

DFA - ABC ENFORCEMENT

Enabling Laws

Act 50 of 2016
ACA §3-2-101 - §3-2-412

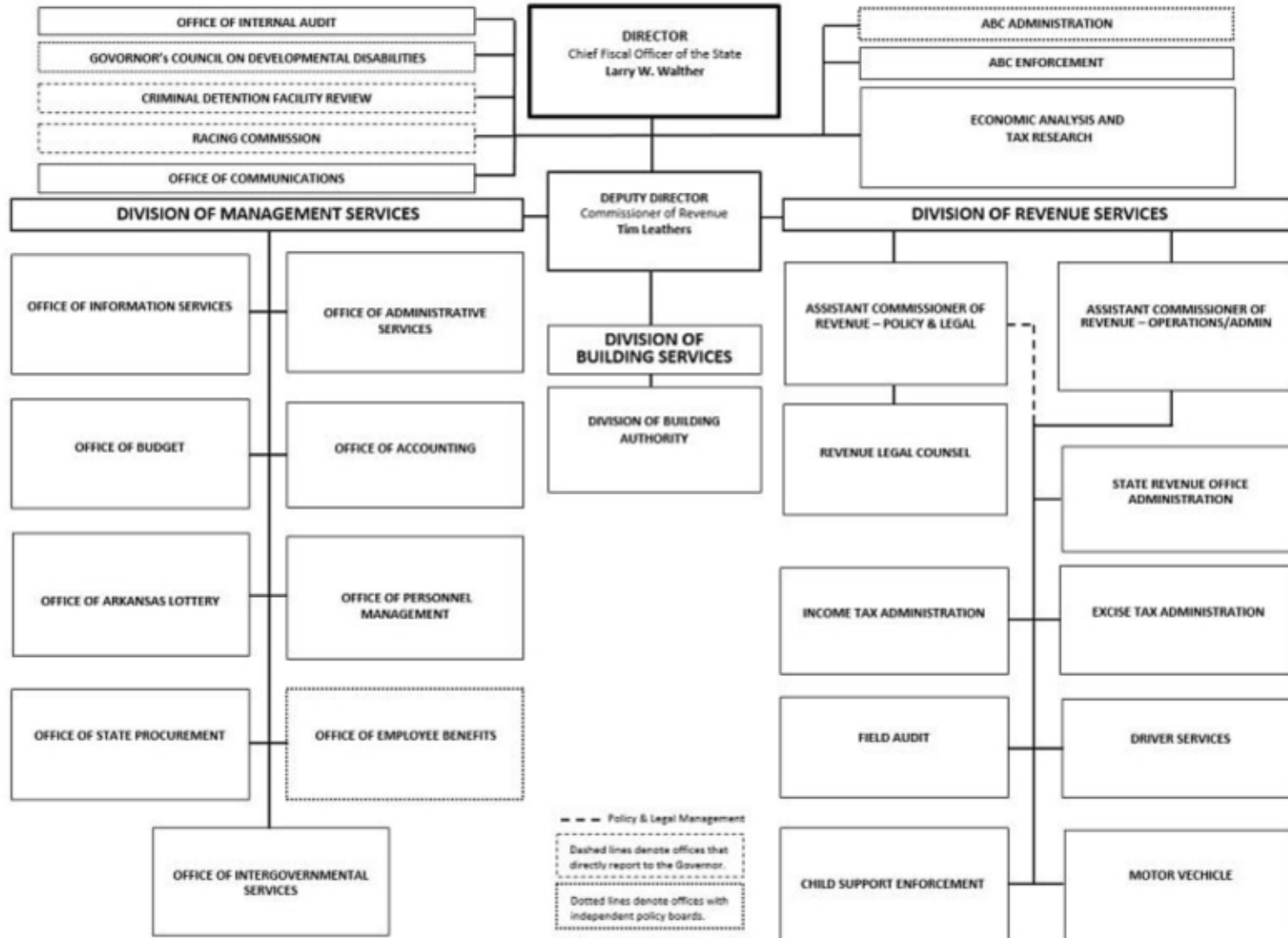
History and Organization

The mission of the Alcoholic Beverage Control Enforcement Division is to enforce all Arkansas Code Annotated Laws of the State Control Act, cigarette, sales, Rules and Regulations adopted by the Alcoholic Beverage Control Board, and the training and assistance for all law enforcement agencies as well as other organizations regarding alcoholic beverages.

Alcoholic Beverage Control Enforcement Division was established with the creation of the Alcoholic Beverage Control Department of 1935. The head of the Alcoholic Beverage Control Enforcement Division is appointed by the Director of the Department of Finance and Administration with the approval of the Governor.

In addition to enforcement, the Alcoholic Beverage Control Enforcement Division conducts background investigations of those persons, businesses and organizations who apply for licenses under the Alcoholic Beverage Control Act. The Alcoholic Beverage Control agents conduct inspections and report on permit applications in addition to the investigations of violations and apprehensions of violators. The agents also investigate and inspect the damaged shipments of any controlled beverages which have been involved in a fire, wreck, or other casualty to certify the extent and the amount of damage for the purpose of returning any taxes which have been paid to the State. The agents also answer complaints, confiscate moonshine and perform other special assignments; such as food stamp fraud when used to purchase alcoholic beverages. All Alcoholic Beverage Control Enforcement agents must be certified law enforcement officers.

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION



Agency Commentary

The Alcoholic Beverage Control Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. ABC Enforcement agents are certified law enforcement officers.

The ABC Enforcement Division is funded from general revenue. Personnel related line items make up 88.54% of the state operations general revenue appropriation. The agency is requesting a change over base level (funding and appropriation) in the amount of \$48,544 for FY18 and FY19.

- The agency is requesting to transfer the E038C Education & Instruction Analyst, Grade C118, from the ABC Administration Division to be utilized as a X085C DFA ABC Enforcement Officer, Grade C118. 6,000 outlets are currently assigned to 18 officers and this number is expected to grow as statewide alcohol sales grow.
 - Vehicle for this position will transfer to ABC Enforcement
 - Equipping the officer will come from current operating expenses
 - Faulkner County will be moved to the Central District and the additional position will be assigned to the Central District

ABC Enforcement administered a federally funded program for Combating Underage Drinking that funding levels have been indefinitely suspended as the Federal Government uses the funds for their own internal programs. Authorized appropriation is not being requested to continue for the 2017-2019 Biennium. A Miscellaneous Federal Grant will be requested if the federal program resumes. Currently, combating underage drinking activities have continued through use of special revenues.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DFA - ABC ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2015

Findings

Recommendations

Audit findings are reported under DFA-Administrative Services.

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

None

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2015-2016		2016-2017		2016-2017		2017-2018						2018-2019					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
217 ABC Enforcement - State Operations	1,329,351	20	1,318,905	20	1,314,417	20	1,279,941	20	1,328,485	21	1,328,485	21	1,280,069	20	1,328,613	21	1,328,613	21
NOT REQUESTED FOR THE BIENNIUM																		
15Q ABC Enforcement - Federal Operations	0	0	0	0	484,754	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,329,351	20	1,318,905	20	1,799,171	20	1,279,941	20	1,328,485	21	1,328,485	21	1,280,069	20	1,328,613	21	1,328,613	21

Funding Sources		%		%		%		%		%		%		%		%		%
General Revenue 4000010	1,329,351	100.0	1,318,905	100.0			1,279,941	100.0	1,328,485	100.0	1,328,485	100.0	1,280,069	100.0	1,328,613	100.0	1,328,613	100.0
Total Funds	1,329,351	100.0	1,318,905	100.0			1,279,941	100.0	1,328,485	100.0	1,328,485	100.0	1,280,069	100.0	1,328,613	100.0	1,328,613	100.0
Excess Appropriation/(Funding)	0		0				0		0		0		0		0		0	
Grand Total	1,329,351		1,318,905				1,279,941		1,328,485		1,328,485		1,280,069		1,328,613		1,328,613	

FY17 Budget amount exceeds the authorized amount due to matching rate adjustments during the 2015-2017 biennium.

FY16 Actual amount exceeds authorized amount due to transfer of appropriation and funding from DFA Motor Vehicle Acquisition.

Agency Position Usage Report

FY2014 - 2015						FY2015 - 2016						FY2016 - 2017					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
20	18	2	20	0	10.00 %	20	19	1	20	0	5.00 %	20	20	0	20	0	0.00 %

Analysis of Budget Request

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Finance and Administration - Alcoholic Beverage Control (ABC) Enforcement Division is responsible for enforcement of alcoholic beverage control laws and regulations within the State. All ABC Enforcement agents are certified law enforcement officers and cover approximately 6,000 permitted outlets.

General revenue funds 100% of the Alcoholic Beverage Control Enforcement's operating budget. Currently 88.54% of the Agency's budget is personnel related costs with the remaining 11.46% being maintenance and operating expenses.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level for the biennium is \$1,279,941 in FY18 and \$1,280,069 for FY19 in appropriation and general revenue funding.

The Agency's Change Level request of \$48,544 in appropriation and funding reflects the transfer of an E038C Education & Instruction Analyst, Grade C118, from the ABC Administration Division to be utilized as a X085C DFA ABC Enforcement Officer, Grade C118.

The Executive Recommendation provides for the Agency Request with appropriation and funding.

Appropriation Summary

Appropriation: 217 - ABC Enforcement - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	809,302	830,836	830,836	799,300	833,161	833,161	799,400	833,261	833,261
#Positions		20	20	20	20	21	21	20	21	21
Personal Services Matching	5010003	316,318	333,269	328,781	328,441	343,124	343,124	328,469	343,152	343,152
Operating Expenses	5020002	111,839	152,200	152,200	152,200	152,200	152,200	152,200	152,200	152,200
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	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	91,892	2,600	2,600	0	0	0	0	0	0
Total		1,329,351	1,318,905	1,314,417	1,279,941	1,328,485	1,328,485	1,280,069	1,328,613	1,328,613
Funding Sources										
General Revenue	4000010	1,329,351	1,318,905		1,279,941	1,328,485	1,328,485	1,280,069	1,328,613	1,328,613
Total Funding		1,329,351	1,318,905		1,279,941	1,328,485	1,328,485	1,280,069	1,328,613	1,328,613
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,329,351	1,318,905		1,279,941	1,328,485	1,328,485	1,280,069	1,328,613	1,328,613

FY17 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2015-2017 Biennium.

FY16 Actual amount in Capital Outlay exceeds authorized amount due to transfer of appropriation and funding from DFA Motor Vehicle Acquisition.

Change Level by Appropriation

Appropriation: 217 - ABC Enforcement - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	1,279,941	20	1,279,941	100.0	1,280,069	20	1,280,069	100.0
C07	Agency Transfer	48,544	1	1,328,485	103.8	48,544	1	1,328,613	103.8

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	1,279,941	20	1,279,941	100.0	1,280,069	20	1,280,069	100.0
C07	Agency Transfer	48,544	1	1,328,485	103.8	48,544	1	1,328,613	103.8

Justification

C07	The agency is requesting to transfer the E038C Education & Instruction Analyst, Grade C118, from the ABC Administration Division to be utilized as a X085C DFA ABC Enforcement Officer, Grade C118. 6,000 outlets are currently assigned to 18 officers and this number is expected to grow as statewide alcohol sales grows.
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Appropriation Summary

Appropriation: 1SQ - ABC Enforcement - Federal Operations

Funding Sources: FFC - ABC Enforcement Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2017-2018			2018-2019		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	0	100,754	0	0	0	0	0	0
Conference & Travel Expenses 5050009	0	0	10,000	0	0	0	0	0	0
Professional Fees 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	0	374,000	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	0	0	484,754	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2017-2019 BIENNIUM