

**REPORT OF THE SUBCOMMITTEE ON PERFORMANCE EVALUATION  
AND EXPENDITURE REVIEW (PEER)  
OF THE  
ARKANSAS LEGISLATIVE COUNCIL**

**August 23, 2024**

Dear Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Monday, August 19, 2024, and after having considered the following items, reports that the Subcommittee's review and/or approval is complete unless otherwise noted. Subcommittee rules were suspended to take up items on the Supplemental Agenda. Items from Supplemental Agenda will be noted with an asterisk (\*).

Items for Approval

A. Various Temporary Appropriation Requests

1. Department of Labor and Licensing – Division of Shared Services – \$340,768
2. Department of Corrections – Division of Correction – \$120,000
3. Department of Education – Division of Higher Education – \$10,401,928
4. Department of Finance and Administration – Budget and Management Services – \$30,000,000
5. Department of Public Safety – Division of State Police – \$150,000
6. Department of Education – Division of Elementary and Secondary Education – State Match – \$1,000,000
7. Department of Education – Division of Elementary and Secondary Education – Teacher Salary Equalization – \$7,500,000
8. Department of Finance and Administration – Disbursing Officer – \$250,000
9. \*Department of Agriculture – \$54,000
10. \*Public Defender Commission – \$1,250,000 – **HELD**

B. American Rescue Plan Act Appropriation Requests

**Direct Federal Awards**

1. Arkansas Tech University – \$195,227
2. Department of Health – \$10,534,734
3. Department of Education – Office of Early Childhood – \$206,442
4. Department of Energy and Environment – Division of Environmental Quality – \$0 – Reallocation

**State Award**

5. Department of Parks, Heritage, and Tourism – Divisions of Parks and Tourism – \$0 – Reallocation

C. Infrastructure Investment and Jobs Act Appropriation Requests

1. Department of Agriculture – \$18,914,000
2. Department of Public Safety – Division of Emergency Management – Hazardous Materials – \$275,368
3. Department of Public Safety – Division of Emergency Management – Cybersecurity – \$6,402,359
4. Department of Energy and Environment – Oil and Gas Commission – \$5,589,721
5. Department of Energy and Environment – Office of State Geologist – \$275,274

D. Restricted Reserve Fund Transfer Requests

1. Department of Education – Division of Elementary and Secondary Education – \$10,000,000
2. Department of Finance and Administration – Disbursing Officer – Economic Development Districts – \$120,000
3. State Board of Election Commissioners – \$250,000
4. Department of Public Safety – Division of State Police – \$2,400,000
5. Department of Commerce – Economic Development Commission – \$16,797,215
6. Department of Education – Division of Elementary and Secondary Education – \$7,000,000
7. Department of Finance and Administration – Disbursing Officer – Safe Haven Baby Box – \$250,000

Items for Review

E. Cash Fund Appropriation Requests

1. Department of Health – State Board of Pharmacy – \$139,527
2. State Board of Election Commissioners – \$250,000
3. Department of Corrections – Division of Correction – Equipment – \$1,500,000
4. Department of Corrections – Division of Correction – Operating Expenses – \$3,500,000
5. Department of Corrections – Division of Correction – Cameras and Flooring – \$4,100,000
6. Department of Commerce – Economic Development Commission – \$16,797,215

F. Budget Classification Transfer Requests

1. Department of Health – State Board of Nursing – \$30,000 from Operating Expenses to Capital Outlay

G. Miscellaneous Federal Grant Appropriation Requests

1. Department of Health – Prescription Drug Monitoring – \$1,990,595
2. Department of Health – Strengthening Infrastructure – \$3,719,165
3. Department of Energy and Environment – \$480,003
4. Department of Parks, Heritage, and Tourism – Historic Preservation – \$220,580
5. Department of Public Safety – Commission on Law Enforcement Standards and Training – \$43,029

6. Department of Agriculture – Forestry Division – \$500,000
7. Department of Agriculture – Natural Resources Division – \$1,606,373
8. Department of Energy and Environment – Office of State Geologist – Evaluating and Replacing Core – \$30,173
9. Department of Energy and Environment – Office of State Geologist – Well Sample Library Core – \$21,942
10. Department of Agriculture – Archeologists – \$2,667,625 – 6 Positions

H. Pay Plan Appropriation Requests

1. Department of Health – State Board of Nursing – \$5,700

Reports

I. Annual Report

1. Year–end Adjustments Emergency Action Report – **Attachment 1**

J. Quarterly Report

1. Department of Human Services Interagency/Interdivisional Match Fund Transfer Report
2. Office of Attorney General Cash Settlement Fund Report
3. Division of State Police Asset Forfeiture Expenditures Report
4. Federal Grant Applications and Awards Report

K. Monthly Reports

1. Surplus Income and Distribution Report
2. Budget Stabilization Trust Fund Report
3. Tobacco Settlement Report
4. State Central Services Fund Report
5. American Rescue Plan Report with Emergency Aid Relief to Hospitals Distributions
6. Educational Adequacy Fund Distribution and Balance – Prior Year Fund Balance
7. Arkansas Medicaid Program Trust Fund Distribution and Balance Reports

Respectfully submitted by Subcommittee Co–Chairs, Senator Jonathan Dismang and Representative Frances Cavanaugh



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**Attachment 1**  
**OFFICE OF THE SECRETARY**  
1509 West Seventh Street, Suite 401  
Post Office Box 3278  
Little Rock, Arkansas 72203-3278  
Phone: (501) 682-2242  
Fax: (501) 682-1029  
[www.arkansas.gov/dfa](http://www.arkansas.gov/dfa)

June 24, 2024

Senator Jonathan Dismang, Co-Chair  
Representative Frances Cavanaugh, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: Items Approved on an Emergency Basis

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached items that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

A handwritten signature in black ink, appearing to read 'JLH', written over a horizontal line.

James L. Hudson  
Cabinet Secretary

JLH

Attachment(s)



STATE OF ARKANSAS  
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June 29, 2024

Mr. Daryl E. Bassett, Secretary  
Arkansas Department of Labor and Licensing  
500 West Capitol Ave, Suite 400  
Little Rock, AR 72201

Dear Mr. Bassett:

This is to inform you that I have approved on an emergency basis a Budget Classification transfer request in the amount of \$300. The item will be presented at the next scheduled meeting of the Performance Evaluation and Expenditure Review Committee for appropriate action as required by law.

The transfer document has been submitted to the Office of Accounting for processing and you will be notified when the transfer is completed.

Sincerely,

James L. Hudson  
Secretary  
Department of Finance and Administration

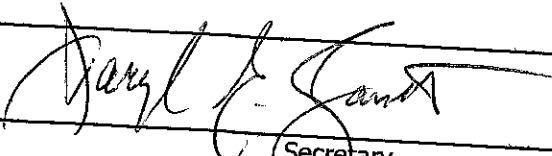
**ARKANSAS ADMINISTRATION STATEWIDE INFORMATION SYSTEM  
REQUEST FOR BUDGET CLASSIFICATION TRANSFERS (BCT)  
FY2024**

Business Area: 0390 Business Area Title: Department of Labor and Licensing - Workers Compensation Commission  
 Funds Center: 355 Funds Center Title: Workers Compensation Commission  
 Fund: TJW0100 Fund Title: \_\_\_\_\_

Functional Area: HHS

Line-Item Classifications	Authorized Appropriation	Actual Expenditures ** FY2023	Transfer From			Transfer To		
			CI	Fund	Amount	CI	Fund	Amount
502:00:02 Operating Expenses	1,305,495.00	688,880.95	502:00:02	TJW0100	300.00			
505:00:09 Conference & Travel Expenses	20000.00	2,587.25						
506:00:10 Professional Fees	241000.00	0.00						
512:00:11 Capital Outlay *	0.00	0.00						
509:00:12 Data Processing *	0.00	0.00				512:00:11	TJW0100	300.00

**Reason for Transfer:**  
 AWCC needs to transfer \$207.76 to Capital Outlay for A required publication designated by DFA ACFR Unit as Capital Outlay (ASIS Asset #310000945-27).

  
 \_\_\_\_\_  
 Secretary

Delana Hightower  
 \_\_\_\_\_  
 Budget Approval

\_\_\_\_\_  
 DFA IGS State Technology Planning  
 (approval only needed if applicable \*\*\*)

Transfers may not be made from the capital outlay (512:00:11) sub classification unless specific authority for such transfers is provided by law. (ACA 19-4-522(C)(1))  
 \* For transfers requested during the month of July 2023 use the agency's fiscal year 2023 expenditures as of April 30, 2023 for each of the Maintenance & Operations commitment items. For transfers requested during the months August 2023 - May 2024, use the agency's fiscal year 2023 expenditures. For transfers requested during the month of June 2024 use the agency's fiscal year 2024 as of April 30, 2024.  
 \*\*\* Transfers requested for the purchase of information technology related items must be in compliance with the agency's Information Technology Plan submitted to the DFA-Technology Planning Unit.

*Handwritten initials and date:*  
 TC  
 6-24-24



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and Administration**

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June 27, 2024

Alan McVey, Chief of Staff  
Department of Finance and Administration  
1515 W 7<sup>th</sup> Street, Suite 700  
Little Rock, AR 72201

Dear Mr. McVey:

This is to inform you that I have approved on an emergency basis a Budget Classification transfer request in the amount of \$7,500 for FY2024. The item will be presented at the next scheduled meeting of the Performance Evaluation and Expenditure Review Committee for appropriate action as required by law.

The transfer document has been submitted to the Office of Accounting for processing and you will be notified when the transfer is completed.

Sincerely,

A handwritten signature in black ink, appearing to be 'JLH', written over a horizontal line.

James L. Hudson  
Secretary

JLH:ds


**ARKANSAS ADMINISTRATION STATEWIDE INFORMATION SYSTEM  
REQUEST FOR BUDGET CLASSIFICATION TRANSFERS (BCT)  
FY2024**


Business Area: 0490 Business Area Title: DFA - Assessment Coordination Division  
 Funds Center: 258 Funds Center Title: Assessment Coord - Ad Valorem  
 Fund: HUA4701 Fund Title: Ad Valorem Functional Area: COMM

Line-Item Classifications	Authorized Appropriation	Actual Expenditures ** FY2023	Transfer From			Transfer To		
			CI	Fund	Amount	CI	Fund	Amount
502:00:02 Operating Expenses	\$872,240	\$546,848	502:00:02		\$7,500			
505:00:09 Conference & Travel Expenses	\$49,869	\$43,749				505:00:09		\$7,500
506:00:10 Professional Fees	\$10,000	\$0						
512:00:11 Capital Outlay *	\$0							
509:00:12 Data Processing *	\$0							

**Reason for Transfer:**

To cover increased costs of conference related travel and also to cover the cost of airfare, conference, and seminar fees, etc. that must be paid in FY2024, when the travel occurs in FY2025.

  
Secretary

  
Budget Approval

DFA IGS State Technology Planning  
(approval only needed if applicable \*\*\*)

\* Transfers may not be made from the capital outlay (512:00:11) sub classification unless specific authority for such transfers is provided by law. (ACA 19-4-522(C)(1))  
 \*\* For transfers requested during the month of July 2023 use the agency's fiscal year 2023 expenditures as of April 30, 2023 for each of the Maintenance & Operations commitment items. For transfers requested during the months August 2023 - May 2024, use the agency's fiscal year 2023 expenditures. For transfers requested during the month of June 2024 use the agency's fiscal year 2024 as of April 30, 2024.  
 \*\*\* Transfers requested for the purchase of information technology related items must be in compliance with the agency's Information Technology Plan submitted to the DFA-Technology Planning Unit.



**THE PERFORMANCE FUND/PAY PLAN HOLDING ACCOUNT TRANSFERS  
FOR FY24 - YEAR-END EMERGENCY APPROVAL**

<u>BUSINESS AREA</u>	<u>AGENCY</u>	<u>FISCAL YEAR</u>	<u>PERFORMANCE FUND</u>	<u>PAY PLAN HOLDING ACCOUNT</u>	<u>DATE OF TRANSFER</u>	<u>AMOUNT OF APPROPRIATION TRANSFER</u>	<u>EMERGENCY APPROVED BY CFO</u>	<u>PENDING JBC - PEER REVIEW</u>	<u>REASON FOR TRANSFER</u>
0028	Prosecutor Coordinator	24		X	6/24/24	\$ 1,000.00	X	X	Additional appropriation in Personal Services Matching is needed due to FY24 Performance increases, EBD increases and other salary adjustments.
0440	DEE - Oil & Gas Commission	24		X	6/26/24	\$ 400.00	X	X	Additional appropriation in Personal Services Matching is needed due to FY24 Performance increases, EBD increases and other salary adjustments.
0995	DPS - Emergency Management	24		X	6/24/24	\$ 7,000.00	X	X	Additional appropriation in Regular Salaries is needed due to FY24 Performance increases, EBD increases and other salary adjustments.
						<b>\$ 8,400.00</b>			
						<b>\$ 0.00</b>			



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June 26, 2024

Sen. Terry Rice, Co-Chair  
Rep. Jeff Wardlaw, Co-Chair  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

Dear Co-Chairs:

This is to inform you that I have approved on an emergency basis a Various Temporary Appropriation Transfer request in the amount of \$701,000. The item will be presented at the next scheduled meeting of Performance Evaluation and Expenditure Review Committee for appropriate action as required by law.

The transfer document has been submitted to the Office of Accounting for processing and you will be notified when the transfer is completed.

Sincerely,

A handwritten signature in black ink, appearing to be 'JL Hudson', written over a horizontal line.

James L. Hudson,  
Secretary  
Department of Finance and Administration

CC: Senator Jonathan Dismang, Co-Chair  
Representative Frances Cavanaugh, Co-Chair  
Performance Evaluation and Expenditure Review (PEER) Subcommittee



# Division of Elementary and Secondary Education

*Transforming Arkansas to lead the nation in student-focused education*

0500  
EDUC  
CH

Jacob Oliva  
Secretary

June 21, 2024

Stacy Smith  
Deputy  
Commissioner

Secretary Jim Hudson  
Department of Finance and Administration  
1509 West 7<sup>th</sup> Street, Suite 401  
Little Rock, AR 72203-3278

**State Board of  
Education**

Various Temporary Appropriation for State Agencies

Dr. Sarah Moore  
*Stuttgart*  
Chair

Secretary Hudson,

Kathy Rollins  
*Springdale*  
Vice-Chair

The Arkansas Division of Elementary and Secondary Education (DESE) Office of Early Childhood respectfully requests an emergency transfer of \$701,000 in appropriation from Various Temporary Appropriation for State Agencies and Institutions pursuant to Section 33 of Act 796 of 2023. Funding for this request is provided by General Revenue set aside for the Childcare Grant Program.

Adrienne Woods  
*Rogers*

This request will provide sufficient appropriation to pay operating expenditures as needed to meet the state match for federal early childhood grants.

Randy Henderson  
*Blytheville*

The division has submitted a request for operating appropriation in FY25 and will include this change in the biennial budget to alleviate the emergency need in the future.

Lisa Hunter  
*White Hall*

This appropriation is requested in the following line items:

Jeff Wood  
*Little Rock*


Fund Center: BL6  
Fund: ECG0100  
Commitment Item: 502:00:02

Ken Bragg  
*Sheridan*

Leigh Keener  
*Little Rock*

Please contact me at 501-682-4256 if you require additional information.

Sincerely,



Greg Rogers

Chief Fiscal Officer, Department of Education

CR:LL