

Analysis of Budget Request

Appropriation: 026 - Arkansas Soybean Board

Funding Sources: SBB - Arkansas Soybean Promotion Fund

The purpose of the Arkansas Soybean Promotion Board is to support the growth and development of the soybean industry in Arkansas. This appropriation is primarily used to fund a program of research through the University of Arkansas Agricultural Experiment Station, although a small portion is used for administration and for other programs designed to enhance the Arkansas soybean industry.

Funding for the Board is derived entirely from special revenue collected from an assessment of one-half of one percent of the net market value of soybeans sold in Arkansas. Because crop prices have increased significantly in recent years, the agency projects revenue receipts to increase from approximately \$4.4 million in FY2008 to approximately \$7 million in FY2010 and FY2011.

The Agency Request for the 2009-2011 biennium includes Base Level of \$4,410,000 each year as well additional appropriation of \$3,691,000. This additional appropriation will provide the agency with enough appropriation to utilize the significant increase in projected revenues. The Agency Change Level Request includes the following:

- Operating Expenses: \$17,800 each year of the biennium to cover increases in administrative costs. This amount includes a reallocation of \$2,000 from the Professional Fees line item.
- Professional Fees: Decrease of \$2,000 each year of the biennium to reallocate to the Operating Expenses line item to properly classify expenses.
- Research and Development: \$3,675,200 each year of the biennium to enable the agency to utilize the projected increase in revenues for additional research and extension projects.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 026 - Arkansas Soybean Board

Funding Sources: SBB - Arkansas Soybean Promotion Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	8,962	12,200	12,200	30,000	30,000	30,000	30,000	30,000	30,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	450	3,000	3,000	1,000	1,000	1,000	1,000	1,000	1,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Research/Development	5900031	4,157,283	4,394,800	4,394,800	8,070,000	8,070,000	8,070,000	8,070,000	8,070,000	8,070,000
Total		4,166,695	4,410,000	4,410,000	8,101,000	8,101,000	8,101,000	8,101,000	8,101,000	8,101,000
Funding Sources										
Fund Balance	4000005	1,538,364	1,750,736		2,540,736	2,540,736	2,540,736	1,439,736	1,439,736	1,439,736
Special Revenue	4000030	4,379,067	5,200,000		7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Total Funding		5,917,431	6,950,736		9,540,736	9,540,736	9,540,736	8,439,736	8,439,736	8,439,736
Excess Appropriation/(Funding)		(1,750,736)	(2,540,736)		(1,439,736)	(1,439,736)	(1,439,736)	(338,736)	(338,736)	(338,736)
Grand Total		4,166,695	4,410,000		8,101,000	8,101,000	8,101,000	8,101,000	8,101,000	8,101,000