

ATTORNEY GENERAL

Enabling Laws

Act 421 of 2005

Act 2312 of 2005

A.C.A. §25-16-701 et seq.

A.C.A. §04-88-101 et seq.

A.C.A. §05-55-101 et seq.

A.C.A. §16-90-706 et seq.

A.C.A. §23-04-301 et seq.

A.C.A. §04-111-101 et seq.

Constitution of Arkansas, Article 6

Constitution of Arkansas, Amendment 63

History and Organization

The Office of Attorney General in Arkansas was established by Article 6, Section 1 of the Arkansas Constitution of 1874, which section has been likely superseded by Amendment 63, Section 1. It reads, in applicable part, as follows:

“The Executive Department of this state shall consist of a(n) ... Attorney General, . . . all of whom shall keep their offices at the seat of Government and hold their offices for the term of four years and until their successors are elected and qualified.”

Article 6, Section 3 of the Constitution provides that the Attorney General is elected by the qualified electors of the state at large at the general elections. The salary for the office is established by Amendment 70, Sections 1 and 3.

The only constitutional or statutory qualification for holding the office of Attorney General is that of Article 19, Section 3 and 4, Constitution of Arkansas, which requires all state officers to possess the qualifications of electors and requires officers for the state at large to reside within the state.

The statutory subchapter setting forth the fundamental duties for the Attorney General is found at A.C.A. §25-16-701 et seq. The primary responsibilities created therein are set forth below.

A.C.A. §25-16-702 provides as follows: "The Attorney General shall be the attorney for all state officials, departments, institutions and agencies. Whenever any officer or department, institution, or agency of the state needs the services of an attorney, the matter shall be certified to the Attorney General for attention."

Section 702 also provided that the Attorney General shall have the authority to initiate civil lawsuits under all environmental protection statutes.

A.C.A. §25-16-703 provides that the Attorney General shall maintain and defend the interest of the state in the federal courts and that he or she shall be the legal representative of all state parties in litigation where the interests of the state are involved.

A.C.A. §25-16-704 provides that the Attorney General will attend and defend the state before the Supreme Court.

A.C.A. §25-16-706 provides that the Attorney General will, upon request, give his opinion to the Governor and heads of executive departments on any constitutional or legal questions concerning the official actions of such officers. The Attorney General is also authorized to give his opinion on certain legal matters to prosecuting attorneys, members of the General Assembly, county commissions and all state boards and commissions.

A.C.A. §25-16-709 empowers the Attorney General to bring suit against state officials who have collected or received state monies and not accounted for them according to the law.

In Addition to the fundamental duties of the Attorney General set forth at A.C.A §25-16-701 et. seq., additional statutory duties have been prescribed for the office over the years. The most significant of these are set forth below.

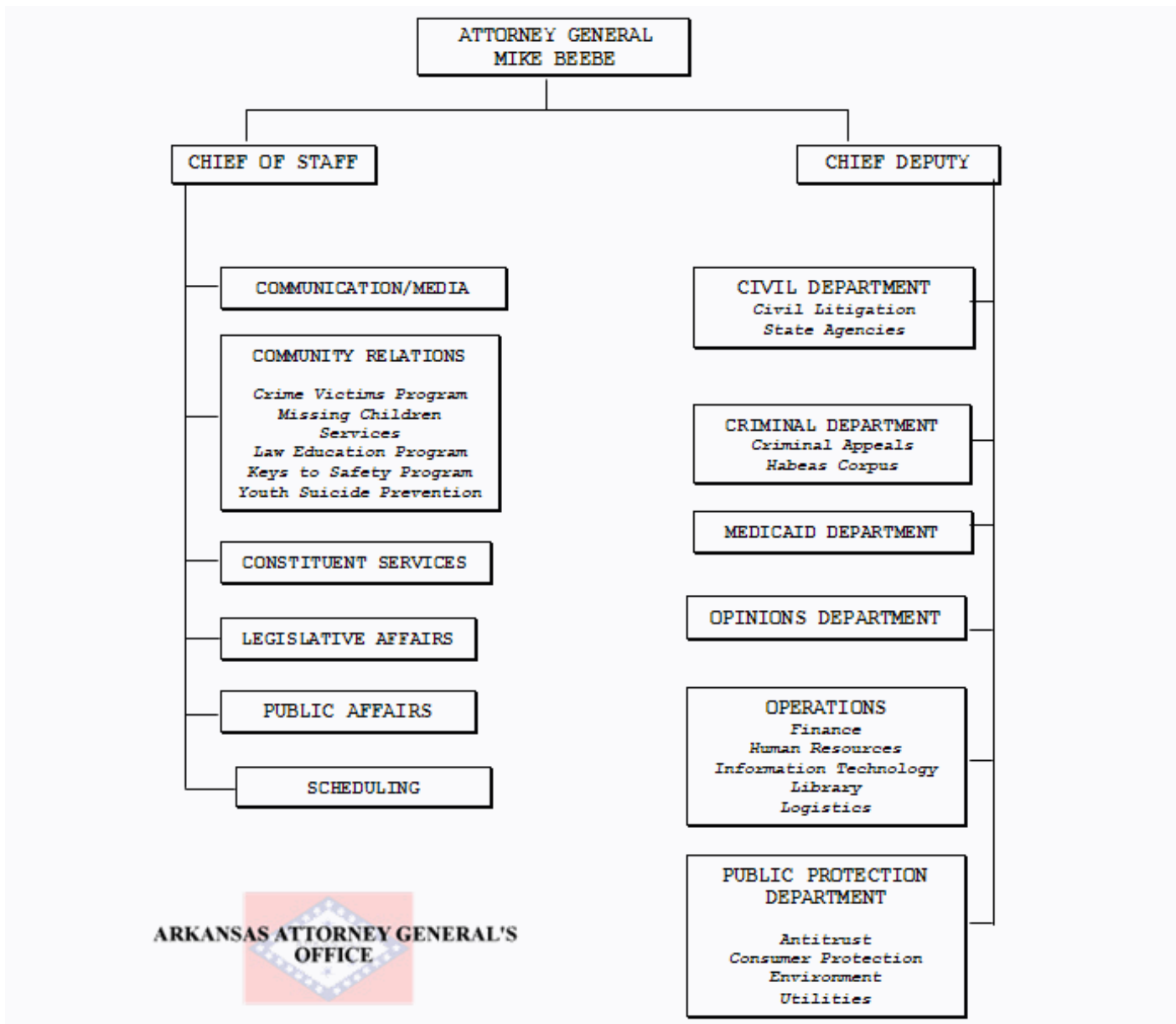
Consumer Protection. The Attorney General is charged with enforcing the “Deceptive Trade Practices Act,” A.C.A §4-88-101 et seq. This act creates the Consumer Protection Division, and authorizes that division to conduct investigation, promote consumer education, and bring lawsuits to enforce the provisions of the law. The division is also charged with registration of charities and professional fundraisers by A.C.A. §4-28-401 et seq.

Medicaid Fraud. A.C.A. §5-55-101 et seq. provides that the Office of Attorney General will investigate and bring cases regarding abuse, exploitation or neglect of nursing home residents and fraud against the Medicaid Program. The Office is also empowered under federal and state law to conduct criminal investigations and refer cases for prosecution. The Attorney General’s staff may also be deputized by a prosecuting attorney and conduct prosecutions.

Crime Victims Reparations. The Crime Victims Reparations Board was created by A.C.A. §16-90-710 et seq. and A.C.A. §16-90-706 provides that the Attorney General provide necessary office space, support staff and secretarial services to the Board for the administration of their statutory responsibilities.

Public Utilities. A.C.A. §23-4-301 et seq. creates a division within the office called the Consumer Utilities Rate Advocacy Division. This division is charged with representing the state, its subdivisions and ratepayers in state and federal proceedings related to utility matters.

An organization chart which reflects the structure of the Office of Attorney General is attached hereto.



Agency Commentary

The Office of the Attorney General is the statutory legal counsel for the State's officials, departments, institutions and agencies. This Office also has the responsibility to administer the Crime Victims Reparation Program and protect the environment as well as the consumers of Arkansas. Statutory obligations are carried out through the following functions:

- | | | |
|-------------------------|------------------------|----------------------------------|
| 1) Communication/Media | 5) Public Affairs | 9) Medicaid Fraud Department |
| 2) Community Relations | 6) Scheduling | 10) Opinions Department |
| 3) Constituent Services | 7) Civil Department | 11) Operations |
| 4) Legislative Affairs | 8) Criminal Department | 12) Public Protection Department |

BASE LEVEL:

In the area of Personal Services, the Office of the Attorney General's interim Base Level request (subject to revision by the incoming Attorney General) is for funding of all authorized positions at FY 07 levels including 3% cost of living increases and related Personal Service Matching costs. Such funding will permit the Office to maintain normal operations.

For all other line items in all appropriations for which continuation into the new biennium is requested, the Office of the Attorney General respectfully requests appropriations at the full FY 2007 level, with minor exceptions justified below under the change level requests.

CHANGE LEVEL REQUESTS:

The Office of the Attorney General (Appropriation 004), funded through State Central Services Fund, is utilized to operate Communication/Media, Community Relations, Constituent Services, Legislative Affairs, Public Affairs, Scheduling, Civil, Criminal, Opinions, Operations and Public Protection functions.

The Operating Expenses line item has been modestly increased to reflect increases in costs for items such as computer lines, gasoline and supplies. We are also requesting minimal increases in the Conference Fees and Travel line item due to the rising cost of transportation and seminar fees. In addition, we are requesting additional appropriation in the Professional Fees and Services line item as costs for expert witness fees continue to rise.

The Office of the Attorney General is requesting \$95,800 of appropriation to our Capital Outlay Line item in FY 2008 and \$98,000 in FY 2009. These funds are needed to replace equipment that becomes obsolete or equipment that is expensive to maintain as well as replacement of vehicles in our fleet.

The Medicaid Department of the Office receives federal funds from the United States Department of Health and Human Services. Medicaid requirements are comprised of the Federal Program (Appropriation 188) and State Program (Appropriation 189). The Federal Program pays 75% of total costs and the State Program pays the remaining 25% of total costs as match on the Federal dollars. The office is requesting a minimal increase in Operating Expenses, Professional Fees and Services, and Conference Fees and Travel to reflect increases in costs for items such as gasoline, conference fees and expert witness fees. The office is also requesting that the Capital Outlay line item be restored with minor increases to allow for the replacement of vehicles in the fleet as well as obsolete equipment.

Medicaid - Indirect Costs (Appropriation 1PF), we receive Federal funds to cover indirect costs from the United States Department of Health and Human Services. The office is requesting that total appropriation for this fund be retained at the FY 2007 authorized level for each year of the Biennium.

The Crime Victims Reparation Program receives federal funds from the United States Department of Justice. The Federal Program (Appropriation 1PH) funds approximately 40% of the total costs for the Crime Victims Program. The State Program (Appropriation 1PE), funded by the State Office of Administrative Justice, is responsible for the remaining 60% of the costs for operation of this program. A minimal increase is requested in the Operating Expenses, Conference Fees and Travel, as

well as Professional Fees due to the rising costs for items such as gasoline, common carrier and legal fees.

The Office of the Attorney General interim request (subject to revision by the incoming Attorney General) is for \$200,000 to fund the Spyware Monitoring Program. We are requesting \$100,000 in appropriation for fund SSM0000 and \$100,000 from the General Revenue Fund. Spyware is software that can track or collect the online activities or personal information of Web users, change settings on users computers, or cause advertising messages to pop up on users' computer screens. The unauthorized installation of spyware is not only inconvenient, it can cause extensive damage to the technological equipment involved, loss of valuable information and work product, and theft of personal information.

Act 2255 of 2005, otherwise known as the Consumer Protection Against Computer Spyware Act, contains prohibitions against the installation of unauthorized spyware on the computers owned and operated by the consumers of Arkansas. The Arkansas Attorney General's Office is charged with the enforcement of the Act. In order to provide effective enforcement it is necessary that funds be appropriated to train personnel in the intricacies of spyware enforcement as well as cover the costs of bringing these highly specialized enforcement actions.

Each request in this budget is submitted in order that the Office of the Attorney General may continue to safeguard the interests of the citizens of Arkansas and to fulfill the statutory responsibilities of this Office by performing the legal actions of our state government.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
OFFICE OF THE ATTORNEY GENERAL
FOR THE YEAR ENDED JUNE 30, 2005

| Findings | Recommendations |
|----------|-----------------|
| None | None |

Employment Summary

| | Male | Female | Total | % |
|-------------------------|------|--------|-------|-------|
| White Employees | 45 | 59 | 104 | 70 % |
| Black Employees | 6 | 32 | 38 | 26 % |
| Other Racial Minorities | 2 | 5 | 7 | 4 % |
| Total Minorities | | | 45 | 30 % |
| Total Employees | | | 149 | 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 | | |
| Lemon Law Books | Act 1313 of 2001 | N | N | 135,000 | Required by Statutes to provide booklets to automobile dealers for every vehicle sold explaining the State's Lemon Law |
| Model Rules and Regulations for State Agencies | A.C.A. §25-15-215 | N | N | 250 | Required by Statutes to provide model rules for each state agency |

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

| Appropriation | 2005-2006 | | 2006-2007 | | 2006-2007 | | 2007-2008 | | | | 2008-2009 | | | |
|---------------------------------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|-----------|----------|-------------------|------------|-----------|----------|
| | Actual | Pos | Budget | Pos | Authorized | Pos | Agency | Pos | Executive | Pos | Agency | Pos | Executive | Pos |
| 004 Attorney General - Administration | 8,918,214 | 120 | 10,637,235 | 120 | 10,545,385 | 120 | 10,993,848 | 120 | 0 | 0 | 11,308,323 | 120 | 0 | 0 |
| 188 Medicaid Fraud - Federal | 1,181,002 | 17 | 1,500,022 | 17 | 1,484,571 | 17 | 1,548,081 | 17 | 0 | 0 | 1,591,338 | 17 | 0 | 0 |
| 189 Medicaid Fraud - State | 435,278 | 5 | 491,469 | 5 | 486,263 | 5 | 507,089 | 5 | 0 | 0 | 521,611 | 5 | 0 | 0 |
| 1PE Victims Reparations Program | 2,567,745 | 8 | 3,804,104 | 8 | 3,798,543 | 8 | 3,822,161 | 8 | 0 | 0 | 3,837,775 | 8 | 0 | 0 |
| 1PF Medicaid Fraud - Indirect Costs | 173,543 | 0 | 290,000 | 0 | 290,000 | 0 | 290,000 | 0 | 0 | 0 | 290,000 | 0 | 0 | 0 |
| 1PH Victims Reparations - Federal | 1,328,221 | 1 | 1,477,866 | 1 | 1,477,423 | 1 | 1,479,234 | 1 | 0 | 0 | 1,480,263 | 1 | 0 | 0 |
| 2YK Spyware Monitoring | 0 | 0 | 0 | 0 | 100,000 | 0 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2YM Spyware Monitoring-State | 0 | 0 | 0 | 0 | 100,000 | 0 | 100,000 | 0 | 100,000 | 0 | 0 | 0 | 0 | 0 |
| NOT REQUESTED FOR THE BIENNIUM | | | | | | | | | | | | | | |
| 4GS Child Internet Crime | 22,533 | 0 | 52,467 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 14,626,536 | 151 | 18,253,163 | 151 | 18,282,185 | 151 | 18,840,413 | 151 | 0 | 0 | 19,029,310 | 151 | 0 | 0 |

| Funding Sources | | % | | % | | % | | % | | % | | % |
|---|-------------|-------|-------------|-------|-------------|-------|---------|-----|-------------|-------|---|-----|
| Fund Balance 4000005 | 3,067,277 | 16.8 | 3,668,437 | 17.3 | 3,009,056 | 14.2 | 0 | 0.0 | 2,334,419 | 11.3 | 0 | 0.0 |
| General Revenue 4000010 | 0 | 0.0 | 0 | 0.0 | 100,000 | 0.5 | 100,000 | 0.5 | 0 | 0.0 | 0 | 0.0 |
| Federal Revenue 4000020 | 2,705,299 | 14.8 | 3,320,355 | 15.6 | 3,317,315 | 15.7 | 0 | 0.0 | 3,361,601 | 16.3 | 0 | 0.0 |
| Special Revenue 4000030 | 79,182 | 0.4 | 55,000 | 0.3 | 157,801 | 0.7 | 0 | 0.0 | 60,699 | 0.3 | 0 | 0.0 |
| State Central Services 4000035 | 9,353,492 | 51.1 | 11,128,704 | 52.3 | 11,500,937 | 54.3 | 0 | 0.0 | 11,829,934 | 57.2 | 0 | 0.0 |
| State Administration of Justice 4000470 | 3,089,723 | 16.9 | 3,089,723 | 14.5 | 3,089,723 | 14.6 | 0 | 0.0 | 3,089,723 | 14.9 | 0 | 0.0 |
| Total Funds | 18,294,973 | 100.0 | 21,262,219 | 100.0 | 21,174,832 | 100.0 | 0 | 0.0 | 20,676,376 | 100.0 | 0 | 0.0 |
| Excess Appropriation/(Funding) | (3,668,437) | | (3,009,056) | | (2,334,419) | | 0 | | (1,647,066) | | 0 | |
| Grand Total | 14,626,536 | | 18,253,163 | | 18,840,413 | | 100,000 | 0.5 | 19,029,310 | | 0 | |

No Executive Recommendation made on these Appropriations except 2YM.

Agency Position Usage Report

| FY2004-2005 | | | | | | FY2005-2006 | | | | | | FY2006-2007 | | | | | |
|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|
| 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 | | | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | |
| 147 | 141 | 6 | 147 | 0 | 4.08% | 151 | 141 | 10 | 151 | 0 | 6.62% | 151 | 149 | 2 | 151 | 0 | 1.32% |

Appropriation Summary

Appropriation: 004 Attorney General - Administration
Funding Sources: HSC - State Central Services

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | | | |
|--------------------------------------|------------------|-------------------|-------------------|---|-------------------|-----------|-------------------|-------------------|-----------|
| | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 5,966,944 | 6,792,631 | 6,792,631 | 6,996,360 | 6,996,360 | 0 | 7,206,188 | 7,206,188 | 0 |
| #Positions | 120 | 120 | 120 | 120 | 120 | 0 | 120 | 120 | 0 |
| Extra Help 5010001 | 13,994 | 36,000 | 36,000 | 36,000 | 36,000 | 0 | 36,000 | 36,000 | 0 |
| #Extra Help | 6 | 8 | 8 | 8 | 8 | 0 | 8 | 8 | 0 |
| Personal Services Matching 5010003 | 1,654,173 | 1,840,393 | 1,748,543 | 1,936,193 | 1,936,193 | 0 | 1,979,064 | 1,979,064 | 0 |
| Operating Expenses 5020002 | 1,048,078 | 1,606,910 | 1,606,910 | 1,606,910 | 1,654,865 | 0 | 1,606,910 | 1,704,698 | 0 |
| Conference & Travel Expenses 5050009 | 56,875 | 91,800 | 91,800 | 91,800 | 94,530 | 0 | 91,800 | 96,873 | 0 |
| Professional Fees 5060010 | 89,800 | 176,501 | 176,501 | 176,501 | 180,100 | 0 | 176,501 | 187,500 | 0 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 88,350 | 93,000 | 93,000 | 0 | 95,800 | 0 | 0 | 98,000 | 0 |
| Total | 8,918,214 | 10,637,235 | 10,545,385 | 10,843,764 | 10,993,848 | 0 | 11,096,463 | 11,308,323 | 0 |
| Funding Sources | | | | | | | | | |
| State Central Services 4000035 | 8,918,214 | 10,637,235 | | 10,843,764 | 10,993,848 | 0 | 11,096,463 | 11,308,323 | 0 |
| Total Funding | 8,918,214 | 10,637,235 | | 10,843,764 | 10,993,848 | 0 | 11,096,463 | 11,308,323 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 8,918,214 | 10,637,235 | | 10,843,764 | 10,993,848 | 0 | 11,096,463 | 11,308,323 | 0 |

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-2007 biennium.

Change Level by Appropriation

Appropriation: 004-Attorney General - Administration

Funding Sources: HSC - State Central Services

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|-------------------|------------|-------------------|--------------|-------------------|------------|-------------------|--------------|
| BL | Base Level | 10,843,764 | 120 | 10,843,764 | 100.0 | 11,096,463 | 120 | 11,096,463 | 100.0 |
| C01 | Existing Program | 541,736 | 0 | 11,385,500 | 105.0 | 594,589 | 0 | 11,691,052 | 105.3 |
| C03 | Discontinue Program | (391,652) | 0 | 10,993,848 | 101.3 | (382,729) | 0 | 11,308,323 | 101.9 |

Appropriation Summary

Appropriation: 188 Medicaid Fraud - Federal
Funding Sources: FAY - Medicaid Operations Federal

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------------|---------------------|---------------------|-------------------------|---|------------------|-----------|---|------------------|-----------|
| | 2005-2006 Actual | 2006-2007 Budget | 2006-2007 Authorized | 2007-2008 | | | 2008-2009 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 848,548 | 953,000 | 953,000 | 981,581 | 981,581 | 0 | 1,011,022 | 1,011,022 | 0 |
| #Positions | 17 | 17 | 17 | 17 | 17 | 0 | 17 | 17 | 0 |
| Extra Help 5010001 | 19,827 | 25,000 | 25,000 | 25,000 | 25,000 | 0 | 25,000 | 25,000 | 0 |
| #Extra Help | 2 | 2 | 2 | 2 | 2 | 0 | 2 | 2 | 0 |
| Personal Services Matching 5010003 | 236,122 | 261,822 | 246,371 | 273,909 | 273,909 | 0 | 279,925 | 279,925 | 0 |
| Operating Expenses 5020002 | 38,928 | 179,900 | 179,900 | 179,900 | 185,291 | 0 | 179,900 | 190,841 | 0 |
| Conference & Travel Expenses 5050009 | 12,574 | 33,100 | 33,100 | 33,100 | 34,000 | 0 | 33,100 | 35,100 | 0 |
| Professional Fees 5060010 | 6,257 | 22,200 | 22,200 | 22,200 | 22,800 | 0 | 22,200 | 23,450 | 0 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 18,746 | 25,000 | 25,000 | 0 | 25,500 | 0 | 0 | 26,000 | 0 |
| Total | 1,181,002 | 1,500,022 | 1,484,571 | 1,515,690 | 1,548,081 | 0 | 1,551,147 | 1,591,338 | 0 |
| Funding Sources | | | | | | | | | |
| Federal Revenue 4000020 | 1,181,002 | 1,500,022 | | 1,515,690 | 1,548,081 | 0 | 1,551,147 | 1,591,338 | 0 |
| Total Funding | 1,181,002 | 1,500,022 | | 1,515,690 | 1,548,081 | 0 | 1,551,147 | 1,591,338 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 1,181,002 | 1,500,022 | | 1,515,690 | 1,548,081 | 0 | 1,551,147 | 1,591,338 | 0 |

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-2007 biennium.

Change Level by Appropriation

Appropriation: 188-Medicaid Fraud - Federal

Funding Sources: FAY - Medicaid Operations Federal

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 1,515,690 | 17 | 1,515,690 | 100.0 | 1,551,147 | 17 | 1,551,147 | 100.0 |
| C01 | Existing Program | 115,997 | 0 | 1,631,687 | 107.6 | 122,201 | 0 | 1,673,348 | 107.8 |
| C03 | Discontinue Program | (83,606) | 0 | 1,548,081 | 102.1 | (82,010) | 0 | 1,591,338 | 102.5 |

Appropriation Summary

Appropriation: 189 Medicaid Fraud - State
Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 Actual | 2006-2007 Budget | 2006-2007 Authorized | 2007-2008 | | | 2008-2009 | | |
|--------------------------------------|---------------------|---------------------|-------------------------|----------------|----------------|-----------|----------------|----------------|-----------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 278,487 | 320,449 | 320,449 | 330,059 | 330,059 | 0 | 339,957 | 339,957 | 0 |
| #Positions | 5 | 5 | 5 | 5 | 5 | 0 | 5 | 5 | 0 |
| Personal Services Matching 5010003 | 74,314 | 84,650 | 79,444 | 88,431 | 88,431 | 0 | 90,454 | 90,454 | 0 |
| Operating Expenses 5020002 | 59,735 | 61,470 | 61,470 | 61,470 | 63,300 | 0 | 61,470 | 65,200 | 0 |
| Conference & Travel Expenses 5050009 | 10,233 | 10,900 | 10,900 | 10,900 | 11,199 | 0 | 10,900 | 11,500 | 0 |
| Professional Fees 5060010 | 7,181 | 7,400 | 7,400 | 7,400 | 7,400 | 0 | 7,400 | 7,500 | 0 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 5,328 | 6,600 | 6,600 | 0 | 6,700 | 0 | 0 | 7,000 | 0 |
| Total | 435,278 | 491,469 | 486,263 | 498,260 | 507,089 | 0 | 510,181 | 521,611 | 0 |
| Funding Sources | | | | | | | | | |
| State Central Services 4000035 | 435,278 | 491,469 | | 498,260 | 507,089 | 0 | 510,181 | 521,611 | 0 |
| Total Funding | 435,278 | 491,469 | | 498,260 | 507,089 | 0 | 510,181 | 521,611 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 435,278 | 491,469 | | 498,260 | 507,089 | 0 | 510,181 | 521,611 | 0 |

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-2007 biennium.

Change Level by Appropriation

Appropriation: 189-Medicaid Fraud - State
Funding Sources: HSC - State Central Services

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 498,260 | 5 | 498,260 | 100.0 | 510,181 | 5 | 510,181 | 100.0 |
| C01 | Existing Program | 38,296 | 0 | 536,556 | 107.6 | 39,963 | 0 | 550,144 | 107.8 |
| C03 | Discontinue Program | (29,467) | 0 | 507,089 | 101.7 | (28,533) | 0 | 521,611 | 102.2 |

Appropriation Summary

Appropriation: 1PE Victims Reparations Program
Funding Sources: TCR - Crime Victims Revolving Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|---------------------------------|---------|------------------|------------------|------------------|------------------|------------------|-----------|------------------|------------------|-----------|
| | | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 260,556 | 341,826 | 341,826 | 352,080 | 352,080 | 0 | 362,638 | 362,638 | 0 |
| #Positions | | 8 | 8 | 8 | 8 | 8 | 0 | 8 | 8 | 0 |
| Extra Help | 5010001 | 1,700 | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 10,000 | 10,000 | 0 |
| #Extra Help | | 1 | 2 | 2 | 2 | 2 | 0 | 2 | 2 | 0 |
| Personal Services Matching | 5010003 | 75,150 | 101,317 | 95,756 | 106,319 | 106,319 | 0 | 108,477 | 108,477 | 0 |
| Operating Expenses | 5020002 | 55,970 | 71,700 | 71,700 | 71,700 | 73,801 | 0 | 71,700 | 75,999 | 0 |
| Conference & Travel Expenses | 5050009 | 4,919 | 15,200 | 15,200 | 15,200 | 15,600 | 0 | 15,200 | 16,000 | 0 |
| Professional Fees | 5060010 | 2,352 | 10,000 | 10,000 | 10,000 | 10,300 | 0 | 10,000 | 10,600 | 0 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Claims | 5110015 | 2,167,098 | 3,254,061 | 3,254,061 | 3,254,061 | 3,254,061 | 0 | 3,254,061 | 3,254,061 | 0 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 2,567,745 | 3,804,104 | 3,798,543 | 3,819,360 | 3,822,161 | 0 | 3,832,076 | 3,837,775 | 0 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 3,067,277 | 3,668,437 | | 3,009,056 | 3,009,056 | 0 | 2,334,419 | 2,334,419 | 0 |
| Special Revenue | 4000030 | 79,182 | 55,000 | | 55,000 | 57,801 | 0 | 55,000 | 60,699 | 0 |
| State Administration of Justice | 4000470 | 3,089,723 | 3,089,723 | | 3,089,723 | 3,089,723 | 0 | 3,089,723 | 3,089,723 | 0 |
| Total Funding | | 6,236,182 | 6,813,160 | | 6,153,779 | 6,156,580 | 0 | 5,479,142 | 5,484,841 | 0 |
| Excess Appropriation/(Funding) | | (3,668,437) | (3,009,056) | | (2,334,419) | (2,334,419) | 0 | (1,647,066) | (1,647,066) | 0 |
| Grand Total | | 2,567,745 | 3,804,104 | | 3,819,360 | 3,822,161 | 0 | 3,832,076 | 3,837,775 | 0 |

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-2007 biennium.

Change Level by Appropriation

Appropriation: 1PE-Victims Reparations Program
Funding Sources: TCR - Crime Victims Revolving Fund

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 3,819,360 | 8 | 3,819,360 | 100.0 | 3,832,076 | 8 | 3,832,076 | 100.0 |
| C01 | Existing Program | 19,304 | 0 | 3,838,664 | 100.5 | 21,583 | 0 | 3,853,659 | 100.5 |
| C03 | Discontinue Program | (16,503) | 0 | 3,822,161 | 100.0 | (15,884) | 0 | 3,837,775 | 100.1 |

Appropriation Summary

Appropriation: 1PF Medicaid Fraud - Indirect Costs
Funding Sources: FAY - Medicaid Indirect Costs Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------|----------------|----------------|-----------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses 5020002 | 173,543 | 175,000 | 175,000 | 175,000 | 215,000 | 0 | 175,000 | 215,000 | 0 |
| Conference & Travel Expenses 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees 5060010 | 0 | 90,000 | 90,000 | 90,000 | 50,000 | 0 | 90,000 | 50,000 | 0 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 0 | 25,000 | 25,000 | 0 | 25,000 | 0 | 0 | 25,000 | 0 |
| Total | 173,543 | 290,000 | 290,000 | 265,000 | 290,000 | 0 | 265,000 | 290,000 | 0 |
| Funding Sources | | | | | | | | | |
| Federal Revenue 4000020 | 173,543 | 290,000 | | 265,000 | 290,000 | 0 | 265,000 | 290,000 | 0 |
| Total Funding | 173,543 | 290,000 | | 265,000 | 290,000 | 0 | 265,000 | 290,000 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 173,543 | 290,000 | | 265,000 | 290,000 | 0 | 265,000 | 290,000 | 0 |

Change Level by Appropriation

Appropriation: 1PF-Medicaid Fraud - Indirect Costs
Funding Sources: FAY - Medicaid Indirect Costs Federal

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 265,000 | 0 | 265,000 | 100.0 | 265,000 | 0 | 265,000 | 100.0 |
| C01 | Existing Program | 204,052 | 0 | 469,052 | 177.0 | 204,052 | 0 | 469,052 | 177.0 |
| C03 | Discontinue Program | (179,052) | 0 | 290,000 | 109.4 | (179,052) | 0 | 290,000 | 109.4 |

Appropriation Summary

Appropriation: 1PH Victims Reparations - Federal
Funding Sources: FAY - Crime Victims Reparation Program Federal

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | | | |
|--------------------------------------|---------------------|---------------------|-------------------------|---|------------------|-----------|------------------|------------------|-----------|
| | 2005-2006 Actual | 2006-2007 Budget | 2006-2007 Authorized | 2007-2008 | | | 2008-2009 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 24,190 | 27,680 | 27,680 | 28,510 | 28,510 | 0 | 29,365 | 29,365 | 0 |
| #Positions | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 |
| Personal Services Matching 5010003 | 8,728 | 9,487 | 9,044 | 10,025 | 10,025 | 0 | 10,199 | 10,199 | 0 |
| Operating Expenses 5020002 | 76 | 26,900 | 26,900 | 26,900 | 26,900 | 0 | 26,900 | 26,900 | 0 |
| Conference & Travel Expenses 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees 5060010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Claims 5110015 | 1,295,227 | 1,413,799 | 1,413,799 | 1,413,799 | 1,413,799 | 0 | 1,413,799 | 1,413,799 | 0 |
| Capital Outlay 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1,328,221 | 1,477,866 | 1,477,423 | 1,479,234 | 1,479,234 | 0 | 1,480,263 | 1,480,263 | 0 |
| Funding Sources | | | | | | | | | |
| Federal Revenue 4000020 | 1,328,221 | 1,477,866 | | 1,479,234 | 1,479,234 | 0 | 1,480,263 | 1,480,263 | 0 |
| Total Funding | 1,328,221 | 1,477,866 | | 1,479,234 | 1,479,234 | 0 | 1,480,263 | 1,480,263 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 1,328,221 | 1,477,866 | | 1,479,234 | 1,479,234 | 0 | 1,480,263 | 1,480,263 | 0 |

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-2007 biennium.

Change Level by Appropriation

Appropriation: 1PH-Victims Reparations - Federal

Funding Sources: FAY - Crime Victims Reparation Program Federal

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 1,479,234 | 1 | 1,479,234 | 100.0 | 1,480,263 | 1 | 1,480,263 | 100.0 |
| C01 | Existing Program | 17,000 | 0 | 1,496,234 | 101.1 | 17,000 | 0 | 1,497,263 | 101.1 |
| C03 | Discontinue Program | (17,000) | 0 | 1,479,234 | 100.0 | (17,000) | 0 | 1,480,263 | 100.0 |

Appropriation Summary

Appropriation: 2YK Spyware Monitoring
Funding Sources: SSM - Spyware Monitoring Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|--------------------------------|-----------|-----------|------------|------------|---------|-----------|------------|--------|-----------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Spyware Monitoring 5900046 | 0 | 0 | 100,000 | 0 | 100,000 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 100,000 | 0 | 100,000 | 0 | 0 | 0 | 0 |
| Funding Sources | | | | | | | | | |
| Special Revenue 4000030 | 0 | 0 | | 0 | 100,000 | 0 | 0 | 0 | 0 |
| Total Funding | 0 | 0 | | 0 | 100,000 | 0 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | | 0 | 100,000 | 0 | 0 | 0 | 0 |

Agency is requesting a biennial appropriation with carry forward provisions.

Change Level by Appropriation

Appropriation: 2YK-Spyware Monitoring
Funding Sources: SSM - Spyware Monitoring Fund

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| C01 | Existing Program | 100,000 | 0 | 100,000 | 100.0 | 0 | 0 | 0 | x |

Analysis of Budget Request

Appropriation: 2YM - Spyware Monitoring-State

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 2255 of 2005, The Consumer Protection Against Computer Spyware Act established the Spyware Monitoring Program to be enforced by the Attorney General's Office. This program safeguards Arkansas consumers from the unauthorized installation of spyware. Spyware is software that causes unwanted advertising pop-ups, collects personal information and changes the configurations of your computer without your consent.

The Agency is requesting a biennial appropriation funded by general revenue in the amount of \$100,000.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2YM Spyware Monitoring-State
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|----------------------------------|-----------|-----------|------------|------------|---------|-----------|------------|--------|-----------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Spyware Monitoring-State 5900046 | 0 | 0 | 100,000 | 0 | 100,000 | 100,000 | 0 | 0 | 0 |
| Total | 0 | 0 | 100,000 | 0 | 100,000 | 100,000 | 0 | 0 | 0 |

| Funding Sources | | | | | | | | | |
|--------------------------------|---|---|--|---|---------|---------|---|---|---|
| General Revenue 4000010 | 0 | 0 | | 0 | 100,000 | 100,000 | 0 | 0 | 0 |
| Total Funding | 0 | 0 | | 0 | 100,000 | 100,000 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | | 0 | 100,000 | 100,000 | 0 | 0 | 0 |

Agency is requesting a biennial appropriation with carry forward provisions.

Change Level by Appropriation

Appropriation: 2YM-Spyware Monitoring-State
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|---------------------|------------------|------------------|------------|-------------------|----------------|------------------|------------|-------------------|----------------|
| C01 | Existing Program | 100,000 | 0 | 100,000 | 100.0 | 0 | 0 | 0 | x |

Executive Recommendation

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|---------------------|------------------|------------------|------------|-------------------|----------------|------------------|------------|-------------------|----------------|
| C01 | Existing Program | 100,000 | 0 | 100,000 | 100.0 | 0 | 0 | 0 | 100.0 |

Justification

| | |
|-----|---|
| C01 | This is a \$100,000 biennial appropriation for the Spyware Monitoring Program established by Act 2255 of 2005, the Consumer Protection Against Computer Spyware Act. This safeguards Arkansas consumers from the unauthorized installation of computer spyware. |
|-----|---|

Appropriation Summary

Appropriation: 4GS Child Internet Crime
Funding Sources: FAY - Internet Crimes Against Children Task Force - Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|--------------------------------------|---------------|---------------|------------|------------|----------|-----------|------------|----------|-----------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses 5020002 | 22,468 | 41,842 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Conference & Travel Expenses 5050009 | 0 | 7,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees 5060010 | 65 | 2,825 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 22,533 | 52,467 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Funding Sources | | | | | | | | | |
| Federal Revenue 4000020 | 22,533 | 52,467 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Funding | 22,533 | 52,467 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 22,533 | 52,467 | | 0 | 0 | 0 | 0 | 0 | 0 |

THIS APPROPRIATION IS NOT REQUESTED FOR THE NEW BIENNIUM.