041	3,215,041	0	0	0
Cash Fund	4000045	32,118,614	28,979,844		29,558,684	29,558,684	29,558,684	30,002,408	30,002,408	30,002,408
Total Funding		39,128,258	37,007,584		32,773,725	32,773,725	32,773,725	30,002,408	30,002,408	30,002,408
Excess Appropriation/(Funding)		(8,027,740)	(3,215,041)		530,102	1,644,477	1,644,477	3,308,118	4,521,493	4,521,493
Grand Total		31,100,518	33,792,543		33,303,827	34,418,202	34,418,202	33,310,526	34,523,901	34,523,901

FY17 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2015-2017 Biennium. Expenditure of Appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 986 - Operations & Construction-Cash in Treasury
Funding Sources: NPT - Parks Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	33,303,827	191	33,303,827	100.0	33,310,526	191	33,310,526	100.0
C01	Existing Program	2,385,760	0	35,689,587	107.2	2,484,760	0	35,795,286	107.5
C03	Discontinue Program	(1,271,385)	0	34,418,202	103.3	(1,271,385)	0	34,523,901	103.6

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	33,303,827	191	33,303,827	100.0	33,310,526	191	33,310,526	100.0
C01	Existing Program	2,385,760	0	35,689,587	107.2	2,484,760	0	35,795,286	107.5
C03	Discontinue Program	(1,271,385)	0	34,418,202	103.3	(1,271,385)	0	34,523,901	103.6

Justification

C01	An increase in Extra Help of \$250,000 for both years of the biennium to fund the final instalment of the minimum wage. An increase in M&O \$900,577 is requested for both years of the biennium for implementation of a new on-line reservation system, and for expected increases related to higher fuel and utility costs. An increase of \$637,558 for FY18 and \$736,558 for FY19 in Professional Fees and Services for additional expenses for marketing and advertising new/expanded facilities/parks at Queen Wilhelmina, Mississippi River, Delta Heritage Trail State Park and Logoly. Establish Capital Outlay each year of the biennium of \$525,000 for the replacement of high mileage aging vehicles and deteriorating equipment needs in the park system. An increase of \$50,000 in both years of the biennium to accommodate increases in crafter/vendor contracts at the Ozark Folk Center and fund a new internship program.
C03	Reduce construction each year of the biennium \$1,271,385 due to completion of the rails to trails match on the Delta Heritage trail.

Analysis of Budget Request

Appropriation: 994 - Retirement & Relocation Program

Funding Sources: TDT - PT - Trsm Promotion

Act 609 of 1997 (A.C.A. §25-13-301) created the Retirement and Relocation Program to promote economic development of the State by encouraging retirees to relocate to Arkansas. Funding is derived from general revenues. The Department utilizes the appropriation for advertising expenses to encourage retirees to relocate to Arkansas.

The Agency Base Level is \$228,278 each year of the biennium.

The Change Level Request provides for Advertising Expenses of \$200,000 each year of the biennium to attract baby-boomers to move to Arkansas in the retirement years.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 994 - Retirement & Relocation Program

Funding Sources: TDT - PT - Trsm Promotion

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	26,659	26,659	26,659	26,659	26,659	26,659	26,659	26,659
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
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
Advertising Expense	5900047	0	198,619	198,619	198,619	398,619	398,619	198,619	398,619	398,619
Total		0	228,278	228,278	228,278	428,278	428,278	228,278	428,278	428,278
Funding Sources										
Fund Balance	4000005	666,893	1,910,741		1,910,741	1,910,741	1,910,741	1,910,741	1,910,741	1,910,741
Special Revenue	4000030	1,243,848	228,278		228,278	428,278	428,278	228,278	428,278	428,278
Total Funding		1,910,741	2,139,019		2,139,019	2,339,019	2,339,019	2,139,019	2,339,019	2,339,019
Excess Appropriation/(Funding)		(1,910,741)	(1,910,741)		(1,910,741)	(1,910,741)	(1,910,741)	(1,910,741)	(1,910,741)	(1,910,741)
Grand Total		0	228,278		228,278	428,278	428,278	228,278	428,278	428,278

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Change Level by Appropriation

Appropriation: 994 - Retirement & Relocation Program
Funding Sources: TDT - PT - Trsm Promotion

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	228,278	0	228,278	100.0	228,278	0	228,278	100.0
C01	Existing Program	200,000	0	428,278	187.6	200,000	0	428,278	187.6

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	228,278	0	228,278	100.0	228,278	0	228,278	100.0
C01	Existing Program	200,000	0	428,278	187.6	200,000	0	428,278	187.6

Justification

C01	An advertising increase of \$200,000 in each year is requested for additional funding to our Retirement and Relocation program. This will allow us to more aggressively market to more people interested in moving permanently to our state for active retirement years. With Baby-boomers increasingly starting to retire and look for attractive place to move for their "golden year," we feel the state can capitalize on this trend with increased advertising to that special market.
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Analysis of Budget Request

Appropriation: 995 - Tourism - Cash in Treasury

Funding Sources: NPT - Tourism Operations

This appropriation provides for the operation of the Gift Shop in the Central Office. Funding is derived from the sale of merchandise from the Gift Shop. Items for resale are purchased in bulk as necessary. Since 1999, this appropriation has typically averaged in excess of \$60,000 in fund balances.

The Agency Base Level is \$55,010 each year of the biennium.

The Change Level Request provides for Reallocation of \$20,000 from Operating Expenses to the Resale category to give more flexibility in purchasing Arkansas: The Natural State products for retail sales to the public.

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

Appropriation Summary

Appropriation: 995 - Tourism - Cash in Treasury

Funding Sources: NPT - Tourism Operations

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	5,670	35,010	45,200	35,010	15,010	15,010	35,010	15,010	15,010
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
Resale (COGS)	5090017	14,523	20,000	20,000	20,000	40,000	40,000	20,000	40,000	40,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		20,193	55,010	65,200	55,010	55,010	55,010	55,010	55,010	55,010
Funding Sources										
Fund Balance	4000005	49,050	42,851		1,041	1,041	1,041	0	0	0
Cash Fund	4000045	13,994	13,200		13,200	13,200	13,200	13,200	13,200	13,200
Total Funding		63,044	56,051		14,241	14,241	14,241	13,200	13,200	13,200
Excess Appropriation/(Funding)		(42,851)	(1,041)		40,769	40,769	40,769	41,810	41,810	41,810
Grand Total		20,193	55,010		55,010	55,010	55,010	55,010	55,010	55,010

The Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 995 - Tourism - Cash in Treasury
Funding Sources: NPT - Tourism Operations

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	55,010	0	55,010	100.0	55,010	0	55,010	100.0
C04	Reallocation	0	0	55,010	100.0	0	0	55,010	100.0

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	55,010	0	55,010	100.0	55,010	0	55,010	100.0
C04	Reallocation	0	0	55,010	100.0	0	0	55,010	100.0

Justification

C04	A reallocation of \$20,000 from the ADPT gift shop operation is requested in FY18 and FY19, moving unused postage to the purchase of non-inventory items that will be needed in the next biennium for the efficient operation of the shop.								
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Analysis of Budget Request

Appropriation: 996 - Entertainers Hall of Fame-Treas

Funding Sources: NPT - Parks & Tourism Hall of Fame

Act 671 of 1985 (A.C.A. 13-9-101) as amended created the Arkansas Entertainers Hall of Fame Board to honor individuals who by achievement or service have made outstanding and lasting contributions in entertainment. During the 81st General Assembly, Act 255 of 1997 transferred the authority and responsibility for the administration of the Arkansas Hall of Fame to the Arkansas Department of Parks and Tourism. Additional funding is provided by donations from private sources and the City of Pine Bluff, where the Agency is located. This appropriation provides for the operation of the Arkansas Entertainers Hall of Fame.

The Agency requests Base Level of \$37,460 each year of the biennium.

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

Appropriation Summary

Appropriation: 996 - Entertainers Hall of Fame-Treas

Funding Sources: NPT - Parks & Tourism Hall of Fame

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2017-2018			2018-2019		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Various Exp - Entertainers Hall 5900046	124	37,460	38,420	37,460	37,460	37,460	37,460	37,460	37,460
Total	124	37,460	38,420	37,460	37,460	37,460	37,460	37,460	37,460
Funding Sources									
Fund Balance 4000005	23,956	37,244		12,284	12,284	12,284	0	0	0
Cash Fund 4000045	12,988	12,000		0	0	0	12,000	12,000	12,000
Interest Income / Royalties 4000307	424	500		500	500	500	500	500	500
Total Funding	37,368	49,744		12,784	12,784	12,784	12,500	12,500	12,500
Excess Appropriation/(Funding)	(37,244)	(12,284)		24,676	24,676	24,676	24,960	24,960	24,960
Grand Total	124	37,460		37,460	37,460	37,460	37,460	37,460	37,460

Revenue is received every other year. The Expenditure of appropriation is contingent upon available funding.