

# ARKANSAS REGISTER

## Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

**Mark Martin**

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For Office

Use Only:

Effective Date \_\_\_\_\_ Code Number \_\_\_\_\_

Name of Agency Treasurer of State

Department State Board of Finance - Investment

Contact TJ Fowler E-mail Tj.fowler@artreasury.gov Phone (501) 682-9422

Statutory Authority for Promulgating Rules Acts 555, 644 and 710 of 2017

Rule Title: Money Management Trust Policy and Procedures Manual

Intended Effective Date

(Check One)

☐

Emergency (ACA 25-15-204)

Legal Notice Published .....

Date  
9/20/17

☒

10 Days After Filing (ACA 25-15-204)

Final Date for Public Comment .....

10/19/17

☐

Other

(Must be more than 10 days after filing date.)

Reviewed by Legislative Council .....

12/15/17

Adopted by State Agency .....

12/15/17

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Brandon Smith

Brandon.Smith@dfa.arkansas.gov

12/18/2017

Contact Person

E-mail Address

Date

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

Signature

(501) 682-7750

Brandon.Smith@dfa.arkansas.gov

Phone Number

E-mail Address

Public Information Specialist

Title

12/18/2017

Date



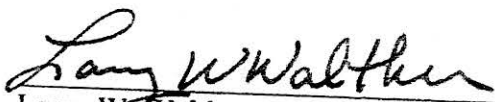
**RULE 2017-5**

**COMPUTATION OF DAILY RATE OF RETURN OF THE STMMT**

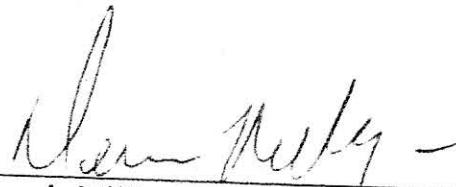
The State Board of Finance, State of Arkansas, pursuant to authority under *Ark. Code Ann. § 19-3-518* as amended by Act 555 of 2017, §19-3-704 et seq. and 25-15-201 et seq., does hereby issue the following Rule:

1. Compute the daily rate of return of the STMMT for the previous month. The daily rate of return will be calculated as a monthly annualized yield assuming daily amortization/accretion of all fixed income securities held by the Trust and any realized profits or losses;
2. Compute the net daily rate of return of the STMMT by subtracting the management fee rate from the daily rate of return;
3. Calculate the daily earnings of each participant by multiplying the participant's daily balance on deposit in the STMMT by the net daily rate of return;
4. The monthly sum of each participant's daily earnings, less any administrative charges, will be credited to each participant's account and reinvested, unless otherwise instructed by the participant.

Issued this \_\_\_\_\_ day of September 2017 in the City of Little Rock, Pulaski County, Arkansas.



Larry W. Walther, Director  
Arkansas Department of Finance and  
Administration



Dennis Milligan, Treasurer, State of Arkansas



## FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT State Board of Finance

DIVISION Investment – Money Management Trust Policy and Procedures

PERSON COMPLETING THIS STATEMENT TJ Fowler

TELEPHONE 501-682-9422 FAX \_\_\_\_\_ EMAIL: Tj.fowler@artreasury.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Money Management Trust Policy and Procedures Manual

1. Does this proposed, amended, or repealed rule have a financial impact? Yes ☐ No ☒
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes ☒ No ☐
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☒ No ☐

If an agency is proposing a more costly rule, please state the following:

(a) How the additional benefits of the more costly rule justify its additional cost;  
N/A

(b) The reason for adoption of the more costly rule;  
N/A

(c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and  
N/A

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.  
N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

|                  |          |
|------------------|----------|
| General Revenue  | _____    |
| Federal Funds    | _____    |
| Cash Funds       | _____    |
| Special Revenue  | _____    |
| Other (Identify) | _____    |
| Total            | <u>0</u> |

Next Fiscal Year

|                  |          |
|------------------|----------|
| General Revenue  | _____    |
| Federal Funds    | _____    |
| Cash Funds       | _____    |
| Special Revenue  | _____    |
| Other (Identify) | _____    |
| Total            | <u>0</u> |



(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue \_\_\_\_\_  
Federal Funds \_\_\_\_\_  
Cash Funds \_\_\_\_\_  
Special Revenue \_\_\_\_\_  
Other (Identify) \_\_\_\_\_  
Total 0

Next Fiscal Year

General Revenue \_\_\_\_\_  
Federal Funds \_\_\_\_\_  
Cash Funds \_\_\_\_\_  
Special Revenue \_\_\_\_\_  
Other (Identify) \_\_\_\_\_  
Total 0

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ 0

Next Fiscal Year

\$ 0

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected. There is no cost unless money is invested in the program, then the fee is 0.05% of the interest earnings.

Current Fiscal Year

\$ 0

Next Fiscal Year

\$ 0

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☐ No ☒

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
  - (a) justifies the agency's need for the proposed rule; and
  - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;





- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
  - (a) the rule is achieving the statutory objectives;
  - (b) the benefits of the rule continue to justify its costs; and
  - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

