

SUMMARY BUDGET INFORMATION
TABLE OF CONTENTS
ARKANSAS TOBACCO SETTLEMENT COMMISSION

	<u>Page #</u>
Tobacco Settlement Commission, Arkansas	1
Action Required: (468) Operations.....	3

ARKANSAS TOBACCO SETTLEMENT COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	50 %
Black Employees	0	1	1	50 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	50 %
Total Employees			2	100 %

Analysis of Budget Request

Appropriation: 468 - Operations

Funding Sources: TSC - Tobacco Settlement Commission

The Tobacco Settlement Proceeds Act (Initiated Act 1 of 2000) established funds and accounts for the deposit, investment and management of the State of Arkansas' portion of the Master Settlement Agreement with certain tobacco manufacturers. The Arkansas Tobacco Settlement Commission (ATSC) was created pursuant to Section 17 of this act to monitor and evaluate expenditures made from the four program accounts. Those program accounts are the Prevention and Cessation Program Account, the Targeted State Needs Program Account, the Arkansas Biosciences Institute Program Account and the Medicaid Expansion Program Account.

The Commission is funded from the investment earnings of the Tobacco Settlement Program Fund and Program Accounts, which are deposited as trust funds into the Arkansas Tobacco Settlement Commission Fund. The Commission is authorized to hire an independent third-party to monitor and evaluate program account expenditures and prepare a biennial report for the General Assembly and Governor by each August 1 preceding a regular session of the General Assembly. As funding permits, the Commission is also authorized to make grants in amounts not to exceed \$50,000 to non-profit and community-based organizations.

The Agency's Change Level Request each year of the Biennium includes the following:

- Operating Expenses reduction of (\$42,000) each year to more accurately reflect the operations of the Commission.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justifications:

- Conference and Travel due to unexpected issues that may arise that require the Commission and or staff to travel and have need of this appropriation.
- Professional Fees due to the Commission being authorized to hire an independent third party to monitor and evaluate progress in the programs and prepare biennial and quarterly reports for the General Assembly and Governor. The Commission will need to obtain these services again in FY21 when the current evaluation period expires.
- Grants and Aid due to the Commission being authorized to make grants in amounts not to exceed \$50,000 as funding permits to non-profit and community-based health organizations. Due to a decrease in funding, the commission has temporarily suspended issuing grants but plans to issue in the future as it expects funding to increase.

The Executive Recommendation provides for the Agency Request, with the exception of:

- Professional Fees recommended at \$250,000 each year, and
- Grants and Aid reduced to \$0 each year based on the five year actual expenditures.

Appropriation Summary

Appropriation: 468 - Operations

Funding Sources: TSC - Tobacco Settlement Commission

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	85,924	90,352	94,131	90,177	90,177	90,277	90,277	
#Positions		2	2	2	2	2	2	2	
Personal Services Matching	5010003	29,360	30,834	31,457	30,875	30,875	30,898	30,898	
Operating Expenses	5020002	37,958	84,575	84,575	42,575	42,575	42,575	42,575	
Conference & Travel Expenses	5050009	195	3,000	3,000	3,000	3,000	3,000	3,000	
Professional Fees	5060010	189,583	500,000	500,000	500,000	250,000	500,000	250,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Grants and Aid	5100004	0	250,000	250,000	250,000	0	250,000	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		343,020	958,761	963,163	916,627	416,627	916,750	416,750	
Funding Sources									
Tobacco Settlement	4000495	343,020	958,761		916,627	416,627	916,750	416,750	
Total Funding		343,020	958,761		916,627	416,627	916,750	416,750	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		343,020	958,761		916,627	416,627	916,750	416,750	