

STATE BOARD OF ELECTION COMMISSIONERS

Enabling Laws

Act 186 of 2014

A.C.A. §7-4-101, 7-4-103, 7-4-107, 7-4-109, 7-4-118

A.C.A. §7-5-311, 7-5-415, 7-5-503, 7-5-510, 7-5-606, 7-5-707

A.C.A. §7-7-201

A.C.A. §7-10-103

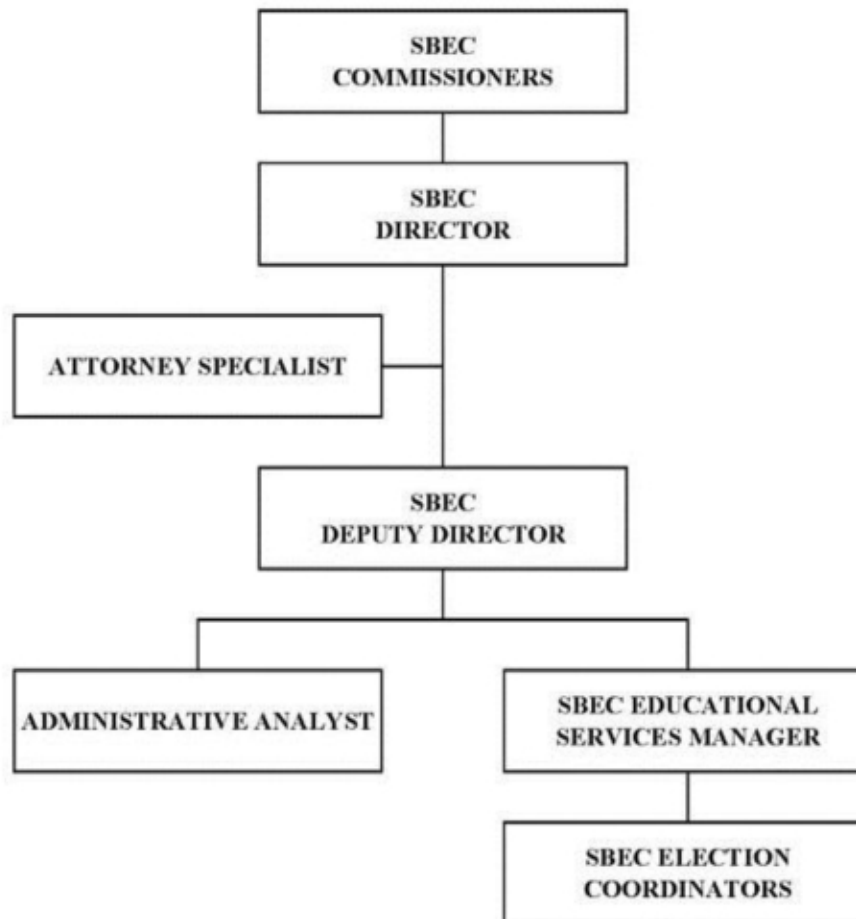
History and Organization

The State Board of Election Commissioners has existed in excess of 100 years. Legislation passed by the General Assembly during the 1995 session amended various sections of Arkansas Code Title 7 to provide for joint political party primary elections funded by the State from an appropriation made to the Board. Act 741 of 1995 amended Arkansas Code Annotated §7-4-101 to reconstitute the Board, with Act 1217 of 1995 providing funding for operations and staff to implement the Board's expanded duties and responsibilities.

The Board consists of a staff of seven serving a seven member board that is comprised of the Secretary of State as Chairperson, two members appointed by the Governor, and one member each appointed by the chair of the state Democratic party, the chair of the state Republican party, the President Pro Tempore of the Arkansas Senate, and the Speaker of the Arkansas House of Representatives.

The mission of the Board is to improve the conduct of elections in the State by promoting fair and orderly election procedures through education, assistance, and monitoring. The Board develops resources to educate and assist candidates and county election administrators, develops specialized training programs, conducts and coordinates statewide training of county election commissioners and election officials, monitors compliance by local election administrators with federal and state election laws, investigates complaints of alleged election misconduct and election law violations, and distributes funds to the counties for state-supported political party primary elections, nonpartisan judicial general elections, special primary elections, and statewide special elections.

The Board's cost effective system of reimbursement to the counties ensures statewide uniformity and consistency in distributing funds from the State to the counties for state-supported elections. The Board provides each county with comprehensive reporting forms for requesting reimbursement, distributes funds statewide following extensive auditing and reconciliation of each individual county reimbursement request, and maintains election expense databases for fiscal accountability.



Agency Commentary

The State Board of Election Commissioners requests Base Level for Operations (580) in the amount of \$637,288 for FY2016 and \$638,145 for FY2017. The Base Level request for Regular Salaries and Matching includes appropriation for Career Service Payments and board member stipend payments. The Base Level request for Operations includes reductions of \$1,060 for Wireless Telecommunication and Cable Services that are no longer utilized, a reduction of \$1,040 in Office Supplies, and an increase of \$2,100 in Network Services for annual website maintenance beginning in FY2015.

The Board requests continuation of Base Level for Election Expenses (581) in the amount of \$6,340,000 for the 2015-2017 Biennium to cover the expenses of the Board and local county boards of election commissioners to conduct state-supported political party primary elections, nonpartisan general elections, special primary elections, and statewide special elections. This request also covers expenses incurred by the Board to compensate local election administrators for mandatory statewide training attendance, to publish a handbook for candidates running for public office, and to publish educational and training materials to aid county election administrators in conducting elections in compliance with federal and state election laws, pursuant to A.C.A. § 7-4-101, 7-4-107, and 7-4-109. Special Language authorizes the carryforward of General Revenue funding from the first fiscal year of the biennium to the second fiscal year of the biennium. Expenditure of appropriation in the second fiscal year of the biennium is contingent upon the carryforward of available funding from the first fiscal year of the biennium. Special Language also authorizes the Chief Financial Officer of the State to transfer funds from the Budget Stabilization Trust Fund to the Board's Miscellaneous Agencies Fund Account to pay the expenses of state-supported elections, if funds are not available to pay for these elections. The Agency's Base Level Request for Election Expenses (581) includes the following:

	GENERAL REVENUE	BUDGET STABILIZATION TRUST FUND	TOTAL
Training Publications	75,000	0	75,000
Commissioners Training Compensation	30,000	0	30,000
Trainers' Training Compensation	35,000	0	35,000
Preferential Primary (May):	2,500,000	500,000	3,000,000
Primary Runoff (June):	1,497,000	303,000	1,800,000
Statewide Specials/Special Primaries	<u>0</u>	<u>1,400,000</u>	<u>1,400,000</u>
Total	4,137,000	2,203,000	6,340,000

The Board requests continuation of Base Level in the amount of \$1,600,000 for Nonpartisan General Elections (436) for the 2015-2017 Biennium to cover the expenses of the Board and local county boards of election commissioners to conduct state-supported elections.

Expenditure of appropriation in the second fiscal year of the biennium is contingent upon the carryforward of available funding from the first fiscal year of the biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE BOARD OF ELECTION COMMISSIONERS
FOR THE YEAR ENDED JUNE 30, 2012

Findings	Recommendations
None	None

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

None

Employment Summary

	Male	Female	Total	%
White Employees	3	3	6	86 %
Black Employees	0	1	1	14 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	14 %
Total Employees			7	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				
"County Board of Election Commissioners Procedures Manual"	7-4-101(f)(2); 7-4-109(e)(1)	N	N	500	Statewide training of county election commissioners to assure fair and orderly election procedures	0	0.00
"Poll Workers Training Guide and Checklist for Poll Workers"	7-4-101(f)(2); 7-4-107(b)(2); 7-4-109(e)(1)	N	N	11,500	Statewide training, testing, and Board certification of trainers to train poll workers locally - Statewide training of local poll workers to assist them in executing election day duties and responsibilities	0	0.00
"Running for Public Office: A 'Plain English' Handbook for Candidates"	7-4-101(f)(1)	N	N	5,000	Statutory Requirement - to outline in a readable and understandable format the legal obligations of candidates running for public office	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
436 Nonpartisan General Elections*	0	0	1,049,239	0	1,600,000	0	1,600,000	0	1,600,000	0	1,600,000	0	1,600,000	0	1,600,000	0	1,600,000	0
580 Election Commissioners - Operations	535,017	7	596,903	7	648,990	7	637,288	7	637,288	7	637,288	7	638,145	7	638,145	7	638,145	7
581 Election Expenses	343,088	0	3,831,224	0	6,340,000	0	6,340,000	0	6,340,000	0	6,340,000	0	6,340,000	0	6,340,000	0	6,340,000	0
Total	878,105	7	5,477,366	7	8,588,990	7	8,577,288	7	8,577,288	7	8,577,288	7	8,578,145	7	8,578,145	7	8,578,145	7

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	676,521	11.7	4,880,463	89.1			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue 4000010	4,709,329	81.8	596,903	10.9			4,774,288	55.7	4,774,288	55.7	4,774,288	55.7	638,145	100.0	638,145	100.0	638,145	100.0
Budget Stabilization Trust 4000130	0	0.0	0	0.0			2,203,000	25.7	2,203,000	25.7	2,203,000	25.7	0	0.0	0	0.0	0	0.0
Judicial Filing Fees 4000320	372,718	6.5	0	0.0			1,600,000	18.7	1,600,000	18.7	1,600,000	18.7	0	0.0	0	0.0	0	0.0
Total Funds	5,758,568	100.0	5,477,366	100.0			8,577,288	100.0	8,577,288	100.0	8,577,288	100.0	638,145	100.0	638,145	100.0	638,145	100.0
Excess Appropriation/(Funding)	(4,880,463)		0				0		0		0		7,940,000		7,940,000		7,940,000	
Grand Total	878,105		5,477,366				8,577,288		8,577,288		8,577,288		8,578,145		8,578,145		8,578,145	

Due to the inclusion of Prosecutors, the Agency requests to rename this appropriation from "Nonpartisan Judicial General Elections" to "Nonpartisan General Elections" and the Fund from "Judicial Filing Fee Fund" to "Nonpartisan Filing Fee Fund."

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
7	7	0	7	0	0.00 %	7	6	1	7	0	14.29 %	7	7	0	7	0	0.00 %

Analysis of Budget Request

Appropriation: 436 - Nonpartisan General Elections*

Funding Sources: MFF - Nonpartisan Filing Fee Fund*

Amendment 80, §17 and 18, to the Arkansas Constitution states that Circuit Judges, District Judges, Supreme Court Justices and Court of Appeals Judges be elected on a nonpartisan basis. This amendment went into effect July 2001. Act 1110 of 2013 made the office of the prosecuting attorney a nonpartisan office. Act 1789 of 2001 established the guidelines for the nonpartisan elections and charged the State Board of Election Commissioners with funding nonpartisan general elections and establishing reasonable filing fees for nonpartisan offices. The Board promulgates rules and regulations establishing nonpartisan office filing fees for covering the cost of election expenses paid from this appropriation.

The Agency Base Level Request includes appropriation of \$1,600,000 each year of the biennium. Due to the inclusion of prosecutors, the Agency has requested to rename this appropriation and fund striking the word judicial from both.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 436 - Nonpartisan General Elections*

Funding Sources: MFF - Nonpartisan Filing Fee Fund*

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	0	1,049,239	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Total		0	1,049,239	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Funding Sources										
Fund Balance	4000005	676,521	1,049,239		0	0	0	0	0	0
Judicial Filing Fees	4000320	372,718	0		1,600,000	1,600,000	1,600,000	0	0	0
Total Funding		1,049,239	1,049,239		1,600,000	1,600,000	1,600,000	0	0	0
Excess Appropriation/(Funding)		(1,049,239)	0		0	0	0	1,600,000	1,600,000	1,600,000
Grand Total		0	1,049,239		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000

Base Level has been restored to the FY15 authorized amount.

Expenditure of appropriation is contingent upon available funding. Due to the inclusion of Prosecutors, the Agency requests to rename this appropriation from "Nonpartisan Judicial General Elections" to "Nonpartisan General Elections" and the Fund from "Judicial Filing Fee Fund" to "Nonpartisan Filing Fee Fund."

Analysis of Budget Request

Appropriation: 580 - Election Commissioners - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Board of Election Commissioners is a general revenue funded Agency that administers state supported political party primary and special elections. The seven member Board is comprised of the Secretary of State as Chairperson, two members appointed by the Governor, and one member each appointed by the chair of the state Democratic party, the chair of the state Republican party, the President Pro Tempore of the Arkansas Senate, and the Speaker of the Arkansas House of Representatives. Legislation passed during the 1995 session redefined the duties of the Board and created for the first time a staff and an operating appropriation.

The Board develops resources to educate and assist candidates and county election administrators, develops specialized training programs, conducts and coordinates statewide training of county election commissioners and election officials, monitors compliance by local election authorities with federal and state election laws, investigates complaints of alleged election misconduct and election law violations, and distributes funds to the counties for state-supported political party primary elections, nonpartisan general elections, special primary elections, and statewide special elections.

The responsibilities of the Board have increased each session as a result of legislation passed by the Arkansas General Assembly in an attempt to ensure public confidence in the election process.

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

The Board's Base Level Request includes appropriation and general revenue funding of \$637,288 in FY16 and \$638,145 in FY17 with seven (7) regular positions. The Board also requests a reallocation of resources, reducing wireless telecommunications, cable services and office supplies and increasing network services. The reallocation will provide for annual website maintenance.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 580 - Election Commissioners - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	333,825	364,406	403,033	396,559	396,559	396,559	397,259	397,259	397,259
#Positions		7	7	7	7	7	7	7	7	7
Personal Services Matching	5010003	117,737	116,437	129,897	124,669	124,669	124,669	124,826	124,826	124,826
Operating Expenses	5020002	78,390	108,060	108,060	108,060	108,060	108,060	108,060	108,060	108,060
Conference & Travel Expenses	5050009	299	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	4,766	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		535,017	596,903	648,990	637,288	637,288	637,288	638,145	638,145	638,145
Funding Sources										
General Revenue	4000010	535,017	596,903		637,288	637,288	637,288	638,145	638,145	638,145
Total Funding		535,017	596,903		637,288	637,288	637,288	638,145	638,145	638,145
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		535,017	596,903		637,288	637,288	637,288	638,145	638,145	638,145

Change Level by Appropriation

Appropriation: 580 - Election Commissioners - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	637,288	7	637,288	100.0	638,145	7	638,145	100.0
C04	Reallocation	0	0	637,288	100.0	0	0	638,145	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	637,288	7	637,288	100.0	638,145	7	638,145	100.0
C04	Reallocation	0	0	637,288	100.0	0	0	638,145	100.0

Justification

C04	Reductions of \$1,060 for Wireless Telecommunication and Cable Services that are no longer utilized, a reduction of \$1,040 in Office Supplies, and an increase of \$2,100 in Network Services for annual website maintenance
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Analysis of Budget Request

Appropriation: 581 - Election Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

This general revenue funded appropriation provides reimbursement to the counties for the expenses of state supported political party primary elections, special primary elections, and statewide special elections. This appropriation also covers expenses incurred by the Board to compensate local election administrators for mandatory statewide training attendance, to publish a handbook for candidates running for public office, and to publish educational and training materials to aid county election administrators in conducting elections in compliance with federal and state election laws, pursuant to § 7-4-101, 7-4-107, and 7-4-109.

Base Level includes appropriation of \$6,340,000 each year with general revenue funding of \$4,137,000 in the first year only with Special Language authorizing the carry forward of remaining funds between fiscal years. Special Language also authorizes the Chief Financial Officer of the State to transfer funds from the Budget Stabilization Trust Fund to the Board's Miscellaneous Agencies Fund to provide for expenses for any statewide special election or special primary election if any Special Elections are required.

The Total Request includes the following:

	GENERAL REVENUE	BUDGET STABILIZATION TRUST FUND	TOTAL
Training Publications	75,000	0	75,000
Commissioners Training Compensation	30,000	0	30,000
Trainers' Training Compensation	35,000	0	35,000
Preferential Primary (May)	2,500,000	500,000	3,000,000
Primary Runoff (June)	1,497,000	303,000	1,800,000
Statewide Specials/Special Primaries	0	1,400,000	1,400,000
Total	4,137,000	2,203,000	6,340,000

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 581 - Election Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Election Expenses 5900046	343,088	3,831,224	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000
Total	343,088	3,831,224	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000
Funding Sources									
Fund Balance 4000005	0	3,831,224		0	0	0	0	0	0
General Revenue 4000010	4,174,312	0		4,137,000	4,137,000	4,137,000	0	0	0
Budget Stabilization Trust 4000130	0	0		2,203,000	2,203,000	2,203,000	0	0	0
Total Funding	4,174,312	3,831,224		6,340,000	6,340,000	6,340,000	0	0	0
Excess Appropriation/(Funding)	(3,831,224)	0		0	0	0	6,340,000	6,340,000	6,340,000
Grand Total	343,088	3,831,224		6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000

Special Language authorizes carry forward of funding. Expenditure of appropriation in FY17 is contingent upon the carryforward of available funding from FY16. Base Level appropriation has been restored to the FY15 authorized amount.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015**

Agency: Election Commissioners Board

Program: Election Expenses

Act #: 166 Section(s) #: 5

Estimated Carry Forward Amount \$ 3,831,224.05 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0232 Funds Center: 581 Fund: HUA Functional Area: PROF

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

To enable the State Board of Election Commissioners to reimburse counties for eligible state-funded election expenses associated with conducting the 2014 Preferential Primary/ Non-Partisan Judicial General election, General Primary Election, and any special primary elections from July 1, 2014 through June 30, 2015.

Actual Funding Carry Forward Amount \$ 3,831,224.05

Current status of carry forward funding:

The carry forward balance is budgeted in FY2015 to reimburse counties for eligible state-funded election expenses associated with conducting the 2014 Preferential Primary/ Non-Partisan Judicial General election, General Primary Election, and any special primary elections from July 1, 2014 through June 30, 2015.

Justin Clay

Director

08-21-2014

Date