

DEPARTMENT OF LABOR

Enabling Laws

Act 1230 of 2007 and Act 31 of 2007.

Ark. Code Ann. §§ 11-2-101 through -121 and 25-12-101. Ark. Code Ann. §§ 8-7-1001 through -1016; 11-2-201 through 11-7-414; 11-11-101 through 11-13-113; 15-59-111 through -115; 17-28-101 through -310; 20-20-301 through -303; 20-23-101 through -407; 20-24-101 through -119; 20-27-801 through -802; 20-27-1101 through -1103; 20-27-1301 through -1317; 20-31-101 through -105; 22-9-212; 22-9-301 through -315; 23-89-501 through -518

History and Organization

The Arkansas Department of Labor's (ADL) predecessor was established in 1913. In 1937, the Agency received its current name and much of its current structure. Its statutory mission is "to promote and develop the welfare of the wage earners of Arkansas, to improve their working conditions, and to advance their opportunities for profitable employment" (A.C.A. § 11-2-101).

The following describes the Agency's five (5) major program areas which encompass 14 functional work units.

OCCUPATIONAL SAFETY AND HEALTH:

This program is the largest within the Agency with four (4) divisions or functional units. In addition to ADL's regulatory authority, this program recognizes individuals and companies who have made outstanding strides in the field of industrial safety through its safety award program. All units work collaboratively to present safety conferences and seminars throughout the state. OSHA Consultation is 90% federally funded and assists employers in complying with federal OSHA regulations. The primary role of this unit is to provide consultation and training to the private industry. The Arkansas Occupational Safety and Health (AOSH) unit is supported by general revenue and enforces the state's safety and health laws, primarily with respect to public employment, an area not covered by federal OSHA. AOSH employees provide a variety of safety training courses to general industry, civic, and employee groups, as well as blasting training and certification. Another major responsibility of this unit is the enforcement and regulation of state law regarding the operation of amusement rides. AOSH works in conjunction with the Amusement Ride Safety Advisory Board. Fees collected for amusement ride inspections and blasting certification provide additional revenue for the Agency. Mine Safety and Health (MSHA) is 80% federally funded and assists miners in complying with federal safety and health laws by providing free on-site consultation and training to Arkansas' mining industry. The Occupational Safety and Health/Census of Fatal Occupational Injuries (OSH/CFOI) unit is responsible for conducting surveys of businesses and compiling and reporting statistics related to occupational injuries and illnesses, fatalities to facilitate and focus services. Two grants from the U. S. Department of Labor, one funded by 50% federal funds and one by 100% federal funds, support these business functions. Funding the state matching portion for each of these federal grants is provided by general revenue.

LABOR STANDARDS:

The Labor Standards program is responsible for enforcement of the state's wage and hour laws, child labor laws, and for licensing private employment agencies. This program also provides dispute

resolution services for certain small wage disputes.

The program is organized into three (3) work units: Wage and Hour provides enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, and wage collections. The Private Employment Agency unit licenses private employment agencies and otherwise administers and enforces the provisions of the Private Employment Agency Act. The Prevailing Wage unit is responsible for administering and enforcing the Arkansas Prevailing Wage Law. This unit works under advice of a 12-member Prevailing Wage Advisory Committee created by Executive Order in 1994.

MEDIATION SERVICES:

Mediation Services provides voluntary intervention in collective bargaining situations. This is strictly a mediatory or conciliatory service to assist in the resolution of a labor dispute in an effort to avoid lockouts, boycotts and strikes.

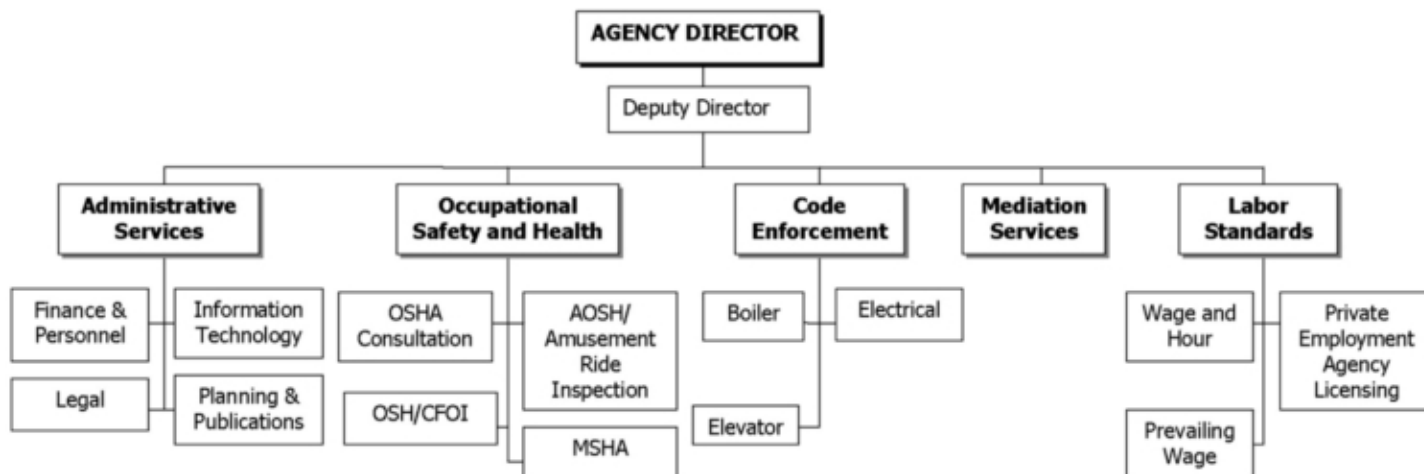
CODE ENFORCEMENT AND PUBLIC SAFETY:

The purpose of the Code Enforcement program is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. This is primarily accomplished through licensing, permitting and inspections.

Organizationally, there are three (3) functional work units within this program. Boiler Inspection is responsible for enforcement, administration and regulation of state law regarding the operation of boilers and pressure vessels. These responsibilities include inspections, permits, and licensing. This unit works cooperatively with the Boiler Safety Advisory Board, and is funded 100% by special revenue from collection of established fees. Elevator Safety is responsible for inspecting and permitting elevators and escalators, and it works with the Elevator Safety Board. Fees collected by this unit substantially subsidize the agency's general revenue distribution. The Electrical Division works with the Board of Electrical Examiners and is responsible for licensing electricians and for enforcing the State Electrical Code. This unit is funded 100% by special revenue from collection of fees.

ADMINISTRATIVE SERVICES:

This program area has four (4) functional work units: Finance & Personnel; Information Technology; Legal; Planning and Publications. Each unit provides in-house support for all Agency programs and is primarily funded by general revenue with appropriate direct and indirect charges to the federal and special revenue funded programs.



Agency Commentary

The Department of Labor has been diligent in monitoring costs while continuing to provide effective enforcement of the Arkansas labor laws resulting in minimal requests for the upcoming biennium. For state operations supported primarily by general revenue, the Agency is requesting an additional \$69,597 in funds and appropriation for FY2010, only a 1.7% increase over Base Level, and \$75,435 in FY2011, a 1.9% increase. These funds are requested to provide additional Operating Expenses for field inspectors responsible for conducting amusement ride inspections and responding to accidents and complaints related to public sector employers, in addition to providing professional and technical training and certification for several of the Agency's staff. State law requires that all amusement ride inspectors acquire and maintain certification through the National Association of Amusement Ride Safety Officials, and all elevator inspectors must also acquire and maintain Qualified Elevator Inspector certification. A total of 13 inspectors must travel out of state to attend annual training and testing to retain these certifications. The Agency has requested restoration of one Training and Instruction Specialist to use with either the Arkansas Occupational Safety and Health section or the Training & Education section as needed.

A portion of those totals previously mentioned is for anticipated increases in the cost of leasing office equipment (copiers) and associated insurance costs as well the replacement of two Agency network servers as addressed in the Agency's Information Technology plan.

The Agency is also requesting retention of two Labor Inspectors (Boiler Inspectors) and the reallocation of appropriation in the Boiler Inspection program from Professional Fees and Data Processing to

Operating Expenses to fund training and travel expenses for two boiler inspectors. With the probability of losing commissioned inspectors over the next two years, the effectiveness of this inspection program will be greatly impaired if the Agency can not implement succession training in this field where experienced boiler inspectors are scarce.

The Occupational Safety and Health Consultation Program provides on-site consultation services and comprehensive training to Arkansas' industrial employers and employees. The Agency is requesting reallocation of appropriation from Professional Fees to Capital Outlay plus a .1% increase in FY2010 only to replace equipment used by the industrial hygiene staff to perform air and noise level monitoring to safeguard industrial employees from exposure to air contaminants and hearing loss.

The Electrical Division works with the Board of Electrical Examiners and is responsible for licensing electricians and for enforcing the State Electrical Code. The Agency is requesting a reallocation of resources from Professional Fees to Operating Expenses to cover expected travel expenses and support the implementation of a new program designed to streamline the licensing process and maintain continuing education data on licensed electricians.

Finally, the Agency is requesting additional appropriation for its Seminar and Conference Cash fund used to pay for expenses associated with the statewide safety and health conferences held annually throughout the State.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

DEPARTMENT OF LABOR

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	43	37	80	82 %
Black Employees	8	9	17	17 %
Other Racial Minorities	0	1	1	1 %
Total Minorities			18	18 %
Total Employees			98	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		
Arkansas Department of Labor	A.C.A. 11-2-120	Y	Y	400	Keeps citizens of the state, businesses, industries, trade associations, and the Governor aware of Department activities and Legislative and regulatory changes affecting business and labor conditions.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
148 State Operations	3,471,638	57	3,639,514	57	3,854,812	58	3,901,000	57	3,970,597	58	3,901,000	57	3,962,103	57	4,037,538	58	3,962,103	57
149 Boiler Inspection	766,152	14	977,090	15	986,026	17	1,023,255	15	1,117,953	17	1,117,953	17	1,036,623	15	1,133,263	17	1,133,263	17
151 Federal Programs	1,106,826	18	1,319,743	20	1,437,504	20	1,422,641	20	1,425,141	20	1,425,141	20	1,440,211	20	1,440,211	20	1,440,211	20
2CT Board of Electrical Examiners	514,636	9	628,777	10	601,314	11	658,375	10	658,375	10	658,375	10	667,165	10	667,165	10	667,165	10
940 Wage and Hour - Cash	37,861	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
942 Seminar & Conference Expenses - Cash	33,794	0	42,869	0	42,869	0	42,869	0	53,000	0	53,000	0	42,869	0	53,000	0	53,000	0
Total	5,930,907	98	6,807,993	101	7,122,525	106	7,248,140	101	7,425,066	104	7,355,469	103	7,348,971	101	7,531,177	104	7,455,742	103

Funding Sources		%		%		%		%		%		%		%		%			
Fund Balance	4000005	3,438,281	36.7	3,439,717	34.3			3,233,850	31.4	3,233,850	31.2	3,233,850	31.4	3,051,061	29.8	2,946,232	28.8	2,946,232	29.0
General Revenue	4000010	2,696,760	28.8	2,829,514	28.2			3,119,710	30.3	3,189,307	30.8	3,119,710	30.3	3,181,520	31.0	3,256,955	31.9	3,181,520	31.4
Federal Revenue	4000020	1,156,826	12.3	1,369,743	13.6			1,472,641	14.3	1,475,141	14.2	1,475,141	14.3	1,490,211	14.5	1,490,211	14.6	1,490,211	14.7
Special Revenue	4000030	2,001,607	21.4	2,160,000	21.5			2,220,000	21.6	2,220,000	21.4	2,220,000	21.5	2,275,000	22.2	2,275,000	22.3	2,275,000	22.4
Cash Fund	4000045	77,150	0.8	242,869	2.4			253,000	2.5	253,000	2.4	253,000	2.5	253,000	2.5	253,000	2.5	253,000	2.5
Total Funds		9,370,624	100.0	10,041,843	100.0			10,299,201	100.0	10,371,298	100.0	10,301,701	100.0	10,250,792	100.0	10,221,398	100.0	10,145,963	100.0
Excess Appropriation/(Funding)		(3,439,717)		(3,233,850)				(3,051,061)		(2,946,232)		(2,946,232)		(2,901,821)		(2,690,221)		(2,690,221)	
Grand Total		5,930,907		6,807,993				7,248,140		7,425,066		7,355,469		7,348,971		7,531,177		7,455,742	

Total Authorized and Base Level position counts do not equal position detail due to cost allocation of positions between appropriations. Cost allocation between appropriations is allowable due to the flexibility inherent in the authorization of all positions through one salary section in appropriation acts.

Budget exceeds Authorized Appropriation in Boiler Inspection (Appropriation 149) and Board of Electrical Examiners (Appropriation 2CT) by authority of Budget Classification Transfer.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Total	Total			Total				
103	88	13	101	2	14.56 %	106	94	9	103	3	11.32 %	106	98	3	101	5	7.55 %

Analysis of Budget Request

Appropriation: 148 - State Operations

Funding Sources: HSA - Department of Labor Fund Account

The Department of Labor was created by A.C.A. §11-2-106 under the supervision and direction of the Director of the Department of Labor. The Director is appointed by the Governor and is subject to confirmation by the Senate. The Director is authorized in A.C.A. §11-2-108 to enforce all labor laws, not otherwise specified in law; administer and enforce all laws, rules and regulations under the purview of the Department; ensure all inspections are conducted as required by rules and regulations of the Department; conduct investigations; and collect and compile statistical information regarding labor in the State.

This appropriation is utilized to support the State Operations of the Agency and to provide the matching requirements for the Federal Occupational Safety Health Administration (OSHA), Mine Safety Health and Administration (MSHA), Revised Occupational Safety and Health Statistics (ROSH), and Census of Fatal Occupational Injuries (CFOI) grants. Funding is derived from general revenue and special revenue from fees collected by the Elevator Inspection Program; as well as non-revenue receipts from blasting certification fees and amusement ride inspections.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipends payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level request totaling \$69,597 in FY10 and \$75,435 in FY11 reflects the following:

Regular Salaries and Personal Services Matching increases of \$41,597 in FY10 and \$42,435 in FY11 for the restoration of one (1) Education & Instruction Specialist.

Operating Expenses increases of \$15,000 in FY10 and FY11 includes telecommunications wireless expense of \$10,000 and an increase of \$5,000 in rent for office and reproduction equipment.

Conference & Travel Expenses increases of \$13,000 in FY10 and \$8,000 in FY11 includes certification through the National Association of Amusement Ride Safety Officials (NAARSO) for the new Safety and Health Specialist position. This training is necessary for an employee to conduct amusement ride inspections.

Capital Outlay increase of \$10,000 in FY11 is requested to replace two existing network servers, in accordance with the Agency's three-year Information Technology (IT) replacement plan.

The Executive Recommendation is for Base Level.

Appropriation Summary

Appropriation: 148 - State Operations
Funding Sources: HSA - Department of Labor Fund Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,131,388	2,279,876	2,378,516	2,431,545	2,462,258	2,431,545	2,482,822	2,514,241	2,482,822
#Positions		57	57	58	57	58	57	57	58	57
Personal Services Matching	5010003	627,882	625,789	742,447	746,106	756,990	746,106	755,932	766,948	755,932
Operating Expenses	5020002	668,776	697,599	697,599	697,599	712,599	697,599	697,599	712,599	697,599
Conference & Travel Expenses	5050009	22,015	22,750	22,750	22,750	35,750	22,750	22,750	30,750	22,750
Professional Fees	5060010	2,064	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	19,513	10,500	10,500	0	0	0	0	10,000	0
Total		3,471,638	3,639,514	3,854,812	3,901,000	3,970,597	3,901,000	3,962,103	4,037,538	3,962,103
Funding Sources										
Fund Balance	4000005	3,856	38,978		38,978	38,978	38,978	77,688	77,688	77,688
General Revenue	4000010	2,696,760	2,829,514		3,119,710	3,189,307	3,119,710	3,181,520	3,256,955	3,181,520
Federal Revenue	4000020	50,000	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Special Revenue	4000030	760,000	760,000		770,000	770,000	770,000	775,000	775,000	775,000
Total Funding		3,510,616	3,678,492		3,978,688	4,048,285	3,978,688	4,084,208	4,159,643	4,084,208
Excess Appropriation/(Funding)		(38,978)	(38,978)		(77,688)	(77,688)	(77,688)	(122,105)	(122,105)	(122,105)
Grand Total		3,471,638	3,639,514		3,901,000	3,970,597	3,901,000	3,962,103	4,037,538	3,962,103

FY08 Actual exceeds Authorized in Capital Outlay due to a higher Authorized appropriation in FY08 (Act 1230 of 2007).

Change Level by Appropriation

Appropriation: 148 - State Operations
Funding Sources: HSA - Department of Labor Fund Account

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,901,000	57	3,901,000	100.0	3,962,103	57	3,962,103	100.0
C01	Existing Program	69,597	1	3,970,597	101.8	65,435	1	4,027,538	101.7
C08	Technology	0	0	3,970,597	101.8	10,000	0	4,037,538	101.9

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	3,901,000	57	3,901,000	100.0	3,962,103	57	3,962,103	100.0
C01	Existing Program	0	0	3,901,000	100.0	0	0	3,962,103	100.0
C08	Technology	0	0	3,901,000	100.0	0	0	3,962,103	100.0

Justification

C01	It has become increasingly important, and necessary, to have the ability for supervisors to communicate during work hours with field inspectors, and the most effective way to do this is to provide cell phones for those inspectors. The Agency is requesting \$10,000 appropriation and funds each year of the biennium in Operating Expenses to provide this equipment and service for ten inspectors who are responsible for conducting amusement ride inspections and responding to accidents and complaints related to public sector employers, and to also cover anticipated increases in travel expenses for those same inspectors. The Agency is also requesting \$13,000 in FY2010 and \$8,000 in FY2011 in appropriation and funds in Conference and Travel Expenses to provide required professional/technical training for amusement ride inspectors and elevator inspectors who are required to maintain certification to conduct required inspections. In the past, some of the training and testing provided by the National Association of Amusement Ride Safety Officials has been in Texas or Missouri; however, future training will be conducted in Florida. The additional amount requested is to cover anticipated expenses for this training as well as provide professional development training for the Agency's labor standards investigators and training and certification for our information technology staff. The Agency is also requesting an additional \$5,000 in funds and appropriation each year of the biennium in Operating Expenses for anticipated increases in the lease of office equipment and insurance costs. Lastly, the Agency is requesting restoration of one (1) Education & Instruction Specialist due to the increasing demand for occupational safety and health training from both public and private sector employers.
C08	In conformity with the Agency's Information Technology Plan, the Agency is requesting appropriation and funding in the amount of \$10,000 in Capital Outlay in FY2011 only to replace two (2) existing network servers. This is referenced in the Agency's IT Plan under the section Future Hardware Purchases.

Analysis of Budget Request

Appropriation: 149 - Boiler Inspection

Funding Sources: MLS - Department of Labor Special Fund

The Boiler Inspection Program is established in ACA §20-23-101 et seq. and is funded by special revenue collected by the Department from permits and inspection of all boilers used by private and public industries. In addition, fees are collected for annual and biennial inspections of all boilers and pressure vessels, the examination and licensing of boiler operators, quality control assurance surveys, ASME code shop service, licensing of firms to install and repair boilers and pressure vessels, consultation regarding boiler installation, maintenance, operation and repair.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipends payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level request totaling \$94,698 in FY10 and \$96,640 in FY11 reflects the following:

Regular Salaries and Personal Services Matching increases of \$94,698 in FY10 and \$96,640 in FY11 for the restoration of two (2) Labor Inspectors so new hires will have an opportunity to have sufficient training with commissioned inspectors.

Reallocation of \$20,000 from Professional Fees and \$8,600 from Data Processing to Operating Expenses each year to provide on-the-job training and travel expenses for two additional boiler inspectors. The Agency anticipates the loss of two commissioned inspectors within the next three years.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 149 - Boiler Inspection

Funding Sources: MLS - Department of Labor Special Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	468,479	556,875	543,470	585,868	656,976	656,976	597,116	669,858	669,858
#Positions		14	15	17	15	17	17	15	17	17
Personal Services Matching	5010003	141,606	154,367	176,708	185,539	209,129	209,129	187,659	211,557	211,557
Operating Expenses	5020002	145,687	209,204	220,204	209,204	237,804	237,804	209,204	237,804	237,804
Conference & Travel Expenses	5050009	3,790	14,044	14,044	14,044	14,044	14,044	14,044	14,044	14,044
Professional Fees	5060010	0	20,000	9,000	20,000	0	0	20,000	0	0
Data Processing	5090012	0	8,600	8,600	8,600	0	0	8,600	0	0
Capital Outlay	5120011	6,590	14,000	14,000	0	0	0	0	0	0
Total		766,152	977,090	986,026	1,023,255	1,117,953	1,117,953	1,036,623	1,133,263	1,133,263
Funding Sources										
Fund Balance	4000005	797,340	818,370		641,280	641,280	641,280	468,025	373,327	373,327
Special Revenue	4000030	787,182	800,000		850,000	850,000	850,000	900,000	900,000	900,000
Total Funding		1,584,522	1,618,370		1,491,280	1,491,280	1,491,280	1,368,025	1,273,327	1,273,327
Excess Appropriation/(Funding)		(818,370)	(641,280)		(468,025)	(373,327)	(373,327)	(331,402)	(140,064)	(140,064)
Grand Total		766,152	977,090		1,023,255	1,117,953	1,117,953	1,036,623	1,133,263	1,133,263

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Budget exceeds Authorized amount in Professional Fees by authority of a Budget Classification Transfer.

Change Level by Appropriation

Appropriation: 149 - Boiler Inspection
Funding Sources: MLS - Department of Labor Special Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,023,255	15	1,023,255	100.0	1,036,623	15	1,036,623	100.0
C01	Existing Program	94,698	2	1,117,953	109.3	96,640	2	1,133,263	109.3
C04	Reallocation	0	0	1,117,953	109.3	0	0	1,133,263	109.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,023,255	15	1,023,255	100.0	1,036,623	15	1,036,623	100.0
C01	Existing Program	94,698	2	1,117,953	109.3	96,640	2	1,133,263	109.3
C04	Reallocation	0	0	1,117,953	109.3	0	0	1,133,263	109.3

Justification

C01	With the probability of losing at least two commissioned inspectors within the next three years, and the difficulty of finding experienced, qualified boiler inspectors, it is imperative to hire and train their replacements in order to effectively continue this inspection program. Therefore, the Agency is requesting retention of two (2) Labor Inspector positions so new hires will have the opportunity to have sufficient training with commissioned inspectors.
C04	In conjunction with the Agency's succession training plan, the Agency is requesting reallocation of \$28,600 appropriation each year of the biennium from Professional Fees and Data Processing to Operating Expenses to provide on-the-job training and travel expenses for two additional boiler inspectors. Experienced, qualified boiler inspectors are very difficult to find and with the probability of losing at least two commissioned inspectors within the next three years, it is imperative to hire and train their replacements in order to effectively continue this inspection program.

Analysis of Budget Request

Appropriation: 151 - Federal Programs

Funding Sources: FNA - Department of Labor-Federal Programs

Arkansas Code Annotated §11-2-121 authorizes the Director of the Department of Labor to enter into agreements with the United States Government for assistance and cooperation in enforcing and implementing state and federal laws. This appropriation is 100% federally funded and is utilized for the receipt of grant funds for conducting OSHA Consultation, Mine Safety and Health Consultation and Training, and the Occupational Injuries and Fatalities Surveys.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipends payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's Change Level request totaling \$2,500 in FY10 reflects the following:

Capital Outlay increases of \$2,500 in FY10 for a 5-pack dosimeters with calibrator to be purchased in FY10.

Reallocation of \$5,000 from Professional Fees to Capital Outlay in both years to allow the Agency to purchase air sampling pumps and a charger to conduct tests on samples to evaluate dust, fumes and chemical levels.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 151 - Federal Programs

Funding Sources: FNA - Department of Labor-Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	631,178	747,025	815,384	806,974	806,974	806,974	821,756	821,756	821,756
#Positions		18	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	195,145	208,885	258,287	251,834	251,834	251,834	254,622	254,622	254,622
Operating Expenses	5020002	259,209	314,883	314,883	314,883	314,883	314,883	314,883	314,883	314,883
Conference & Travel Expenses	5050009	21,294	43,950	43,950	43,950	43,950	43,950	43,950	43,950	43,950
Professional Fees	5060010	0	5,000	5,000	5,000	0	0	5,000	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	7,500	7,500	0	5,000	5,000
Total		1,106,826	1,319,743	1,437,504	1,422,641	1,425,141	1,425,141	1,440,211	1,440,211	1,440,211
Funding Sources										
Federal Revenue	4000020	1,106,826	1,319,743		1,422,641	1,425,141	1,425,141	1,440,211	1,440,211	1,440,211
Total Funding		1,106,826	1,319,743		1,422,641	1,425,141	1,425,141	1,440,211	1,440,211	1,440,211
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,106,826	1,319,743		1,422,641	1,425,141	1,425,141	1,440,211	1,440,211	1,440,211

Change Level by Appropriation

Appropriation: 151 - Federal Programs
Funding Sources: FNA - Department of Labor-Federal Programs

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,422,641	20	1,422,641	100.0	1,440,211	20	1,440,211	100.0
C01	Existing Program	2,500	0	1,425,141	100.2	0	0	1,440,211	100.0
C04	Reallocation	0	0	1,425,141	100.2	0	0	1,440,211	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,422,641	20	1,422,641	100.0	1,440,211	20	1,440,211	100.0
C01	Existing Program	2,500	0	1,425,141	100.2	0	0	1,440,211	100.0
C04	Reallocation	0	0	1,425,141	100.2	0	0	1,440,211	100.0

Justification

C01	The Occupational Safety & Health Consultation program provides air and noise level monitoring in private industries in order to safeguard workers from potential exposure to air contaminants and hearing loss. The Agency is requesting appropriation of \$2,500 in Capital Outlay in FY2010 to purchase dosimeters (5-pack) with calibrator which allows the consultants to evaluate noise environments and provide time weighted average information in decibels. These instruments can also measure noise levels through a sound level meter mode.
C04	The Agency is requesting reallocation of \$5,000 each year from Professional Fees to Capital Outlay to purchase air sampling pumps and charger to conduct personal and area samples so the consultants can evaluate exposure levels to dusts, fumes and chemicals present in the workplace. This equipment will replace existing equipment that is wearing out due to excessive use.

Analysis of Budget Request

Appropriation: 2CT - Board of Electrical Examiners

Funding Sources: MLS - Department of Labor Special Fund

Arkansas Code Annotated §17-28-201 created the Board of Electrical Examiners consisting of the Director of the Department of Labor and eight (8) other members appointed by the Governor with the advice and consent of the Senate. The Board is authorized to adopt rules and regulations; conduct examinations for licensure; register electrical apprentices and issue certificates; and revoke or suspend licenses or certificates. This appropriation is funded by special revenues from fees collected for license issuance and renewal of electrical contractors and the examination, licensure and renewal of master, journeyman, and industrial maintenance electricians as well as residential master and journeyman electricians and air conditioning electricians.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipends payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request provides for a reallocation of \$20,000 from Professional Fees to Operating Expenses in each year of the biennium to cover increases due to implementation of new program enhancements for licensing and maintaining continuing education data on licensed electricians.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2CT - Board of Electrical Examiners

Funding Sources: MLS - Department of Labor Special Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	281,876	347,775	319,550	365,024	365,024	365,024	372,421	372,421	372,421
#Positions		9	10	11	10	10	10	10	10	10
Personal Services Matching	5010003	98,867	106,834	107,596	119,183	119,183	119,183	120,576	120,576	120,576
Operating Expenses	5020002	123,895	147,738	158,738	147,738	167,738	167,738	147,738	167,738	167,738
Conference & Travel Expenses	5050009	3,030	6,430	6,430	6,430	6,430	6,430	6,430	6,430	6,430
Professional Fees	5060010	0	20,000	9,000	20,000	0	0	20,000	0	0
Data Processing	5090012	650	0	0	0	0	0	0	0	0
Capital Outlay	5120011	6,318	0	0	0	0	0	0	0	0
Total		514,636	628,777	601,314	658,375	658,375	658,375	667,165	667,165	667,165
Funding Sources										
Fund Balance	4000005	2,576,328	2,516,117		2,487,340	2,487,340	2,487,340	2,428,965	2,428,965	2,428,965
Special Revenue	4000030	454,425	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Total Funding		3,030,753	3,116,117		3,087,340	3,087,340	3,087,340	3,028,965	3,028,965	3,028,965
Excess Appropriation/(Funding)		(2,516,117)	(2,487,340)		(2,428,965)	(2,428,965)	(2,428,965)	(2,361,800)	(2,361,800)	(2,361,800)
Grand Total		514,636	628,777		658,375	658,375	658,375	667,165	667,165	667,165

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Budget exceeds Authorized amount in Professional Fees by authority of a Budget Classification Transfer.

Act 1230 of 2007 provided one-time appropriations in FY08 for Data Processing and Capital Outlay to implement an agency-wide computer system.

Change Level by Appropriation

Appropriation: 2CT - Board of Electrical Examiners
Funding Sources: MLS - Department of Labor Special Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	658,375	10	658,375	100.0	667,165	10	667,165	100.0
C04	Reallocation	0	0	658,375	100.0	0	0	667,165	100.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	658,375	10	658,375	100.0	667,165	10	667,165	100.0
C04	Reallocation	0	0	658,375	100.0	0	0	667,165	100.0

Justification

C04	The Agency is requesting reallocation of \$20,000 each year of the biennium from Professional Fees to Operating Expenses to cover increases in Operating Expenses due to the implementation of new program enhancements for licensing and maintaining continuing education data on licensed electricians.
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Analysis of Budget Request

Appropriation: 940 - Wage and Hour - Cash

Funding Sources: NDW - Cash in Treasury

The Department of Labor utilizes this appropriation as a "pass through" account to disburse cash funds collected from employers when it is determined an employer owes compensation to an employee resulting from wage and hour investigations and legal actions pursued by the Agency. Payments made to the Department of Labor by employers for this purpose are then disbursed to the employee.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 940 - Wage and Hour - Cash

Funding Sources: NDW - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Wages Due 5900046	37,861	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total	37,861	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources									
Fund Balance 4000005	31,158	35,280		35,280	35,280	35,280	35,280	35,280	35,280
Cash Fund 4000045	41,983	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Total Funding	73,141	235,280		235,280	235,280	235,280	235,280	235,280	235,280
Excess Appropriation/(Funding)	(35,280)	(35,280)		(35,280)	(35,280)	(35,280)	(35,280)	(35,280)	(35,280)
Grand Total	37,861	200,000		200,000	200,000	200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 942 - Seminar & Conference Expenses - Cash

Funding Sources: NDW - Cash in Treasury

The Department utilizes this appropriation to cover seminar and conference related costs. Cash funds collected from participants attending safety seminars and conferences hosted by the Department fund this appropriation.

The Agency's Change Level request totaling \$10,131 in each year reflects the following:

Conference & Travel Expenses increase of \$10,131 in each year to provide for statewide safety and health conferences conducted by the Agency's Safety Division.

Reallocation of \$39,869 in each year from Operating Expenses to Conference & Travel Expenses to properly classify travel expenses.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 942 - Seminar & Conference Expenses - Cash

Funding Sources: NDW - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	33,794	39,869	39,869	39,869	0	0	39,869	0	0
Conference & Travel Expenses	5050009	0	3,000	3,000	3,000	53,000	53,000	3,000	53,000	53,000
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	0	0	0	0	0	0	0	0	0
Total		33,794	42,869	42,869	42,869	53,000	53,000	42,869	53,000	53,000
Funding Sources										
Fund Balance	4000005	29,599	30,972		30,972	30,972	30,972	41,103	30,972	30,972
Cash Fund	4000045	35,167	42,869		53,000	53,000	53,000	53,000	53,000	53,000
Total Funding		64,766	73,841		83,972	83,972	83,972	94,103	83,972	83,972
Excess Appropriation/(Funding)		(30,972)	(30,972)		(41,103)	(30,972)	(30,972)	(51,234)	(30,972)	(30,972)
Grand Total		33,794	42,869		42,869	53,000	53,000	42,869	53,000	53,000

Change Level by Appropriation

Appropriation: 942 - Seminar & Conference Expenses - Cash

Funding Sources: NDW - Cash in Treasury

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	42,869	0	42,869	100.0	42,869	0	42,869	100.0
C01	Existing Program	10,131	0	53,000	123.6	10,131	0	53,000	123.6
C04	Reallocation	0	0	53,000	123.6	0	0	53,000	123.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	42,869	0	42,869	100.0	42,869	0	42,869	100.0
C01	Existing Program	10,131	0	53,000	123.6	10,131	0	53,000	123.6
C04	Reallocation	0	0	53,000	123.6	0	0	53,000	123.6

Justification

C01	Due to the consistent increase in the number of employers and employees participating in the statewide safety and health conferences conducted by the Agency's safety division, expenses for these conferences continue to increase. Therefore, the Agency is requesting appropriation only in the amount of \$10,131 for each year of the biennium to bring the appropriation in Conference & Travel Expenses for this cash account to \$53,000. Expenses for these conferences are paid through registration fees collected and deposited by the Agency for this purpose.
C04	Reallocation from Operating Expenses to Conference & Travel Expenses to properly classify Agency travel expenditures.