

DFA - MANAGEMENT SERVICES

Enabling Laws

Act 34 of 2003

AR Code §19-4-101 - §19-4-2004

History and Organization

Mission Statement - The Management Services Division provides leadership and assistance to all state agencies to ensure the uniformity, accountability, and efficiency in the management of human, financial and material resources necessary for those agencies to perform their missions.

The Department of Finance and Administration in its present organization form was created by Act 38 of 1971 during the 68th Arkansas General Assembly. Effective February 4, 1971, the Administration Department and its functions, powers and duties were transferred to the newly created Department of Finance and Administration.

The Department consists of two major Divisions: The Management Services Division and the Revenue Division. The Management Services Division is composed of the Offices of Accounting, Budget, Personnel Management, Procurement and Intergovernmental Services. Other offices that play a major role in State Government are the Office of Administrative Services, the Office of Internal Audit, the Office of Information Services, and the Employee Benefits Division. In addition, the Racing Commission and the Alcoholic Beverage Control Division were also transferred to the newly created Department of Finance and Administration. Act 729 of 1981 transferred the Alcoholic Beverage Enforcement Division from the Department of Public Safety to the Department of Finance and Administration.

This budget request combines into one appropriation the Director and his staff, the Office of Administrative Services, the Office of Internal Audit, the Office of Information Services and the entire Division of Management Services. This is being done to eliminate the proliferation of appropriations pertinent to these operations and to ensure positive budgetary and fiscal control.

Central Administration activity of the Department of Finance and Administration oversees the departmental goal which is to instill good management practices in Arkansas State Government and to provide the money to run it. As the Chief Fiscal Officer of the State, the Director is charged with the responsibility of making certain that expenditures, use of property, purchases, and use of personnel are carried out in accordance with the laws of the State. Most of the responsibilities in this area are directed and authorized by Act 876 of the 69th General Assembly.

Central Administration includes the Department of Finance and Administration top-level administration personnel and Economic Analysis. It is devoted to furthering the Department goals with special emphasis placed upon services to agencies and citizens of the State.

The Department has two distinct functions within State Government. One function is to serve as the

central collector of state revenues. The other function is to operate control management systems for State Government by providing assistance to all State Agencies. This includes the management of their funds, personnel, and property, while exercising certain statutory controls over the agencies in these areas.

The Management Services Division has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, and providing maximum service to the taxpayers. The Management Services Division has as its central objective the following program areas:

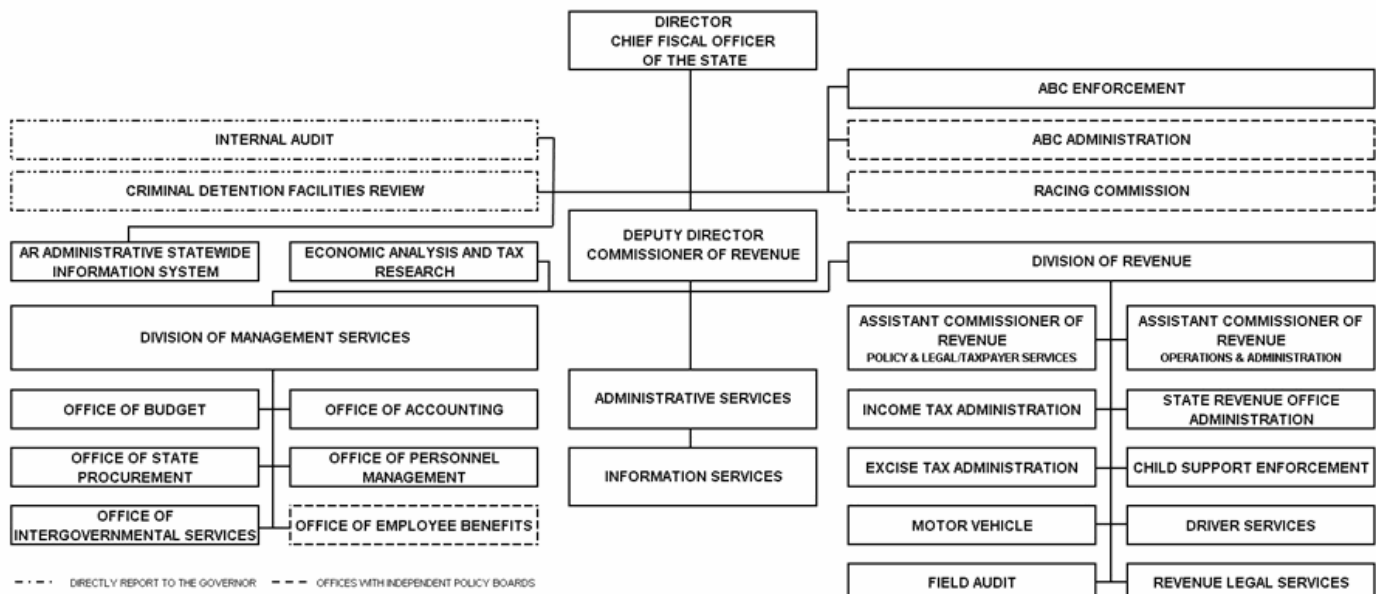
- 1) Accounting - Provide efficient and responsible fiscal management of all State programs or activities. Maintain a Financial System providing information on all transactions of all State Agencies for Accounting and Management Services, apply sound pre-auditing procedures and maintain the State's Accounting/Federal Grants Management System in a timely and accurate manner.
- 2) Budget - Develop, analyze, recommend, present and execute State budget matters, assist State Agencies in budgetary matters and enforce the deficit prohibition law.
- 3) Personnel Management - Develop procedures and methods for the continued efficient operation of the Arkansas Personnel Management Program. Maintain personnel records for all classified agencies and payroll records for all State Agencies. Provide broad spectrum training opportunities for state and local government employees and provide technical assistance and guidance to all State Agencies.
- 4) Procurement - Implement the State procurement program and establish policies, procedures and controls for that program and administer a quality assurance program. Maintain a State surplus property program through the Marketing and Redistribution section.
- 5) Intergovernmental Services - Administer federal grants directed to local governments, state agencies and non-profit organizations for the improvement of narcotics and general law enforcement, drug treatment within state prisons, services for victims of crime, and prison construction. Provide an opportunity for organizations and individuals to review and comment on federally supported programs prior to their implementation.

The Office of Administrative Services has with it Human Resources, Fiscal Accounting, Purchasing and Asset Management, Administration of Justice Fund, and State Messenger Service. This Office performs numerous management-related functions for the Department of Finance and Administration, the Governor's Office, and smaller Boards and Commissions.

The Employee Benefits Division makes available to State and Public School Employees group health and life insurance. State employees also have the option of selecting other optional benefits, including deferred compensation. The Division oversees that customer service is available from the vendors for the participating members.

The Office of Internal Audit (OIA) was created pursuant to Governor’s Executive Order 99-08 with a mission to earn and preserve the trust of Arkansans by promoting Accountability, Integrity, and Efficiency in the operation of the executive branch of Arkansas government. The main goal for the OIA is to provide agency management with objective, pro-active advice and value-added recommendations that assists them in the achievement of their goals and objectives and provides for strong accountability of state resources. To achieve this goal set forth for the OIA, a three-fold audit approach is utilized. This approach includes the performance of Agency Audits, EO 98-04 Compliance Audits and Special Reviews that may be requested by agency management.

The Office of Information Services (OIS) is responsible for management of departmental Information Technology (IT) resources. This encompasses the Management Services and Revenue Divisions, and the Office of Child Support Enforcement. Functional areas include Administration (including DFA web site maintenance and the Quick Copy Center), Applications Development and Maintenance, and Operations and Support (computer operations, and Local Area Network and desktop support). OIS also administers the State Vehicle Management Information and Acquisition System.



Agency Commentary

The Management Services Division of the Department of Finance and Administration has a primary goal of providing other agencies of State Government with services to assist them in meeting their primary goals and objectives. It continues to administer statutorily required controls in a manner that ensures agencies in State Government are operating legally, deriving maximum use of personnel, money and equipment available to them, while providing maximum service to the taxpayer.

The main operating appropriation in Management Services is funded from the State Central Services Fund. The agency is requesting an increase over Base Level for maintenance and operation of \$256,800 for FY06 and \$246,800 for FY07. \$79,480 for FY06 and \$69,480 for FY07 of this request

will provide the Office of Accounting with enough appropriation to contract with a professional for internal and other state agency training on the proper use of accounting procedures and system utilization, provide for additional space for 3 new employees and pay Association and Membership Dues for CPA Licenses, Association of Governmental Accountants, NASC, Certified Governmental Finance Manager and GASB on service. The remaining \$177,320 each year is the transfer of the Messenger Services appropriation (276) to the main operating appropriation (272).

The Management Services Division is also requesting the consolidation of the federal appropriations for the Victims of Criminal Justice Assistance appropriations (1DF) and (2DF).

Additional federal appropriation in the amount of \$213,624 each year is needed for the Edward Byrne State and Local Law Enforcement Grant Program. Also, restoration of the current authorized level of appropriation and funding is requested for the State Drug Law Enforcement Program.

An increase in the miscellaneous cash appropriation is needed. The Office of State Procurement receives rebates from companies awarded various computer contracts and this increase will allow for the spending of those funds for maintenance and operations needs. It will also provide support for the additional activities in the Employee Benefits Division for the implementation of the ARBenefits system and the administration of COBRA.

The continuation of seven (7) Insurance Specialist II Supplemental Positions is needed to maintain the functions essential for Employee Benefits Division to operate. Also, continuation of (1) PBAS Technical Support Manager is needed to adequately serve the budgeting needs of the State and to provide on-going long-term support of PBAS. The agency has several requests for various offices for position transfers, ESI's, title changes, regular reclassifications to better align job duties and Career Ladder Incentive Program (CLIP) to provide appropriate job classification for promotion.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2002

<u>Findings</u>	<u>Recommendations</u>
<p>The Arkansas Administrative Statewide Information System (AASIS) fails to provide adequate controls to ensure the reliability of financial data, and therefore, does not adequately safeguard the financial assets to the Agency. Specifically, the security configuration does not provide adequate segregation of duties in an environment with a limited number of personnel, resulting in an excessive number of conflicts regarding the restricted access to financial data and data entry.</p>	<p>The Agency work with the AASIS staff to train additional personnel in order to resolve job conflicts and maximize the segregation of duties.</p>
<p>A review of the supporting documentation for 30 disbursements revealed that invoices relating to four (4) disbursements totaling \$377.89 could not be located. The Agency has indicated these invoices were included in a storage box that cannot be located along with the supporting documentation for other Agency disbursements.</p>	<p>The Agency comply with Ark. Code Ann. 19-4-1108(a) which requires supporting documentation for expenditures be kept in a safe place subject to audit.</p>

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF FINANCE AND ADMINISTRATION EMPLOYEE BENEFITS DIVISION
 FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	105	167	272	78 %
Black Employees	20	51	71	20 %
Other Racial Minorities	3	2	5	2 %
Total Minorities			76	22 %
Total Employees			348	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Budget Instruction Packet	None	N	N	260	Assist State Agencies in the preparation of annual operations budgets. Electronic copy available on DFA Website.
Biennial Budget Book	None	N	N	25	Contains detailed information regarding agency changes, funding and positions for each agency, as well as capital projects.
Biennial Budget Instruction Packet	A.C.A. 19-4-304	N	N	275	Provide information and assistance to state agencies in the preparation of biennial budget requests. Electronic copy available on DFA Website.
Biennial Budget Manuals	A.C.A. 19-4-305	Y	N	2,260	Compile agency requests and Governor's recommendations for Legislative Council/Joint Budget Committee.
Facts about the Arkansas State Budget	None	N	N	1,000	Informational brochure for the public. Electronic copy available on DFA Website.

Department Appropriation / Program Summary

Appropriation / Program		Historical Data						Agency Request and Executive Recommendation							
		2003-2004		2004-2005		2004-2005		2005-2006				2006-2007			
		Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1DF	Victims of Crime Justice Asst-Fed	276,272	6	289,180	6	269,638	6	12,723,255	6	12,719,536	6	12,731,264	6	12,727,545	6
1GA	Purchase & Corp Travel Card Prg	0	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
1RN	Local Law Enfrcnt Block Grant	412,315	0	807,012	0	807,012	0	807,012	0	807,012	0	807,012	0	807,012	0
1RQ	Violent Offnd Incarceration Grant	0	0	6,503,100	0	6,503,100	0	6,503,100	0	6,503,100	0	6,503,100	0	6,503,100	0
251	Drug Law Enforcement Prg-State	494,322	0	1,065,912	0	1,185,000	0	1,185,000	0	1,185,000	0	1,185,000	0	1,185,000	0
252	Drug Law Enforcement Prg-Fed	3,918,866	5	9,853,755	6	9,581,446	6	9,864,146	6	9,858,146	6	9,871,899	6	9,865,899	6
272	DFA Mgmt Services - Operations	13,597,169	252	15,443,575	256	16,095,673	262	16,659,524	264	16,561,689	264	17,031,493	264	16,933,346	264
274	Marketing & Redistribution	915,696	15	1,209,336	15	1,182,246	14	1,202,004	15	1,202,004	15	1,216,665	15	1,216,665	15
276	Messenger Services	148,420	0	177,320	0	177,320	0	0	0	0	0	0	0	0	0
277	Quick Copy Service Center	245,026	4	487,230	4	488,800	4	496,365	4	496,365	4	500,431	4	500,431	4
278	Employee Benefits Division	2,269,174	33	2,654,507	33	2,700,367	33	2,724,244	33	2,714,807	33	2,765,830	33	2,756,109	33
279	Data Processing	28,177,093	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
2DF	Victims of Crime Justice Asst-Fed	4,870,785	0	12,423,438	0	12,423,438	0	0	0	0	0	0	0	0	0
2HG	Personnel Mgmt-Employee Awards	5,023	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0	32,280	0
574	Statewide Payroll Paying	0	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0	2,100,000,000	0
583	CAFR Report	599,998	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
584	AASIS - Operations	3,496,288	59	4,199,756	60	4,215,256	60	4,364,884	60	4,359,982	60	4,464,477	60	4,459,442	60
907	DFA Mgmt Services - Misc Cash	91,711	6	588,122	7	321,022	0	698,154	7	581,054	7	705,297	7	588,197	7
Total		59,518,158	380	2,187,834,523	387	2,188,082,598	385	2,189,359,968	395	2,189,120,975	395	2,189,914,748	395	2,189,675,026	395

Funding Sources			%		%		%		%		%		%		
Fund Balance	4000005	1,583,018	2.6	1,271,788	0.1			1,089,961	0.0	1,089,961	0.0	1,177,574	0.1	1,177,574	0.1
General Revenue	4000010	1,321,704	2.2	1,528,762	0.1			1,685,000	0.1	1,685,000	0.1	1,685,000	0.1	1,685,000	0.1
Federal Revenue	4000020	13,234,480	21.8	29,876,485	1.4			29,897,513	1.4	29,887,794	1.4	29,913,275	1.4	29,903,556	1.4
State Central Services	4000035	47,693,167	78.5	52,507,438	2.4			53,780,932	2.5	53,668,758	2.5	54,294,080	2.5	54,181,177	2.5
Non-Revenue Receipts	4000040	2,479,927	4.1	3,302,861	0.2			3,302,004	0.2	3,302,004	0.2	3,316,665	0.2	3,316,665	0.2
Cash Fund	4000045	303,034	0.5	400,000	0.0			782,132	0.0	665,032	0.0	789,275	0.0	672,175	0.0
Agency Payroll Paying Accounts	4000085	0	0.0	2,100,000,000	95.9			2,100,000,000	95.8	2,100,000,000	95.8	2,100,000,000	95.7	2,100,000,000	95.7
Interest	4000300	1,692	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Transfer from Misc Revolving	4000552	137,366	0.2	37,150	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Corrections	4000607	(875,427)	(1.4)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Transfer to DFA Disbursing	4000610	(1,843,450)	(3.0)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%
Transfer to DHS Grants Fund	4000615	(1,847,228)	(3.0)	0	0.0		0	0.0	0	0.0	0	0.0
Transfers to Agencies	4000695	(1,398,337)	(2.3)	0	0.0		0	0.0	0	0.0	0	0.0
Total Funds		60,789,946	100.0	2,188,924,484	100.0		2,190,537,542	100.0	2,190,298,549	100.0	2,191,175,869	100.0
Excess Appropriation/(Funding)		(1,271,788)		(1,089,961)			(1,177,574)		(1,177,574)		(1,261,121)	
Grand Total		59,518,158		2,187,834,523			2,189,359,968		2,189,120,975		2,189,914,748	

Actual and Budgeted amounts in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.
 Actual and Budgeted exceeds Authorized Appropriation in due to a transfer from the Miscellaneous Federal Grant and Cash Fund Holding Account.
 Actual and/or Budgeted Number of Positions may exceed the Authorized Number due to the flexibility inherent in the authorization of all positions through one salary section.

Analysis of Budget Request

Appropriation / Program: 1DF - Victims of Crime Justice Asst-Fed

Funding Sources: FVD - Victims of Crime Justice Assistance

The appropriation for the Federal Grants Payroll Paying Account is for crime victim assistance programs, including the Victims of Crime Act (VOCA), the Violence Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA). This appropriation is funded by Federal funds.

The Base Level request of \$299,817 for FY06 and \$307,826 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for six Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting to consolidate this Federal Grants Payroll Paying Account appropriation with the Victims of Criminal Justice Assistance Federal Operations appropriation (2DF). Change Levels in the amount of \$12,423,438 for FY06 and FY07 reflect this consolidation:

- Operating Expenses; \$125,000 each year
- Travel-Conference Fees; \$11,719 each year
- Professional Fees and Services; \$74,219 each year
- Grants and Aid; \$12,134,375 each year
- Refunds/Reimbursements; \$78,125 each year

The Change Levels reflected are the Base Level amounts in the Victims of Criminal Justice Assistance Federal Operations appropriation (2DF) and have corresponding negative change levels for the exact amount in that appropriation.

The Executive Recommendation provides for the Agency Request except for a reduction of \$3,719 each year for Conference Fees and Travel.

Appropriation / Program Summary

Appropriation / Program: 1DF Victims of Crime Justice Asst-Fed
Funding Sources: FVD - Victims of Crime Justice Assistance

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	213,762	218,017	200,736	224,555	224,555	224,555	231,290	231,290	231,290
#Positions		6	6	6	6	6	6	6	6	6
Extra Help	5010001	0	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	62,510	62,391	60,130	66,490	66,490	66,490	67,764	67,764	67,764
Overtime	5010006	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Operating Expenses	5020002	0	0	0	0	125,000	125,000	0	125,000	125,000
Travel-Conference Fees	5050009	0	0	0	0	11,719	8,000	0	11,719	8,000
Professional Fees and Services	5060010	0	0	0	0	74,219	74,219	0	74,219	74,219
Grants and Aid	5100004	0	0	0	0	12,134,375	12,134,375	0	12,134,375	12,134,375
Refund/Reimbursements	5110014	0	0	0	0	78,125	78,125	0	78,125	78,125
Total		276,272	289,180	269,638	299,817	12,723,255	12,719,536	307,826	12,731,264	12,727,545
Funding Sources										
Federal Revenue	4000020	276,272	289,180		299,817	12,723,255	12,719,536	307,826	12,731,264	12,727,545
Total Funding		276,272	289,180		299,817	12,723,255	12,719,536	307,826	12,731,264	12,727,545
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		276,272	289,180		299,817	12,723,255	12,719,536	307,826	12,731,264	12,727,545

The FY04 Actual and FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.

Change Level by Appropriation

Appropriation / Program: 1DF-Victims of Crime Justice Asst-Fed
Funding Sources: FVD - Victims of Crime Justice Assistance

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	299,817	6	299,817	100.0	307,826	6	307,826	100.0
C02	New Program	12,423,438	0	12,723,255	4,243.6	12,423,438	0	12,731,264	4,135.8

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	299,817	6	299,817	100.0	307,826	6	307,826	100.0
C02	New Program	12,419,719	0	12,719,536	4,242.4	12,419,719	0	12,727,545	4,134.6

Justification

C02	Merging two existing Base Level federal appropriations that are for the same program. 1DF and 2DF.
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Analysis of Budget Request

Appropriation / Program: 1GA - Purchase & Corp Travel Card Prg

Funding Sources: MPC - Purchase and Travel Card Program Fund

This appropriation is funded by a miscellaneous revolving fund and is used for rebates from vendor banks, distribution to participating agencies and for operating expenses connected with the administration of the Purchase and Corporate Travel Card Program.

Arkansas Agency Travel Card Program

The Arkansas Department of Finance and Administration(DFA), Office of State Procurement (OSP), State Agencies and Institutions of Higher Education have developed and implemented the Arkansas Agency Travel Card Program for employees that have valid business related travel expenses. The Office of State Procurement has responsibility for the development of policy and procedures. Agencies and Higher Education Institutions are responsible for the development of procedures consistent with State policies implementing the program.

In October 2002, the State of Arkansas entered into a partnership with UMB Bank (UMB), Kansas City, Missouri, to be the official provider of a VISA Commercial Card Program as the State Travel Card.

Cardholders use the card for any authorized travel related expense at any establishment or merchant that accepts the VISA card. The Arkansas Travel Regulations govern most aspects of the State Travel Card Program.

Arkansas Purchasing Card Program

The State of Arkansas and participating organizations have implemented the Arkansas Purchasing Card Program with US Bank VISA Purchasing Card to simplify, streamline, and facilitate the purchase and payment process.

The P-Card is a fast, flexible purchasing tool offering an enhancement to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total maximum per cycle limit that will be determined on an individual basis. The default maximum charges per individual cardholder are \$2,000.00 per cycle. The P-Card is to be used only for official business purchases for the State of Arkansas. Any attempt to use the P-Card for a purchase in excess of the set card limit will result in the purchase being rejected by the bank and the vendor.

Base Level for this appropriation is \$1,600,000 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 1GA Purchase & Corp Travel Card Prg
Funding Sources: MPC - Purchase and Travel Card Program Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Travel-Conference Fees 5050009	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees and Services 5060010	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refund/Reimbursements 5110014	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	0	1,600,000	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	0	6,475		0	0	0	0	0	0
Non-Revenue Receipts 4000040	6,475	1,593,525		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Total Funding	6,475	1,600,000		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Excess Appropriation/(Funding)	(6,475)	0		0	0	0	0	0	0
Grand Total	0	1,600,000		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000

Analysis of Budget Request

Appropriation / Program: 1RN - Local Law Enforcement Block Grant

Funding Sources: FFB - DFA Federal Funds

This appropriation provides for expenditure of Federal funds under the Local Law Enforcement Block Grant Program administered by the U. S. Department of Justice. Federal Grant funds are made available to cities and counties to support law enforcement agencies through the hiring of officers, paying officer overtime, purchasing law enforcement equipment, enhancing school security, drug courts, adjudication of violent offenders, multijurisdictional task forces, crime prevention, and indemnification insurance. Grant funds processed through the State support small cities and counties that do not receive direct grants for the same purposes from the Department of Justice. Funds from this program are directed toward reducing violent crime. Federal Grant funds may pay for ninety percent of project costs.

Base Level for this appropriation is \$807,012 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 1RN Local Law Enfrcmnt Block Grant
Funding Sources: FFB - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	7,012	7,012	7,012	7,012	7,012	7,012	7,012	7,012
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	412,315	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	412,315	807,012	807,012	807,012	807,012	807,012	807,012	807,012	807,012
Funding Sources									
Federal Revenue 4000020	412,315	807,012		807,012	807,012	807,012	807,012	807,012	807,012
Total Funding	412,315	807,012		807,012	807,012	807,012	807,012	807,012	807,012
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	412,315	807,012		807,012	807,012	807,012	807,012	807,012	807,012

Analysis of Budget Request

Appropriation / Program: 1RQ - Violent Offnd Incarceration Grant Prog-Fed

Funding Sources: FFB - DFA Federal Funds

This appropriation provides for the expenditure of Federal funds under the Violent Offender Incarceration - Truth in Sentencing Incentive Grant Program administered by the United States Department of Justice, Corrections Program Office. Federal grant funds are made available to build and/or expand facilities for the housing of violent offenders. Funding is based on a federal formula which takes into consideration the number of persons admitted to prison for violent crimes, and the length of sentence served. One major purpose of the grant program is to permit states to keep violent offenders incarcerated for longer periods of time. Federal funds may provide up to 90 percent of the construction cost.

Eligible program participants are governmental entities which operate facilities for housing adults convicted of Part 1 violent crimes, and entities which operate facilities for housing juveniles who have been adjudicated delinquent for an act which, if committed by an adult, would be a Part 1 violent crime.

During the first two years of funding for this program, a grant has been awarded to the Arkansas Department of Correction in order to utilize matching funds appropriated for this program. Grant funds beyond year two may be made available to other entities that can demonstrate a high priority need, and public notices may be published.

Base Level for this appropriation is \$6,503,100 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 1RQ Violent Offnd Incarceration Grant Prog-Fed
Funding Sources: FFB - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Travel-Conference Fees 5050009	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	0	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	0	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100
Funding Sources									
Federal Revenue 4000020	2,722,655	6,503,100		6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100
Transfer to Corrections 4000607	(875,427)	0		0	0	0	0	0	0
Transfer to DHS Grants Fund 4000615	(1,847,228)	0		0	0	0	0	0	0
Total Funding	0	6,503,100		6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	6,503,100		6,503,100	6,503,100	6,503,100	6,503,100	6,503,100	6,503,100

Analysis of Budget Request

Appropriation / Program: 251 - Drug Law Enforcement Prg-State

Funding Sources: HUA - Miscellaneous Agencies Fund

This General Revenue funded appropriation provides city and county governments and state agencies with matching funds to implement programs authorized under the Federal Drug Law Enforcement Program. This appropriation provides matching funds to the sub-grantees of the Federal Law Enforcement Block Grant, Violent Offender, and Substance Abuse Treatment Programs.

The Base Level for this appropriation is \$1,065,912 each year of the biennium. The change over Base Level, \$119,088 each year of the biennium, is for restoration of the currently authorized appropriation with additional General Revenue funding to continue grants-in-aid to state agencies and local governments.

The Executive Recommendation provides for the Agency Request for appropriation and additional General Revenue funding.

Appropriation / Program Summary

Appropriation / Program: 251 Drug Law Enforcement Prg-State
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	494,322	1,065,912	1,185,000	1,065,912	1,185,000	1,185,000	1,065,912	1,185,000	1,185,000
Total		494,322	1,065,912	1,185,000	1,065,912	1,185,000	1,185,000	1,065,912	1,185,000	1,185,000
Funding Sources										
General Revenue	4000010	859,072	1,065,912		1,065,912	1,185,000	1,185,000	1,065,912	1,185,000	1,185,000
Transfers to Agencies	4000695	(364,750)	0		0	0	0	0	0	0
Total Funding		494,322	1,065,912		1,065,912	1,185,000	1,185,000	1,065,912	1,185,000	1,185,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		494,322	1,065,912		1,065,912	1,185,000	1,185,000	1,065,912	1,185,000	1,185,000

Carry forward amount for FY05: DLEP-Grants and Aid \$469,745.26.

Change Level by Appropriation

Appropriation / Program: 251-Drug Law Enforcement Prg-State

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	1,065,912	0	1,065,912	100.0	1,065,912	0	1,065,912	100.0
C01	Existing Program	119,088	0	1,185,000	111.1	119,088	0	1,185,000	111.1

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	1,065,912	0	1,065,912	100.0	1,065,912	0	1,065,912	100.0
C01	Existing Program	119,088	0	1,185,000	111.1	119,088	0	1,185,000	111.1

Justification

C01	Restore authorized appropriation and funding level. To be used for grants-in-aid to state agencies and local governments for matching funds (25% required) to implement approved programs through the Federal Byrne Grant Drug Law Enforcement Program.
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Analysis of Budget Request

Appropriation / Program: 252 - Drug Law Enforcement Prg-Fed

Funding Sources: FFB - DFA Federal Funds

This appropriation provides for expenditure of Federal funds under the Local Law Enforcement Block Grant Program administered by the U. S. Department of Justice, Bureau of Justice Assistance. Federal grant funds are made available to cities and counties to support law enforcement agencies through the hiring of officers, paying officer overtime, purchasing law enforcement equipment, enhancing school security, drug courts, adjudication of violent offenders, multi-jurisdictional task forces, crime prevention, and indemnification insurance. Grant funds processed through the State support small cities and counties that do not receive direct grants for the same purposes from the Department of Justice. Federal grant funds may pay for 90 percent of project costs.

Funds from this program are directed toward reducing violent crime. For all cities and counties that report Part 1 violent crimes to the Arkansas Crime Information Center (ACIC), a three-year average of crimes is developed. Cities and counties that do not receive direct federal grants are eligible for state processed grants based on their ranking of reported violent crimes.

The Base Level request of \$9,650,522 for FY06 and \$9,658,275 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for six Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency Request is for additional appropriation, \$213,624 for each year of the biennium, is to support approved programs that offer a high probability of enhancing and improving the efficiency and effectiveness of the Criminal Justice System. The additional appropriation is currently approved through a Miscellaneous Federal Grant for FY05.

- Operating Expenses; \$132,624 each year
- Travel-Conference Fees; \$6,000 each year
- Professional Fees and Services; \$75,000 each year

The Agency has also requested the reclassification of three positions to provide the appropriate job classifications to correspond with the current duties. A zero change level reflects this reclassification request.

- (1) R411 DFA Criminal Justice Program Coordinator - grade 20 to a R266 Management Project Analyst II - grade 20
- (1) R021 DFA Manager State and Federal Services - grade 20 to a R266 Management Project Analyst II - grade 20
- (1) A069 DFA Internal Audit Manager - grade 21 to a R488 Grants Administrator Supervisor - grade 21

The Executive Recommendation provides for the Agency Request except for \$6,000 each year for Travel-Conference Fees.

Appropriation / Program Summary

Appropriation / Program: 252 Drug Law Enforcement Prg-Fed
Funding Sources: FFB - DFA Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	155,404	211,025	166,377	217,354	217,354	217,354	223,873	223,873	223,873
#Positions		5	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	54,233	60,101	46,064	64,163	64,163	64,163	65,397	65,397	65,397
Operating Expenses	5020002	46,957	162,129	29,505	29,505	162,129	162,129	29,505	162,129	162,129
Travel-Conference Fees	5050009	1,358	9,500	3,500	3,500	9,500	3,500	3,500	9,500	3,500
Professional Fees and Services	5060010	20,215	205,000	130,000	130,000	205,000	205,000	130,000	205,000	205,000
Data Processing	5090012	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Grants and Aid	5100004	3,640,699	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Refund/Reimbursements	5110014	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		3,918,866	9,853,755	9,581,446	9,650,522	9,864,146	9,858,146	9,658,275	9,871,899	9,865,899
Funding Sources										
Federal Revenue	4000020	4,937,326	9,853,755		9,650,522	9,864,146	9,858,146	9,658,275	9,871,899	9,865,899
Transfers to Agencies	4000695	(1,018,460)	0		0	0	0	0	0	0
Total Funding		3,918,866	9,853,755		9,650,522	9,864,146	9,858,146	9,658,275	9,871,899	9,865,899
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,918,866	9,853,755		9,650,522	9,864,146	9,858,146	9,658,275	9,871,899	9,865,899

FY04 Actual and FY05 Budgeted exceeds Authorized Appropriation in Operating Expenses, Conference Fees and Travel, and Professional Fees and Services due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation / Program: 252-Drug Law Enforcement Prg-Fed

Funding Sources: FFB - DFA Federal Funds

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,650,522	6	9,650,522	100.0	9,658,275	6	9,658,275	100.0
C06	Restored Position	213,624	0	9,864,146	102.2	213,624	0	9,871,899	102.2
C10	Reclass	0	0	9,864,146	102.2	0	0	9,871,899	102.2

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,650,522	6	9,650,522	100.0	9,658,275	6	9,658,275	100.0
C06	Restored Position	207,624	0	9,858,146	102.1	207,624	0	9,865,899	102.1
C10	Reclass	0	0	9,858,146	102.1	0	0	9,865,899	102.1

Justification

C06	MFG previously approved for FY05. Additional federal appropriation to support approved programs through the Federal Byrne Grant Drug Law Enforcement Program.
C10	Request to provide the appropriate job classifications to correspond with the current job duties.

Analysis of Budget Request

Appropriation / Program: 272 - DFA Mgmt Services - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for operations of the Management Services Division of the Department of Finance and Administration. The Management Services Division provides State Agencies with assistance in accounting, budgeting, personnel, purchasing, and administering statutorily required controls. The Division includes the Office of the Director, Economic Analysis, Office of Administrative Services, Office of Accounting, Office of Budget, Office of Personnel Management, Office of State Procurement, Office of Internal Audit, Office of Information Systems, Office of Intergovernmental Services and the Criminal Detention Facilities Coordinator.

The Base Level request of \$15,988,605 for FY06 and \$16,359,572 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for 256 Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

Change Level Requests total \$670,919 for FY06 and \$671,921 for FY07 and include the requests for the following Offices:

Economic Analysis

Requesting the line item maximum salary be reduced for the DFA Tax Research Administrator position. This will bring the position in-line with all administrator positions within DFA:

- Negative (\$685) for FY06 and (\$695) for FY07 (Regular Salaries and related Personal Services Matching)

Office of Administrative Services

The Office of Administrative Services makes the following requests for the 2005 - 2007 biennium:

- Transfer of Messenger Services Appropriation (276) to this appropriation. This function is part of normal operations for the Agency.
 - Operating Expenses \$177,320 each year
- Reclassification of three positions to provide the appropriate job classifications to correspond with the current duties; \$8,562 for FY06 and \$8,811 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) 001Z DFA Mgr Purchase and Property Mgmt - grade 22 to 138Z DFA Division Mgr II - grade 23
 - (1) A108 Accounting Tech II - grade 15 to A111 Accountant - grade 18
 - (1) A063 Payroll Officer - grade 15 to R190 Personnel Officer II - grade 17
- CLIP reclassifications of one position to provide appropriate job classification for promotion; \$2,291 for FY06 and \$ 2,359 for FY07
 - (1) A111 Accountant - grade 18 to A110 Accountant II - grade 19

- The Agency did not restore 5 currently authorized positions for the 2005-2007 biennium
 - (5) K039 Document Examiner II - grade 12

Office of Information Systems (OIS)

Organizational consolidation and realignment of the Department of Finance and Administration's Information Technology (IT) resources has been accomplished to facilitate more effective and efficient management of information technology operations. The Chief Information Officer ensures that the Agency IT resources support the Agency's mission and State IT directions and provide guidance to the Director in the development, coordination, and implementation of agency wide information resource strategies. The Office of Information Systems' makes the following requests for the 2005 - 2007 biennium:

- The Agency is requesting to continue as a Regular Position, one Emergency Supplemental Position approved during the 2003-2005 biennium.
 - (1) 9357 PBAS Technical Support Manager; \$101,438 for FY06 and \$103,945 for FY07 (Regular Salaries and related Personal Services Matching)
- Transfer of (5) positions from Revenue Services Division to OIS and transfer (1) position to Revenue Services Division from OIS.
 - \$117,932 for FY06 and \$121,052 for FY07 (Regular Salaries and related Personal Services Matching)
 - One (1) Tax Auditor II - grade 20 from Revenue
 - Two (2) Teleprocessing Monitor - grade 17 from Revenue
 - One (1) Transportation Services Rep - grade 14 from Revenue
 - One (1) Tax Auditor II to DFA Management Services - grade 20 from Revenue
 - One (1) Audit Tax Supervisor - grade 21 to Revenue
- Reclassification of fourteen positions to provide the appropriate job classifications to correspond with the current duties; \$7,539 for FY06 and \$7,764 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) D046 Systems Applications Supervisor - grade 23 to D064 SR Systems Programmer - grade 21
 - (1) A111 Accountant - grade 18 to D055 Website Coordinator II - grade 20
 - (1) A008 Accounting Supervisor II - grade 21 to D123 Applications & Systems Analyst - grade 21
 - (1) R130 DFA Personnel Supervisor - grade 22 to D124 Lead Programmer/Analyst - grade 22
 - (1) D124 Lead Programmer/Analyst - grade 22 to D038 Systems Programmer - grade 22
 - (1) 192Z DFA Merit System Manager - grade 23 to D046 Systems Applications Supervisor - grade 23
 - (1) 138Z DFA Division Manager II - grade 23 to 921Z DFA Division Manager III - grade 24
 - (1) A104 Tax Auditor Supervisor - grade 21 to D036 SR Programmer/Analyst grade 21
 - (1) 138Z DFA Division Manager II - grade 23 to D046 Systems Applications Supervisor - grade 23
 - (1) K079 Micro-Photographer Supervisor - grade 14 to K153 Secretary II - grade 13

- (1) R036 Attorney - grade 24 to D130 Information Systems Administrator - grade 24
- (1) A102 Tax Auditor II - grade 20 to R266 Management Project Analyst II grade 20
- (1) A102 Tax Auditor II - grade 20 to D121 User Support Analyst - grade 20
- (1) K106 Transportation Services Rep - grade 14 to K153 Secretary II - grade 13

Office of Accounting

The Office of Accounting has undergone significant changes in its mission and scope of work to support that mission in the last several years. The majority of these changes have been imposed from external sources. The Office of Accounting makes the following requests for the 2005 - 2007 biennium:

- Three new positions to support the CAFR Unit; \$127,574 for FY06 and \$131,053 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) A125 DFA Accounting Support Manger - grade 24
 - (2) A067 DFA Accounting Specialist - grade 21
- Reclassification of six positions to provide the appropriate job classifications to correspond with the current duties; \$16,334 for FY06 and \$16,711 for FY07 (Regular Salaries and related Personal Services Matching)
 - (3) K039 Document Examiner II - grade 12 to A108 Accounting Tech II - grade 15
 - (1) K153 Secretary II - grade 13 to A108 Accounting Tech II - grade 15
 - (1) K041 Executive Sec/Admin Sec - grade 14 to A108 Accounting Tech II - grade 15
 - (1) 052Z DFA Pre-Audit Manager - grade 25 to 856Z DFA Asst Accounting Administrator - grade 26
- CLIP reclassifications of six positions to provide appropriate job classification for promotion; \$28,563 for FY06 and \$29,413 for FY07 (Regular Salaries and related Personal Services Matching)
 - (6) A067 DFA Accounting Specialist - grade 21 to 179X DFA Accounting Specialist III - grade 23
- Operating Expenses related to the request of three new positions, as well as, subscriptions, publications and association and membership dues for current employees; \$79,480 for FY06 and \$69,480 for FY07.

Office of Personnel Management

The Office of Personnel Management makes the following request for the 2005 - 2007 biennium:

- Reclassification of one position to provide the appropriate job classification to correspond with the current duties; \$4,571 for FY06 and \$4,708 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) R266 Management Project Analyst II - grade 20 to D066 Systems Coordination Analyst II - grade 22

Office of State Procurement

The Office of State Procurement makes the following request for the 2005 - 2007 biennium:

- Reclassification of one position to provide the appropriate job classification to correspond with

the current duties; this change reflects a zero change level

- (1) R126 Personnel Representative I - grade 20 to R266 Management Project Analyst II - grade 20

The Executive Recommendation provides for the Agency Request except for the following:

Reductions in Base Level

- Travel-Conference Fees; \$42,644 each year
- Data Processing; \$44,472 each year

Office of Administrative Services

- Reclassification of three positions; \$8,562 for FY06 and \$8,811 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) 001Z DFA Mgr Purchase and Property Mgmt-grade 22 to 138Z DFA Division Mgr II-grade 23
 - (1) A108 Accounting Tech II - grade 15 to A111 Accountant - grade 18
 - (1) A063 Payroll Officer - grade 15 to R190 Personnel Officer II - grade 17
- The Executive applied a reclassification to position #22080069 - R010 Administration Assistant II - grade 17 to R190 Personnel Officer II - grade 17; reflects a zero change level

Office of Information Systems (OIS)

- Reclassification of 2 positions; \$2,157 for FY06 and \$2,220 for FY07 (Regular Salaries and related Personal Services Matching)
 - (1) A111 Accountant-grade 18 to D055 Website Coordinator II - grade 20
 - (1) 138Z DFA Division Manager II-grade 23 to 921Z DFA Division Manager III - grade 24
 - The Executive provided for a reclassification to D130 Information Systems Administrator - grade 24 instead of the 921Z DFA Division Manager III

Appropriation / Program Summary

Appropriation / Program: 272 DFA Mgmt Services - Operations
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	9,596,080	10,579,447	10,857,110	10,940,490	11,262,888	11,253,875	11,252,590	11,584,242	11,574,966
#Positions	252	256	262	256	264	264	256	264	264
Extra Help 5010001	36,859	41,512	41,512	41,512	41,512	41,512	41,512	41,512	41,512
#Extra Help	5	20	20	20	20	20	20	20	20
Personal Services Matching 5010003	2,636,593	2,867,655	3,112,772	3,051,642	3,143,363	3,141,657	3,110,509	3,203,978	3,202,223
Overtime 5010006	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses 5020002	1,145,599	1,512,845	1,606,963	1,512,845	1,769,645	1,769,645	1,512,845	1,759,645	1,759,645
Travel-Conference Fees 5050009	21,891	82,644	117,844	82,644	82,644	40,000	82,644	82,644	40,000
Professional Fees and Services 5060010	6,233	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing 5090012	153,914	344,472	344,472	344,472	344,472	300,000	344,472	344,472	300,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	13,597,169	15,443,575	16,095,673	15,988,605	16,659,524	16,561,689	16,359,572	17,031,493	16,933,346
Funding Sources									
State Central Services 4000035	13,597,169	15,443,575		15,988,605	16,659,524	16,561,689	16,359,572	17,031,493	16,933,346
Total Funding	13,597,169	15,443,575		15,988,605	16,659,524	16,561,689	16,359,572	17,031,493	16,933,346
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	13,597,169	15,443,575		15,988,605	16,659,524	16,561,689	16,359,572	17,031,493	16,933,346

Carry forward amounts for FY05: Operating Expenses \$139,618; Travel-Conference Fees \$35,200; Data Processing \$457,773.

Change Level by Appropriation

Appropriation / Program: 272-DFA Mgmt Services - Operations

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	15,988,605	256	15,988,605	100.0	16,359,572	256	16,359,572	100.0
C01	Existing Program	207,054	3	16,195,659	101.3	200,533	3	16,560,105	101.2
C02	New Program	177,320	0	16,372,979	102.4	177,320	0	16,737,425	102.3
C06	Restored Position	101,438	1	16,474,417	103.0	103,945	1	16,841,370	102.9
C07	Agency Transfer	117,932	4	16,592,349	103.7	121,052	4	16,962,422	103.6
C09	CLIP Reclass	30,854	0	16,623,203	103.9	31,772	0	16,994,194	103.8
C10	Reclass	37,006	0	16,660,209	104.2	37,994	0	17,032,188	104.1
C15	Ex Salary Increase	(685)	0	16,659,524	104.2	(695)	0	17,031,493	104.1

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	15,988,605	256	15,988,605	100.0	16,359,572	256	16,359,572	100.0
C01	Existing Program	207,054	3	16,195,659	101.3	200,533	3	16,560,105	101.2
C02	New Program	177,320	0	16,372,979	102.4	177,320	0	16,737,425	102.3
C06	Restored Position	101,438	1	16,474,417	103.0	103,945	1	16,841,370	102.9
C07	Agency Transfer	117,932	4	16,592,349	103.7	121,052	4	16,962,422	103.6
C09	CLIP Reclass	30,854	0	16,623,203	103.9	31,772	0	16,994,194	103.8
C10	Reclass	26,287	0	16,649,490	104.1	26,963	0	17,021,157	104.0
C15	Ex Salary Increase	(685)	0	16,648,805	104.1	(695)	0	17,020,462	104.0
C19	Executive Changes	(87,116)	0	16,561,689	103.5	(87,116)	0	16,933,346	103.5

Justification

C01	The Office of Accounting is requesting additional Maintenance & Operation to contract with a professional to provide training internally and to other state agencies on the proper use of accounting procedures and system utilization. This request would also provide for additional space for 3 new employees and pay for Association and Membership Dues for accounting employees for their CPA Licenses, Association of Governmental Accountants, NASC, Certified Governmental Finance Manager and GASB online service.
C02	Transferred individual Messenger Services Appropriation (276) to regular operations appropriation (272).
C06	Continuation of Supplemental Position approved in FY05. To adequately serve the budgeting needs of the State and provide on-going long-term support of PBAS. This position will allow for direct control of the system.
C07	5 positions transferred from Revenue Services to Management Services and 1 Management Services position transferred to Revenue. OIS assumed responsibility for support of the state-wide Streamline server network for the Revenue Division and restructuring of OIS. Position transferred to Field Audit because the job duties better fit their needs.
C09	CLIP requests to provide appropriate job classifications which may be utilized to promote classified employees after completion of competency-based criteria during the biennium.
C10	Request to provide the appropriate job classifications to correspond with the current job duties.
C15	Line item maximum salary reduced to be in-line with all administrator positions within DFA.
C19	The Executive Recommendation reduced Base Level in Travel-Conference Fees \$42,644 and Data Processing \$44,472 each year of the biennium.

Analysis of Budget Request

Appropriation / Program: 274 - Marketing & Redistribution

Funding Sources: MPH - Property Sales Holding Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Marketing and Redistribution (M&R) Program. State agencies are required to dispose of furnishings, equipment, vehicles and other inventory items through M&R. State and public agencies have first option to purchase these items. Funding for this service is provided via fees charged for goods and services offered through the M&R Warehouse.

The Base Level request of \$1,202,004 for FY06 and \$1,216,665 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for fifteen Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting the reclassification of one position to provide the appropriate job classification to correspond with the current duties. A zero change level reflects this reclassification request.

- (1) K129 Budget Technician - grade 16 to a V053 Surplus Property Agent - grade 16

A line item title change is being requested for Unanticipated Expenditures to become Special Maintenance with continued special language limiting this to infrastructure related repairs, equipment and expenses.

Base Level amounts represent the Agency Request.

The Executive Recommendation provides for the Agency Request and the line item title change.

Appropriation / Program Summary

Appropriation / Program: 274 Marketing & Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	386,374	395,077	370,312	408,180	408,180	408,180	420,509	420,509	420,509
#Positions	15	15	14	15	15	15	15	15	15
Extra Help 5010001	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	121,419	125,654	123,329	135,219	135,219	135,219	137,551	137,551	137,551
Operating Expenses 5020002	89,055	128,605	128,605	128,605	128,605	128,605	128,605	128,605	128,605
Travel-Conference Fees 5050009	275	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	30,000	30,000	0	0	0	0	0	0
Special Maintenance 5120032	301,828	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Purchase Data Processing 5900044	16,745	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Total	915,696	1,209,336	1,182,246	1,202,004	1,202,004	1,202,004	1,216,665	1,216,665	1,216,665
Funding Sources									
Fund Balance 4000005	1,309,072	806,082		806,082	806,082	806,082	806,082	806,082	806,082
Non-Revenue Receipts 4000040	2,256,156	1,209,336		1,202,004	1,202,004	1,202,004	1,216,665	1,216,665	1,216,665
Transfer to DFA Disbursing 4000610	(1,843,450)	0		0	0	0	0	0	0
Total Funding	1,721,778	2,015,418		2,008,086	2,008,086	2,008,086	2,022,747	2,022,747	2,022,747
Excess Appropriation/(Funding)	(806,082)	(806,082)		(806,082)	(806,082)	(806,082)	(806,082)	(806,082)	(806,082)
Grand Total	915,696	1,209,336		1,202,004	1,202,004	1,202,004	1,216,665	1,216,665	1,216,665

The FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.

Actual and/or Budgeted Number of Positions may exceed the Authorized Number due to the flexibility inherent in the authorization of all positions through one salary section in appropriation acts.

Change Level by Appropriation

Appropriation / Program: 274-Marketing & Redistribution
Funding Sources: MPH - Property Sales Holding Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	1,202,004	15	1,202,004	100.0	1,216,665	15	1,216,665	100.0
C10	Reclass	0	0	1,202,004	100.0	0	0	1,216,665	100.0

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	1,202,004	15	1,202,004	100.0	1,216,665	15	1,216,665	100.0
C10	Reclass	0	0	1,202,004	100.0	0	0	1,216,665	100.0

Justification

C10	Request to provide the appropriate job classifications to correspond with the current job duties.
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Analysis of Budget Request

Appropriation / Program: 276 - Messenger Services

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for operating expenses of the State Messenger Service. The Department of Finance and Administration - Management Services Division contracts with a courier to make scheduled pick-up and delivery of mail to State Agencies within Pulaski County.

The Base Level for this appropriation is \$177,320 each year of the biennium. The Agency Request is to transfer this Appropriation to the Management Services - Operations Appropriation (272). This function is part of normal operations for the Agency.

Special Language related to this appropriation authorizing transfers between Maintenance and Operations to Regular Salaries and Personal Services Matching is requested to be deleted.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 276 Messenger Services
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	148,420	177,320	177,320	177,320	0	0	177,320	0	0
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
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	148,420	177,320	177,320	177,320	0	0	177,320	0	0
Funding Sources									
State Central Services 4000035	148,420	177,320		177,320	0	0	177,320	0	0
Total Funding	148,420	177,320		177,320	0	0	177,320	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	148,420	177,320		177,320	0	0	177,320	0	0

Change Level by Appropriation

Appropriation / Program: 276-Messenger Services
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	177,320	0	177,320	100.0	177,320	0	177,320	100.0
C03	Discontinue Program	(177,320)	0	0	0.0	(177,320)	0	0	0.0

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	177,320	0	177,320	100.0	177,320	0	177,320	100.0
C03	Discontinue Program	(177,320)	0	0	0.0	(177,320)	0	0	0.0

Justification

C03	Transferred individual Messenger Services Appropriation (276) to regular operations appropriation (272).
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Analysis of Budget Request

Appropriation / Program: 277 - Quick Copy Service Center

Funding Sources: MRC - Quick Copy Service Center Revolving Fund

This appropriation provides for operation of the Department of Finance and Administration - Management Services Division - Quick Copy Service Center. Quick Copy provides high speed copying, bindery, lamination and graphic design products and services to State Agencies. Funding to support this function is derived from fees charged for services.

The Base Level request of \$496,365 for FY06 and \$500,431 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for four Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

Base Level represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 277 Quick Copy Service Center
Funding Sources: MRC - Quick Copy Service Center Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	106,957	107,929	107,683	114,045	114,045	114,045	117,464	117,464	117,464
#Positions		4	4	4	4	4	4	4	4	4
Extra Help	5010001	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help		0	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	34,585	34,701	36,517	37,720	37,720	37,720	38,367	38,367	38,367
Operating Expenses	5020002	103,484	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600
Travel-Conference Fees	5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees and Services	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refund/Reimbursements	5110014	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		245,026	487,230	488,800	496,365	496,365	496,365	500,431	500,431	500,431
Funding Sources										
Fund Balance	4000005	104,167	76,437		89,207	89,207	89,207	92,842	92,842	92,842
Non-Revenue Receipts	4000040	217,296	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding		321,463	576,437		589,207	589,207	589,207	592,842	592,842	592,842
Excess Appropriation/(Funding)		(76,437)	(89,207)		(92,842)	(92,842)	(92,842)	(92,411)	(92,411)	(92,411)
Grand Total		245,026	487,230		496,365	496,365	496,365	500,431	500,431	500,431

The FY05 Budgeted amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2003-05 biennium.

Analysis of Budget Request

Appropriation / Program: 278 - Employee Benefits Division

Funding Sources: HSC - State Central Services

The Department of Finance and Administration - Employees Benefit Division manages the group health and life programs, other select benefit programs for active and retired state and public school employees, and builds quality programs that operate in an efficient manner to ensure responsive customer service, promote product education, affordability and accessibility.

This State Central Services funded appropriation has a Base Level Request of \$2,711,301 for FY06 and \$2,752,487 for FY07 which includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for thirty-three Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting the reclassification of six positions to provide the appropriate job classifications to correspond with the current duties. Change levels totaling \$13,628 for FY06 and \$14,038 for FY07 are requested (Regular Salaries and related Personal Services Matching):

- A108 Accounting Technician II - grade 15 to A053 Insurance Specialist II - grade 16
- A002 Member Advocate - grade 16 to X361 Insurance Investigator - grade 18
- A053 Insurance Specialist II - grade 16 to X361 Insurance Investigator - grade 18
- A053 Insurance Specialist II - grade 16 to D129 DP Coordinator - grade 18
- A002 Member Advocate - grade 16 to D070 Website Coordinator I - grade 18
- D066 Systems Coordinator Analyst I - grade 22 to 038Z DFA Data Center Manager - grade 25

The Agency is also requesting the line item maximum salary be reduced on (1) 8980 Executive Director St Empl/PS Pers Bd to bring it in-line with all administrator positions within DFA; a negative (\$685) for FY06 and (\$695) for FY07(Regular Salaries and related Personal Services Matching).

The Executive Recommendation provides for Base Level, the reduction in the line item maximum for one unclassified position, and the following three reclassifications:

- A053 Insurance Specialist II - grade 16 to A002 Member Advocate - grade 16
- A053 Insurance Specialist II - grade 16 to D129 DP Coordinator - grade 18
- A002 Member Advocate - grade 16 to R264 Management Project Analyst I - grade 18

Appropriation / Program Summary

Appropriation / Program: 278 Employee Benefits Division
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,019,174	1,145,714	1,070,533	1,180,003	1,190,887	1,182,951	1,214,636	1,225,856	1,217,682
#Positions	33	33	33	33	33	33	33	33	33
Personal Services Matching 5010003	307,821	330,877	329,101	353,382	355,441	353,940	359,935	362,058	360,511
Overtime 5010006	0	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Operating Expenses 5020002	504,572	1,096,827	596,827	1,096,827	1,096,827	1,096,827	1,096,827	1,096,827	1,096,827
Travel-Conference Fees 5050009	4,215	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Professional Fees and Services 5060010	433,392	49,089	666,906	49,089	49,089	49,089	49,089	49,089	49,089
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	5,000	0	0	0	0	0	0
Total	2,269,174	2,654,507	2,700,367	2,711,301	2,724,244	2,714,807	2,752,487	2,765,830	2,756,109
Funding Sources									
State Central Services 4000035	2,269,174	2,654,507		2,711,301	2,724,244	2,714,807	2,752,487	2,765,830	2,756,109
Total Funding	2,269,174	2,654,507		2,711,301	2,724,244	2,714,807	2,752,487	2,765,830	2,756,109
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	2,269,174	2,654,507		2,711,301	2,724,244	2,714,807	2,752,487	2,765,830	2,756,109

The FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.

Budget exceeds Authorized Appropriation in Operating Expenses by authority of Budget Classification Transfer.

Change Level by Appropriation

Appropriation / Program: 278-Employee Benefits Division

Funding Sources: HSC - State Central Services

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	2,711,301	33	2,711,301	100.0	2,752,487	33	2,752,487	100.0
C10	Reclass	13,628	0	2,724,929	100.5	14,038	0	2,766,525	100.5
C15	Ex Salary Increase	(685)	0	2,724,244	100.4	(695)	0	2,765,830	100.4

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	2,711,301	33	2,711,301	100.0	2,752,487	33	2,752,487	100.0
C10	Reclass	4,191	0	2,715,492	100.1	4,317	0	2,756,804	100.1
C15	Ex Salary Increase	(685)	0	2,714,807	100.1	(695)	0	2,756,109	100.1

Justification

C10	Request to provide the appropriate job classifications to correspond with the current job duties.
C15	Line item maximum salary reduced to be in-line with all administrator positions within DFA.

Analysis of Budget Request

Appropriation / Program: 279 - Data Processing

Funding Sources: HSC - State Central Services

The Department of Finance and Administration (DFA) - Office of Information Technology facilitates a more effective and efficient management of the Department's information technology assets. Funded from State Central Services, this appropriation provides for data processing, development, implementation, enhancement, and operation of automated systems within the Department of Finance and Administration. The AASIS Billings line item represents the amount the Department of Information Systems bills the Department of Finance and Administration for the AASIS Support Center.

The Base Level for this appropriation is \$30,000,000 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 279 Data Processing
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Data Processing Services 5900044	21,719,343	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000
AASIS Billings 5900046	6,457,750	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Total	28,177,093	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources									
State Central Services 4000035	28,177,093	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total Funding	28,177,093	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	28,177,093	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

Carry forward amounts for FY05: Data Processing Services \$2,140,525; AASIS Billings \$42,250.

Analysis of Budget Request

Appropriation / Program: 2DF - Victims of Crime Justice Asst-Fed

Funding Sources: FVD - Victims of Crime Justice Assistance

This appropriation for the Victims of Crime Justice Assistance Program includes operating expenses and the administration of federal funds received through the Victims of Crime Act (VOCA), the Violence Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA). The Program provides for statewide violence prevention activities.

Base Level for this appropriation is \$12,423,438 each year of the biennium.

The Agency is requesting to consolidate this Victims of Criminal Justice Assistance Federal Operations Appropriation with the Federal Grants Payroll Paying Account Appropriation (1DF). Negative Change Levels in the amount of (\$12,423,438) for FY06 and FY07 reflect this consolidation:

- Operating Expenses; (\$125,000) each year
- Travel-Conference Fees; (\$11,719) each year
- Professional Fees and Services; (\$74,219) each year
- Grants and Aid; (\$12,134,375) each year
- Refunds/Reimbursements; (\$78,125) each year

The Change Levels reflected have corresponding positive change levels for the exact amount in the Federal Grants Payroll Paying Account Appropriation (1DF).

The Executive Recommendation provides for the Agency Request except for a reduction of \$3,719 each year for Travel-Conference Fees reflected in the Federal Grants Payroll Paying Account Appropriation (1DF).

Appropriation / Program Summary

Appropriation / Program: 2DF Victims of Crime Justice Asst-Fed
Funding Sources: FVD - Victims of Crime Justice Assistance

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	46,058	125,000	125,000	125,000	0	0	125,000	0	0
Travel-Conference Fees 5050009	5,166	11,719	11,719	11,719	0	0	11,719	0	0
Professional Fees and Services 5060010	0	74,219	74,219	74,219	0	0	74,219	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	4,784,905	12,134,375	12,134,375	12,134,375	0	0	12,134,375	0	0
Refund/Reimbursements 5110014	34,656	78,125	78,125	78,125	0	0	78,125	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	4,870,785	12,423,438	12,423,438	12,423,438	0	0	12,423,438	0	0
Funding Sources									
Federal Revenue 4000020	4,885,912	12,423,438		12,423,438	0	0	12,423,438	0	0
Transfers to Agencies 4000695	(15,127)	0		0	0	0	0	0	0
Total Funding	4,870,785	12,423,438		12,423,438	0	0	12,423,438	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,870,785	12,423,438		12,423,438	0	0	12,423,438	0	0

Change Level by Appropriation

Appropriation / Program: 2DF-Victims of Crime Justice Asst-Fed
Funding Sources: FVD - Victims of Crime Justice Assistance

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	12,423,438	0	12,423,438	100.0	12,423,438	0	12,423,438	100.0
C03	Discontinue Program	(12,423,438)	0	0	0.0	(12,423,438)	0	0	0.0

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	12,423,438	0	12,423,438	100.0	12,423,438	0	12,423,438	100.0
C03	Discontinue Program	(12,423,438)	0	0	0.0	(12,423,438)	0	0	0.0

Justification

C03	Merging two existing Base Level federal appropriations that are for the same program. 1DF and 2DF.
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Analysis of Budget Request

Appropriation / Program: 2HG - Personnel Mgmt-Employee Awards

Funding Sources: HSC - State Central Services

This appropriation provides authority for payment of awards made through the Arkansas Employee Suggestion System (AR Code § 21-11-101 et. seq.). Through this program, state employees are encouraged to submit cost saving ideas for State Government. Employees eligible to participate in the Employee Suggestion System Program are those who are full-time State employees of all departments, agencies, institutions, boards, commissions or other agencies of the State supported by State and/or Federal funds.

Up to \$5,000 in Cash Awards is given for suggestions that provide tangible monetary savings. Awards are paid in an amount equal to 10% of the first year's estimated net cost savings. There is a maximum award possible for tangible savings of \$5,000 and a Certificate of Recognition. Certificates are given for suggestions providing intangible benefits such as more efficient procedures and forms and improved employee morale, employee health or safety. Awards for intangible savings range from a Certificate of Recognition to \$100.

Funds disbursed for awards from the State Central Services Fund are reimbursed from funds of the benefiting Agency.

Base Level of this appropriation is \$32,280 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 2HG Personnel Mgmt-Employee Awards
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Employee Awards 5900046	5,023	27,329	27,329	27,329	27,329	27,329	27,329	27,329	27,329
Total	5,023	32,280	32,280	32,280	32,280	32,280	32,280	32,280	32,280
Funding Sources									
State Central Services 4000035	5,023	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Total Funding	5,023	32,280		32,280	32,280	32,280	32,280	32,280	32,280
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	5,023	32,280		32,280	32,280	32,280	32,280	32,280	32,280

Analysis of Budget Request

Appropriation / Program: 574 - Statewide Payroll Paying

Funding Sources: PAY - Statewide Payroll Fund

This appropriation provides the authority for disbursement of personal services of the various state agencies as a result of the consolidation to one federal identification number for all state agencies in the State of Arkansas. Actual expenditures are reflected at the individual agency level.

Base Level for this appropriation is \$2,100,000,000 each year of the biennium and represents the Agency Request.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 574 Statewide Payroll Paying
Funding Sources: PAY - Statewide Payroll Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Statewide Payroll Paying 5900046	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total	0	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Funding Sources									
Agency Payroll Paying Accounts 4000085	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Total Funding	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	2,100,000,000		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000

Analysis of Budget Request

Appropriation / Program: 583 - CAFR Report

Funding Sources: HUA - Miscellaneous Agencies Fund

This General Revenue funded appropriation provides the necessary expenses for preparing and auditing the Comprehensive Annual Financial Report (CAFR) for the State of Arkansas. Special language specifies that the Legislative Auditor and the Chief Fiscal Officer of the State shall jointly select the independent auditor. These resources, along with the existing appropriation to the Legislative Auditor, address these expenses.

Base Level for this appropriation is \$500,000 for each year of the biennium.

Special Language currently authorizes the transfer of any other appropriations and funding available to the DFA - Management Services in the event that the appropriation or funding provided for the audit of the CAFR is inadequate. During the 2003-2005 biennium current General Revenue funding levels were not adequate. The agency had to transfer funding from other sources. The Agency Request is to restore the \$37,150 of General Revenue funding each year. Total General Revenue funding for this appropriation comes to \$500,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request to restore the General Revenue funding level.

Appropriation / Program Summary

Appropriation / Program: 583 CAFR Report
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Comprehensive Annual Financia5900044	599,998	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	599,998	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
General Revenue 4000010	462,632	462,850		462,850	500,000	500,000	462,850	500,000	500,000
Transfer from Misc Revolving 4000552	137,366	37,150		37,150	0	0	37,150	0	0
Total Funding	599,998	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	599,998	500,000		500,000	500,000	500,000	500,000	500,000	500,000

Carry forward amount for FY05: CAFR \$2.20

Analysis of Budget Request

Appropriation / Program: 584 - AASIS - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides the necessary expenses for personal services and operating expenses of the Arkansas Administrative Statewide Information System (AASIS) Support Center.

The Base Level request of \$4,359,982 for FY06 and \$4,459,442 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for sixty Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting the reclassification of one position to provide the appropriate job classification to correspond with the current duties:

- (1) D120 DFA AASIS Software Systems Analyst II - grade 25 to a D109 DFA AASIS FI/HR Team Manager - grade 26
 - \$4,902 for FY06 and \$5,035 for FY07 (Regular Salaries and related Personal Services Matching)

The Executive Recommendation provides for the Base Level Request only.

Appropriation / Program Summary

Appropriation / Program: 584 AASIS - Operations
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	2,446,780	2,764,949	2,626,645	2,875,784	2,879,907	2,875,784	2,959,420	2,963,654	2,959,420
#Positions	59	60	60	60	60	60	60	60	60
Personal Services Matching 5010003	681,950	725,108	739,011	774,499	775,278	774,499	790,323	791,124	790,323
Operating Expenses 5020002	326,895	542,100	630,100	542,100	542,100	542,100	542,100	542,100	542,100
Travel-Conference Fees 5050009	40,663	167,599	219,500	167,599	167,599	167,599	167,599	167,599	167,599
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
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	3,496,288	4,199,756	4,215,256	4,359,982	4,364,884	4,359,982	4,459,442	4,464,477	4,459,442
Funding Sources									
State Central Services 4000035	3,496,288	4,199,756		4,359,982	4,364,884	4,359,982	4,459,442	4,464,477	4,459,442
Total Funding	3,496,288	4,199,756		4,359,982	4,364,884	4,359,982	4,459,442	4,464,477	4,459,442
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,496,288	4,199,756		4,359,982	4,364,884	4,359,982	4,459,442	4,464,477	4,459,442

The FY05 Budgeted amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2003-05 biennium.

Change Level by Appropriation

Appropriation / Program: 584-AASIS - Operations
Funding Sources: HSC - State Central Services

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	4,359,982	60	4,359,982	100.0	4,459,442	60	4,459,442	100.0
C10	Reclass	4,902	0	4,364,884	100.1	5,035	0	4,464,477	100.1

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	4,359,982	60	4,359,982	100.0	4,459,442	60	4,459,442	100.0
C10	Reclass	0	0	4,359,982	100.0	0	0	4,459,442	100.0

Justification

C10	Request to provide the appropriate job classifications to correspond with the current job duties.
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Analysis of Budget Request

Appropriation / Program: 907 - DFA Mgmt Services - Misc Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

This appropriation is used to provide spending authority for various activities such as the DFA Office of Personnel Management - Inter-Agency Training Program, DFA Office of State Procurement seminars, vendor fees and rebates, and DFA - Employee Benefits Division. The source of funding for this appropriation is registration fees collected from participants attending training sessions, seminars, payment of vendor fees, and other miscellaneous reimbursements and revenues.

The Base Level Request is \$316,022 for each year of the biennium. The Agency requests Change Levels in the amount of \$382,132 for FY06 and \$389,275 for FY07.

Employee Benefits Division

The Agency is requesting to continue as Regular Positions, seven Emergency Supplemental Positions approved during the 2003-2005 biennium and corresponding operating expenses.

- (7) A053 Insurance Specialist II; \$265,032 for FY06 and \$272,175 for FY07 (Regular Salaries and related Personal Services Matching)
 - The positions are needed to maintain several new activities associated with the conversion of health and life insurance coverage for the Public School Employee (PSE) group of 70,000 members to a self-insured program, the implementation of the ARBenefits system and the internal administration of COBRA, a federal mandate.
- Operating Expenses; \$15,000 each year
- Travel-Conference Fees; \$2,100 each year

Office of State Procurement

The Agency is requesting an increase in Operating Expenses.

- \$100,000 each year of the biennium
 - Rebates are received from companies awarded various computer contracts and this increase will allow for the spending of those funds for maintenance and operation needs of this office.

The Executive Recommendation provides for the Base Level Request and the seven (7) positions requested for Employee Benefits Division. Expenditure of appropriation is contingent upon available funding.

Appropriation / Program Summary

Appropriation / Program: 907 DFA Mgmt Services - Misc Cash
Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	0	0	200,263	200,263	0	206,269	206,269
#Positions	0	0	0	0	7	7	0	7	7
Personal Services Matching 5010003	2,911	55,568	0	0	64,769	64,769	0	65,906	65,906
Supplemental Positions 5010007	16,635	194,432	0	0	0	0	0	0	0
Operating Expenses 5020002	71,889	281,222	266,222	266,222	381,222	266,222	266,222	381,222	266,222
Travel-Conference Fees 5050009	276	9,200	7,100	7,100	9,200	7,100	7,100	9,200	7,100
Professional Fees and Services 5060010	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refund/Reimbursements 5110014	0	17,700	17,700	17,700	17,700	17,700	17,700	17,700	17,700
Capital Outlay 5120011	0	5,000	5,000	0	0	0	0	0	0
Total	91,711	588,122	321,022	316,022	698,154	581,054	316,022	705,297	588,197
Funding Sources									
Fund Balance 4000005	169,779	382,794		194,672	194,672	194,672	278,650	278,650	278,650
Cash Fund 4000045	303,034	400,000		400,000	782,132	665,032	400,000	789,275	672,175
Interest 4000300	1,692	0		0	0	0	0	0	0
Total Funding	474,505	782,794		594,672	976,804	859,704	678,650	1,067,925	950,825
Excess Appropriation/(Funding)	(382,794)	(194,672)		(278,650)	(278,650)	(278,650)	(362,628)	(362,628)	(362,628)
Grand Total	91,711	588,122		316,022	698,154	581,054	316,022	705,297	588,197

Budget exceeds Authorized Appropriation in Personal Services Matching, Supplemental Positions and Operating Expenses due to a transfer from the Cash Fund Holding Account. 7 Positions authorized by Supplemental Emergency Positions.

Change Level by Appropriation

Appropriation / Program: 907-DFA Mgmt Services - Misc Cash

Funding Sources: NFA - DFA Miscellaneous Paying - Cash in Treasury

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	316,022	0	316,022	100.0	316,022	0	316,022	100.0
C01	Existing Program	100,000	0	416,022	131.6	100,000	0	416,022	131.6
C02	New Program	17,100	0	433,122	137.0	17,100	0	433,122	137.0
C06	Restored Position	265,032	7	698,154	220.9	272,175	7	705,297	223.1

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	316,022	0	316,022	100.0	316,022	0	316,022	100.0
C01	Existing Program	0	0	316,022	100.0	0	0	316,022	100.0
C02	New Program	0	0	316,022	100.0	0	0	316,022	100.0
C06	Restored Position	265,032	7	581,054	183.8	272,175	7	588,197	186.1

Justification

C01	As is the practice in most states, State Procurement receives rebates from companies awarded various computer contracts. This appropriation request will allow for the spending of those funds for maintenance and operations needs.
C02	Maintenance and Operation and Conference Fees and Travel appropriation is requested to support the additional activities in the Employee Benefits Division for the implementation of the ARBenefits system and the internal administration of COBRA.
C06	The continuation of seven (7) Insurance Specialist II Supplemental Positions is needed to maintain the functions essential for Employee Benefits Division to operate.