

# AUCTIONEER'S LICENSING BOARD

## Enabling Laws

Act 1574 of 2003

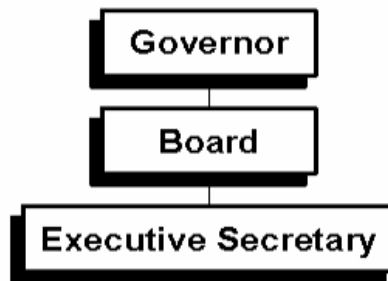
Act 266 of 1989 as amended. See A.C.A. § 17-17-201

## History and Organization

The Auctioneers Board, consisting of seven members - four auctioneers and three consumer representatives, was created in 1989.

The mission of the organization is to protect public welfare by establishing and maintaining a high standard of integrity in the Profession of Auctioneers and Auction Houses.

The responsibility of the organization is to certify, license, register individuals and companies who meet the requirements to engage in the profession of Auctioneers and, additionally, to protect the public from illegal, incompetent, unethical and unprofessional practitioners.



## Agency Commentary

The State Board of Auctioneers is responsible for assuring those individuals who are granted licensure are qualified according to mandated specifications. The operation of the Board is totally funded from the receipts of fees charged by the agency. The budget request for the agency reflects \$148,857 as Base Level for FY06 and \$148,857 for FY07, including one position and an extra help position. Change Level requests totals \$15,326.00 for FY06 and \$11,826.00 for FY07.

An increase of \$9,136.00 for Operating Expenses for FY06-07 is requested and includes \$3,176.00 for additional rent of facility and \$5,000 for expense of investigations.

Additionally, an amount of \$3,500.00 is requested in FY06 for Capital Outlay to replace computer equipment.

Due to the rising cost of travel, an additional \$1,000.00 is requested to cover costs associated with the Secretary/Treasurer's travel to state and national meetings.

The Board is requesting a \$1,690.00 salary increase in addition to any COLA approved by the Governor for Fiscal Years 2006 and 2007. This increase is merited to compensate for the increased workload due to increasing numbers of licensees and associated duties required to maintain the efficient operation of daily activities within the office. Other additional duties have been added such as supervising an extra help position.

**Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 ARKANSAS AUCTIONEER'S LICENSING BOARD  
 FOR THE YEAR ENDED JUNE 30, 2003

Findings	Recommendations
None	None

**Employment Summary**

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

**Cash Fund Balance Description as of June 30, 2004**

Fund Account	Balance	Type	Location
3440000	\$45,351	Checking and TMMP	US Bank, Bank of America, Treasury

Statutory/Other Restrictions on use:

A.C.A. 17-17-204

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 17-17-114, A.C.A. 17-17-301

Revenue Receipts Cycle:

Fees, fines and penalties are collected during the year.

Fund Balance Utilization:

Funds are collected during the year and used for expenses.

Fund Account	Balance	Type	Location
3440100	\$185,007	TMMP and CD	Treasury and Twin City Bank

Statutory/Other Restrictions on use:

A.C.A. 17-17-204

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 17-17-404

Revenue Receipts Cycle:

Funds are collected from new licensees during the year.

Fund Balance Utilization:

Funds are collected from new licensees during the year

**Publications**

**A.C.A 25-1-204**

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Licensee List	A.C.A. 17-17-206	N	N	75	Required by A.C.A. 17-17-206

## **Analysis of Budget Request**

**Appropriation / Program:** C51 - Auctioneers-Cash Operations

**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

Arkansas Code Annotated § 17-17-201 authorizes the State Auctioneer's Licensing Board that consists of seven (7) members appointed by the Governor. The Board is responsible for promulgating rules and regulations, publishing annually a list of the names and addresses of all auctioneers licensed which includes names of all persons whose licenses have been suspended or revoked within the preceding year. Funding for the Board is derived from receipt of fees charged by the agency for examinations, licensing, renewals, and penalties.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for one (1) Base Level position. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

Change Level Requests total \$15,644 for FY06 and \$12,144 for FY07. The increases include an extraordinary salary increase for the Auctioneer's Board Secretary due to the increased workload of the Board caused by the increasing number of licenses and associated duties required to maintain the efficient operation of daily activities within the office. The increase in the Operating Expenses line item of \$9,136 each year is for enforcement investigation expenses, network service expenses, rent, and association member dues. The increase in the Conference and Travel line item of \$1,000 each year is to cover costs associated with the Secretary's travel to state and national meetings. The increase in Capital Outlay of \$3,500 for FY06 is to replace necessary computer equipment. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for the Agency Request with the exception of the Conference and Travel line item. The Executive also recommends a 3.11% extraordinary salary increase for the Auctioneer's Board Secretary.

## Appropriation / Program Summary

**Appropriation / Program:** C51 Auctioneers-Cash Operations  
**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	32,242	41,824	32,824	33,808	35,498	34,859	34,822	36,512	35,904
<b>#Positions</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Extra Help 5010001	0	15,780	15,780	15,780	15,780	15,780	15,780	15,780	15,780
<b>#Extra Help</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching 5010003	9,033	12,435	11,173	11,412	11,730	11,609	11,603	11,921	11,806
Operating Expenses 5020002	36,549	37,072	37,072	37,072	46,208	46,208	37,072	46,208	46,208
Travel-Conference Fees 5050009	1,669	2,000	2,000	2,000	3,000	3,000	2,000	3,000	3,000
Professional Fees and Services 5060010	11,696	13,688	13,688	13,688	13,688	13,688	13,688	13,688	13,688
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refund/Reimbursements 5110014	0	500	500	500	500	500	500	500	500
Claims 5110015	5,300	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Capital Outlay 5120011	3,479	0	0	0	3,500	3,500	0	0	0
<b>Total</b>	<b>99,968</b>	<b>173,299</b>	<b>163,037</b>	<b>164,260</b>	<b>179,904</b>	<b>179,144</b>	<b>165,465</b>	<b>177,609</b>	<b>176,886</b>
<b>Funding Sources</b>									
Fund Balance 4000005	265,324	237,769		172,470	172,470	172,470	100,566	100,566	101,326
Cash Fund 4000045	72,413	108,000		92,356	108,000	108,000	95,856	108,000	108,000
<b>Total Funding</b>	<b>337,737</b>	<b>345,769</b>		<b>264,826</b>	<b>280,470</b>	<b>280,470</b>	<b>196,422</b>	<b>208,566</b>	<b>209,326</b>
Excess Appropriation/(Funding)	(237,769)	(172,470)		(100,566)	(100,566)	(101,326)	(30,957)	(30,957)	(32,440)
<b>Grand Total</b>	<b>99,968</b>	<b>173,299</b>		<b>164,260</b>	<b>179,904</b>	<b>179,144</b>	<b>165,465</b>	<b>177,609</b>	<b>176,886</b>

The FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.

## Change Level by Appropriation

**Appropriation / Program:** C51-Auctioneers-Cash Operations

**Funding Sources:** 344 - Auctioneer's Licensing Board - Cash

### Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>164,260</b>	<b>1</b>	<b>164,260</b>	<b>100.0</b>	<b>165,465</b>	<b>1</b>	<b>165,465</b>	<b>100.0</b>
C01	Existing Program	10,136	0	174,396	106.1	10,136	0	175,601	106.1
C08	Technology	3,500	0	177,896	108.3	0	0	175,601	106.1
C15	Ex Salary Increase	2,008	0	179,904	109.5	2,008	0	177,609	107.3

### Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>164,260</b>	<b>1</b>	<b>164,260</b>	<b>100.0</b>	<b>165,465</b>	<b>1</b>	<b>165,465</b>	<b>100.0</b>
C01	Existing Program	10,136	0	174,396	106.1	10,136	0	175,601	106.1
C08	Technology	3,500	0	177,896	108.3	0	0	175,601	106.1
C15	Ex Salary Increase	1,248	0	179,144	109.0	1,285	0	176,886	106.9

### Justification

C01	The increase of \$9,136 in Operating Expenses each year are for enforcement investigation expenses, network service expenses, rent, and association member dues. An increase of \$1,000 in Travel each year is to cover costs associated with the Secretary/Treasurer's travel to state and national meetings.
C08	The increase of \$3,500 in Capital Outlay for FY06 is to replace necessary computer equipment.
C15	This request is for the Executive Secretary of the Board due to increased job duties and workload of the Board caused by the increasing number of licenses and associated duties required to maintain the efficient operation of daily activities within the office. Other additional duties have been added such as supervising an Extra Help position.