

DENNIS MILLIGAN
Auditor



230 State Capitol
Little Rock, AR 72201

State of Arkansas

April 10, 2026

Honorable Jonathan Dismang, Co-Chair
Honorable Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
One Capitol Mall
Little Rock, AR 72201

Re: **FY2027** - *Appropriations of the Office of Auditor of State*

Dear Senator Dismang and Representative Jean:

After comparing salaries with other state agencies, constitutional and legislative offices, and meeting with staff at the Office of Personnel Management, I am submitting a pay plan based on market rate adjustments for positions in my office. You might remember that I delayed asking for salary increases in the 2025 Regular Session to take time to carefully consider and review the pay plan before presenting a formal request.

Section 1. Regular Salaries – Operations.

To retain and/or hire staff whose positions in the office require a higher level of education and expertise, to ensure proper job titles, and to align salaries with job responsibilities, I am asking for new maximum annual salaries.

Please note my request in the regular salaries line item is considerably less than the maximum annual salaries I am requesting.

Item No.	Title	Max No of Employees	Maximum Annual Salary	New Maximum Annual Salary
(1)	Deputy Auditor	1	\$165,160	\$183,185
(2)	Attorney Chief Legal Counsel	1	\$138,585	\$171,630
(3)	Chief of Staff	1	\$126,675	\$183,185
(4)	Internal Auditor/CPA	1	\$126,675	\$141,845
(5)	IT Tech IT Administrator	1	\$126,675	\$154,915
(6)	Asst Chief of Staff/Accounting Dept Manager Deputy Chief of Staff	1	\$91,175	\$166,525

(7)	Director of Communications <u>Chief of Communications</u>	1	\$81,710	\$128,950
(8)	Accounting Tech III <u>HR Admin</u>	3 2	\$81,710	\$96,880
(9)	<u>Accountant II</u>	2		\$88,075
(9) (10)	Data Processing Tech II <u>Database Specialist</u>	4 2	\$81,710	\$79,495
(10) (11)	Communications Tech <u>Public Information Manager</u>	1	\$81,710	\$106,570
(11)	Data Processing Tech I	4	\$65,630	
(12)	Outreach Mgr <u>Media Specialist</u>	1	\$65,630	\$88,075
(13)	Outreach Tech <u>Public Information Specialist</u>	1	\$65,630	\$80,065
(14)	Executive Assistant to the Auditor	1	\$65,630	\$96,880
(15)	Accounting Tech II <u>Accountant I</u>	2 1	\$65,630	\$72,790
(16)	Accounting Tech I <u>Administrative Specialist</u>	2	\$47,255	\$48,575
	Max. No. of Employees	20		

Section 3. Appropriation – Operations.

The changes above will not result in any reduction in salary for any employee. If the legislature approves this request, my top two administrative positions, Deputy Auditor and Chief of Staff, will receive a 3.25% and 3.5% salary increase, respectively, as a cost-of-living adjustment. For the remainder of my team, I am asking for a 12.5% increase for FY2027.

If approved by the Legislature, this will require an increase to Section 3 appropriations. Regular Salaries (01) will increase \$190,705 to \$1,944,200.

The personal services match line reflects an increase based on the proposed “Regular Salaries” line and not the new maximum annual salary amounts requested. If the Legislature approves this proposal as submitted, the personal services matching budget would need to increase by \$76,287 to \$777,685.

Item No.	Title	Fiscal Year 2025-2026	Fiscal Year 2026-2027
(01)	Regular Salaries	\$1,753,495	\$1,944,200
(03)	Personal Services Matching	\$ 701,398	\$ 777,685

If the Arkansas General Assembly approves the above changes, the Total Amount Appropriated would increase \$266,992 to \$3,460,335.

Section 4. Regular Salaries – Unclaimed Property Program.

To retain and/or hire staff whose positions in my Unclaimed Property Program require a higher level of education and expertise, and to align salaries with job responsibilities, I am asking for new maximum annual salaries.

I am also requesting two (2) additional positions for the Unclaimed Property Program. The first position I am requesting is for an Unclaimed Property Claims Examiner I to assist with the

increased demand of claims my office is receiving due to our new “Data Match” program. The program has been intensively demanding, but we have processed over 197,000 records. After removing duplicate records, reclassifying some single owner properties as heir claims, and removing bad addresses, just over 79,000 checks worth more than \$16,000,000 have been mailed. As you know, this is the first year of my office implementing this new program and we are receiving a record number of claims due to word of mouth advertising. These positive yet unexpected growing pains have resulted in over 6,500 claims in the cue at our peak with only 90 calendar days to process them. Without this position we cannot meet the demands we are experiencing.

The second position I am requesting is an Unclaimed Property Compliance Agent I to assist with the influx of businesses that are voluntarily reporting their unclaimed property. In 2025, I implemented a pro-business Voluntary Compliance Reporting Program. We are seeing more businesses coming into compliance and this is causing more positive yet unexpected growing pains for my small two-person compliance team.

Please note my request in the regular salaries line item is considerably less than the maximum annual salaries I am requesting.

Item No.	Title	Max No of Employees	Maximum Annual Salary	New Maximum Annual Salary
(1)	Asst. Chief of Staff/UCP Operations Manager Deputy Chief of Staff	1	\$ 126,675	\$ 166,525
(2)	UCP Compliance Manager	1	\$ 91,175	\$ 117,226
(3)	UCP Claims Manager II	1	\$ 91,175	\$ 117,226
(4)	Asst UCP Claims Manager II	1	\$ 73,230	
(4)(5)	Asst UCP Claims Manager I	1 2	\$ 73,230	\$ 106,569
(6)(5)	UCP Compliance Agent II	1	\$ 65,630	\$ 80,067
(6)	UCP Compliance Agent I	<u>1</u>		\$ 72,788
(7)	UCP Claims Examiner II	2	\$ 65,630	\$ 80,067
(8)	UCP Claims Examiner I	2 3	\$ 65,630	\$ 72,788
	Max. No. of Employees	10-12		

Section 5. Appropriation – Unclaimed Property Program.

The changes above will not result in any reduction in salary for any employee. Thanks to Sen. Hill, Rep. Childress and the Arkansas General Assembly (via Act 430 of 2025), increases to this budget section from State Central Services will be reimbursed by interest earned from UCP funds invested in the Arkansas State Treasury Money Management Trust Fund.

Again, the amount in the regular salaries line item is less than the maximum annual salaries I am requesting. If the Legislature authorizes this increase request above, I plan to grant pay increases for this team of 12.5% based on market rate adjustments for FY 2027, with the exception of the Deputy Chief of Staff. This position will receive a 3.5% cost-of-living salary adjustment.

If approved by the Legislature, this will require an increase to Section 5 appropriations. The Regular Salaries will increase \$223,200 to \$1,006,835.

The personal services matching line reflects an increase based on the newly proposed “Regular Salaries” line and not the new maximum annual salary amounts requested. If the Legislature approves this proposal as submitted, the personal services matching budget would increase by **\$89,276** to \$402,730.

Finally, there is currently no budget for Extra Help in this section. Due to the labor-intensive work related to our new “Data Match” program the Legislature approved in 2025, I am requesting three newly created Extra Help positions and \$30,000 for a new line item for my office’s Unclaimed Property Program.

Item No.	Title	Fiscal Year 2025-2026	Fiscal Year 2026-2027
(01)	Regular Salaries	\$ 783,635	<u>\$1,006,835</u>
(02)	<u>Extra Help</u>		<u>\$ 30,000</u>
(02) (03)	Personal Services Matching	\$ 313,454	<u>\$ 402,730</u>
(03) (04)	Maint. & Gen. Operation		
(04) (05)	Data Match	\$1,000,000	<u>\$ 650,000</u>

If the Arkansas General Assembly approves the above changes, the Total Amount Appropriated will decrease by **\$7,524** to \$3,977,565. Again, this amount will be reimbursed by interest earned from the State Treasury Money Management Trust Fund per Act 430 of 2025.

Section 6. Appropriation – Payment of Unclaimed Property Claims - Cash.

As a follow-up to my recent request to the JBC – PEER Subcommittee on January 13, 2026, I request raising the appropriated amount of cash funds by **\$15,000,000** to \$50,000,000 as defined by Arkansas Code 19-4-801 in expectation of paying a higher amount in unclaimed property claims than in previous fiscal years:

Item No.	Title	Fiscal Year 2025-2026	Fiscal Year 2026-2027
(2)	Payment of Unclaimed Property Claims	\$35,000,000	<u>\$50,000,000</u>

I appreciate your consideration of these requests. Should you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,



Dennis Milligan
Auditor of State

ARKANSAS SENATE
95th General Assembly - Fiscal Session, 2026
Amendment Form

DRAFT

Subtitle of Senate Bill 51

AN ACT FOR THE AUDITOR OF STATE - OPERATIONS AND UNCLAIMED PROPERTY
PROGRAM APPROPRIATION FOR THE 2026-2027 FISCAL YEAR.

Amendment No. ___ to Senate Bill 51

Amend Senate Bill 51 as originally introduced:

Page 1, delete SECTION 1 in its entirety and replace with the following:

" SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established for the Auditor of State for the 2026-2027 fiscal year, the following maximum number of regular employees.

Item No.	Title	Maximum	Maximum Annual
		No. of Employees	Salary Rate Fiscal Year 2026-2027
(1)	DEPUTY AUDITOR	1	\$183,185
(2)	CHIEF OF STAFF	1	\$183,185
(3)	CHIEF LEGAL COUNSEL	1	\$171,630
(4)	DEPUTY CHIEF OF STAFF	1	\$166,525
(5)	IT ADMINISTRATOR	1	\$154,915
(6)	INTERNAL AUDITOR/CPA	1	\$141,845
(7)	CHIEF OF COMMUNICATIONS	1	\$128,950
(8)	PUBLIC INFORMATION MANAGER	1	\$106,570
(9)	HR ADMIN	2	\$96,880
(10)	EXECUTIVE ASSISTANT	1	\$96,880
(11)	ACCOUNTANT II	2	\$88,075
(12)	MEDIA SPECIALIST	1	\$88,075
(13)	PUBLIC INFORMATION SPECIALIST	1	\$80,065
(14)	DATABASE SPECIALIST	2	\$79,495
(15)	ACCOUNTANT I	1	\$72,790
(16)	ADMINISTRATIVE SPECIALIST	<u>2</u>	\$48,575

DRAFT

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Page 1 of 3

MAX. NO. OF EMPLOYEES

20"

AND

Page 2, line 30, delete "\$1,753,495" and replace with "\$1,944,200"

AND

Page 2, line 32, delete "701,398" and replace with "777,685"

AND

Page 3, line 3, delete "\$3,193,343" and replace with "\$3,460,335"

AND

Page 3, delete SECTION 4 in its entirety and replace with the following:

" SECTION 4. REGULAR SALARIES - UNCLAIMED PROPERTY PROGRAM. There is hereby established for the Auditor of State - Unclaimed Property Program for the 2026-2027 fiscal year, the following maximum number of regular employees.

Item No.	Title	Maximum	Maximum Annual
		No. of Employees	Salary Rate Fiscal Year 2026-2027
(1)	DEPUTY CHIEF OF STAFF	1	\$166,525
(2)	UCP COMPLIANCE MANAGER	1	\$117,226
(3)	UCP CLAIMS MANAGER II	1	\$117,226
(4)	UCP CLAIMS MANAGER I	2	\$106,569
(5)	UCP COMPLIANCE AGENT II	1	\$80,067
(6)	UCP CLAIMS EXAMINER II	2	\$80,067
(7)	UCP COMPLIANCE AGENT I	1	\$72,788
(8)	UCP CLAIMS EXAMINER I	<u>3</u>	\$72,788
	MAX. NO. OF EMPLOYEES	12"	

AND

Page 3, immediately following SECTION 4, add the following SECTION:

" SECTION 5. EXTRA HELP - UNCLAIMED PROPERTY PROGRAM. There is hereby authorized for the Auditor of State - Unclaimed Property Program for the 2026-2027 fiscal year, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: three (3) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform

Classification and Compensation Act, or its successor, or this act for the appropriate classification."

AND

Appropriately renumber all subsequent SECTION numbers of the bill

AND

Page 3, line 31, delete "\$783,635" and replace with "\$1,006,835"

AND

Page 3, immediately following line 31, insert the following line:
"(02) EXTRA HELP 30,000"

AND

Page 3, line 32, delete "313,454" and replace with "402,730"

AND

Page 4, line 3, delete "1,000,000" and replace with "650,000"

AND

Page 4, line 4, delete "\$3,985,089" and replace with "\$3,977,565"

AND

Page 4, line 15, delete "35,000,000" and replace with "50,000,000"

AND

Page 4, line 16, delete "\$35,002,500" and replace with "\$50,002,500"

The Amendment was read the first time, rules suspended and read the second time and _____

By: Joint Budget Committee

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JAR136

Secretary

DENNIS MILLIGAN
Auditor



230 State Capitol
Little Rock, AR 72201

State of Arkansas

April 10, 2026

Honorable Jonathan Dismang, Co-Chair
Honorable Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
One Capitol Mall
Little Rock, AR 72201

Dear Senator Dismang and Representative Jean:

This letter serves to provide a more detailed explanation of my requests made in my January 30, 2026, letter regarding appropriations for FY2027.

First, regarding the Unclaimed Property Claims Examiner and Compliance Agent positions I am requesting to be added to the Unclaimed Property (UCP) program:

- Unclaimed Property Claims Examiner I, SPC01 \$72,788
- Unclaimed Property Compliance Agent I, SPC01 \$72,788

Since taking office in January 2023, my team and I have organized a significant amount of outreach events and successfully advertised *The Great Arkansas Treasure Hunt*. Because of these efforts, there has been a noticeable increase in the number of claims received by my UCP team. The amount of unclaimed property we are returning to Arkansans has jumped from \$20 million in FY2022, \$27 million in FY2023, to just over \$34 million in FY2024 and FY2025. (See chart below.)

Fiscal Year	# of Checks Printed	Amount Paid
FY2020	15,144	\$17,491,854.32
FY2021	21,268	\$21,143,140.02
FY2022	19,902	\$20,009,482.38
FY2023	33,548	\$27,165,030.19
FY2024	34,700	\$34,360,451.88
FY2025	34,296	\$34,944,709.33
FY2026 (to date)	111,394*	\$33,465,961.80

*includes Data Match checks

To date, we have returned over \$33 million to Arkansans this fiscal year. In February, my office requested and ALC authorized raising our cash fund appropriations limit by \$15 million to \$50 million in order to accommodate the increasing volume of claims.

The first position I am requesting is an Unclaimed Property Claims Examiner I to assist with the increased number of claims my office is receiving due to our outreach efforts and the new Data Match program. This program has been a complete success, but very labor intensive. We have processed around 197,000 records and mailed 79,000 checks worth just over \$16 million. In comparison, we typically send roughly 34,000 checks in a year's time. As of February, my office has already printed over 111,394 checks this fiscal year.

One unexpected outcome of Data Match is that it creates word of mouth advertising that has resulted in our claims queue jumping from 3,000 - 4,000 to a high of 6,700 claims in December. That volume is hard for my team to process within our statutory limit of 90 days. For context, it takes my team the same amount of time to process a \$10 claim as it does a \$10,000 claim. In fact, I have directed my team to postpone sending additional data match notification letters in order to reduce the backlog of claims in our queue. I currently have 4,884 data match claims worth over \$9.6 million waiting to go out. But I am having to hold them until our current backlog of claims is reduced to a more manageable level.

The second position I am requesting is an Unclaimed Property Compliance Agent I. In 2025, I instituted a pro-business Voluntary Compliance Program where businesses can come into compliance with UCP law without incurring fees if they do so in a timely manner. This has created a surge in the number of businesses now reporting their unclaimed property. In FY2023, there were 7,477 businesses that reported \$53 million, compared to 11,877 businesses that reported \$78 million in FY2025. That is a 63% increase, with over 4,000 more businesses reporting than in previous years. This has created positive yet unexpected growing pains for my team of only two people.

In FY2015, this office had 36 positions. In the last administration, six (6) positions were eliminated in order to boost salaries without increasing appropriations. However, the level of work on my unclaimed property team has significantly increased since I took office.

In order to continue the quality of work and service to the citizens of Arkansas, the office needs more help. We are in a unique position in that our office essentially pays for itself. Act 86 of 2021 authorized \$18,000,000 to be pulled annually, minus our expenses, from the UCP program and put into General Revenue (not State Central Services). (See Act attached.)

I hope this more detailed explanation answers any questions you might have. If not, I would be happy to visit with you in person regarding this request. Should you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,



Dennis Milligan
Auditor of State

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021

As Engrossed: H1/21/21 H1/26/21

A Bill

HOUSE BILL 1109

4
5 By: Representative Eubanks
6 By: Senator G. Stubblefield

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE DEPOSIT OF
10 FUNDS BY THE UNCLAIMED PROPERTY ACT; AND FOR OTHER
11 PURPOSES.

Subtitle

12
13
14 TO AMEND THE LAW CONCERNING THE DEPOSIT
15 OF FUNDS BY THE UNCLAIMED PROPERTY ACT.
16
17

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. Arkansas Code § 18-28-213(c)(2), concerning the deposit of
22 funds under the Unclaimed Property Act, is amended to read as follows:

23 (2) At least one (1) time each fiscal year, the administrator
24 shall transfer to the general revenues of the state all *eighteen million*
25 *dollars (\$18,000,000) from the* remaining funds that have been collected and
26 held for a full three (3) years, less the amount transferred to the State
27 Central Services Fund, or its successor fund or fund account, as required by
28 this subchapter.

29
30 /s/Eubanks

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33 APPROVED: 2/9/21
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