

STATE BOARD OF ELECTION COMMISSIONERS

Enabling Laws

Act 152 of 2016

A.C.A. §7-4-101, §7-4-103, §7-4-107, §7-4-109, §7-4-120

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

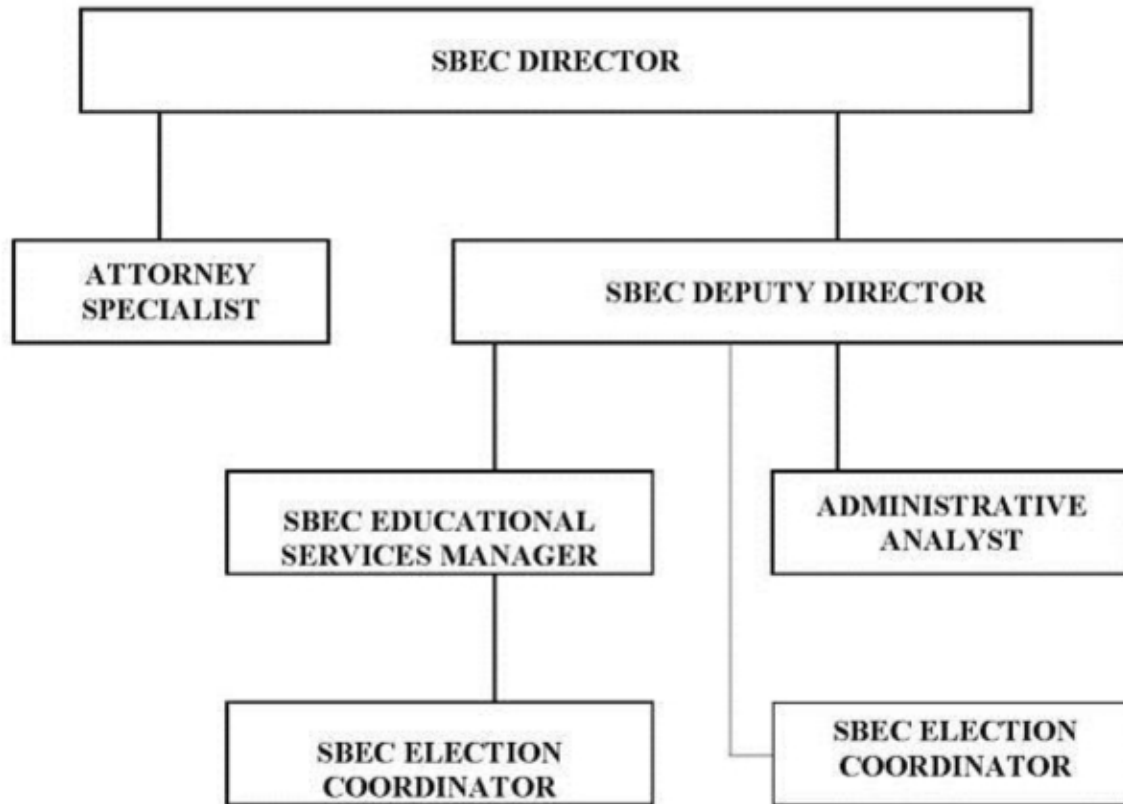
History and Organization

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 re-constitute 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

HUA0900 580

Base level funding reflects the agency's efficient and conscientious approach to budgeting and spending. Since 2010, the agency has, on average, spent approximately 93% of its annual operating budget. These expenses include salary and matching for seven employees, general

office expenditures such as facility rental, leasing of office equipment and office/supply purchases, employee and board member travel, postage and freight, and funding for conference/travel and professional services. The agency's annual operations plan for FY2017 reflects a commitment to identify cost savings and a desire to manage the budget in the most prudent ways possible while maintaining the ability and flexibility to deliver the services that our constituents have come to expect.

HUA0900 581 and MFF0100

Base level funding allows the agency to continue reimbursing counties for eligible election expenses associated with state-funded elections pursuant to the agency's rules on reimbursement which ensure cost-effective and uniform and consistent reimbursement for state-funded elections. Base level funding also allows the agency to continue conducting training for county election officials as mandated by state law and agency rule.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE BOARD OF ELECTION COMMISSIONERS
FOR THE YEAR ENDED JUNE 30, 2014

Findings	Recommendations
None	None

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

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	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
436 Nonpartisan General Elections	0	0	1,303,401	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	578,594	7	600,690	7	638,145	7	602,909	7	604,609	7	604,609	7	602,909	7	604,609	7	604,609	7
581 Election Expenses	2,215,660	0	4,088,377	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	2,794,254	7	5,992,468	7	8,578,145	7	8,542,909	7	8,544,609	7	8,544,609	7	8,542,909	7	8,544,609	7	8,544,609	7

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	1,143,148	18.6	3,340,408	55.7			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue 4000010	4,724,616	77.0	630,619	10.5			4,691,286	54.9	4,692,986	54.9	4,691,286	54.9	602,909	21.1	604,609	21.2	602,909	21.1
Budget Stabilization Trust 4000130	0	0.0	2,021,441	33.7			2,251,623	26.4	2,251,623	26.4	2,251,623	26.4	2,251,623	78.9	2,251,623	78.8	2,251,623	78.9
Judicial Filing Fees 4000320	266,898	4.4	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	6,134,662	100.0	5,992,468	100.0			8,542,909	100.0	8,544,609	100.0	8,542,909	100.0	2,854,532	100.0	2,856,232	100.0	2,854,532	100.0
Excess Appropriation/(Funding)	(3,340,408)		0				0		0		1,700		5,688,377		5,688,377		5,690,077	
Grand Total	2,794,254		5,992,468				8,542,909		8,544,609		8,544,609		8,542,909		8,544,609		8,544,609	

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	
7	6	1	7	0	14.29 %	7	7	0	7	0	0.00 %	7	6	1	7	0	14.29 %

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.

Base Level Request includes appropriation of \$1,600,000 each year of the biennium.

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			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	0	1,303,401	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Total		0	1,303,401	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	1,036,503	1,303,401		0	0	0	0	0	0
Judicial Filing Fees	4000320	266,898	0		1,600,000	1,600,000	1,600,000	0	0	0
Total Funding		1,303,401	1,303,401		1,600,000	1,600,000	1,600,000	0	0	0
Excess Appropriation/(Funding)		(1,303,401)	0		0	0	0	1,600,000	1,600,000	1,600,000
Grand Total		0	1,303,401		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 FY17 authorized amount.
Expenditure of appropriation is contingent upon available funding.

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 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 Board's Base Level Request includes appropriation of \$602,909 each year of the biennium with seven (7) Regular positions.

The Change Level Request is for \$1,700 in appropriation and general revenue funding each year of the biennium and is summarized as follows:

- Operating Expenses of \$1,700 for increased rent increases.
- Reallocation of \$7,050 in appropriation within general ledger codes in Operating Expenses and Conference and Travel Expenses to more accurately reflect agency expenses.

The Executive Recommendation provides for the Agency Request for appropriation only.

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		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	374,521	368,209	397,259	368,309	368,309	368,309	368,309	368,309	368,309
#Positions		7	7	7	7	7	7	7	7	7
Personal Services Matching	5010003	118,167	116,421	124,826	118,490	118,490	118,490	118,490	118,490	118,490
Operating Expenses	5020002	85,746	108,060	108,060	108,110	109,810	109,810	108,110	109,810	109,810
Conference & Travel Expenses	5050009	160	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	0	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		578,594	600,690	638,145	602,909	604,609	604,609	602,909	604,609	604,609
Funding Sources										
General Revenue	4000010	578,594	600,690		602,909	604,609	602,909	602,909	604,609	602,909
Total Funding		578,594	600,690		602,909	604,609	602,909	602,909	604,609	602,909
Excess Appropriation/(Funding)		0	0		0	0	1,700	0	0	1,700
Grand Total		578,594	600,690		602,909	604,609	604,609	602,909	604,609	604,609

Change Level by Appropriation

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

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	602,909	7	602,909	100.0	602,909	7	602,909	100.0
C01	Existing Program	8,750	0	611,659	101.5	8,750	0	611,659	101.5
C03	Discontinue Program	(7,050)	0	604,609	100.3	(7,050)	0	604,609	100.3

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	602,909	7	602,909	100.0	602,909	7	602,909	100.0
C01	Existing Program	8,750	0	611,659	101.5	8,750	0	611,659	101.5
C03	Discontinue Program	(7,050)	0	604,609	100.3	(7,050)	0	604,609	100.3

Justification

C01	Increase of \$150 for Telecommunications Wired, \$500 for Office Equipment Maintenance, \$2,060 for rent of facilities, \$50 for Building & Contents Insurance, \$200 for Association & Membership Dues, \$40 for Office Supplies, \$1,000 for Other Commodities Materials & Supplies to more accurately reflect need and expense history for each respective category. Also, requests for increase of \$400 Freigjht, \$300 for Advertising & Clipping Service, \$200 for Mileage, \$300 for Lodging, \$2,000 for Non-State Personnel All Travel, \$1,200 for Food Purchases for training attendees. Increase of \$150 for Meals, \$150 for Common Carrier, and \$50 for Ground Transportation to more accurately reflect potential travel costs.
C03	Decrease of \$1,500 for Postage, \$150 for Printing, \$500 for Board Member Expenses, \$250 for Special Purpose Supplies, \$100 for Educational Supplies & Materials, \$800 for Subscription & Publications, and \$1,000 for Data Processing Supplies. Reduction of \$2,400 for Certified Election Monitor Compensation is requested to offset the requested increase for Non-State Personnel All Travel. A reduction of \$350 for lodging is also requested to reflect travel costs..

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 of the biennium with general revenue funding of \$4,088,377 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)	1,448,377	351,623	1,800,000
Statewide Specials/Special Primaries	0	1,400,000	1,400,000
Total	4,088,377	2,251,623	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		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Election Expenses	5900046	2,215,660	4,088,377	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000	6,340,000
Total		2,215,660	4,088,377	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	106,645	2,037,007		0	0	0	0	0	0
General Revenue	4000010	4,146,022	29,929		4,088,377	4,088,377	4,088,377	0	0	0
Budget Stabilization Trust	4000130	0	2,021,441		2,251,623	2,251,623	2,251,623	2,251,623	2,251,623	2,251,623
Total Funding		4,252,667	4,088,377		6,340,000	6,340,000	6,340,000	2,251,623	2,251,623	2,251,623
Excess Appropriation/(Funding)		(2,037,007)	0		0	0	0	4,088,377	4,088,377	4,088,377
Grand Total		2,215,660	4,088,377		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 is contingent upon carry forward of available funding from FY17.
Base Level appropriation has been restored to the FY17 authorized amount.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2016 TO FISCAL YEAR 2017**

Agency: Election Commissioners Board

Program: Election Expenses

Act #: 48 of 2015

Section(s) #: 3 & 5

Estimated Carry Forward Amount \$ 4,088,377.00 Funding Source: General Revenue

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 cover election expenses.

Actual Funding Carry Forward Amount \$ 2,037,007.00

Current status of carry forward funding:

These funds will be used for FY17 election expenses.

Keith Rutledge

Director

08-10-2016

Date