

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
135 Dental Aid Grant & Loans	2,922,570	0	3,121,270	0	3,121,270	0	3,287,370	0	3,121,270	0	3,121,270	0	3,432,370	0	3,121,270	0	3,121,270	0
137 Optometry Aid Grants & Loans	461,800	0	550,000	0	550,000	0	570,000	0	550,000	0	550,000	0	590,000	0	550,000	0	550,000	0
138 Veterinary Aid	1,044,638	0	1,100,000	0	1,220,000	0	1,135,000	0	1,100,000	0	1,220,000	0	1,200,000	0	1,100,000	0	1,220,000	0
140 Chiropractic Aid	185,010	0	260,000	0	260,000	0	260,000	0	260,000	0	260,000	0	260,000	0	260,000	0	260,000	0
153 General Operations	3,415,262	36	3,841,202	39	3,958,998	39	4,112,909	39	4,084,531	39	4,084,531	39	4,114,647	39	4,086,272	39	4,086,272	39
156 Research Development Program Grants	2,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
160 State Scholarship-Federal	0	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
197 Student Asst Grants/Scholarships	46,462,887	0	55,675,000	0	74,811,860	0	51,675,000	0	55,675,000	0	55,675,000	0	51,675,000	0	55,675,000	0	55,675,000	0
1GF Improving Teacher Quality	795,382	0	1,565,258	0	1,565,258	0	1,565,258	0	1,565,258	0	1,565,258	0	1,565,258	0	1,565,258	0	1,565,258	0
2XK TANF	14,249,726	6	10,999,468	5	15,031,501	5	10,975,637	5	10,983,873	5	10,983,873	5	10,976,369	5	10,984,604	5	10,984,604	5
58B College Access Challenge Grant	1,232,868	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
59B ADHE-Scholarship Admn	596,110	6	967,069	6	971,129	6	1,063,953	7	1,067,804	7	1,067,804	7	1,063,953	7	1,067,804	7	1,067,804	7
772 Technical Education-Federal Programs	381,712	3	385,521	2	546,775	2	437,827	2	441,151	2	441,151	2	437,827	2	441,151	2	441,151	2
773 Osteopathy Aid	87,200	0	230,000	0	230,000	0	230,000	0	230,000	0	230,000	0	230,000	0	230,000	0	230,000	0
783 Podiatry Aid	34,400	0	130,400	0	130,400	0	130,400	0	130,400	0	130,400	0	130,400	0	130,400	0	130,400	0
921 Dept Higher Education - Cash in Treasury	238,664	0	945,000	0	945,000	0	1,695,000	0	1,695,000	0	1,695,000	0	1,695,000	0	1,695,000	0	1,695,000	0
97E Compl't Coll Amer Grt	280,998	0	0	0	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
Total	74,389,227	51	87,020,188	52	110,592,191	52	85,388,354	53	89,154,287	53	89,274,287	53	85,620,824	53	89,156,759	53	89,276,759	53

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	20,234,371	22.5	15,350,741	17.2			2,474,649	3.3	2,474,649	3.3	2,474,649	3.3	219,002	0.3	219,002	0.3	219,002	0.3
General Revenue	4000010	3,145,964	3.5	3,291,808	3.7			3,522,909	4.7	3,440,728	4.6	3,440,728	4.6	3,524,647	4.5	3,440,731	4.8	3,440,731	4.8
Federal Revenue	4000020	16,659,688	18.6	15,200,247	17.0			15,228,722	20.2	15,240,282	20.4	15,240,282	20.4	15,229,454	19.3	15,241,013	21.1	15,241,013	21.1
Cash Fund	4000045	850,928	0.9	750,000	0.8			1,945,000	2.6	1,945,000	2.6	1,945,000	2.6	1,945,000	2.5	1,945,000	2.7	1,945,000	2.7
Trust Fund	4000050	419,781	0.5	5,000,000	5.6			2,500,000	3.3	2,500,000	3.3	2,500,000	3.3	2,500,000	3.2	2,500,000	3.5	2,500,000	3.5
Educational Excellence Fund	4000220	12,679,729	14.1	12,942,065	14.5			12,942,065	17.2	12,942,065	17.3	12,942,065	17.3	12,942,065	16.4	12,942,065	17.9	12,942,065	17.9
Gen Rev Higher Ed Grants	4000258	35,003,220	39.0	34,491,806	38.5			35,491,806	47.1	34,907,466	46.8	34,907,466	46.8	41,491,806	52.5	34,907,466	48.2	34,907,466	48.2
HEG Fund Transfers/Adjust.	4000280	66,125	0.1	90,000	0.1			90,000	0.1	90,000	0.1	90,000	0.1	90,000	0.1	90,000	0.1	90,000	0.1
Institution Certification Fees	4000297	150,000	0.2	150,000	0.2			150,000	0.2	150,000	0.2	150,000	0.2	150,000	0.2	150,000	0.2	150,000	0.2
Inter-agency Fund Transfer	4000316	476,989	0.5	1,918,776	2.1			600,000	0.8	600,000	0.8	600,000	0.8	600,000	0.8	600,000	0.8	600,000	0.8

Funding Sources		%		%		%		%		%		%		%		%
Reimbursement	4000425	53,173	0.1	309,394	0.3											
						350,000	0.5	350,000	0.5	350,000	0.5	350,000	0.4	350,000	0.5	350,000
Total Funds		89,739,968	100.0	89,494,837	100.0	75,295,151	100.0	74,640,190	100.0	74,640,190	100.0	79,041,974	100.0	72,385,277	100.0	72,385,277
Excess Appropriation/(Funding)		(15,350,741)		(2,474,649)		10,093,203		14,514,097		14,634,097		6,578,850		16,771,482		16,891,482
Grand Total		74,389,227		87,020,188		85,388,354		89,154,287		89,274,287		85,620,824		89,156,759		89,276,759

Variance in fund balance due to unfunded appropriation in appropriations (153) General Operations, (197) Student Asst Grants/Scholarships, (921) Dept Higher Education - Cash in Treasury, and (156) Research Development Program Grants.

Analysis of Budget Request

Appropriation: 153 - General Operations

Funding Sources: HQA - Dept. of Higher Education - State

The Arkansas Department of Higher Education utilizes this appropriation to meet costs associated with general administrative functions tied to the specific mission of the Agency. This appropriation is primarily funded by general revenue payable from the Department of Higher Education Fund Account (HQA). Funding is also provided by the Arkansas Lottery Commission with proceeds from the Arkansas Scholarship Lottery for costs associated with the administration of the Arkansas Academic Challenge Scholarship.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The agency Base Level request for this appropriation is \$3,939,462 in FY14 and \$3,941,200 in FY15 with \$3,291,808 each year of general revenue funding and thirty-nine (39) budgeted base level positions.

The agency Change Level request for this appropriation is \$173,447 each year of the biennium and general revenue of \$231,101 in FY14 and \$232,839 in FY15, and are as follows:

- \$68,447 each year of the 2013-2015 biennium in appropriation and general revenue funding for Salaries and Personal Services Matching associated with the reclassification of four (4) positions to DHE Senior Associate Director. Those positions requested to be reclassified are three (3) DHE Associate Director and one (1) DHE Associate Director for Academic Affairs.
- \$75,000 each year of the biennium in appropriation and general revenue funding for Operating Expenses for utility costs and janitorial services associated with the relocation of ADHE office facilities.
- \$30,000 in each year in appropriation and general revenue funding for Capital Outlay to purchase and maintain high end network server printers and other information technology related equipment.
- \$57,564 in FY14 and \$59,392 in general revenue funding to support unfunded base level appropriation.

The Executive Recommendation provides for Base Level in addition to the following:

- \$22,600 each year of the 2013-2015 biennium in appropriation and general revenue funding for Salaries and Personal Services

Matching associated with the reclassification of one (1) DHE Associate Director to DHE Senior Associate Director.

- \$75,000 each year of the biennium in appropriation and general revenue funding for Operating Expenses for utility costs and janitorial services associated with the relocation of ADHE office facilities.
- \$30,000 each year in Capital Outlay to be requested from Capital Projects to be funded from the General Improvement Fund.

The Executive Recommendation for general revenue funding above base level totals \$97,600 each year of the 2013-2015 Biennium.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 153 - General Operations

Funding Sources: HQA - Dept. of Higher Education - State

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	2,110,421	2,373,700	2,495,956	2,480,230	2,482,295	2,482,295	2,481,230	2,483,295	2,483,295
#Positions		36	39	39	39	39	39	39	39	39
Extra Help	5010001	2,902	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
#Extra Help		0	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	587,705	668,477	664,017	728,654	728,211	728,211	729,392	728,952	728,952
Operating Expenses	5020002	689,642	765,755	765,755	840,755	840,755	840,755	840,755	840,755	840,755
Conference & Travel Expenses	5050009	20,092	20,270	20,270	20,270	20,270	20,270	20,270	20,270	20,270
Professional Fees	5060010	4,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	30,000	0	0	30,000	0	0
Total		3,415,262	3,841,202	3,958,998	4,112,909	4,084,531	4,084,531	4,114,647	4,086,272	4,086,272

Funding Sources										
General Revenue	4000010	3,145,964	3,291,808		3,522,909	3,440,728	3,440,728	3,524,647	3,440,731	3,440,731
HEG Fund Transfers/Adjust.	4000280	66,125	90,000		90,000	90,000	90,000	90,000	90,000	90,000
Institution Certification Fees	4000297	150,000	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Reimbursement	4000425	53,173	309,394		350,000	350,000	350,000	350,000	350,000	350,000
Total Funding		3,415,262	3,841,202		4,112,909	4,030,728	4,030,728	4,114,647	4,030,731	4,030,731
Excess Appropriation/(Funding)		0	0		0	53,803	53,803	0	55,541	55,541
Grand Total		3,415,262	3,841,202		4,112,909	4,084,531	4,084,531	4,114,647	4,086,272	4,086,272

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Analysis of Budget Request

Appropriation: 156 - Research Development Program Grants

Funding Sources: THD - Higher Education Research Development - Trust

The Arkansas Research Development Program provides grants to institutions of higher education for development of scientific research capability per Arkansas Code § 6-61-807. Funding for this program is required to be transferred from the Higher Education Building Maintenance Fund in accordance with Section 22 of Act 286 of 2010. Revenues in the Higher Education Building Maintenance Fund accumulate from the sale or lease of minerals, oil, gas, etc. on military and non-military federal lands located within the State of Arkansas.

The agency Base Level request for this appropriation is \$5,000,000 each year of the Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 156 - Research Development Program Grants

Funding Sources: THD - Higher Education Research Development - Trust

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	2,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		2,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Funding Sources										
Fund Balance	4000005	2,476,493	896,274		896,274	896,274	896,274	0	0	0
Trust Fund	4000050	419,781	5,000,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Funding		2,896,274	5,896,274		3,396,274	3,396,274	3,396,274	2,500,000	2,500,000	2,500,000
Excess Appropriation/(Funding)		(896,274)	(896,274)		1,603,726	1,603,726	1,603,726	2,500,000	2,500,000	2,500,000
Grand Total		2,000,000	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Analysis of Budget Request

Appropriation: 160 - State Scholarship-Federal

Funding Sources: FCP - Dept. of Higher Education - Federal

This appropriation represents the federal share of the Workforce Improvement Grants Program, which is the State's only financial aid program based solely on financial need. The federal grant received is for Arkansas' participation in the "Leveraging Educational Assistance Partnership" (LEAP) Program. The goal is to help the non-traditional student (24 years old or older) returning to school who has financial need but may not be eligible for assistance from traditional state and federal programs. This appropriation is funded entirely from federal revenue received from the U.S. Department of Education.

The agency Base Level request for this appropriation is \$750,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 160 - State Scholarship-Federal

Funding Sources: FCP - Dept. of Higher Education - Federal

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	0	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	0	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000

Funding Sources									
Federal Revenue 4000020	0	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	0	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	750,000		750,000	750,000	750,000	750,000	750,000	750,000

Analysis of Budget Request

Appropriation: 197 - Student Asst Grants/Scholarships

Funding Sources: HEG - Higher Education Grants

The Student Assistance Grants and Scholarships appropriation provides the Arkansas Department of Higher Education (ADHE) the authority to award the State's current and prospective college students with financial aid based upon academic performance and, in some programs, financial need. This appropriation is currently funded from a combination of general revenue, Higher Education Grants Fund balances, and Educational Excellence Trust Fund revenues, payable from the Higher Education Grants (HEG) Fund Account.

The Agency Base Level request for appropriation is \$55,675,000 each year of the biennium with \$29,051,843 each year in general revenue funding.

The Agency Change Level request is for overall reduction in appropriation of \$4,000,000 each year of the biennium. Also, the Agency is requesting \$363,240 in FY14 and \$6,133,240 in FY15 in new general revenue funding. The Change Level requests are reflected as follows:

- State Teacher Education Program (STEP) - \$2,000,000 reduction each year to more adequately align with the number of new students in the program.
- Higher Education Opportunity Grants - \$2,000,000 reduction each year to more adequately align with the number of new students in the program.
- Second Effort Scholarships - \$10,000 increase each year due to an increase in the number of eligible students in the program.
- Washington Center Scholarships - \$100,000 increase each year due to an increase in the number of eligible students in the program.
- Dependents of Law Enforcement Officers - \$175,000 increase each year due to an increase in the number of eligible students in the program.
- Dependents of POWs, MIAs, KIAs - \$325,000 increase each year to accommodate an increase in the number of eligible students in the program due to the many overseas conflicts.
- Tuition Adjustment - \$350,000 increase each year to cover increased costs associated with rising tuition.
- Academic Challenge - \$3,660,000 decrease each year to more adequately align with the number of new students in the program.

Arkansas Governor's Scholars - \$2,700,000 increase each year due to an increase in the number of eligible students in the program.

The Executive Recommendation provides for Base Level. In addition the Executive Recommendation is for special language to allow ADHE to reallocate appropriation between the different programs as needed.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 197 - Student Asst Grants/Scholarships

Funding Sources: HEG - Higher Education Grants

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
H E Opportunities Grant	5100004	5,552,672	8,000,000	11,000,000	6,000,000	8,000,000	8,000,000	6,000,000	8,000,000	8,000,000
National Guard Tuition Asst.	5100004	1,460,863	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Single Parent Scholarship Program	5100004	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
St Teacher Educ Prgm	5100004	1,430,383	4,000,000	5,000,000	2,000,000	4,000,000	4,000,000	2,000,000	4,000,000	4,000,000
Teacher Opportunity Program	5100004	1,044,246	1,500,000	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Workforce Improvement Grants	5100004	3,461,625	2,500,000	4,277,169	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
AR Geographical Critical Needs	5100030	0	150,000	200,000	150,000	150,000	150,000	150,000	150,000	150,000
Dependents-Law Enf. Off, etc	5100030	258,104	200,000	200,000	375,000	200,000	200,000	375,000	200,000	200,000
Dependents-POW'S, MIA'S, etc.	5100030	160,382	250,000	250,000	575,000	250,000	250,000	575,000	250,000	250,000
Jr/Sr Minority Teacher Scholars	5100030	0	0	300,000	0	0	0	0	0	0
Minority Masters Fellows	5100030	0	0	280,000	0	0	0	0	0	0
Second Effort Scholarships	5100030	9,375	0	20,000	10,000	0	0	10,000	0	0
SREB Minority Doctoral Scholars	5100030	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Washington Center Scholarships	5100030	0	0	120,000	100,000	0	0	100,000	0	0
Refunds/Reimbursements	5110014	0	0	5,000,000	0	0	0	0	0	0
Tuition Adjustment	5110014	0	0	350,000	350,000	0	0	350,000	0	0
St Teacher Asst. Resource Prgm	5120029	0	0	3,581,717	0	0	0	0	0	0
Academic Challenge	5900046	20,259,457	25,000,000	28,000,000	21,340,000	25,000,000	25,000,000	21,340,000	25,000,000	25,000,000
AR Governor's Scholar	5900047	11,790,966	10,750,000	10,750,000	13,450,000	10,750,000	10,750,000	13,450,000	10,750,000	10,750,000
SURF	5900048	145,625	150,000	307,974	150,000	150,000	150,000	150,000	150,000	150,000
Web Based Applications	5900049	514,189	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Total		46,462,887	55,675,000	74,811,860	51,675,000	55,675,000	55,675,000	51,675,000	55,675,000	55,675,000

Funding Sources										
Fund Balance	4000005	17,315,769	13,681,092		1,000,000	1,000,000	1,000,000	0	0	0
Educational Excellence Fund	4000220	12,679,729	12,942,065		12,942,065	12,942,065	12,942,065	12,942,065	12,942,065	12,942,065
Gen Rev Higher Ed Grants	4000258	30,148,481	29,051,843		29,415,083	29,047,992	29,047,992	35,185,083	29,047,992	29,047,992
Inter-agency Fund Transfer	4000316	0	1,000,000		0	0	0	0	0	0
Total Funding		60,143,979	56,675,000		43,357,148	42,990,057	42,990,057	48,127,148	41,990,057	41,990,057
Excess Appropriation/(Funding)		(13,681,092)	(1,000,000)		8,317,852	12,684,943	12,684,943	3,547,852	13,684,943	13,684,943
Grand Total		46,462,887	55,675,000		51,675,000	55,675,000	55,675,000	51,675,000	55,675,000	55,675,000

Analysis of Budget Request

Appropriation: 1GF - Improving Teacher Quality

Funding Sources: FCP - Dept. of Higher Education - Federal

The Arkansas Department of Higher Education's (ADHE) Improving Teacher Quality appropriation represents the State's 'No Child Left Behind' program. The goals of this appropriation stress the importance of preparing, training and recruiting high quality teachers and principals through competitive grants to institutions of higher education. Major emphasis is placed upon teacher quality as being a factor in improving student achievement. This program is federally funded through the U.S. Department of Education.

The agency Base Level and total request for this appropriation is \$1,565,258 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 1GF - Improving Teacher Quality

Funding Sources: FCP - Dept. of Higher Education - Federal

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	845	26,856	26,856	26,856	26,856	26,856	26,856	26,856	26,856
Conference & Travel Expenses	5050009	2,058	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Professional Fees	5060010	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	792,479	1,517,402	1,517,402	1,517,402	1,517,402	1,517,402	1,517,402	1,517,402	1,517,402
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		795,382	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258
Funding Sources										
Federal Revenue	4000020	795,382	1,565,258		1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258
Total Funding		795,382	1,565,258		1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		795,382	1,565,258		1,565,258	1,565,258	1,565,258	1,565,258	1,565,258	1,565,258

Analysis of Budget Request

Appropriation: 2XK - TANF

Funding Sources: FCP - Dept. of Higher Education - Federal

The Temporary Assistance to Needy Families (TANF) appropriation is a collaboration between the Arkansas Department of Higher Education (ADHE) and all twenty-two (22) two-year institutions of higher education. Known as the "Career Pathways" program, it provides educational and training services to recipients deemed eligible under the TANF Block Grant. ADHE works with the Arkansas Association of Two-Year Colleges (AATYC) to coordinate services to eligible recipients, and over 100,000 students have participated. The goal of this appropriation is to increase client self-sufficiency and job skills. This program is federally funded through the U.S. Department of Health and Human Services.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The agency Base Level request for this appropriation is \$10,975,637 in FY14 and \$10,976,369 in FY15 with six (6) base level positions and two (2) extra help positions.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 2XK - TANF

Funding Sources: FCP - Dept. of Higher Education - Federal

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	361,149	339,605	413,562	340,205	346,958	346,958	340,805	347,558	347,558
#Positions		6	5	5	5	5	5	5	5	5
Extra Help	5010001	574	15,000	25,000	15,000	15,000	15,000	15,000	15,000	15,000
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	102,879	109,863	112,939	100,432	101,915	101,915	100,564	102,046	102,046
Operating Expenses	5020002	99,242	90,000	160,000	90,000	90,000	90,000	90,000	90,000	90,000
Conference & Travel Expenses	5050009	21,557	25,000	75,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	25,800	30,000	130,000	30,000	30,000	30,000	30,000	30,000	30,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	13,638,525	10,375,000	14,100,000	10,375,000	10,375,000	10,375,000	10,375,000	10,375,000	10,375,000
Capital Outlay	5120011	0	15,000	15,000	0	0	0	0	0	0
Total		14,249,726	10,999,468	15,031,501	10,975,637	10,983,873	10,983,873	10,976,369	10,984,604	10,984,604
Funding Sources										
Federal Revenue	4000020	14,249,726	10,999,468		10,975,637	10,983,873	10,983,873	10,976,369	10,984,604	10,984,604
Total Funding		14,249,726	10,999,468		10,975,637	10,983,873	10,983,873	10,976,369	10,984,604	10,984,604
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		14,249,726	10,999,468		10,975,637	10,983,873	10,983,873	10,976,369	10,984,604	10,984,604

Analysis of Budget Request

Appropriation: 58B - College Access Challenge Grant

Funding Sources: FCP - Dept. of Higher Education - Federal

The College Access Challenge Grant Program (CACGP) is designed to foster partnerships among federal, state, and local governments and philanthropic organizations through matching challenge grants that are aimed at increasing the number of low-income students who are prepared to enter and succeed in postsecondary education. Projects funded by the CACGP are designed to: provide information to students and families regarding postsecondary education and career preparation; promote financial literacy and debt management; conduct outreach activities; assist students in completing the Free Application for Federal Student Financial Aid (FAFSA); provide need-based grant aid; conduct professional development for guidance counselors at middle and secondary schools, financial aid administrators, and college admissions counselors; and offer student loan cancellation or repayment or interest rate reductions for borrowers who are employed in a high-need geographical area or a high need profession. This program is federally funded.

The agency Base Level request for this appropriation is \$1,500,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 58B - College Access Challenge Grant

Funding Sources: FCP - Dept. of Higher Education - Federal

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	591,552	595,000	595,000	595,000	595,000	595,000	595,000	595,000	595,000
Conference & Travel Expenses	5050009	154	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	641,162	880,000	880,000	880,000	880,000	880,000	880,000	880,000	880,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,232,868	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funding Sources										
Federal Revenue	4000020	1,232,868	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Funding		1,232,868	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,232,868	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 59B - ADHE-Scholarship Admn

Funding Sources: HEG - Higher Education Grants

The Arkansas Department of Higher Education (ADHE) provides for the administration of the Arkansas Academic Challenge Scholarship program through Scholarship Administration appropriation. The Arkansas Lottery Commission provides funding for this appropriation with proceeds from the Arkansas Scholarship Lottery.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The agency Base Level request for this appropriation is \$968,695 each year of the biennium with \$48,293 in general revenue funding, six (6) budgeted base level positions and nine (9) budgeted extra help positions.

The agency Change Level request for is \$95,258 each year of the biennium in appropriation and \$415,660 in new general revenue funding. The requests are outlined as follows:

- \$60,258 each year of the biennium in appropriation and general revenue funding for Regular Salaries and Personal Services Matching associated with the restoration of one (1) Program Coordinator position.
- \$35,000 each year in appropriation and general revenue funding for Capital Outlay to provide for data integration and identity resolution solutions for the Arkansas Higher Education Information System. These items are located in the agency's IT plan.
- \$320,402 in additional general revenue to fully fund base level appropriation.

The Executive Recommendation provides for Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 59B - ADHE-Scholarship Admn

Funding Sources: HEG - Higher Education Grants

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	218,429	280,330	287,857	325,707	328,864	328,864	325,707	328,864	328,864
#Positions		6	6	6	7	7	7	7	7	7
Extra Help	5010001	10,347	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
#Extra Help		1	9	9	9	9	9	9	9	9
Personal Services Matching	5010003	72,190	91,739	88,272	108,246	108,940	108,940	108,246	108,940	108,940
Operating Expenses	5020002	116,444	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	178,700	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	35,000	35,000	35,000	35,000	35,000	35,000
Total		596,110	967,069	971,129	1,063,953	1,067,804	1,067,804	1,063,953	1,067,804	1,067,804
Funding Sources										
Gen Rev Higher Ed Grants	4000258	119,121	48,293		463,953	467,804	467,804	463,953	467,804	467,804
Inter-agency Fund Transfer	4000316	476,989	918,776		600,000	600,000	600,000	600,000	600,000	600,000
Total Funding		596,110	967,069		1,063,953	1,067,804	1,067,804	1,063,953	1,067,804	1,067,804
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		596,110	967,069		1,063,953	1,067,804	1,067,804	1,063,953	1,067,804	1,067,804

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Analysis of Budget Request

Appropriation: 772 - Technical Education-Federal Programs

Funding Sources: FCP - Dept. of Higher Education - Federal

The Teacher Education-Federal Programs appropriation is designed to utilize federal funding awarded by the Carl D. Perkins Vocational and Technical Act. This Act focuses on the academic achievement of career and technical education students, strengthening the connections between secondary and postsecondary education, and improving state and local accountability.

The Arkansas Department of Workforce Education has been designated as the agency eligible to receive federal Perkins funds from the Office of Vocational and Adult Education in the U.S. Department of Education. Through a Memorandum of Understanding, the Arkansas Department of Workforce Education makes funds available to the Arkansas Department of Higher Education (ADHE) to administer the postsecondary portion of the Perkins Act.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The agency Base Level request for this appropriation is \$371,827 each year of the biennium and two (2) budgeted base level positions.

The agency Change Level request for this appropriation is \$66,000 each year of the biennium and reflects the following:

- \$27,000 each year in Operating Expenses for conference and seminar fees related to Perkins-sponsored training seminars
- \$39,000 each year in Professional Fees for multiple model project/pilot projects to be implemented to meet state leadership requirements.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 772 - Technical Education-Federal Programs

Funding Sources: FCP - Dept. of Higher Education - Federal

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	153,675	137,051	219,585	137,751	140,477	140,477	137,751	140,477	140,477
#Positions		3	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	46,666	54,470	58,190	40,076	40,674	40,674	40,076	40,674	40,674
Operating Expenses	5020002	59,487	93,000	95,000	120,000	120,000	120,000	120,000	120,000	120,000
Conference & Travel Expenses	5050009	47,384	20,000	69,000	20,000	20,000	20,000	20,000	20,000	20,000
Professional Fees	5060010	74,500	81,000	90,000	120,000	120,000	120,000	120,000	120,000	120,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	15,000	0	0	0	0	0	0
Total		381,712	385,521	546,775	437,827	441,151	441,151	437,827	441,151	441,151
Funding Sources										
Federal Revenue	4000020	381,712	385,521		437,827	441,151	441,151	437,827	441,151	441,151
Total Funding		381,712	385,521		437,827	441,151	441,151	437,827	441,151	441,151
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		381,712	385,521		437,827	441,151	441,151	437,827	441,151	441,151

Analysis of Budget Request

Appropriation: 921 - Dept Higher Education - Cash in Treasury

Funding Sources: NHE - Cash in Treasury

This appropriation is for Cash Operations of The Arkansas Department of Higher Education (ADHE) as defined by Arkansas Code §19-4-801. This appropriation assists in the administration of grant awards related to the "Achieving the Dream", "Non-Traditional No More", and "College Goal Sunday" programs. "Achieving the Dream: Community Colleges Count" program receives private foundation funding to provide participating community colleges with resources to assist minority and low income students earn degrees and to facilitate transfers of credits to other institutions of higher education for continuing their studies. "Non-Traditional No More: Policy Solutions for Adult Learners" program is a Western Interstate Commission for Higher Education (WICHE) private foundation grant used to stimulate and guide policy changes to create a more navigable path to degree attainment for adults. "College Goal Sunday" uses funding provided via planning grant from the Lumina Foundation for Education, Inc. to provide low income families access to financial aid professionals and free assistance in completing the Free Application for Student Financial Aid (FAFSA), as well as helping those targeted students identify all financial aid available.

The agency Base Level request for this appropriation is \$945,000 each year of the biennium.

The agency Change Level request for this appropriation is \$750,000 each year of the biennium and reflects the following:

- \$500,000 each year in Operating Expenses for assistance grants and aid.
- \$150,000 each year in Professional Fees for increased costs associated with the grants.
- \$100,000 each year in Capital Outlay to purchase equipment related to the administration of the private grants.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 921 - Dept Higher Education - Cash in Treasury

Funding Sources: NHE - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	155,086	378,070	378,070	878,070	878,070	878,070	878,070	878,070	878,070
Conference & Travel Expenses	5050009	14,193	60,620	60,620	60,620	60,620	60,620	60,620	60,620	60,620
Professional Fees	5060010	66,385	401,310	401,310	551,310	551,310	551,310	551,310	551,310	551,310
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Scholarships	5100030	3,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Refunds/Reimbursements	5110014	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital Outlay	5120011	0	0	0	100,000	100,000	100,000	100,000	100,000	100,000
Total		238,664	945,000	945,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000
Funding Sources										
Fund Balance	4000005	442,109	554,373		359,373	359,373	359,373	0	0	0
Cash Fund	4000045	350,928	750,000		945,000	945,000	945,000	945,000	945,000	945,000
Total Funding		793,037	1,304,373		1,304,373	1,304,373	1,304,373	945,000	945,000	945,000
Excess Appropriation/(Funding)		(554,373)	(359,373)		390,627	390,627	390,627	750,000	750,000	750,000
Grand Total		238,664	945,000		1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000

Analysis of Budget Request

Appropriation: 97E - Complt Coll Amer Grt

Funding Sources: NHE - Cash in Treasury

This appropriation is for Cash Operations of The Arkansas Department of Higher Education (ADHE) for the operation of the Complete College America Grant. This grant will be used to enhance state efforts to boost college completion and close attainment gaps for traditionally underrepresented populations. Nine colleges and universities will participate in the initiative and will address transforming remediation and reducing time-to-degree and accelerating success.

The agency request for this appropriation is for \$1,000,000 each year of the 2013-2015 biennium and reflects the following:

- \$100,000 each year in Operating Expenses for employee travel costs associated with the administration of this program
- \$100,000 each year in Professional Fees.
- \$800,000 each year in Grants.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with Executive Recommendation.

Appropriation Summary

Appropriation: 97E - Complt Coll Amer Grt

Funding Sources: NHE - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	0	0	0	100,000	100,000	100,000	100,000	100,000	100,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	280,998	0	0	800,000	800,000	800,000	800,000	800,000	800,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		280,998	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Funding Sources										
Fund Balance	4000005	0	219,002		219,002	219,002	219,002	219,002	219,002	219,002
Cash Fund	4000045	500,000	0		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding		500,000	219,002		1,219,002	1,219,002	1,219,002	1,219,002	1,219,002	1,219,002
Excess Appropriation/(Funding)		(219,002)	(219,002)		(219,002)	(219,002)	(219,002)	(219,002)	(219,002)	(219,002)
Grand Total		280,998	0		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000