ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
2001-2003

The Arkansas Manufactured Home Commission is funded through industry fees. During the two previous budget cycles extraordinary non-recurring expenses caused the Agency to defer normal budget increase requests.

The Arkansas Manufactured Home Commission has implemented a mandatory manufactured home installer continuing education program. This program expansion has further stretched the Agency's resources. Along with this new program, the Arkansas Manufactured Home Commission is sustaining an elevated installation inspection schedule.

The majority of the requested budget increase in our operating appropriation are in the category of one-time expenditures to support existing programs and services.

The increase request in our Investment and Claims appropriation is in anticipation of the need to meet consumer claims arising from the years of industry expansion which, have evolved into a period of contraction.

ARKANSAS MANUFACTURED HOME COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1998

Assets				Liabilities			
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total	Total Equity
$ 983,917	$ 57,225	$ 36,795	$ 1,077,937	$ 4,385	$ 8,802	$ 13,187	$ 1,064,750

Revenues					Expenditures					
Intergovern-mental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	Other Sources (Uses)
$ 0	$ 0	$ 331,701	$ 106,450	$ 438,151	$ 198,871	$ 0	$ 0	$ 87,900	$ 286,771	$ (25)

Findings

UNACCOUNTED FOR FUNDS - Seventeen (17) cash receipts for the period July 1, 1997 through August 4, 1999, totaling $4,351.00, were not deposited to agency accounts. Upon discovery of the undeposited receipts on September 13, 1999, audit staff questioned Floyd Worden, custodian of the funds. The following day, he produced an envelope containing $2,434.00 and stated that he found it in a file in his office. These funds were later deposited. A cash count conducted by audit staff on September 16, 1999 and signed by Floyd Worden, documented that all undeposited cash was made available to the auditors. Subsequent to the cash count, Floyd Worden notified audit staff he had located an additional $1,817.00 on September 17, 1999 and $50.00 on September 20, 1999, that was not made available to auditors during the cash count, reducing the initial undeposited, unaccounted for funds to $50.00.

Recommendations

Strengthen internal controls to provide for an independent reconciliation of cash receipts and deposits.

Audited by Division of Legislative Audit
SA0930598

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

AGENCY TITLE 305 - ARK MFG'D HOME COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	3	2	5	83%
BLACK EMPLOYEES	0	1	1	17%
EMPLOYEES OF OTHER RACIAL MINORITIES	0	0	0	0%
			1	17%
			TOTAL MINORITIES	
			6	100%
			TOTAL EMPLOYEES	

TOTAL EMPLOYED AS OF 08/05/00
DATE

AGENCY DIRECTOR

STATE AGENCY PUBLICATIONS

2001-2003 Biennium
Act 1276 of 1999

Agency: Arkansas Manufactured Home Commission Agency #: 305

NAME OF PUBLICATION	STATUTORY AUTHORIZATION ACT # OR A.C.A	REQUIRED FOR GOVERNOR AND / OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED & DISTRIBUTED	REASON(S) FOR CONTINUED PUBLICATIONS AND DISTRIBUTIONS
Rules and Regulations Arkansas Manufactured Home Commission	Act 419 of 1977		1200	Periodic Updates to the Rules and Regulations

ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY

AGENCY TITLE Manufacturee Homes Commission (305)	1999-01 Expenditures				2001-03 Biennium Request				2001-03 Executive Recommendation			
Appropriations Code Name	Actual 1999-00	No. of Pos.	Budgeted 2000-01	No. of Pos.	Year 1 2001-02	No. of Pos.	Year 2 2002-03	No. of Pos.	Year 1 2001-02	No. of Pos.	Year 2 2002-03	No. of Pos.
089 Manufactured Homes Commission	$288,283	7	$302,441	7	$360,850	7	$343,611	7	$354,660	7	$327,421	7
235 Investment and Claims	89,139	0	150,000	0	220,100	0	220,200	0	200,000	0	200,000	0
TOTALS	$377,422	7	$452,441	7	$580,950	7	$563,811	7	$554,660	7	$527,421	7
Funding Sources		% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances	$1,109,190	69.9%	$1,209,645	76.6%	$1,127,227	75.3%	$916,277	71.2%	$1,127,227	75.3%	$942,567	71.8%
General Revenues												
Special Revenues	477,877	30.1%	370,000	23.4%	370,000	24.7%	370,000	28.8%	370,000	24.7%	370,000	28.2%
Federal Funds												
Constitutional Officers Fund												
State Central Services Fund												
Non-Revenue Receipts												
Cash Funds												
Other												
Total Funding	1,587,067	100.0%	1,579,645	100.0%	1,497,227	100.0%	1,286,277	100.0%	1,497,227	100.0%	1,312,567	100.0%
Excess Appro./ (Funding)	(1,209,645)		(1,127,204)		(916,277)		(722,466)		(942,567)		(785,146)	
TOTAL	$377,422		$452,441		$580,950		$563,811		$554,660		$527,421	

DEPARTMENT	DIRECTOR	DEPARTMENT APPROPRIATION SUMMARY
MANUFACTURED HOMES COMMISSION (305)	WHIT WALLER	BR 40

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
2001-2003

The Arkansas Manufactured Home Commission is funded from the receipt of fees charged by the Agency, as authorized by Arkansas Code §20-25-101 et seq. The Commission's request includes Base Level operations of $316,260 for FY02 and $322,421 for FY03 includes salaries for seven positions and supporting operating appropriation. Base Level includes a payplan increase of 2.6% each year over the 2001 fiscal year salary levels for all incumbents plus appropriate Personal Services Matching costs. Changes totaling $44,590 in FY02 and $21,190 in FY03 have been requested by the Commission.

Requested increases to Operating Expense of $18,290 in FY02 and $18,690 in FY03 is to provide for increases in inspection costs of on site installations and to provide for anticipated increases in other operating expenses such as equipment leases, printing, postage and utility costs. The Agency has also added a mandatory continuing education program as part of its Manufactured Home Installation Certificate which will create additional administrative costs. The Agency requested no increases in Operating Expenses the previous biennium.

The Agency is also requesting increases of $23,800 in FY02 in Capital Outlay to replace a vehicle and purchase office furniture.

An increase of $2,500 in Data Processing costs each year of the biennium for the replacement of computer equipment has also been requested.

The Executive Recommendation provides for Base Level plus increases of $5,000 in Operating Expenses each year of the biennium and a $33,400 increase in Capital Outlay in FY02. The increase to Capital Outlay represents the Agency request of $23,800 plus $9,600. The $9,600 was included in the Agency request as a $4,800 Operating Expense increase for rental of office equipment in each year of the biennium.

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	EXPENDITURES 99-00 ACTUAL	EXPENDITURES 00-01 BUDGETED	00-01 AUTHORIZED APPRO	01-02 FISCAL YEAR BASE	01-02 FISCAL YEAR CHANGE LEVEL	01-02 FISCAL YEAR TOTAL REQUEST	02-03 FISCAL YEAR BASE	02-03 FISCAL YEAR CHANGE LEVEL	02-03 FISCAL YEAR TOTAL REQUEST	RECOMMENDATIONS EXECUTIVE 01-02	RECOMMENDATIONS EXECUTIVE 02-03	RECOMMENDATIONS LEGISLATIVE 01-02	RECOMMENDATIONS LEGISLATIVE 02-03
REGULAR SALARIES	182,003	188,562	196,578	194,763	0	194,763	199,827	0	199,827	194,763	199,827		
NUMBER OF POSITIONS	7	7	7	7	0	7	7	0	7	7	7		
PERSONAL SERV MATCHING	53,165	55,297	57,409	62,915	0	62,915	64,012	0	64,012	62,915	64,012		
OPERATING EXPENSES	44,223	44,848	44,848	44,848	18,290	63,138	44,848	18,690	63,538	49,848	49,848		
CONF FEES & TRAVEL	2,704	10,684	10,684	10,684	0	10,684	10,684	0	10,684	10,684	10,684		
PROF FEES & SERVICES	377	3,050	3,050	3,050	0	3,050	3,050	0	3,050	3,050	3,050		
CAPITAL OUTLAY	5,811	0	0	0	23,800	23,800	0	0	0	33,400	0		
DATA PROCESSING	0	0	0	0	2,500	2,500	0	2,500	2,500	0	0		
TOTAL	288,283	302,441	312,569	316,260	44,590	360,850	322,421	21,190	343,611	354,660	327,421		
PROPOSED FUNDING SOURCES			**********										
FUND BALANCES	248,681	299,496	**********	287,078		287,078	216,228		216,228	287,078	222,418		
GENERAL REVENUES			**********										
SPECIAL REVENUES	339,098	290,000	**********	245,410	44,590	290,000	268,810	21,190	290,000	290,000	290,000		
FEDERAL FUNDS			**********										
STATE CENTRAL SERVICES FUND			**********										
NON-REVENUE RECEIPTS			**********										
CASH FUNDS			**********										
OTHER			**********										
TOTAL FUNDING	587,779	589,496	**********	532,488	44,590	577,078	485,038	21,190	506,228	577,078	512,418		
EXCESS APPRO/ (FUNDING)	(299,496)	(287,055)	**********	(216,228)		(216,228)	(162,617)		(162,617)	(222,418)	(184,997)		
TOTAL	288,283	302,441	**********	316,260	44,590	360,850	322,421	21,190	343,611	354,660	327,421		

DEPT 009 OTHER BOARDS AND COMMISSIONS
AGY 305 ARKANSAS MANUFACTURED HOME COMMISSION
APPRO 089 ARKANSAS MANUFACTURED HOME COMMISSION

FUND SHM MANUFACTURED HOME STANDARDS-(305)

Capital Outlay actual expenditures exceed authorized appropriation due to reclassification transfers processed in FY00.

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
							2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
					EXPENDITURES		FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
000		SHM	305 089	B	288,283 7	302,441 7	316,260 7					322,421 7			316,260 7	322,421 7		
001		SHM	305 089 100 ADMINISTRATION	C01			42,090 0					18,690 0			38,400	5,000		

The Arkansas Manufactured Home Commission has added a mandatory continuing education program as part of its Manufactured Home Installation Certification. Also on site installation inspections continue to be increased. The Agency is rated for three (3) vehicles; one of the two (2) vehicles may need replacement in FY01-02. The Aerostar van is used on rural roads, currant mileage is 120,000 by the end of the year mileage will approximate 140,000. The Agency needs to replace a twelve (12) year old copier, and to acquire office furniture.

002		SHM	305 089 100 ADMINISTRATION	C08			2,500 0					2,500 0						

The Arkansas Manufactured Home Commission needs to Maintain its Data Processing Systems thus the proposed increase in data processing.

DEPT 009 OTHER BOARDS AND COMMISSIONS

AGY 305 ARKANSAS MANUFACTURED HOME COMMISSION

APPRO 089 ARKANSAS MANUFACTURED HOME COMMISSION

FUND SHM MANUFACTURED HOME STANDARDS-(305)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
2001-2003

The Arkansas Manufactured Homes Commission's Investment and Claims Appropriation is funded from the receipt of fees from manufactures, dealers and installers for license renewal. Funds collected are subsequently paid out in the form of actual cost of repairs to qualifying homeowners and as refunds for businesses which have ceased operation. Base Level consists of $150,000 to provide for claims and refunds. The Agency request is for Base Level plus change requests totaling $70,100 in FY02 and $70,200 in FY03 in anticipation of increased claims and refunds in the event of a downturn in the economy.

The Executive Recommendation provides for the Base Level of $150,000 plus an increase of $50,000 each year of the biennium.

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	------EXPENDITURES------- 99-00 ACTUAL	00-01 BUDGETED	00-01 AUTHORIZED APPRO	----------01-02 FISCAL YEAR---------- BASE	CHANGE LEVEL	TOTAL REQUEST	----------02-03 FISCAL YEAR---------- BASE	CHANGE LEVEL	TOTAL REQUEST	----------RECOMMENDATIONS---------- EXECUTIVE 01-02	02-03	LEGISLATIVE 01-02	02-03
INVESTMENTS	89,139	150,000	150,000	150,000	70,100	220,100	150,000	70,200	220,200	200,000	200,000		
TOTAL	89,139	150,000	150,000	150,000	70,100	220,100	150,000	70,200	220,200	200,000	200,000		
PROPOSED FUNDING SOURCES			**********										
FUND BALANCES	860,509	910,149	**********	840,149		840,149	700,049		700,049	840,149	720,149		
GENERAL REVENUES			**********										
SPECIAL REVENUES	138,779	80,000	**********	9,900	70,100	80,000	9,800	70,200	80,000	80,000	80,000		
FEDERAL FUNDS			**********										
STATE CENTRAL SERVICES FUND			**********										
NON-REVENUE RECEIPTS			**********										
CASH FUNDS			**********										
OTHER			**********										
TOTAL FUNDING	999,288	990,149	**********	850,049	70,100	920,149	709,849	70,200	780,049	920,149	800,149		
EXCESS APPRO/ (FUNDING)	(910,149)	(840,149)	**********	(700,049)		(700,049)	(559,849)		(559,849)	(720,149)	(600,149)		
TOTAL	89,139	150,000	**********	150,000	70,100	220,100	150,000	70,200	220,200	200,000	200,000		

DEPT 009 OTHER BOARDS AND COMMISSIONS
AGY 305 ARKANSAS MANUFACTURED HOME COMMISSION
APPRO 235 INVESTMENTS AND CLAIMS

FUND THR MANUFACTURED HOUSING RECOVERY-(305)

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
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
000		THR	305 235	B	89,139	150,000	150,000 0					150,000 0			150,000	150,000		
001		THR	305 235 100 ADMINISTRATION	C01			70,100 0					70,200 0			50,000	50,000		

Recovery Fund deposits may be paid out in the form of actual cost of repairs to qualifying homeowners and also as refunds for business, which have ceased operations. The industry is currently contracting after several consecutive years of expansion. Claims and refunds increase during times of economic down turn. The Agency asks the authority to meet its obligations should the current trend continue. The increased Recovery Fund Activity also increases the administrative load as well.

DEPT 009 OTHER BOARDS AND COMMISSIONS
AGY 305 ARKANSAS MANUFACTURED HOME COMMISSION
APPRO 235 INVESTMENTS AND CLAIMS

FUND THR MANUFACTURED HOUSING RECOVERY-(305)

RANK BY APPROPRIATION

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