

**ARKANSAS BUDGET SYSTEM  
AGENCY PROGRAM COMMENTARY  
1997 - 1999**

**BACKGROUND**

The Department of Computer Services (DCS) continues to pursue its goal of providing the highest quality data processing and telecommunication services in the most economical manner. The challenges presented during the past biennium along with those anticipated during the 97-99 Biennium in both of these areas must be met if the State of Arkansas is to stay in step with emerging technologies which will aid agencies and institutions in delivering the services demanded by their customers, the citizens of Arkansas. With the beginning of the 93-95 Biennium, DCS became 100% funded from NON-REVENUE RECEIPTS. These receipts are comprised of moneys received from our customers in payment for services provided. Consequently, DCS must stay attuned to the ever changing needs of the agencies and institutions which we serve.

**FISCAL YEAR 1997-98:**

- A. Restoration of 5% of base level appropriation deferred for Fiscal Year 1997 in compliance with Act 494 of 1993
- B. Workload related requests where increased workload exceeds our capacity
- C. Cost increases for equipment needing to be replaced or enhanced
- D. New Programs
- E. Educational needs for technical and management staff
- F. Increase in rental expense
- G. Overtime expense

**A. RESTORATION OF 5% DEFERRED UNDER ACT 494 OF 1993:**

A total of \$1,397,150 was deferred during the 1996-97 Fiscal Year in accordance with Act 494 of 1993. DCS is requesting the restoration of these funds in order to have the authority to meet normal growth in volume of business through purchasing telecommunications services and additional data processing equipment.

**B. INCREASED WORKLOAD**

A total of seventy-nine (79) regular positions plus necessary M & O and 9 extra help positions including:

Security and Disaster Recovery System - 1 position to manage and monitor the status of the DCS Disaster Recovery System.

3 Production Scheduler positions due to 21% increase in scheduling workload and to expand and strengthen the off-shifts with personnel required to provide 24 hour coverage 7 days a week.

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3 Computer Technician positions due to increase in data processing programs now in the developmental stages. Workload is now growing at approximately 20/30% annually. In addition to growing workload and increased support demanded by Child Support Enforcement, it is vitally important to keep the minimum number of personnel necessary to strengthen the off-shifts.

2 Documentation Specialist positions needed due to increasingly complex and technical skills required in change management and regression testing and migration/promotion tools required for the system environment to support open architecture.

1 position within Human Resources to develop and lead projects and to gather and analyze market data.

11 positions to support LAN/WAN technology, e-mail, and network management

8 positions resulting from growth in Data Services Section. Expansion of current Data Services staff due to increased workload and extension of the Network Operations Center that supports data, voice, imaging and video capabilities.

22 Applications Development Programmers for planning and development of:

Legacy Systems  
Year 2000  
Client/Server architects

7 Data Base Analyst positions to be utilized in:

Network DBA project  
DB2 projects  
Data Administration modeling, repository, and warehousing  
Year 2000

3 Systems Programmers to implement Client/Server systems for state agencies. (The Client/Server systems will deploy more PC workstations supported via both Internet type TCP/PIP connections and 3 tier designs using minicomputer servers. These new "cross platform" environments have a much higher complexity demanding personnel with broader and increased technical expertise.)

4 Programmer positions and 1 Program Librarian position to be utilized in the Change Management Section to support the Client/Server environment in regression testing and data warehouse project.

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8 positions due to an increase of 8% in agency orders, inventory, and billing for telecommunications related services and 15% increase in customer base.

Increased appropriation to provide upgrades and enhancements to current Network Management System (including APSCN, Arknet, and DHS) software and equipment to facilitate real-time monitoring and maximize performance of the State of Arkansas Network (STARnet).

Increase M & O appropriation in order to provide for continued service and implementation of requested agency voice, data, and video applications. Without this additional money, critical state services will be terminated.

Provide modifications of all DCS supported systems running on the mainframe for the year 2000.

5 extra help positions.

Renovation and acquisition of modular furniture with system monitoring hardware and software to provide network monitoring and diagnostic capabilities for SNA, Frame Relay, ATM, and other networking technologies supported within the state.

Technology tools and software necessary to implement strategies outlined in DCS Strategic Plan:

Change Management software needed to support multi-platform environment, warehouse environment, Year 2000, and enterprise data repository.

Client/Server support tools for data modeling, recovery, etc. of languages currently not being used.

Data Mining/Business Intelligence tools including GUI front-end query tools using a data repository for drill-down and/or analytical reporting.

Regression Testing tools to ensure changes made to productional software do not adversely affect related productional systems.

Data Scanners/Replicators - interfacing tools necessary for data repository.

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**C. COST INCREASES/REPLACEMENTS/ENHANCEMENTS**

Diesel generator to provide electrical power to the DCS computer complex and redundant air-conditioning systems in the event of a power outage to the building for an extended period of time. Diesel generator currently supporting the Multiple Agency Complex is not compatible with the Uninterruptable Power Supply (UPS) supporting our computer complex. Without the new generator, DCS will be forced to suspend processing after a 30 minute interruption of utility power.

Professional service contracts for modifications and updates to the Cost Allocation Plans for MIS and Telecommunication Services

Software maintenance contract for ongoing maintenance to CRIS (Comprehensive Rate Information System) software package purchased and installed in connection with the project to develop and support DCS rates for MIS services.

Replacement of the 10 year old magnetic tape processing system with a 36 track tape processing system. This will provide the potential to quadruple the data storage capacity of tapes and will reduce the size of the overcrowded DCS Tape Library and allow DCS to utilize smaller Automated Tape Library Units.

Replace copper channel cables with fiber optic cables for computer room processing equipment. This will boost the processing speed of all systems to enable DCS to continue to complete all requested batch processing at night when on-line customers are not using the system. Will also decrease response times for on-line transactions during the day.

Replace the DCS passenger and service van fleet of 5 vehicles. The vehicles will reach the point of increased maintenance and decreased reliability during the biennium. Vehicles would be systematically replaced over the two year period.

Replacement of over 200 PCs utilized as the primary work tools of DCS staff. With introduction of Windows 95 and upgrading of NT to version 4.0, many of the machines in use are no longer viable. To ensure acceptable service levels, DCS will begin systematic process of replacing the machines of "power users" and migrating equipment down through the organization.

Replace old microcomputer equipment and additional associated equipment for the technical staff in their support of state

**D. NEW PROGRAMS**

5 positions to implement Act 737 of 1995 in developing and implementing statewide technology standards and contracts for information technology and telecommunications.

Backup offsite location for the data processing center in the event of a disaster.

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Statewide Network Infrastructure

Funding sought to aggregate the funding needs of multiple agencies for the State of Arkansas network infrastructure for the access and transmission of video, voice, data, imaging, and information superhighway access applications serving multiple Arkansas locations.

**E. CONTINUING EDUCATION**

Advanced education required to maintain knowledge base for telecommunications staff and technical competency in the dynamic, complex technology of the telecommunications environment.

Training for Management Information Systems (MIS) Division staff including:

- Rapid Applications
- Development Tools
- Client/Server Technologies
- Change Management
- Internet Connectivity
- Voice Processing
- Video Transmissions
- Token Ring Connectivity
- File Transfer
- Digitized Imaging
- Tape Stacking
- Software, Backup, and Recovery Technology

Management training

Advertising

Writing, printing, mailing brochures and informational publications promoting information resource management and telecommunications planning for state government.

Fiscal Management staff conferences and seminars including:

- Financial Management for Data Processing relating to MIS Chargeback Systems
- Methods (for MIS Rate Analyst)
- Stonehouse seminar on MONIES System

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**F. RENT INCREASES**

8.55% increase in the rate charged by State Building Services for DCS' space in the Multi-Agency Complex (rate for office space will increase from \$7.36 per square foot to \$8.00 per square foot.)

Lease increase for space leased by DCS at Union National Plaza. The lease stipulates rate increases for each year on the anniversary date of the lease.

Additional space in Multiple-Agency Complex  
3996 sq. ft. of office space to house Application Development project staff.

**G. OVERTIME EXPENSE**

Support for adding/relocating agencies

**FISCAL YEAR 1998-99:**

A continuation of those programs requested for Fiscal Year 1997-98 is requested during this year. No new requests are made during this year. However, the costs to continue the programs may fluctuate slightly.

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DEPARTMENT OF COMPUTER SERVICES  
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED JUNE 30, 1994

Assets									
Assets				Liabilities			Total Equity		
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 8,246,171	\$ 7,951,835	\$ 5,055,570	\$ 21,253,576	\$ 1,920,329	\$ 2,687,656	\$ 4,607,985	\$ 16,645,591		

  

Revenues					Expenditures					Other Sources (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 24,672,209	\$ 48,539	\$ 24,720,748	\$ 8,018,950	\$ 0	\$ 0	\$ 13,895,305	\$ 21,914,255	\$ (575,010)

Findings

1. INVENTORIES - The records for the office supplies inventory, at June 30, 1994, were not retained for audit. Agency personnel indicated that the value of the office supplies inventory, at June 30, 1994, was not substantially different from the value of \$11,303.40 at June 30, 1993. The omission of the value of office supplies inventory as of June 30, 1994 is not material to the financial statements taken as a whole.
  
2. DEPRECIATION - Review of the reports used to calculate depreciation of fixed assets indicated the following weaknesses:
  - A. The yearly depreciation listing does not include all items.
  - B. The amount of depreciation expense for the partial year in which items are disposed is not reflected in a comprehensive year-end report.
  - C. The depreciated residual value of dispositions is not reflected in a comprehensive year-end report.

The Agency uses the Arkansas Property Management System provided by the Department of Finance and Administration to account for its fixed assets.

Using alternative auditing procedures, we were able to determine that the amounts recorded in the financial statements for accumulated depreciation and depreciation expense were not materially misstated.

Recommendations

1. Establish and maintain a permanent accounting record reflecting the quantities and value of all inventories necessary for proper presentation in the financial statements.
  
2. Coordinate with the Department of Finance and Administration to make the necessary corrections to the depreciation reports to comply with generally accepted accounting principles.

ARKANSAS BUDGET SYSTEM  
 EMPLOYMENT SUMMARY  
 AS REQUIRED BY ACT 358 OF 1993  
 (A.C.A 19-4-307)

AGENCY TITLE      470 - DEPT OF COMPUTER SVCS

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	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>107</u>	<u>75</u>	<u>182</u>	<u>85%</u>
BLACK EMPLOYEES	<u>8</u>	<u>18</u>	<u>26</u>	<u>12%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>3</u>	<u>3</u>	<u>6</u>	<u>3%</u>
TOTAL EMPLOYED AS OF      08/10/96			<u>32</u>	<u>15%</u>
DATE			TOTAL MINORITIES	
			<u>214</u>	<u>100%</u>
			TOTAL EMPLOYEES	

  
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 AGENCY DIRECTOR



**SUMMARY**  
**STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY**  
 Department of Computer Services(470)

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<b><u>APPROPRIATION: 191 - COMPUTER SERVICES -- OPERATIONS</u></b>				
The Department received 1 position to coordinate the Geographic Information System application; 2 positions for Fiscal Management; 4 positions for Applications Development; 3 positions for Production Services; and 3 positions for Data Processing, along with associated costs to support these positions.	13	\$307,752	\$382,302	All the positions were filled during FY96 and supporting appropriation was expended. All available appropriation is budgeted for FY97.
Increases in Overtime to cover extended work schedules.		\$16,647	\$16,647	The additional appropriation was not used in FY96. All available appropriation is budgeted in FY97.
Increases in Operating Expenses provided maintenance and support growth of statewide voice long distance.		\$181,071	\$181,071	The Department expended all of the appropriation during FY96, and has budgeted the available appropriation in FY97.
Increases in Data Processing for additional disk drives, optical storage devices and a library tape system.		\$1,206,909	\$1,556,909	The Department expended \$326,417 during FY96, and has budgeted all available appropriation in FY97.
<b><u>APPROPRIATION: 288 - UNANTICIPATED SERVICES</u></b>				
Operating Expenses were increased to restore deferred appropriation, and Contingency appropriation was created for unanticipated payments to public utilities.		\$3,825,000	\$3,825,000	The Department expended \$1,979,687 during FY96, and has budgeted all available appropriation in FY97.

**SUMMARY**

**STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY**

Department of Computer Services(470)

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	

APPROPRIATION: 289 - EQUIPMENT ACQUISITION

Increases in Moving Expenses/Equipment Acquisition to restore the deferred appropriation to Base Level.		\$125,000	\$125,000	There were no expenditures during FY96. This appropriation has a carry forward provision, and the Department has budgeted all available appropriation in FY97.
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## ARKANSAS BUDGET SYSTEM DEPARTMENT APPROPRIATION SUMMARY

AGENCY TITLE		1995-97				1997-99				1997-99			
Department of Computer Services		Expenditures				Biennium Request				Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1995-96	Pos.	1996-97	Pos.	1997-98	Pos.	1998-99	Pos.	1997-98	Pos.	1998-99	Pos.
191	Operations	\$28,153,142	230	\$30,401,128	248	\$68,691,441	327	\$62,858,406	327	\$46,048,593	248	\$42,728,361	248
288	Unanticipated Services	1,733,309		5,890,000		6,200,000		6,200,000		6,200,000		6,200,000	
289	Equipment Acquisition			4,660,000		2,500,000		2,500,000		2,500,000		2,500,000	
<b>TOTALS</b>		<b>\$29,886,451</b>	<b>230</b>	<b>\$40,951,128</b>	<b>248</b>	<b>\$77,391,441</b>	<b>327</b>	<b>\$71,558,406</b>	<b>327</b>	<b>\$54,748,593</b>	<b>248</b>	<b>\$51,428,361</b>	<b>248</b>
Funding Sources			% of		% of		% of		% of		% of		% of
Fund Balances		\$7,043,603	19.8%	\$5,739,036	13.1%	\$2,787,382	3.5%	\$2,066,076	2.7%	\$2,787,382	5.0%	\$2,066,076	4.0%
General Revenues						19,076,525	24.0%	16,762,425	21.8%	3,000,000	5.4%	3,000,000	5.8%
Special Revenues													
Federal Funds													
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts		28,581,884	80.2%	37,999,474	86.9%	57,593,610	72.5%	58,085,044	75.5%	50,155,651	89.6%	46,876,725	90.2%
Cash Funds													
Other													
Total Funding		35,625,487	100.0%	43,738,510	100.0%	79,457,517	100.0%	76,913,545	100.0%	55,943,033	100.0%	51,942,801	100.0%
Excess Appro./ (Funding)		(5,739,036)		(2,787,382)		(2,066,076)		(5,355,139)		(1,194,440)		(514,440)	
<b>TOTAL</b>		<b>\$29,886,451</b>		<b>\$40,951,128</b>		<b>\$77,391,441</b>		<b>\$71,558,406</b>		<b>\$54,748,593</b>		<b>\$51,428,361</b>	
DEPARTMENT					DIRECTOR					DEPARTMENT APPROPRIATION SUMMARY			
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**ARKANSAS BUDGET SYSTEM  
DEPARTMENT PROGRAM SUMMARY**

AGENCY TITLE	1995-97 Expenditures				1997-99 Biennium Request			
	Actual 1995-96	No. of Pos.	Budgeted 1996-97	No. of Pos.	Year 1 1997-98	No. of Pos.	Year 2 1998-99	No. of Pos.
<b>Department of Computer Services (470)</b>								
Director's Office	\$193,649	1	\$126,688	1	\$129,231	1	\$132,332	1
State Planning	558,727	8	714,860	8	1,136,720	13	1,108,319	13
Administration	1,143,044	13	1,058,315	13	2,597,137	14	2,609,251	14
Telecommunications	12,322,476	34	10,334,686	37	33,733,763	45	31,547,445	45
Management Information Systems	13,935,246	174	18,166,579	189	31,094,590	254	27,461,059	254
Unanticipated Services	1,733,309		5,890,000		6,200,000		6,200,000	
Equipment Acquisition			4,660,000		2,500,000		2,500,000	
<b>TOTALS</b>	<b>\$29,886,451</b>	<b>230</b>	<b>\$40,951,128</b>	<b>248</b>	<b>\$77,391,441</b>	<b>327</b>	<b>\$71,558,406</b>	<b>327</b>
<b>Funding Sources</b>		<b>% of Total</b>		<b>% of Total</b>		<b>% of Total</b>		<b>% of Total</b>
Fund Balances	\$7,043,603	19.8%	\$5,739,036	13.1%	\$2,787,382	3.5%	\$2,066,076	2.7%
General Revenues					19,076,525	24.0%	16,762,425	21.8%
Special Revenues								
Federal Funds								
Const. & Fiscal Agency Fund								
State Central Services Fund								
Non-Revenue Receipts	28,581,884	80.2%	37,999,474	86.9%	57,593,610	72.5%	58,085,044	75.5%
Cash Funds								
Other								
Total Funding	35,625,487	100%	43,738,510	100%	79,457,517	100%	76,913,545	100%
Excess Appro./ (Funding)	(5,739,036)		(2,787,382)		(2,066,076)		(5,355,139)	
<b>TOTAL</b>	<b>\$29,886,451</b>		<b>\$40,951,128</b>		<b>\$77,391,441</b>		<b>\$71,558,406</b>	
DEPARTMENT DEPARTMENT OF COMPUTER SERVICES (470)	DIRECTOR Michael Hipp				DEPARTMENT PROGRAM SUMMARY BR 22			

**ARKANSAS BUDGET SYSTEM  
ANALYSIS OF BUDGET REQUEST  
1997 - 1999**

The 1997-99 Biennial Budget request of the Department of Computer Services reflects an overall increase in appropriation for the first year of 82% over Base Level. Priorities total \$34,528,471 in FY98 and \$28,345,668 in FY99, adding 79 positions to the 248 Base Level authorized. Base Level includes 42 positions released during the biennium from the Agency "growth pool", as well as \$3.5 million transferred from Unanticipated Services appropriation. The Department's requested priorities by program area are as follows:

**STATE PLANNING**

The State Planning Division is responsible for providing technical assistance as requested by any state agency in relation to the procurement of data processing or telecommunication technology. The Division's priority budget request is \$385,642 for FY98 and \$340,672 for FY99, adding five positions. The Division foresees the need for two DCS Technical Planning Specialist II (Grade 99), two DCS Technical Planning Specialist I (Grade 26), and one Administrative Assistant (Grade 15), at a cost of \$340,642 for FY98 and \$315,672 for FY99. It is felt these positions are necessary to develop and implement statewide technology standards and contracts for information technology and telecommunications as required by Act 737 of 1995. Other priorities include \$25,000 to replace microcomputer equipment; and \$20,000 for writing, printing and mailing informational publications.

**ADMINISTRATION DIVISION**

The Administration Division covers Fiscal Management, Personnel Management, and Central Services. These areas provide the daily operational programs that enable the Department to run effectively and efficiently. The Division's priority budget request totals \$1,562,367 in FY98 and \$1,562,120 in FY99, adding one position. The Division's main request is to restore Act 494 deferment of \$1,397,150 in order to continue providing a wide variety of state services. The additional full-time position is requested to allow the Division to develop and lead automated projects for Human Resources. Extra Help appropriation and five positions have been requested to provide part-time employees, when needed. Operational costs are requested to provide for rental increases; service contracts and maintenance agreements; advertisement and training cost for Fiscal Management staff.

**TELECOMMUNICATION DIVISION**

The Telecommunications Division provides statewide telecommunications services with enhanced voice applications in conjunction with developing a comprehensive high capacity digital infrastructure capable of supporting hi-cap data-networking and video transmission. These duties constitute approximately 44% of the operating budget request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
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**ARKANSAS BUDGET SYSTEM  
ANALYSIS OF BUDGET REQUEST  
1997 - 1999**

The Division's priority budget request totals \$19,799,853 in FY98 and \$17,569,581 in FY99, adding eight positions. The majority of this request seeks General Revenue totaling \$12,170,289 in FY98 and \$9,934,029 in FY99, to develop and maintain a statewide network infrastructure. It is felt the priority request for \$7,153,000 in FY98, and \$7,153,000 in FY99 would allow the agency to budget for growth in service demand, and not rely on the Unanticipated Appropriation, requiring review by the Arkansas Legislative Council and the Arkansas Communications Study Committee. The remaining priority requests are supportive of the dramatic growth of voice equipment, long distance services, high capacity line, video applications, and provide upgrade enhancements to current Network Management System software and equipment.

**MANAGEMENT INFORMATION SYSTEMS**

This large program area, covering 189 Base Level positions, has the responsibility of all data processing services which include applications development, system support, data base analyses, information processing, and operation support. Approximately 39% of the Department's operating budget is reflected in this area. The Division's priority budget request totals \$12,780,609 in FY98 and \$8,873,295 in FY99, adding 65 positions. A large portion of this request, \$6,906,236 in FY98, and \$6,828,396 in FY99 is for the "Year 2000 Project". Recognition by the computer of the year 2000 date creates a major problem for all enterprises with computerized information systems.

The Department's request will provide funding for modifications to all DCS support systems running on the mainframe. The assessment phase will analyze over 4,000,000 lines of code at a cost of \$1.00 to \$3.00 per line of code. The Department is requesting \$6,000,000 in FY98, and \$6,000,000 in FY99 to analyze the lines of code; \$906,236 in FY98, and \$828,396 in FY99, to hire 22 additional Applications Development Programmers to implement the required changes. The Department is requesting General Revenue to fund this project.

Other priorities include 11 positions to support LAN/WAN technology; 3 Systems Programmers to implement Client/Server systems; one Security and Disaster Recovery System position; 7 Data Base Analyst positions; 8 positions in Data Services Section; 3 Production Schedulers; 3 Computer Technicians; 2 Document Specialist; acquisition of a diesel generator; acquisition of modular optic cables; lease additional office space; cost of 6 service vehicles; cost of 200 PCs; cost of microcomputer equipment; and the acquisition cost of a backup offsite data processing center.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
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**ARKANSAS BUDGET SYSTEM  
ANALYSIS OF BUDGET REQUEST  
1997 - 1999**

The Executive Recommendation provides for \$12 million in appropriation and funds to address the critical nature of the "Year 2000 Project". To initiate this critical project as soon as possible, the Governor plans to recommend a Supplemental Appropriation of \$6,000,000 from the Future Operations Reserve Fund (surplus funds) during the 81<sup>st</sup> General Assembly. The Executive Recommendation provides stabilized General Revenue of \$3,000,000 for each year of the biennium. **THE SPECIFIC INTENT OF THIS RECOMMENDATION FOR GENERAL REVENUE WOULD BE FOR THE BIENNIUM ONLY. AFTER COMPLETION OF THE "YEAR 2000 PROJECT" DURING THE NEXT BIENNIUM, THE AGENCY WOULD NO LONGER REQUIRE GENERAL REVENUE AND WOULD RETURN TO A FEE BASED BUDGET.**

The Executive further recommends that the \$21 million Network Infrastructure Project be funded from the General Improvement Fund.

The Executive Recommendation does not approve the Agency's request for 79 new positions. However, the Recommendation reflects approval for the Agency's request to retain a "Growth Pool" of 50 positions established during the 1995-97 biennium. These positions are to be used to address the Year 2000 Project and the Network Infrastructure Project as well as to provide personal services for any new or expanded data processing and telecommunications services necessary.

Also included is appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements.

<b>AGENCY</b> Name: Department of Computer Services  Code: 470	<b>APPROPRIATION</b> Name: Operations  Code: 191	<b>TREASURY FUND</b> Name: Computer Services Revolving  Code: MHC	<b>ANALYSIS OF BUDGET REQUEST</b>  BR20	<b>PAGE</b>  52
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ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	BASE	PRIORITY	TOTAL	BASE	PRIORITY	TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED							97-98	98-99	97-98	98-99
REGULAR SALARIES	7,925,209	10,526,074	7,801,746	10,705,904	2,155,071	12,860,975	11,001,340	2,215,406	13,216,746	10,705,904	11,001,340		
NUMBER OF POSITIONS	230	248	206	248	79	327	248	79	327	248	248		
EXTRA HELP	43,796	83,938	88,356	83,938	7,000	90,938	83,938	7,000	90,938	90,938	90,938		
NUMBER OF POSITIONS	9	9	9	9	5	14	9	5	14	14	14		
PERSONAL SERV MATCHING	1,888,127	2,556,340	1,911,014	2,632,814	620,461	3,253,275	2,687,146	631,387	3,318,533	2,634,324	2,688,656		
OVERTIME	18,469	34,295	36,100	34,295	5,500	39,795	34,295	5,500	39,795	39,795	39,795		
OPERATING EXPENSES	12,775,007	10,795,320	11,363,495	14,310,320	20,883,075	35,193,395	14,310,320	18,577,011	32,887,331	19,131,866	19,166,866		
CONF FEES & TRAVEL	90,404	91,679	96,504	91,679	201,325	293,004	91,679	200,325	292,004	153,304	152,304		
PROF FEES & SERVICES	33,630	55,934	58,878	55,934	17,944	73,878	55,934	17,944	73,878	73,878	73,878		
CAPITAL OUTLAY	30,165	9,462	9,960	0	87,748	87,748	0	64,748	64,748	37,498	63,498		
DATA PROCESSING	5,345,441	6,248,086	6,576,933	6,248,086	10,550,347	16,798,433	6,248,086	6,626,347	12,874,433	13,181,086	9,451,086		
H&R	2,894	0	0	0	0	0	0	0	0	0	0		
<b>TOTAL</b>	<b>28,153,142</b>	<b>30,401,128</b>	<b>27,942,986</b>	<b>34,162,970</b>	<b>34,528,471</b>	<b>68,691,441</b>	<b>34,512,738</b>	<b>28,345,668</b>	<b>62,858,406</b>	<b>46,048,593</b>	<b>42,728,361</b>		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	3,632,758	767,096	*****	825,442		825,442	871,636		871,636	825,442	871,636		
GENERAL REVENUES			*****		19,076,525	19,076,525		16,762,425	16,762,425	3,000,000	3,000,000		
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS	25,287,480	30,459,474	*****	34,209,164	15,451,946	49,661,110	38,481,801	11,583,243	50,065,044	42,223,151	38,856,725		
CASH FUNDS			*****										
OTHER			*****										
<b>TOTAL FUNDING</b>	<b>28,920,238</b>	<b>31,226,570</b>	<b>*****</b>	<b>35,034,606</b>	<b>34,528,471</b>	<b>69,563,077</b>	<b>39,353,437</b>	<b>28,345,668</b>	<b>67,699,105</b>	<b>46,048,593</b>	<b>42,728,361</b>		
EXCESS APPRO/ (FUNDING)	( 767,096)	( 825,442)	*****	( 871,636)		( 871,636)	( 4,840,699)		( 4,840,699)				
<b>TOTAL</b>	<b>28,153,142</b>	<b>30,401,128</b>	<b>*****</b>	<b>34,162,970</b>	<b>34,528,471</b>	<b>68,691,441</b>	<b>34,512,738</b>	<b>28,345,668</b>	<b>62,858,406</b>	<b>46,048,593</b>	<b>42,728,361</b>		

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The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

Base Level includes 42 positions released from the Agency Growth Pool during the biennium, as well as \$3.5 million transferred from Unanticipated Services appropriation.

APPROPRIATION SUMMARY

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1	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19		
NK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS									
					ACTUAL 95-96	BUDGETED 96-97	FY 1997 - 98 REQUEST		FY 1998 - 99 REQUEST		EXECUTIVE		LEGISLATIVE							
0		MHC	470 191	B	28,153,142 230	30,401,128 248	34,162,970 248			34,512,738 248				34,162,970 248	34,512,738 248					
11		MHC	470 191 030 10 ADMINISTRATION	P01			0 0	1,397,150 0		1,397,150 0				1,068,303	1,068,303					
								<p>This request will provide for reinstatement of base level appropriation deferred for Fiscal Year 1997 in compliance with Act 494 of 1993. This appropriation is needed in order to continue providing a wide variety of services to State agencies and institutions who are users of DCS-provided services.</p>												
12		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P01			0 0	7,153,000 0		7,153,000 0				3,500,000	3,500,000					
								<p>This request will provide for continued service and implementation of requested agency voice, data, and video applications. The dramatic growth of voice equipment, long distance services, high capacity lines, and a rapidly expanding frame relay and video network have increased demands on appropriation resources. Without approval of the request, critical State services will be terminated and agencies/institutions will be unable to avail themselves of the economy of scale inherent in DCS' ability to provide enhanced shared network services. FY98 \$7,153,000 FY99 \$7,153,000</p>												

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
003		MHC	470 191 040 10 OPERATIONS DIVISION	P01		0	6,000,000			6,000,000				3,000,000	3,000,000			
<p>This request will provide for modifications of all DCS supported systems running on the mainframe for the year 2000. We are in the first phase of getting an overall estimate for the project for time and money. The assessment phase will analyze over 4,000,000 lines of code to provide the estimate. Experts in this field estimate it will cost anywhere from \$1 to \$3 per line of code. We are using the high dollar amount because as time passes the cost of changes increases as resources decrease.</p>																		
004		MHC	470 191 042 10 APPLICATIONS DEVELOPMENT	P06		0	906,236			828,396								
<p>This request, funded from NON-REVENUE RECEIPTS, includes 22 additional applications development programmers plus necessary M &amp; O for new programs in the planning and development stage, legacy systems Year 2000, and new Client/Server architects.</p>																		
005		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P06		0	295,090			276,078								
<p>This request, funded from NON-REVENUE RECEIPTS, includes eight (8) additional positions plus necessary M &amp; O is needed due to an excess of 8% annual increase in agency orders, inventory, and billing for telecommunications related services and 15% increase in the telecommunications customer base.</p>																		

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS		R E C O M M E N D A T I O N S									
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
006		HHC	470 191 046 10 MICROCOMPUTER SERVICES	P06		0	442,840		403,050									
<p>This request, funded from NON-REVENUE RECEIPTS, includes 11 new positions plus necessary M &amp; O. These positions are needed to support LAN/WAN technology, e-mail and network management.</p>																		
007		HHC	470 191 041 10 SYSTEMS SUPPORT	P06		0	143,919		133,713									
<p>This request, funded from NON-REVENUE RECEIPTS, includes three (3) additional system programmers plus necessary M &amp; O are needed to implement Client/Server systems for State Agencies. The Client/Server systems will deploy more Personal Computer workstations supported via both Internet type TCP/IP connections and also 3 tier designs using minicomputer servers. These new "cross platform" environments have a much higher complexity that demands personnel with broader experience and increased technical expertise.</p>																		
008		HHC	470 191 043 10 ADMINISTRATION	P06		0	41,213		37,625									
<p>This request, funded from NON-REVENUE RECEIPTS, includes one (1) Security and Disaster Recovery System position plus necessary M &amp; O to manage and monitor physical and data security status of the DCS Data Center and manage and monitor the status of the DCS Disaster Recovery System.</p>																		

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----									
					-----EXPENDITURES-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----					
					ACTUAL	BUDGETED	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
					95-96	96-97												
009		MHC	470 191 044 20 DATA BASE ADMINISTRATION	P06		0	321,041		297,228									
<p>This request, funded from NON-REVENUE RECEIPTS, includes seven (7) data base analyst positions plus necessary M &amp; O. These positions will be utilized in the Network DBA project, DB2 projects, and Data Administration modeling, repository, warehousing area. Also some of the Year 2000 project.</p>																		
010		MHC	470 191 043 50 DATA SERVICES	P06		0	289,414		259,561									
<p>This request, funded from NON-REVENUE RECEIPTS, includes eight (8) positions plus necessary M &amp; O. These positions are needed due to growth in the Data Services Section. This is an expansion of the current Data Services staff due to increased workload and extend the Network Operations Center user support. This area now supports users of DCS provided network that supports data, voce imaging, and video capabilities.</p>																		
011		MHC	470 191 043 30 PRODUCTION SERVICES	P06		0	102,006		90,633									
<p>This request, funded from NON-REVENUE RECEIPTS, includes three (3) Production Scheduler Positions plus necessary M &amp; O due to 21% increase workload in scheduling and to expand and strengthen the off-shifts with additional personnel required for 24 hour coverage 7 days a week.</p>																		

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LNK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS						RECOMMENDATIONS						
					ACTUAL 95-96	BUDGETED 96-97	FY 1997 - 98		FY 1998 - 99				EXECUTIVE		LEGISLATIVE				
12		MHC	470 191 044 30 INFORMATION SERVICES	P06		0	195,913 5				177,947 5								
<p>This request, funded from NON-REVENUE RECEIPTS, includes four (4) programming and one (1) program librarian positions plus necessary M &amp; O. These positions will be utilized in the Change Management Section to support the Client/Server environment, to do regression testing, and data warehouse project.</p>																			
3		MHC	470 191 043 40 D P OPERATIONS	P06		0	97,251 3				85,740 3								
<p>This request, funded from NON-REVENUE RECEIPTS, includes three (3) computer technicians, plus required M &amp; O due to increase in the data processing programs plus projected increases due to implementation of new programs now in the development stages. The workload is presently growing at approximately 20 to 30 percent annually. With the growing workload of this department, and the increased support demanded from Revenue (Child Support), it is important to keep the minimum number of personnel necessary to strengthen the off-shifts.</p>																			
4		MHC	470 191 044 40 QUALITY ASSURANCE	P06		0	71,808 2				64,434 2								
<p>This request, funded from NON-REVENUE RECEIPTS, includes two (2) Documentation Specialist positions plus necessary M &amp; O needed due to increasingly complex and technical skills required in change management and regression testing and migration/promotion tools required for the system environment to support the open architecture.</p>																			

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---	---BUDGETED---	-----FY 1997 - 98-----			-----FY 1998 - 99-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					95-96	96-97	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99			
015		MHC	470 191 030 30 HUMAN RESOURCES MANAGEMENT	P06		0	36,639	1		37,392	1							
<p>This request, funded from NON-REVENUE RECEIPTS, includes one (1) additional position plus necessary M &amp; 0 to develop and lead automated projects for Human Resources, gather and analyze labor market statistics and determine cost to fill positions.</p>																		
016		MHC	470 191 020 10 STATE PLANNING DIVISION	P06		0	340,642	5		315,672	5							
<p>This request, funded from NON-REVENUE RECEIPTS, includes five (5) additional positions plus necessary M &amp; O to implement Act 737 of 1995 to develop and implement statewide technology standards and contracts for information technology and telecommunication.</p>																		
017		MHC	470 191 030 30 HUMAN RESOURCES MANAGEMENT	P07		0	7,536	0		7,536	0		7,536	7,536				
<p>This request is for five (5) additional extra help positions and \$7,536 increase in appropriation for associated salaries and matching.</p>																		

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11	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
18		MHC	470 191 043 40 D P OPERATIONS	P01		0	150,000	0			0			150,000				
<p>This request will provide for the acquisition of a diesel generator for the sole purpose of providing electrical power to the DCS computer complex and redundant air conditioning systems in the event power is interrupted to the building for an extended period. SBS has informed DCS that the Diesel Generator currently supporting the Multiple Agency Complex is not compatible with the Uninterruptable Power Supply (UPS) supporting our computer complex. Without this new generator, DCS would be forced to suspend processing after a 30 minute interruption of utility power.</p>																		
19		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P02		0	150,000	0			175,000	0		150,000	175,000			
<p>This request will provide upgrades and enhancements to current Network Management System software and equipment to facilitate real-time monitoring and maximize performance of the State of Arkansas Network (STARnet). Major systems currently monitored by the Network Management System are APSCN, ARKnet, and DHS. The Network Management System provides DCS the capability to proactively monitor, identify possible error conditions, diagnose, and identify occurring outages. Employing network remote access monitoring often permits problem resolution without traveling to the actual site(s). Network management provides intense interactive network surveillance required to protect Arkansas' telecommunications investment.</p>																		
20		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P03		0	25,000	0			25,000	0		7,500	7,500			
<p>This request will provide for advanced education required in maintaining telecommunications staff knowledge base and technical competency in the dynamic, complex technology of the telecommunications environment. The Telecommunications Act of 1996, when fully implemented, will afford agencies/institutions accessibility to advanced technologies. DCS personnel must be prepared to effectively meet these agencies needs in a timely manner.</p>																		

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RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIAL REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
021		MHC	470 191 030 40 CENTRAL SERVICES	P01		0	34,542	0	34,542	0					34,542	34,542		
<p>This request will provide for an 8.55% increase in lease rates charged by State Building Services for DCS's space in the Multi-Agency Complex. State Building Services has notified us that the rate for office space will increase from \$7.37 per square foot to \$8.00 per square foot.</p>																		
022		MHC	470 191 030 40 CENTRAL SERVICES	P02		0	10,000	0	20,000	0					10,000	20,000		
<p>This request will provide for lease rate increases for the space leased by DCS in the Union National Plaza building (owned by Public Employees Retirement System). The lease stipulates rate increases each year on the anniversary date of the lease. For FY 97-98, the increase will be approximately \$10,000 over the preceding year, and for FY 98-99 an additional \$10,000, resulting in rental increases of \$10,000 the first year and \$20,000 the second year.</p>																		
023		MHC	470 191 030 20 FISCAL MANAGEMENT	P01		0	30,000	0	20,000	0					30,000	20,000		
<p>This request is to provide for Professional Services contracts with D. M. Griffith and Associates for modifications and updates to the Cost Allocation Plans for MIS and Telecommunications Services. In the event a different vendor is selected to develop the Telecommunications Cost Allocation model, a contract with that vendor (instead of DMG) would be necessary for updates and enhancements to the TCD plan.</p>																		

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RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		-----1997 - 99 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----						
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99				EXECUTIVE		LEGISLATIVE				
					95-96	96-97	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99			
024		HHC	470 191 030 20 FISCAL MANAGEMENT	P02		0	3,000	0			3,000	0		3,000	3,000				
<p>This request will provide for a Software Maintenance Agreement with D. M. Griffith and Associates for ongoing maintenance of the CRIS (Comprehensive Rate Information System) software package purchased and installed in connection with the project to develop and support DCS rates for MIS services.</p>																			
025		HHC	470 191 043 50 DATA SERVICES	P03		0	150,000	0			0	0		150,000					
<p>This request will provide for the renovation and acquisition of modular furniture with system monitoring hardware and software to provide network monitoring and diagnostic capabilities for SNA, Frame Relay, ATM, and any other required networking technologies supported within the State of Arkansas.</p>																			
026		HHC	470 191 044 40 QUALITY ASSURANCE	P01		0	500,000	0			0	0		500,000					
<p>This request will provide for the acquisition of new technology tools and software to allow DCS to implement major strategies outlined in the DCS Strategic Plan. These products include: <u>Change management software</u> - Needed to support the multi-platform environment, warehouse (data replication) environment, Year 2000 changes, and enterprise data repository.; <u>Client/Server support tools</u> - Tools needed for data modeling, recovery, etc. of languages currently not being used.; <u>Data Mining/Business Intelligence tools</u> - GUI-front end query tools using a data repository for drill-down and/or analytical reporting for all categories of users.; <u>Regression testing tools</u> - Tools to ensure changes made to productional software do not adversely affect related productional systems.; and <u>Data scanners/replicators</u> - Interfacing tools for the data repository</p>																			

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES----- ---ACTUAL--- --BUDGETED---		-----1997 - 99 BIENNIUM REQUESTS----- -----FY 1997 - 98----- --FY 1998 - 99----- -----REQUEST----- --REQUEST-----						-----R E C O M M E N D A T I O N S----- -----EXECUTIVE----- --LEGISLATIVE----- 1997-98 1998-99 1997-98 1998-99					
027		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P04		0	6,474					6,474			6,474	6,474		
<p>This request will provide for 6,474 in overtime appropriation required to support adding/relocating customer agencies. System additions must be brought on-line after normal business hours to minimize the impact to the citizens of Arkansas.</p>																		
028		MHC	470 191 040 10 OPERATIONS DIVISION	P02		0	150,000					150,000			45,800	45,800		
<p>This request will provide for the increased education expense involved in training the Management Information Systems (MIS) Division staff in new technology in order to more fully support the increasing needs of DCS users.. Requirements include: Rapid Applications Development tools, Client Server technologies, Change Management, Data Warehousing, Data Mining, Project Management, ESCON connectivity, TCP/IP, Frame Relay, Fiber Optics, Internet connectivity, voice processing, video transmissions, Token Ring connectivity, file transfer, digitized imaging, tape stacking software, new backup &amp; recovery technology, and more.</p>																		
029		MHC	470 191 043 40 D P OPERATIONS	P04		0	800,000					0			800,000			
<p>This request will provide for the replacement of the currently 10 year old magnetic tape processing system which is approaching its useful life. The old 18 track tape system will be replaced with a 36 track tape processing system. This will provide the potential to quadruple the data storage capacity of tapes and thus drastically reduce the size of the overcrowded DCS Tape library and allow DCS to use smaller Automated Tape Library Units. The new system will also allow DCS to continue to read magnetic tapes from other State and Federal data centers which support a wide variety of tape medium.</p>																		

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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
-----1997 - 99 BIENNIUM REQUESTS-----													-----R E C O M M E N D A T I O N S-----						
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
30		MHC	470 191 043 40	P05		0	600,000		0			600,000							
			D P OPERATIONS			0	0		0										
<p>This request will provide for the replacement of currently used copper channel cables to fiber optic cables for computer room processing equipment (printers,disk,tape drives,etc.) to allow for a drastically increase in data transfer rate. This will boost the processing speed of all systems to enable DCS to continue to complete all requested batch processing at night when online customers are not using the system. This will also decrease response times for online transactions during the daytime.</p>																			
31		MHC	470 191 040 10	P03		0	31,968		31,968			31,968	31,968						
			OPERATIONS DIVISION			0	0		0										
<p>This request will provide for the lease of an additional 3996 sq.ft. of office space in the Multiple Agency Complex building for the purpose of moving key Application Development project staff together for a more productive working atmosphere. This space will become available when the Arkansas Teacher Retirement staff moves into their new facility which is currently in construction. Currently part of the DCS Application Project staff are located in Union Plaza building due to insufficient available space in the Multiple Agency Complex Building.</p>																			
32		MHC	470 191 045 20	P01		0	37,000		63,000			37,000	63,000						
			GENERAL SERVICES			0	0		0										
<p>This request will provide for the replacement of the DCS passenger and service van fleet. These vehicles will reach the point during the Biennium of increased maintenance and reduced reliability. In order to assure acceptable service levels 24 hours/day, 7 days/week, the fleet (86 GMC Jimmy, 87 Dodge Aries, 89 GMC Jimmy, 89 Chevrolet Astro Van, 92 Dodge van) should be replaced. These vehicles would be systematically replaced over the two year biennium period.</p>																			

EPT 012 DEPARTMENT OF COMPUTER SERVICES  
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 PPRO 191 OPERATIONS  
 JND MHC COMPUTER SERVICES REV-(470)

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ARKANSAS BUDGET SYSTEM  
PROGRAM/SERVICE INFORMATION LIST  
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIIUM REQUESTS				R E C O M M E N D A T I O N S							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
033		MHC	470 191 030 30 HUMAN RESOURCES MANAGEMENT	P08		0	40,000			40,000					40,000	40,000		
This request includes \$15,000 for advertisement cost and \$25,000 for management training.																		
034		MHC	470 191 043 40 D P OPERATIONS	P02		0	1,500,000			0					1,500,000			
This request will provide a backup offsite location for the data processing center in the event of a disaster at the present site. This site was recommended by the federal auditor. This facility will also serve as a fully functional warehouse for environmentally sensitive computer supplies, environmentally sensitive offsite magnetic tape vault, and a staging area for computer and telecommunications equipment to be assembled and distributed throughout the state.																		
035		MHC	470 191 046 10 MICROCOMPUTER SERVICES	P05		0	250,000			250,000					175,000	175,000		
This request is for the replacement of over 200 PCs currently in regular operation throughout DCS. These machines are the primary work tools of the DCS staff. Almost all are out of their original one year warranty. With the introduction of Windows 95 and upgrading of NT to version 4.0, many of these machines are no longer viable. In order to assure acceptable service levels and minimize maintenance costs, DCS will begin a systematic process of replacing machines of "power users" and migrating other equipment down through the organization. These new machines will be pentium class with three year warranties.																		

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ARKANSAS BUDGET SYSTEM  
PROGRAM/SERVICE INFORMATION LIST  
RANK BY APPROPRIATION

11	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
LNK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS		RECOMMENDATIONS									
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
56		MHC	470 191 020 10 STATE PLANNING DIVISION	P01		0	25,000	0	5,000	0	25,000	5,000						
<p>This request is for \$25,000 to provide for replacement of old microcomputer equipment and additional associated equipment for the technical staff in their support of state agencies.</p>																		
57		MHC	470 191 020 10 STATE PLANNING DIVISION	P02		0	20,000	0	20,000	0	10,000	10,000						
<p>This request is for an annual amount of \$20000 will provide for the writing, printing, and mailing of brochures and informational publications promoting information resource management and telecommunications planning for state government. The request responds to external initiatives, such as Act 737 of 1995, to develop and implement statewide technology standards and contracts for information technology and telecommunications.</p>																		
58		MHC	470 191 050 20 FISCAL MANAGEMENT	P03		0	3,500	0	2,500	0	3,500	2,500						
<p>This request is to provide resources for Fiscal Management staff to attend conferences and/or educational seminars relating to their job responsibilities. Of particular interest are conferences and workshops offered by Financial Management for Data Processing relating to MIS Chargeback Systems and Methods (for MIS Rate Analyst); and seminars by Stonehouse on the MONIES System (for the Telecommunications Rate Analyst).</p>																		

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A R K A N S A S B U D G E T S Y S T E M  
 P R O G R A M / S E R V I C E I N F O R M A T I O N L I S T  
 R A N K B Y A P P R O P R I A T I O N

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----									
					-----EXPENDITURES-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----					
					ACTUAL	BUDGETED	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
				95-96	96-97													
039		MHC	470 191 031 20 TELECOMMUNICATIONS SERVICES	P05		0	12,170,289	0	9,934,029	0								

The purpose of this request is to seek general revenue to develop and maintain a statewide network infrastructure. The high bandwidth *shared* backbone infrastructure is required to accommodate exponential network growth in agency requirements for access and transmission of video, voice, data, imaging, and information superhighway access applications serving multiple Arkansas locations. Examples which demonstrate this requirement are distance learning, telemedicine, drivers license, libraries, higher education, public schools, Internet access, and law enforcement remote records access. Existing network facilities will not service these requirements. Single source funding within DCS is sought to aggregate the funding needs of multiple agencies for the State of Arkansas network infrastructure.

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 FUND MHC COMPUTER SERVICES REV-(470)

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**ARKANSAS BUDGET SYSTEM  
ANALYSIS OF BUDGET REQUEST  
1997 - 1999**

This appropriation was established for the Department of Computer Services to use expenses required to provide unanticipated services to state agencies, unusual growth in applications or uncontrollable increases in payments to public utilities. The Department utilized approximately \$5.2 million of this appropriation during FY96. Current Special Language requires the Department to seek review by the Legislative Council and the Communications Study Commission prior to utilizing this appropriation.

The budget request reflects a Base Level appropriation totaling \$5,890,000 each fiscal year. Priority requests total \$310,000 each fiscal year to restore appropriation deferred due to Act 494 of 1993.

The Executive Recommendation is Agency Request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Dept. of Computer Svcs.  Code: 470	Name: Unanticipated Services  Code: 288	Name: Computer Services  Code: MHC	BR20	68

ARKANSAS BUDGET SYSTEM

01 CHARACTER TITLE	02 03 04			05 06 07			08 09 10			11 12 13 14			
	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96 ACTUAL	96-97 BUDGETED	96-97 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
									97-98	98-99	97-98	98-99	
OPERATING EXPENSES	1,733,309	2,190,000	2,500,000	2,190,000	310,000	2,500,000	2,190,000	310,000	2,500,000	2,500,000	2,500,000		
CONTINGENCY	0	3,700,000	3,700,000	3,700,000	0	3,700,000	3,700,000	0	3,700,000	3,700,000	3,700,000		
<b>TOTAL</b>	<b>1,733,309</b>	<b>5,890,000</b>	<b>6,200,000</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>6,200,000</b>	<b>6,200,000</b>		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS	1,733,309	5,890,000	*****	5,890,000	310,000	6,200,000	5,890,000	310,000	6,200,000	6,200,000	6,200,000		
CASH FUNDS			*****										
OTHER			*****										
<b>TOTAL FUNDING</b>	<b>1,733,309</b>	<b>5,890,000</b>	<b>*****</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>6,200,000</b>	<b>6,200,000</b>		
EXCESS APPRO/ (FUNDING)			*****										
<b>TOTAL</b>	<b>1,733,309</b>	<b>5,890,000</b>	<b>*****</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>5,890,000</b>	<b>310,000</b>	<b>6,200,000</b>	<b>6,200,000</b>	<b>6,200,000</b>		

DEPT 012 DEPARTMENT OF COMPUTER SERVICES  
 AGY 470 DEPARTMENT OF COMPUTER SERVICES  
 APPRO 288 UNANTICIPATED SERVICES  
 FUND MHC COMPUTER SERVICES REV-(470)

APPROPRIATION SUMMARY

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		-----1997 - 99 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					ACTUAL	BUDGETED	FY 1997 - 98			FY 1998 - 99			EXECUTIVE		LEGISLATIVE			
					95-96	96-97	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99			
100		HHC	470 288	B	1,733,309 0	5,890,000 0	5,890,000 0					5,890,000 0		5,890,000				
101		HHC	470 288 031 20 TELECOMMUNICATIONS SERVICES	P01		0 0	310,000 0					310,000 0		310,000		310,000		
<p>This request will provide for reinstatement of base level appropriation deferred for Fiscal Year 1997 in compliance with Act 494 of 1993. As a result, the base level for this appropriation will be the same as previously authorized.</p>																		

DEPT 012 DEPARTMENT OF COMPUTER SERVICES  
 AGY 470 DEPARTMENT OF COMPUTER SERVICES  
 APPRO 288 UNANTICIPATED SERVICES  
 FUND HHC COMPUTER SERVICES REV-(470)

RANK BY APPROPRIATION

BR 264

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**ARKANSAS BUDGET SYSTEM  
ANALYSIS OF BUDGET REQUEST  
1997 - 1999**

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The Department of Computer Services utilizes this appropriation exclusively for major equipment acquisition or improvements of telecommunication or data processing related support equipment, including hardware and software required in order to meet the service requirements of user agencies. Funding for this equipment acquisition is derived from the accumulated reserve from a 5% set aside of gross billings for services per fiscal year. The fund balance as of the beginning of FY97 was \$4,971,940, with an additional \$1.7 million and \$1.8 million is anticipated to be deposited in FY98 and FY99, respectively. In addition to the reserve, the Department can also obtain loans from the State Budget Revolving Fund , if the reserve is insufficient to handle the total cost of required equipment acquisition.

The Department is requesting a Base Level budget totaling \$2,375,000 each fiscal year, along with a priority request of \$125,000 each fiscal year to restore authorized appropriation deferred due to Act 494 of 1993.

The Executive Recommendation is Agency Request.

<b>AGENCY</b> Name: Department of Computer Services  Code: 470	<b>APPROPRIATION</b> Name: Equipment Acquisition  Code: 289	<b>TREASURY FUND</b> Name: Computer Service Reserve  Code: MHD	<b>ANALYSIS OF BUDGET REQUEST</b>  BR20	<b>PAGE</b>  <b>71</b>
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ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							97-98	98-99	97-98	98-99
NG EXP/EQUIP ACQUIS	0	4,660,000	2,500,000	2,375,000	125,000	2,500,000	2,375,000	125,000	2,500,000	2,500,000	2,500,000		
AL	0	4,660,000	2,500,000	2,375,000	125,000	2,500,000	2,375,000	125,000	2,500,000	2,500,000	2,500,000		
PROPOSED FUNDING SOURCES			*****										
BALANCES	3,410,845	4,971,940	*****	1,961,940		1,961,940	1,194,440		1,194,440	1,961,940	1,194,440		
ERAL REVENUES			*****										
CIAL REVENUES			*****										
ERAL FUNDS			*****										
IE CENTRAL SERVICES FUND			*****										
-REVENUE RECEIPTS	1,561,095	1,650,000	*****	1,607,500	125,000	1,732,500	1,695,000	125,000	1,820,000	1,732,500	1,820,000		
H FUNDS			*****										
ER			*****										
AL FUNDING	4,971,940	6,621,940	*****	3,569,440	125,000	3,694,440	2,889,440	125,000	3,014,440	3,694,440	3,014,440		
ESS APPRO/ (FUNDING)	( 4,971,940)	( 1,961,940)	*****	( 1,194,440)		( 1,194,440)	( 514,440)		( 514,440)	( 1,194,440)	( 514,440)		
AL		4,660,000	*****	2,375,000	125,000	2,500,000	2,375,000	125,000	2,500,000	2,500,000	2,500,000		

T 012 DEPARTMENT OF COMPUTER SERVICES  
 470 DEPARTMENT OF COMPUTER SERVICES  
 RO 289 EQUIPMENT ACQUISITION  
 D MHD COMPUTER SERVICES RESERVE(470)

APPROPRIATION SUMMARY

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ARKANSAS BUDGET SYSTEM  
PROGRAM/SERVICE INFORMATION LIST  
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES----- ---ACTUAL--- --BUDGETED--- 95-96            96-97		-----1997 - 99 BIENNIUM REQUESTS----- -----FY 1997 - 98----- -----REQUEST-----						-----R E C O M M E N D A T I O N S----- -----EXECUTIVE----- 1997-98    1998-99    1997-98    1998-99					
000		MHD	470 289	B	0	4,660,000	2,375,000					2,375,000	2,375,000					
					0	0	0					0	0					
001		MHD	470 289 043 45 SHARED RESOURCES	P01	0		125,000					125,000	125,000					
					0		0					0	0					
<p>This request will provide for reinstatement of base level appropriation deferred for Fiscal Year 1997 in compliance with Act 494 of 1993. As a result, the base level for this appropriation will be the same as previously authorized.</p>																		

DEPT 012 DEPARTMENT OF COMPUTER SERVICES  
AGY 470 DEPARTMENT OF COMPUTER SERVICES  
APPRO 289 EQUIPMENT ACQUISITION  
  
FUND MHD COMPUTER SERVICES RESERVE(470)

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