

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

The Commission's staffing needs and functions have been constantly evolving during the five year period that it has been in existence. The Commission's five staff members are non-classified state employees.

For the current position of Executive Secretary, the Commission is requesting a title change and corresponding salary adjustment. The duties performed by this staff person are very similar to those described under the class specifications for Business Controller II, which carries a maximum salary of \$32,266. The Commission requests that the title of Executive Secretary be changed to Programs Administrator, with a corresponding salary increase to \$28,000 for fiscal year 98 and \$28,784 for fiscal year 99.

The Commission is requesting a salary increase above the rate of 2.8 per cent per annum for the position of staff attorney. The Commission's staff attorney has fifteen years' experience as a practicing attorney and attorney for a state agency. He presently fills the role of legal advisor to both the Commission and the executive director, as well as supervising investigations and specific projects, including promulgation of Commission rules and regulations. Present salary maximum is \$41,942; the Commission is requesting an increase to \$46,000 for fiscal year 98 and \$47,288 for fiscal year 99.

A third personnel request is for additional funding in the Extra Help category. The Commission has had a very successful first experience with the use of a part time law clerk during the summer of 1996. The law clerk has been assigned to the staff attorney to assist with a special project involving drafting substantive rules and regulations governing the areas of lobbyist registration and reporting and campaign finance. Work on rules and regulations for the Commission will be an ongoing process that will require someone to change and refine the rules as new opinions are issued and to respond to changes made by the Arkansas General Assembly to the present ethics legislation. For the 1997-99 biennium, the Commission is requesting funding for the law clerk to work approximately 20 hours per week at \$8.00 per hour for 35 weeks (700 hours) per year. This would require funding in the amount of \$5,600 for Extra Help for each year of the biennium.

As a second priority, the Commission foresees the need for one additional staff member by fiscal year 1998 in order to promptly and properly carry out the Commission's responsibilities to provide information and advice to public officials and to the public regarding compliance with the requirements of the ethics and disclosure laws of the state of Arkansas. Since all candidate, lobbyist and public official disclosure records are in the custody of the Secretary of State or the various county and municipal clerks, monitoring compliance with the disclosure requirements is a difficult and time-consuming process. As the Commission presently has only the compliance director to assign to this duty, and as his time is also required for investigation of complaints, both citizen and commission-initiated, the Commission has been able to do only limited monitoring outside of complaints of non-compliance. The Commission is requesting funding for a new staff position of Research Analyst to assist present staff members with compliance and education functions. For FY98, the request would include salary of \$28,000, plus salary matching, and \$4,000 in capital outlay for furniture, telephone, and a personal computer to accommodate the additional staff person. Request for the second year of the biennium would be salary of \$28,784, with no additional request for capital outlay.

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The third budgetary priority for the Commission is to provide sufficient resources for Commissioners and staff members to attend the annual four day training conference of the Council on Government Ethics Laws, an international organization of individuals and groups interested in promoting public integrity. Costs for each attendee, including travel, lodging, meals and conference fees, averages \$1,200. The 1997 conference is already scheduled for Ontario, Canada. This conference is the only one in the nation where Commission members and staff can meet with our counterparts in other states and obtain information on their programs and on the general topic of public sector ethics. The commission proposes sending three staff members and two commissioners to the conference. This would require additional funding of \$1,000 for Conference and Travel for each year of the biennium.

General capital outlay needs: \$2,000 for each year of the biennium for replacement of existing furniture & equipment.

ARKANSAS ETHICS COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 164	\$ 28,209	\$ 2,111	\$ 30,484	\$ 23	\$ 1,701	\$ 1,724	\$ 28,760		

Revenues				Expenditures				Other Sources (Uses)	
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total
\$ 121,000	\$ 0	\$ 0	\$ 75	\$ 121,075	\$ 84,215	\$ 0	\$ 1,916	\$ 35,715	\$ 121,846

Findings

Recommendations

None.

None.

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

AGENCY TITLE 238 - ARKANSAS ETHICS COMMISSION

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>2</u>	<u>2</u>	<u>4</u>	<u>80%</u>
BLACK EMPLOYEES	<u>0</u>	<u>1</u>	<u>1</u>	<u>20%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/10/96			<u>1</u>	<u>20%</u>
DATE			TOTAL MINORITIES	<u>1</u>
			<u>5</u>	<u>100%</u>
			TOTAL EMPLOYEES	<u>5</u>

Anna de Wijn White

 AGENCY DIRECTOR

SUMMARY

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

AGENCY: ARKANSAS ETHICS COMMISSION

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: 192-Operations</u>				
Regular Salaries	2	\$58,528	\$60,153	During FY96, the Commission filled both positions and utilized the additional operating expenses and capital outlay. During FY97, the additional appropriation has been budgeted to the extent provided by law and the positions are part of the operating budget of the Commission.
Pers. Srvs. Matching		16,965	17,253	
Operating Expenses		14,810	14,810	
Capital Outlay		<u>5,000</u>	<u>5,000</u>	
Total		\$95,303	\$97,216	

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

The Arkansas Ethics Commission was established by Initiated Act 1 of 1988, as amended. The Commission is composed of five appointed members and has the responsibility of investigating alleged violations of this Act, hiring a staff and making recommendations to law enforcement authorities. Base Level includes salaries for five positions, extra help, personal services matching and supporting operating expenses. Base Level totals \$287,391 in FY98 and \$293,512 in FY99. Priority requests total \$47,387 in FY98 and \$44,311 in FY99.

Included in the agency's Base Level is extraordinary increases for two existing positions(Executive Secretary and Staff Attorney). The 19% salary increase in FY98 for the Executive Secretary is being requested to bring the position more in line with job duties being performed and salary levels of comparable positions in other agencies. The 10% salary increase in FY98 for the Staff Attorney is being requested to ensure the agency retains an experienced legal advisor. A 2.8% cost of living increase is requested for these positions in FY99.

During the current biennium, the Commission has utilized its extra help and hired a law clerk to assist the staff attorney with various special projects. An additional \$4,100 has been requested each year of the biennium in order to utilize this position 20 hours a week for 35 weeks a year. One additional position(Research Analyst) has been requested to assist the Director of Compliance with providing information and advice to public officials as quickly and efficiently as possible. This additional position will allow the Director of Compliance to concentrate on non-compliance complaints. Total request is \$39,973 in FY98 and \$36,897 in FY99 and includes Operating Expenses and Capital Outlay to support the new position. The final portion of the Commission's request is for Conference Fees and Travel and Capital Outlay. The Conference Fees and Travel will allow Commissioners and staff members to attend the annual Council on Government Ethics Laws Conference. The additional \$1,000 each year will allow three staff members and two commissioners to attend this conference. Additional Capital Outlay will be used to replace existing furniture and equipment.

The Executive Recommendation provides for Base Level, which includes appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements. At this time, the extraordinary increases requested for the Staff Attorney and the Executive Secretary positions are not reflected in the Executive Recommendation.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Ark. Ethics Commission	Name: State Operations	Name: St. Central Svcs.		
Code: 238	Code: 192	Code: HSC	BR20	166

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----		96-97	-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	AUTHORIZED	BASE	PRIORITY	TOTAL	BASE	PRIORITY	TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	APPRO							97-98	98-99	97-98	98-99
REGULAR SALARIES	156,631	167,383	163,241	185,746	28,000	213,746	190,945	28,784	219,729	178,964	183,972		
NUMBER OF POSITIONS	5	5	5	5	1	6	5	1	6	5	5		
EXTRA HELP	1,498	1,500	1,500	1,500	4,100	5,600	1,500	4,100	5,600	1,500	1,500		
NUMBER OF POSITIONS	1	2	2	2	0	2	2	0	2	2	2		
PERSONAL SERV MATCHING	37,476	38,896	43,556	48,089	8,287	56,376	49,011	8,427	57,438	46,888	47,774		
OPERATING EXPENSES	37,958	47,056	47,056	47,056	0	47,056	47,056	0	47,056	47,056	47,056		
CONF FEES & TRAVEL	4,241	5,000	5,000	5,000	1,000	6,000	5,000	1,000	6,000	5,000	5,000		
CAPITAL OUTLAY	10,932	923	1,500	0	6,000	6,000	0	2,000	2,000				
DATA PROCESSING	249	0	0	0	0	0	0	0	0				
TOTAL	248,985	260,758	261,853	287,391	47,387	334,778	293,512	44,311	337,823	279,408	285,302		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND	248,985	260,758	*****	287,391	47,387	334,778	293,512	44,311	337,823	279,408	285,302		
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	248,985	260,758	*****	287,391	47,387	334,778	293,512	44,311	337,823	279,408	285,302		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	248,985	260,758	*****	287,391	47,387	334,778	293,512	44,311	337,823	279,408	285,302		

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 238 ARKANSAS ETHICS COMMISSION
 APPRO 192 STATE OPERATIONS
 FUND HSC STATE CENTRAL SERV-(000)

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

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----										
					-----EXPENDITURES-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					ACTUAL	BUDGETED	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
					95-96	96-97													
00		HSC	238 192	B	248,985 5	260,758 5	287,391 5			293,512 5				279,408 5	285,302 5				
01		HSC	238 192	P01			4,414 0			4,414 0									
	Additional extra help appropriation and personal services matching to employee a law clerk to assist the staff attorney as needed with special projects. Projects would include drafting substantive rules and regulations governing the areas of lobbyist registration and reporting and campaign finance.																		
02		HSC	238 192	P02			39,973 1			36,897 1									
	Additional salary, personal services matching, and capital outlay for one additional position. The Research Analyst(Grade 99) would allow the Commission to more adequately monitor compliance by candidates and elected officials on the state, county, and local level. The position would also be responsible for preparing and circulating information and educational materials for public servants.																		

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGENCY 238 ARKANSAS ETHICS COMMISSION
 PROGRAM 192 STATE OPERATIONS
 FUND HSC STATE CENTRAL SERV-(000)

RANK BY APPROPRIATION

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				R E C O M M E N D A T I O N S							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
003		HSC	238 192	P03		0	3,000			3,000								
						0	0			0								

Additional Conference Fees and Travel appropriation is requested to enable the Commission to send office staff and commission members to the annual conference of the Council on Governmental Ethics Laws. The national organization provides training and support to agencies and groups that monitor and enforce campaign finance, conflict of interest and other public disclosure laws. The remaining portion of the request(\$2,000 each year) is for capital outlay to replace existing furniture and equipment.

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 238 ARKANSAS ETHICS COMMISSION
 APPRO 192 STATE OPERATIONS
 FUND HSC STATE CENTRAL SERV-(000)

RANK BY APPROPRIATION
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