

**DEPARTMENT OF ARKANSAS HERITAGE (DAH)
(AGENCY #865-887) - 2011-13 BIENNIUM
EXECUTIVE RECOMMENDATION**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Department of Arkansas Heritage's (DAH) mission is to identify Arkansas' heritage and enhance the quality of life by the discovery, preservation, and presentation of the state's cultural, historic, and natural resources. The Department of Arkansas Heritage is composed of the following agencies: Old Statehouse Museum, Historic Arkansas Museum, Delta Cultural Center, Mosaic Templars Cultural Center, Arkansas Arts Council, Arkansas Historic Preservation Program, and the Arkansas Natural Heritage Commission. In addition to these seven agencies, DAH also provides administrative support to the Natural and Cultural Resources Council (NCRC). The DAH Director is both a member of the NCRC and acts as the NCRC secretary and disbursing officer.

TOTAL BIENNIAL BUDGET

The total appropriation for the Department of Arkansas Heritage is \$53.77 million in FY2012 and \$53.78 million in FY2013, which is an increase of \$943,076 in FY2012 and \$958,076 in FY2013.

FUNDING SOURCES

The Agency is funded through general revenue (9% in FY2012 - 12% in FY2013), federal funds (6.9% in FY2012 - 9% in FY2013), special revenues derived from the Conservation Tax and Real Estate Transfer Tax (41% in FY2012 - 44% in FY2013); fund balances (40% in FY2012 - 21% in FY2013), and cash and non-revenue receipts (approx. 2%).

II) SIGNIFICANT CHANGES

DAH - CENTRAL ADMINISTRATION

The total appropriation for DAH - Central Administration is \$8,499,342 for each year of the biennium, which is an increase of \$43,076 for each year for the Conservation Tax - Amendment 75 Appropriation.

CONSERVATION TAX - AMENDMENT 75 (APPROPRIATION 476)

This appropriation is funded by special revenues which are generated by the 1/8th cent Sales Tax enacted by Constitutional Amendment 75, and is used to support Department of Arkansas Heritage activities. The total appropriation is \$7,220,193 for each year with the following increases for the benefit of the Natural Heritage Commission:

Extra Help & Matching - Increase of \$43,076 for extra help positions to support the Delta Cultural Center, Historic Arkansas Museum, and Mosaic Cultural Center.

Special Maintenance - Reallocation of \$400,000 each year from the Construction line item to Special Maintenance.

DAH - ARKANSAS ARTS COUNCIL

The Arkansas Arts Council's mission is to advance and empower the arts in Arkansas for the benefit of all Arkansans, by providing a comprehensive statewide program for the support of arts in Arkansas, including services and grants that encourage and assist Arkansas artists.

The total appropriation is \$1,605,353 for each year of the biennium.

DAH - DELTA CULTURAL CENTER (DCC)

It is the mission of the Delta Cultural Center to preserve, research, document, interpret, and present the heritage of the Arkansas Delta.

The total appropriation for the Delta Cultural Center Agency is \$584,334 for each year of the biennium.

DAH - HISTORIC ARKANSAS MUSEUM COMMISSION (HAM)

The mission of this agency is to communicate the early history of

Arkansas and its creative legacy through preserving, interpreting, and presenting stories and collections for the education and enjoyment of the people they serve. The total appropriation is \$1,462,425 for each year of the biennium.

DAH - ARKANSAS HISTORIC PRESERVATION PROGRAM (AHPP)

Created to fulfill the objectives of the National Historic Preservation Act by identifying, preserving and protecting the cultural resources of Arkansas.

The total appropriation for AHPP is \$1,556,574 in FY12 and \$1,571,554 in FY13 and provides for the following increases.

MAIN STREET CASH IN TREASURY (960)

The Main Street Program was established in 2001 and works with local communities to revitalize downtown commercial areas throughout Arkansas. The agency is requesting \$9,247 in FY12 and \$24,247 in FY13 and provides for the following increase;

Professional Fees-Increase of \$15,000 in FY13 to host a tri-state conference and to provide training and technical assistance to communities joining the Main Street Arkansas Network.

MOSAIC TEMPLARS CULTURAL CENTER

The mission of the Mosaic Templars Cultural Center is to collect, preserve, interpret, and celebrate Arkansas's African-American history, culture, and community from 1870 to the present, and to educate the public about Black achievement in business, politics and the arts.

The total appropriation is \$795,586 for each year of the biennium.

DAH - NATURAL AND CULTURAL RESOURCES COUNCIL (ANCRC)

The Natural and Cultural Resources Council was created to manage and supervise grants and a trust fund for use in the acquisition, management, and stewardship of state-owned lands or the preservation of state-owned historic sites, buildings, structures, or objects which the Council determines to be of value for recreation or conservation purposes.

The total appropriation for the ANCRC is \$33 million each year.

DAH - NATURAL HERITAGE COMMISSION

The mission of the Natural Heritage Commission is to preserve natural diversity, to promote choice among beneficial uses of the environment, and to promote a balance between the development and environmental protection of the State by establishing a system and a registry of natural areas, conducting research and publishing information on natural areas, and performing other duties relating to the use, management and preservation of natural features of Arkansas. The total appropriation for this agency is \$4,762,657 for each year of the biennium. This recommendation provides for a \$900,000 increase for each year. This increase is explained below;

NATURAL HERITAGE-STATE OPERATIONS (Appropriation 493)

This appropriation is funded by general revenue funding. The total appropriation is \$1,445,953 for each year and includes an increase of \$141,888 in **appropriation only** each year to allow for the transfer of three positions from the Federal Operations Appropriation. Reallocation of \$25,000 to the new "Gas Royalty Expenses" line item. Addition of \$775,000 in the Gas Royalty Expenses line item.

NATURAL HERITAGE-FEDERAL PROGRAM (Appropriation 494)

This appropriation uses federal funds for personal services and operating expenses to perform the inventory and data management function of the Commission. The total appropriation is \$2,215,021 for each year which includes an overall increase of \$8,112 each year for a

reallocation of \$141,888 to the State Operations Appropriation and the addition of \$150,000 in Special Maintenance to utilize potential grant increases for trail restoration services at natural areas maintained by the agency.

DAH - OLD STATE HOUSE COMMISSION

The Old State House Museum provides a full complement of educational programs and interpretive exhibits on Arkansas's early statehood, 1836-1911. The total appropriation is \$1,650,152 for FY2010 and \$1,670,267 for FY2011 which is an increase of \$153,023 and \$151,523, respectively and includes an increase of \$50,000 each year in general revenue funding.

OLD STATE HOUSE - OPERATIONS (Appropriation 492)

This appropriation provides general revenue funding for the personal services and operating expenses of the Old State House and Trapnall Hall. The total appropriation amount is \$1,502,947 for each year of the biennium.

III) ADDITIONAL POSITIONS

Total positions for FY 2011-2013 Biennium: 146
Total positions for FY 2009-2011 Biennium: 146
Increase/ (Decrease): NONE

IV) SPECIAL LANGUAGE

DELETES THE FOLLOWING SECTION OF LANGUAGE:

EXTRA HELP RESTRICTIONS: Limits DAH Extra Help employees to 3/4 of the maximum annual salary for comparable positions and an employment period of not more than nine months per fiscal year; limits Old State House Museum Extra Help employees to no more 75% of the maximum annual salary for comparable positions and an employment period of not more than 1500 hours per year.

PROMOTIONAL AND EDUCATIONAL MATERIALS: Allows DAH to purchase up to \$40,000 of promotional and educational merchandise as authorized by the Director of the Department from Maintenance & General Operation appropriations authorized for the Department.

PUBLICATION DEVELOPMENT AND RESALE: After prior review by Arkansas Legislative Council, DAH is permitted to transfer up to \$25,000 per fiscal year from the Natural & Cultural Resources Historic Preservation Fund or other funds established from federal or non-federal grants to the Publication Development and Resale Revolving Fund to develop and purchase additional publications for resale.

NATURAL & CULTURAL RESOURCES COUNCIL (NCRC): Establishes the Director of DAH as the disbursing officer for NCRC & Main Street Program appropriations. If grants are made to state agencies, from either of these appropriations the language allows DAH to transfer appropriation and funding for use in classifications of expenditures as determined by the conditions of the grant and the state agency.

Revised October 2010