

UNIV. OF ARKANSAS FOR MEDICAL SCIENCES (0150)
FISCAL YEAR 2014 & 2015 - Executive Recommendation

I) AGENCY SUMMARY & REVENUE SOURCES

The Institution is located in Little Rock, Arkansas and is a four year specialized degree and doctoral granting institution of higher education.

TOTAL BUDGET

The Institution's total appropriation Request is approximately \$2.093 billion and \$2.096 billion for years 1 & 2 of the biennium.

FUNDING SOURCE

The budget is funded from approximately 7% General Revenue, 8% Federal funds, 83% Cash funds (predominantly from Hospital/Clinic fees with some tuition and other sources), with the remainder comprised of Educational Excellence Trust Funds, Special Revenue (Cigarette Tax, Komen license Plate fee, Marriage License fee, Mixed Drink tax) and Tobacco Settlement Funds.

II) APPROPRIATION/CHANGES

* State Operations - The total requested appropriation of approximately \$147.9 and \$151.4 million for years 1 & 2 of the biennium includes increases totaling \$38.8 and \$42.3 million for years 1 & 2, respectively, which includes increases in Salaries (\$39.5 & \$42.7 million each year), Matching (\$3.9 & \$4.3 ea. Yr.), Funded Depreciation (\$40,741 ea.), Texarkana Area Health Ed. Center (\$8,934 ea.), Poison & Drug Ctr. (\$28,289 ea.), Additional AHEC Support (\$82,234 ea.), and Grants to Children's Hospital for Indigent Care (\$192,476).

* Deletion of Appropriations - Adult Sickle Cell Disease Program - Deletion of personal services and operating expenses appropriation authorized at \$379,993; Colorectal Cancer Screening and Research - Deletion of Screening and Research appropriation authorized at \$5 million .

* Psychiatric Research Institute & Dept. of Pediatrics - Total requested general revenue funded appropriation of \$1.95 and \$1.99 includes an increase over budgeted for year 2 of \$44,850 in the Psychiatric Research Inst. Appropriation.

* Child Abuse & Neglect Programs - Total requested, general revenue funded (beer tax) and cigarette tax, appropriation of \$5 million each year includes an increase of \$3.855 million each year.

* Medical Loans & Scholarships - Total general revenue funded (Misc. Agencies Fund) requested appropriation of \$450,000 each year includes a \$100,000 increase over budgeted for the Rural Medical Practice Loans & Scholarships line item.

* Nursing Loans & Scholarships - Total general revenue funded (Misc. Agencies Fund) requested appropriation of \$300,000 each year includes a \$50,000 each increase, and each year, over budgeted for the Advanced Nursing Community Loans & Scholarships and the Rural Advanced Nursing Practice Loans/Scholarships line items.

* Breast Cancer Research and Breast Cancer Research/Susan Komen requested at \$1.19 and \$500,000, respectively for both years, includes an increase of \$266,216 and \$310,00, respectively for both years, funded from cigarette and tobacco taxes.

* Newborn Umbilical Cord Blood Initiative - Total requested of \$546,000 each year includes an increase of \$540,800, funded from cigarette and tobacco taxes.

* Domestic Violence Shelter Programs - Total requested appropriation of \$7.1 million each year includes an increase of approximately \$6.379 million in total each year in the Programs and Grants line items, funded from part of marriage license and bail bond fees.

* Budgeted Level - Cash Operations appropriation of \$1.9 billion each year, funded from tuition & fees, investment income, federal funds, and hospital/clinic fees; Newborn Umbilical Cord Blood Program, general revenue funded, at \$150,000 each year; Poison & Drug Info. Center and Poison & Drug Info. Ctr./Disease Mgmt., general revenue funded (Misc. Agencies fund), appropriations at \$400,000 and \$299,959, respectively, for both years; Pharmacy Student Loans at \$550,000 each year funded from Pharmacy Board fund transfers; and Healthcare Initiative at the \$7.1 million budgeted, general revenue funded, for Area Health Ed. Centers (AHECs) (\$3.4 million each year), Arkansas Health Data Initiative (\$700,000 ea. Yr.), and the UAMS Northwest Ark. Med. School (\$3 million ea.).

* Tobacco Settlement funded: Reynolds Center on Aging - Requests budgeted of approximately \$2.3 million each year; Boozman College of Public Health - Requests budgeted of \$3.196 million each year; Ark. Biosciences Institute - Requests budgeted of approximately \$6.18 million each year; Area Health Ed. Center in Helena - Requests budgeted of approximately \$2.32 million each year with reallocation among line items.

III) ADDITIONAL POSITIONS

Total positions for FY2014: 11,628

Total positions for FY2015: 11,628

Total Budgeted Positions for FY2013: 8,867

Increase/(Decrease): 2,761

380 non-classified administrative positions, 1,371 classified, 320 academic, 1 Pharmacy College faculty, and 689 patient care

positions.

Total Tobacco Settlement positions for FY2014: 113

Total Tobacco Settlement positions for FY2015: 113

Total Tobacco Settlement Budgeted Positions for FY2013: 32

Increase/(Decrease): 81

18 administrative, 15 classified, 48 academic positions for the Reynolds Center on Aging, Boozman College of Pub. Health, Biosciences Inst., and the Area Health Ed. Center in Helena

IV) SPECIAL LANGUAGE

* Extra Help: Authorizes 410 part-time or temporary RN or LPN positions for Nursing Pool.

* Extra Help: Authorizes 530 part-time or temporary positions for a UAMS temporary pool.

*<Requested Deletion of this program's appropriation> Adult Sickle Cell Disease Program: Establishes the program to develop treatment, care, education, and training throughout the state. UAMS will not assume responsibility for general revenue funding until the legislature provides such.

*Domestic Violence Shelter Grants: Requires equal distribution of grants to violence shelters by the Ark. Child Abuse/Rape/Domestic Violence Commission.

*<Requests removal of the "no funding" language> Center for Dental Education: Establishes the Center ~~with no funding or appropriation,~~ in cooperation with the Ark. Children's Hospital and the Univ. of Tennessee Dental School.

* Medical School Limitation: Nothing in the Act shall create an additional Medical School in the State but recognizes support of satellite campuses and programs outside the Capital City.

* Ark. Children's Hospital Transfer: Requires 1/3 of funding for appropriation for Indigent Care to be distributed to Ark. Children's Hospital or to the Human Services Grants Fund Account to match Federal funds for supplemental Medicaid payments to Children's Hospital.

* Special Allowances-Patient Care/Research Faculty: Authorizes the salaries of physicians, dentists & other professional faculty to exceed the maximum by an amount two & one-half times the maximum, to be paid from care receipts, federal funds, or private sponsors.

* Special Allowances - Recruitment: Authorizes \$150,000 each fiscal year for recruitment of faculty & staff members not to be paid from tax dollars or student paid expenses, with reporting to President, Board and Legislative Joint Auditing Committee.

* Area Health Education Centers - Reports: Requires annual progress reports of AHEC programs to the Governor, Legislative Council & Joint Interim Committees.

* Area Health Education Centers - Teacher Contracts: Allows

contracts with physicians and teachers in other healthcare related professions residing remotely for teaching residents & students assigned to AHECS, contracts require approval of the State CFO and quarterly reporting to the Legislative Council.

* Special Provisions - Unclassified Patient Care Personnel: Allows overtime, shift differential, incentive pay, and specialty differential for unclassified positions providing patient care and special allowances of up to 20% for registered nurses in the Little Rock metropolitan area

* Day Care: Authorizes \$250,000 each year for operating costs of a Child Care Facility

* Carry Forward: Allows carry forward of 10% of unexpended / budgeted general revenue funds and requires agency justification, reporting by DFA-Budget, and agency status report prior to budget hearings with DFA inclusion in budget manuals.

* <Requested changes> Stipends: Authorizes the number of housestaff (630) and AHEC-housestaff ~~(180)~~ (190) and annual stipend amounts for residents ~~(\$61,620)~~ (\$63,469) and interns ~~(\$48,000)~~ (\$49,440).

* Admission Policy: Requires certification to the Legislative Council that 150 freshman students are admitted each year before funds are expended for Chancellor, Dean of Medicine and any academic positions.

* Chaplain Housing Allowance: Allows 45% of a minister/clergy salary to be designated as a housing allowance

* Indigent Care Reimbursement: Allows the general revenue appropriation for Indigent Care to be paid from cash funds & reimbursed from general revenue.

* Growth Pool Establishment: Authorizes a pool of 300 non-classified positions, salary up to \$293,550, and 300 classified positions, up to C130 grade, with the approval of the University Board and the Legislative Council, includes non-severability language. Any positions established must be requested as new positions for the next fiscal year.

* Child & Family Life Institute: Requires this program to be administered by, and requires contracting or agreement with, Ark. Children's Hospital to deliver a statewide effort for health and developmental needs of children; reports are to be made annually to the Legislative Council.

* Parking Fees: Requires payment each July 1 for War Memorial Stadium Commission Parking Services from Fees (\$50,000) from non-general revenue to the War Memorial Stadium Commission.

* Transfer Provisions - Medical Scholarships & Loans: Allows transfers between line items for Medical Scholarships & Loans

* Clinical Expansion & Research Pool: Provides 700 positions for unanticipated clinical or research programs only, with Board approval and quarterly reporting and justification to the CFO,

the Dept. of Higher Ed. and the Leg. Council, includes non-severability language for review. Any positions established must be requested as new positions for the next fiscal year.

* On-Call Compensation: Allows on-call or standby duty pay differential for patient care employees required to provide services when there is no regularly scheduled staff coverage, not to exceed 128 hours during a seven day period.

* Psychiatric Research Inst. & Dept. of Pediatrics Reports: Requires quarterly reporting to the Legislative Council on activities and expenditures on the Building Effective Services for Trauma programs for children and adolescents.

TOBACCO SETTLEMENT FUNDS LANGUAGE

* Children's Hospital Research Program: Ensures that the program receives 1/3 of whatever funding is available for that line-item of the Arkansas Biosciences Institute.

* Transfer Restrictions: Prohibits any transfers among tobacco settlement funds appropriations except as provided in the Act containing the appropriations.

* Transfer Provisions: Allows transfer of tobacco funds appropriations between line items with approval of the Chief Fiscal Officer of the State, Dept. of Higher Education & Legislative Council with non-severability language.

* Positions: States that it is not the commitment of the State to continue any position funded from tobacco settlement funds if those funds become insufficient.

* Compliance: States fiscal control laws and regulations are to be complied with.

* Intent: States that disbursements are to be in accordance with Initiated Act 1 of 2000, budget manuals, and testimony relating to the appropriation act.