

PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

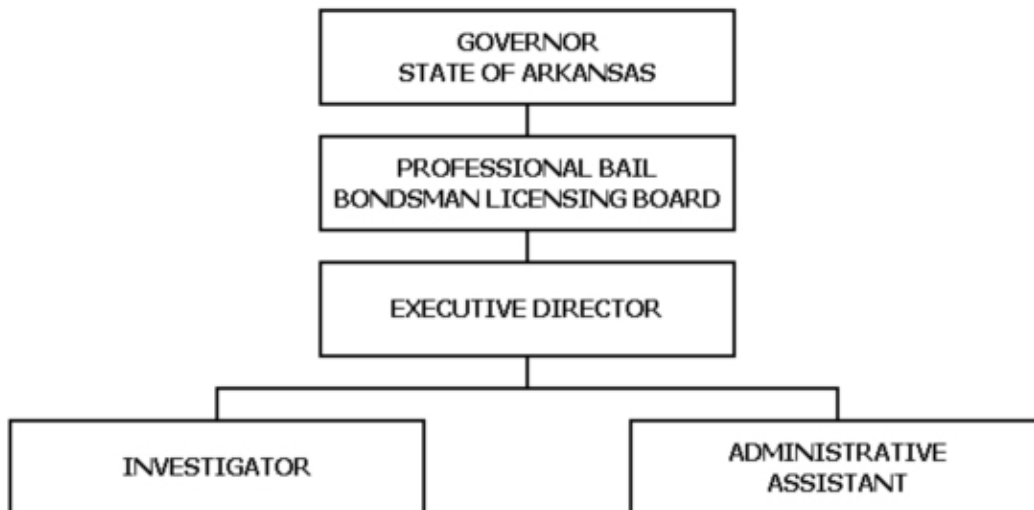
Enabling Laws

Act 108 of 2007
A.C.A. § 17-19-101 et seq.

History and Organization

A.C.A. § 17-19-106 et seq. established the Professional Bail Bond Company & Professional Bail Bondsman Licensing Board. The Act provided for a seven member Board to be appointed by the Governor for terms of seven years. The Board consists of one (1) Sheriff, one (1) Chief of Police, one (1) elected Judge, one (1) citizen at large, and three (3) bail bond company owners. Act 1817 of 2001 provided that one (1) member of the Board be an African-American and that one (1) member be female.

The Board is organized as follows: An executive director, appointed by the Board, is responsible for the day-to-day administration of the duties and functions of the Board. The Board employs an investigator and an administrative assistant.



Agency Commentary

Act 500 of 1993 established the Professional Bail Bond Company & Professional Bail Bondsman Licensing Board and provided the Board with the authority and responsibility of administering and enforcing the provisions of Arkansas Code Annotated Title 17, Chapter 19. The Board was given authority to adopt and enforce such reasonable rules and regulations as it determines are necessary to enable the effective and efficient administration of its official duty of licensing and regulating professional bail bond companies and professional bail bondsman.

The primary activities of the Board are as follows: 1) Administer the Professional Bail Bondsman Examination weekly, 2) License those who pass the examination and otherwise qualify, 3) Determine

whether those who apply for an Arkansas Bail Bond Company License qualify, 4) Annually issue renewal licenses to all qualified bail bondsman and bail bond companies, 5) Conduct investigations into allegations of violations of Statutes and Rules & Regulations based on complaints and/or information received by the Board office, 6) Conduct hearings and take disciplinary action where appropriate, 7) Monitor mandatory continuing professional education for professional bail bondsman who hold a valid Arkansas license, and 8) Conduct yearly audits of bail bond companies to ensure compliance with record keeping and reporting requirements.

The Board is requesting the following changes above Base Level for the 2009-2011 biennium: \$8,600 in FY2010 and \$9,600 in FY2011 as follows: \$2,600 in Operating Expenses in FY 2010 and \$3,600 in FY2011 for telecommunication wireless and fuel purchases. The increases are requested to bring these line items closer to expected actual expenditures and to cover expected increases in fuel costs. The Board is requesting a reallocation of resources to properly classify \$1,786 from Data Processing to Operating Expenses for FY2010 and FY2011. The Board is requesting a reallocation in Operating Expenses of \$5,400 for postage, telephone, board member travel, and vehicle insurance to other expenditure codes. The Board is requesting a Capital Outlay of \$6,000 in each fiscal year to replace one (1) vehicle in each fiscal year. The replacement vehicles will be purchased from the State Marketing & Redistribution. The Board has two vehicles - one with approximately 115,000 miles; the other has approximately 150,000 miles.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	2	1	3	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			3	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Bail Bonds Company and Bail Bondsman Licensing Board	A.C.A. §17-29-206 (f)	N	N	150	Required by law. Public Use.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DV Bail Bondsman-Operations	268,820	3	304,350	3	299,337	3	310,824	3	319,424	3	319,424	3	314,230	3	323,830	3	323,830	3
4HD Treasury Cash Reimbursement	197,918	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total	466,738	3	804,350	3	799,337	3	810,824	3	819,424	3	819,424	3	814,230	3	823,830	3	823,830	3

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	264,503	34.7	296,571	28.5			236,962	22.9	236,962	22.7	236,962	22.7	222,348	21.6	222,348	21.4	222,348	21.4
Cash Fund	4000045	364,747	47.8	650,000	62.4			641,400	62.1	650,000	62.4	650,000	62.4	640,400	62.3	650,000	62.6	650,000	62.6
AR Insurance Fund	4000100	296,572	38.9	299,337	28.7			296,572	28.7	296,572	28.5	296,572	28.5	296,572	28.8	296,572	28.6	296,572	28.6
M & R Sales	4000340	3,906	0.5	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to General Revenue	4000635	(166,419)	(21.8)	(204,596)	(19.6)			(141,762)	(13.7)	(141,762)	(13.6)	(141,762)	(13.6)	(130,801)	(12.7)	(130,801)	(12.6)	(130,801)	(12.6)
Total Funds		763,309	100.0	1,041,312	100.0			1,033,172	100.0	1,041,772	100.0	1,041,772	100.0	1,028,519	100.0	1,038,119	100.0	1,038,119	100.0
Excess Appropriation/(Funding)		(296,571)		(236,962)				(222,348)		(222,348)		(222,348)		(214,289)		(214,289)		(214,289)	
Grand Total		466,738		804,350				810,824		819,424		819,424		814,230		823,830		823,830	

FY09 Budgeted Amount in Operations [1DV] exceeds authorized amount due to Regular Salaries adjustments during the 2007-2009 biennium.
 At fiscal year end, all but 25% of Bail Bondsman-Operations [appropriation 1DV] fund balance must be transferred to the General Revenue Fund Account in the State Treasury.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
3	3	0	3	0	0.00 %	3	3	0	3	0	0.00 %	3	3	0	3	0	0.00 %

Analysis of Budget Request

Appropriation: 1DV - Bail Bondsman-Operations

Funding Sources: MBB - Professional Bail Bondsman Licensing Board

The Professional Bail Bondsman Licensing Board uses this appropriation to cover operating expenses and to administer and enforce the provisions of the law relating to the licensing and regulating of professional bail bond companies and bondsmen. The Insurance Department collects \$10 per bond written in the State, and by statute must provide the Board with funding up to the appropriated level each fiscal year. Receipts from examination fees, license renewals and penalties also fund operations of the Board. The Board also uses this appropriation to comply with Section 4 of Act 700 of 1993, which requires the Board to transfer all but 25% of its fund balance to the State Treasury at the end of each fiscal year.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Board requests an increase in the Operating Expenses line item of \$2,600 in FY10 and \$3,600 in FY11 for telecommunications expense and fuel purchases, due to the rising cost of fuel. The board requests a reallocation of resources to properly classify \$1,786 from Data Processing to Operating Expenses for miscellaneous technical services to update the Board's website.

The Board requests an increase in the Capital Outlay line item of \$6,000 for FY10 and FY11, for one (1) vehicle replacement each year from State Marketing & Redistribution. The Board has two (2) vehicles, one with approximately 115,000 miles and the other approximately 150,000.

Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 1DV - Bail Bondsman-Operations
Funding Sources: MBB - Professional Bail Bondsman Licensing Board

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010 Base Level	2009-2010 Agency	2009-2010 Executive	2010-2011 Base Level	2010-2011 Agency	2010-2011 Executive
Regular Salaries	5010000	125,525	131,536	125,739	134,653	134,653	134,653	137,522	137,522	137,522
#Positions		3	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	37,236	36,228	37,012	39,585	39,585	39,585	40,122	40,122	40,122
Operating Expenses	5020002	94,817	96,800	96,800	96,800	101,186	101,186	96,800	102,186	102,186
Conference & Travel Expenses	5050009	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	8,242	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Data Processing	5090012	0	1,786	1,786	1,786	0	0	1,786	0	0
Capital Outlay	5120011	3,000	0	0	0	6,000	6,000	0	6,000	6,000
Total		268,820	304,350	299,337	310,824	319,424	319,424	314,230	323,830	323,830
Funding Sources										
Fund Balance	4000005	222,567	248,625		189,016	189,016	189,016	174,402	174,402	174,402
Cash Fund	4000045	160,819	150,000		141,400	150,000	150,000	140,400	150,000	150,000
AR Insurance Fund	4000100	296,572	299,337		296,572	296,572	296,572	296,572	296,572	296,572
M & R Sales	4000340	3,906	0		0	0	0	0	0	0
Transfer to General Revenue	4000635	(166,419)	(204,596)		(141,762)	(141,762)	(141,762)	(130,801)	(130,801)	(130,801)
Total Funding		517,445	493,366		485,226	493,826	493,826	480,573	490,173	490,173
Excess Appropriation/(Funding)		(248,625)	(189,016)		(174,402)	(174,402)	(174,402)	(166,343)	(166,343)	(166,343)
Grand Total		268,820	304,350		310,824	319,424	319,424	314,230	323,830	323,830

Actual and/or Budget amounts in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

At fiscal year end, all but 25% of its fund balance must be transferred to the General Revenue Fund Account in the State Treasury. Actual ending fund balances are reflected prior to transfer.

Change Level by Appropriation

Appropriation: 1DV - Bail Bondsman-Operations
Funding Sources: MBB - Professional Bail Bondsman Licensing Board

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	310,824	3	310,824	100.0	314,230	3	314,230	100.0
C01	Existing Program	8,600	0	319,424	102.8	9,600	0	323,830	103.1
C04	Reallocation	0	0	319,424	102.8	0	0	323,830	103.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	310,824	3	310,824	100.0	314,230	3	314,230	100.0
C01	Existing Program	8,600	0	319,424	102.8	9,600	0	323,830	103.1
C04	Reallocation	0	0	319,424	102.8	0	0	323,830	103.1

Justification

C01	The Board requests an increase in Operating Expenses of \$2,600 for FY10 and \$3,600 for FY11, for wireless telecommunications and fuel purchases due to increased travel costs of the investigator. The Board also requests an increase in Capital Outlay of \$6,000 each fiscal year to replace one (1) vehicle each year from M&R. The board has two (2) vehicles, one with approximately 115,000 miles and the other approximately 150,000.
C04	The agency requests a reallocation of resources to properly classify \$1,786 from Data Processing to Operating Expenses for FY10 and FY11 for miscellaneous technical services to update the Board's website.

Analysis of Budget Request

Appropriation: 4HD - Treasury Cash Reimbursement

Funding Sources: NBB - Cash in Treasury

The Professional Bail Bondsman Licensing Board uses this appropriation to allow the Board to process security deposits and pay outstanding judgments of bail bonds companies that go out of business. This appropriation allows proper accounting of these transactions on the state accounting system.

Board requests Base Level of \$500,000 for each year of the new biennium.

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

Appropriation Summary

Appropriation: 4HD - Treasury Cash Reimbursement

Funding Sources: NBB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	197,918	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	197,918	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Fund Balance 4000005	41,936	47,946		47,946	47,946	47,946	47,946	47,946	47,946
Cash Fund 4000045	203,928	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	245,864	547,946		547,946	547,946	547,946	547,946	547,946	547,946
Excess Appropriation/(Funding)	(47,946)	(47,946)		(47,946)	(47,946)	(47,946)	(47,946)	(47,946)	(47,946)
Grand Total	197,918	500,000		500,000	500,000	500,000	500,000	500,000	500,000