

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
135 Dental Aid Grant & Loans	3,040,570	0	3,121,270	0	3,121,270	0	3,121,270	0	3,121,270	0	3,121,270	0	3,121,270	0	3,121,270	0	3,121,270	0
137 Optometry Aid Grants & Loans	487,500	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
138 Veterinary Aid	1,047,692	0	1,100,000	0	1,350,000	0	1,100,000	0	1,100,000	0	1,350,000	0	1,100,000	0	1,100,000	0	1,350,000	0
140 Chiropractic Aid	123,339	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	3,624,956	37	4,086,060	42	4,086,272	42	4,310,426	38	4,310,426	38	4,310,426	38	4,312,095	38	4,312,095	38	4,312,095	38
156 Research Development Program Grants	750,000	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	45,677,095	0	55,050,000	0	59,995,000	0	57,050,000	0	57,050,000	0	57,050,000	0	57,050,000	0	57,050,000	0	57,050,000	0
1GF Improving Teacher Quality	703,823	0	715,500	0	1,565,258	0	715,500	0	715,500	0	715,500	0	715,500	0	715,500	0	715,500	0
2XK TANF	7,351,594	5	7,150,000	3	10,984,604	3	7,150,000	3	7,150,000	3	7,150,000	3	7,150,000	3	7,150,000	3	7,150,000	3
58B College Access Challenge Grant	1,487,740	0	2,309,000	0	3,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
59B ADHE-Scholarship Admn	413,427	3	831,497	5	1,067,804	6	882,096	6	882,096	6	882,096	6	882,096	6	882,096	6	882,096	6
772 Technical Education-Federal Programs	379,252	2	382,560	2	441,151	2	384,868	2	384,868	2	384,868	2	384,868	2	384,868	2	384,868	2
773 Osteopathy Aid	76,200	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	57,000	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	48,255	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	1,695,000	0	1,695,000	0
97E Compltt Coll Amer Grt	142,147	0	1,000,000	0	1,000,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
F91 Outcome-Cent Funding	0	0	54,198,524	0	54,198,524	0	54,512,702	0	54,512,702	0	54,512,702	0	54,512,702	0	54,512,702	0	54,512,702	0
NOT REQUESTED FOR THE BIENNIUM																		
F85 InsExchangeGrant-FED	2,371,216	0	0	0	2,500,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	67,781,806	47	138,559,811	52	151,925,283	53	139,942,262	49	139,942,262	49	140,192,262	49	139,943,931	49	139,943,931	49	140,193,931	49

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	11,558,333	13.9	15,109,318	10.3			7,766,934	5.5	7,766,934	5.6	7,766,934	5.6	1,117,983	0.8	1,117,979	0.9	1,117,979	0.9
General Revenue	4000010	3,440,728	4.2	3,440,731	2.4			3,440,731	2.5	3,440,731	2.5	3,440,731	2.5	3,440,731	2.6	3,440,731	2.6	3,440,731	2.6
Federal Revenue	4000020	12,446,934	15.0	11,307,060	7.7			11,000,368	7.8	11,000,368	8.0	11,000,368	8.0	11,000,368	8.2	11,000,368	8.4	11,000,368	8.4
Cash Fund	4000045	6,864	0.0	2,500,000	1.7			1,700,000	1.2	1,700,000	1.2	1,700,000	1.2	1,700,000	1.3	1,700,000	1.3	1,700,000	1.3
Trust Fund	4000050	379,428	0.5	5,000,000	3.4			5,000,000	3.6	5,000,000	3.6	5,000,000	3.6	5,000,000	3.7	5,000,000	3.8	5,000,000	3.8
Educational Excellence Fund	4000220	13,154,524	15.9	13,469,606	9.2			13,469,606	9.6	13,469,606	9.8	13,469,606	9.8	13,469,606	10.1	13,469,606	10.2	13,469,606	10.2
Gen Rev Higher Ed Grants	4000258	36,907,466	44.5	40,017,466	27.3			42,017,466	30.0	40,017,466	29.0	40,017,466	29.0	42,017,466	31.5	40,017,466	30.4	40,017,466	30.4
General Improvement Fund	4000265	3,555,000	4.3	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
HEG Fund Transfers/Adjust.	4000280	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	413,835	0.5	934,040	0.6			882,096	0.6	882,096	0.6	882,096	0.6	882,096	0.7	882,096	0.7	882,096	0.7

Funding Sources			%		%		%		%		%		%		%		%		
Other	4000370	591,655	0.7	54,198,524	37.0			54,512,702	38.9	54,512,702	39.5	54,512,702	39.5	54,512,702	40.8	54,512,702	41.5	54,512,702	41.5
Reimbursement	4000425	436,357	0.5	350,000	0.2			350,000	0.2	350,000	0.3	350,000	0.3	350,000	0.3	350,000	0.3	350,000	0.3
Total Funds		82,891,124	100.0	146,326,745	100.0			140,139,903	100.0	138,139,903	100.0	138,139,903	100.0	133,490,952	100.0	131,490,948	100.0	131,490,948	100.0
Excess Appropriation/(Funding)		(15,109,318)		(7,766,934)				(197,641)		1,802,359		2,052,359		6,452,979		8,452,983		8,702,983	
Grand Total		67,781,806		138,559,811				139,942,262		139,942,262		140,192,262		139,943,931		139,943,931		140,193,931	

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.

DHE Program Coordinator Funding Transfer required by Section 32 of Act 1387 of 2013 was not made in Fiscal Year 2014 because the position was vacant.

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 include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Base Level Request is \$4,137,228 in FY16 and \$4,139,631 in FY17.

The Agency's Change Level Requests total \$173,198 in FY16 and \$172,464 in FY17 in appropriation only and are summarized as follows:

- Regular Salaries and Personal Services Matching reduction of (\$103,532) in FY16 and (\$104,266) in FY17 resulting from eliminating three (3) Administrative Assistant III and one (1) Administrative Assistant II due to the inability to find qualified applicants because of the low grade and salary and the reclassification of 5 positions in order to attract and retain qualified applicants.
- Operating Expenses of \$72,000 each year to cover the increase in lease expenses.
- Conference and Travel Expenses of \$4,730 each year due to increased costs of fuel, lodging, and meals.
- Professional Fees of \$150,000 each year for data maintenance on the AR Higher Education Information System. This request is located in the Agency IT Plan.
- Capital Outlay of \$50,000 each year to replace a server, network storage, and a network printer. This request is located in the Agency IT Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 153 - General Operations

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

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	2,097,378	2,483,295	2,483,295	2,429,974	2,429,974	2,429,974	2,430,874	2,430,874	2,430,874
#Positions		37	42	42	38	38	38	38	38	38
Extra Help	5010001	0	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	673,767	728,740	728,952	729,697	729,697	729,697	730,466	730,466	730,466
Operating Expenses	5020002	830,222	840,755	840,755	912,755	912,755	912,755	912,755	912,755	912,755
Conference & Travel Expenses	5050009	17,273	20,270	20,270	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	6,316	10,000	10,000	160,000	160,000	160,000	160,000	160,000	160,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	50,000	50,000	50,000	50,000	50,000	50,000
Total		3,624,956	4,086,060	4,086,272	4,310,426	4,310,426	4,310,426	4,312,095	4,312,095	4,312,095

Funding Sources										
Fund Balance	4000005	1,290,586	1,542,715		1,347,386	1,347,386	1,347,386	927,691	927,691	927,691
General Revenue	4000010	3,440,728	3,440,731		3,440,731	3,440,731	3,440,731	3,440,731	3,440,731	3,440,731
HEG Fund Transfers/Adjust.	4000280	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Reimbursement	4000425	436,357	350,000		350,000	350,000	350,000	350,000	350,000	350,000
Total Funding		5,167,671	5,433,446		5,238,117	5,238,117	5,238,117	4,818,422	4,818,422	4,818,422
Excess Appropriation/(Funding)		(1,542,715)	(1,347,386)		(927,691)	(927,691)	(927,691)	(506,327)	(506,327)	(506,327)
Grand Total		3,624,956	4,086,060		4,310,426	4,310,426	4,310,426	4,312,095	4,312,095	4,312,095

DHE Program Coordinator Funding Transfer required by Section 32 of Act 1387 of 2013 was not made in Fiscal Year 2014 due to the position being vacant.

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 Base Level and total Agency request is \$5,000,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 156 - Research Development Program Grants

Funding Sources: THD - Higher Education Research Development - Trust

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	750,000	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		750,000	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	230,787	13,524		13,524	13,524	13,524	13,524	13,524	13,524
Federal Revenue	4000020	153,309	0		0	0	0	0	0	0
Trust Fund	4000050	379,428	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		763,524	5,013,524		5,013,524	5,013,524	5,013,524	5,013,524	5,013,524	5,013,524
Excess Appropriation/(Funding)		(13,524)	(13,524)		(13,524)	(13,524)	(13,524)	(13,524)	(13,524)	(13,524)
Grand Total		750,000	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Expenditure of appropriation is dependent on receipt of Mineral Lease Proceeds.

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 Base Level and total Agency Request is \$750,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 160 - State Scholarship-Federal

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

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	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 Base Level Request is \$55,050,000 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is for \$2,000,000 each year in appropriation and funding for the Arkansas Governors Scholarship due to the increased number of Governor's Distinguished Scholars.

The Executive Recommendation provides for the Agency Request for appropriation only. Agency will also request funding through the Capital Projects request process.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 197 - Student Asst Grants/Scholarships

Funding Sources: HEG - Higher Education Grants

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
H E Opportunities Grant	5100004	5,284,376	6,000,000	8,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
National Guard Tuition Asst.	5100004	1,300,000	1,400,000	1,500,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Single Parent Scholarship Program	5100004	160,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
St Teacher Educ Prgm	5100004	1,076,142	2,000,000	4,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Teacher Opportunity Program	5100004	1,077,204	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Workforce Improvement Grants	5100004	2,998,850	3,000,000	3,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
AR Geographical Critical Needs	5100030	62,250	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Dependents-Law Enf. Off, etc	5100030	252,849	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Dependents-POW'S, MIA'S, etc.	5100030	364,577	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Second Effort Scholarships	5100030	0	0	20,000	0	0	0	0	0	0
SREB Minority Doctoral Scholars	5100030	175,000	175,000	200,000	175,000	175,000	175,000	175,000	175,000	175,000
Washington Center Scholarships	5100030	96,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Tuition Adjustment	5110014	0	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Academic Challenge	5900046	20,002,199	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
AR Governor's Scholar	5900047	12,440,809	13,200,000	13,200,000	15,200,000	15,200,000	15,200,000	15,200,000	15,200,000	15,200,000
SURF	5900048	183,273	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Web Based Applications	5900049	203,566	1,000,000	1,300,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total		45,677,095	55,050,000	59,995,000	57,050,000	57,050,000	57,050,000	57,050,000	57,050,000	57,050,000

Funding Sources										
Fund Balance	4000005	9,489,609	13,188,858		6,134,260	6,134,260	6,134,260	0	0	0
Educational Excellence Fund	4000220	13,154,524	13,469,606		13,469,606	13,469,606	13,469,606	13,469,606	13,469,606	13,469,606
Gen Rev Higher Ed Grants	4000258	32,075,165	34,625,796		36,625,796	34,625,796	34,625,796	36,625,796	34,625,796	34,625,796
General Improvement Fund	4000265	3,555,000	0		0	0	0	0	0	0
HEG Fund Transfers/Adjust.	4000280	0	(100,000)		(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Other	4000370	591,655	0		0	0	0	0	0	0
Total Funding		58,865,953	61,184,260		56,129,662	54,129,662	54,129,662	49,995,402	47,995,402	47,995,402
Excess Appropriation/(Funding)		(13,188,858)	(6,134,260)		920,338	2,920,338	2,920,338	7,054,598	9,054,598	9,054,598
Grand Total		45,677,095	55,050,000		57,050,000	57,050,000	57,050,000	57,050,000	57,050,000	57,050,000

DHE Program Coordinator Funding Transfer required by Section 32 of Act 1387 of 2013 was not made in Fiscal Year 2014 due to the position being vacant.

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 Base Level and total Agency Request is \$715,500 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 1GF - Improving Teacher Quality

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

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	7,094	2,500	26,856	2,500	2,500	2,500	2,500	2,500	2,500
Conference & Travel Expenses	5050009	0	0	13,000	0	0	0	0	0	0
Professional Fees	5060010	0	0	8,000	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	696,729	713,000	1,517,402	713,000	713,000	713,000	713,000	713,000	713,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		703,823	715,500	1,565,258	715,500	715,500	715,500	715,500	715,500	715,500
Funding Sources										
Federal Revenue	4000020	703,823	715,500		715,500	715,500	715,500	715,500	715,500	715,500
Total Funding		703,823	715,500		715,500	715,500	715,500	715,500	715,500	715,500
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		703,823	715,500		715,500	715,500	715,500	715,500	715,500	715,500

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 include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level Request is \$7,153,869 each year of the biennium.

The Agency's Change Level Request is for a reduction of (\$3,869) each year in Operating Expenses due to reduced federal funding.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2XK - TANF

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

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	222,504	217,578	347,558	220,337	220,337	220,337	220,337	220,337	220,337
#Positions		5	3	3	3	3	3	3	3	3
Extra Help	5010001	0	0	15,000	0	0	0	0	0	0
#Extra Help		0	0	2	0	0	0	0	0	0
Personal Services Matching	5010003	64,167	63,520	102,046	64,630	64,630	64,630	64,630	64,630	64,630
Operating Expenses	5020002	81,834	60,567	90,000	56,698	56,698	56,698	56,698	56,698	56,698
Conference & Travel Expenses	5050009	0	0	25,000	0	0	0	0	0	0
Professional Fees	5060010	19,910	14,784	30,000	14,784	14,784	14,784	14,784	14,784	14,784
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	6,963,179	6,793,551	10,375,000	6,793,551	6,793,551	6,793,551	6,793,551	6,793,551	6,793,551
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		7,351,594	7,150,000	10,984,604	7,150,000	7,150,000	7,150,000	7,150,000	7,150,000	7,150,000
Funding Sources										
Federal Revenue	4000020	7,351,594	7,150,000		7,150,000	7,150,000	7,150,000	7,150,000	7,150,000	7,150,000
Total Funding		7,351,594	7,150,000		7,150,000	7,150,000	7,150,000	7,150,000	7,150,000	7,150,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		7,351,594	7,150,000		7,150,000	7,150,000	7,150,000	7,150,000	7,150,000	7,150,000

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 Base Level Request is \$2,279,000 each year of the 2015-2017 Biennium.

The Change Level Requests total (\$279,000) each year of the biennium and are summarized as follows:

- Professional Fees reduction of (\$309,000) each year due to contract expiration.
- Capital Outlay increase of \$30,000 each year for IT hardware for the ADHE data warehouse. This request is located in the Agency's IT Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 58B - College Access Challenge Grant

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

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	1,227,146	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000
Conference & Travel Expenses	5050009	1,623	14,000	55,000	14,000	14,000	14,000	14,000	14,000	14,000
Professional Fees	5060010	258,971	1,050,000	1,700,000	741,000	741,000	741,000	741,000	741,000	741,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total		1,487,740	2,309,000	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources										
Federal Revenue	4000020	1,487,740	2,309,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Funding		1,487,740	2,309,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,487,740	2,309,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

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 include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level Request is \$790,936 each year of the 2015-2017 Biennium.

The Agency's Change Level Requests total \$91,160 each year of the biennium and are summarized as follows:

- Regular Salaries and Personal Services Matching of \$56,160 each year due to the restoration of one (1) Software Support Analyst (C121) and reclassification of two (2) Software Support Analyst (C121) to Senior Software Support Specialist (C124).
- Capital Outlay of \$35,000 each year to purchase database tools and hardware for the ADHE data warehouse. This request is located in the Agency IT Plan listed as AR Challenge Data Warehouse under Agency Projects.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 59B - ADHE-Scholarship Admn

Funding Sources: HEG - Higher Education Grants

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	142,693	285,649	328,864	330,320	330,320	330,320	330,320	330,320	330,320
#Positions		3	5	6	6	6	6	6	6	6
Extra Help	5010001	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
#Extra Help		0	11	9	11	11	11	11	11	11
Personal Services Matching	5010003	32,183	100,848	108,940	106,776	106,776	106,776	106,776	106,776	106,776
Operating Expenses	5020002	29,652	130,000	165,000	130,000	130,000	130,000	130,000	130,000	130,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	185,914	250,000	400,000	250,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	22,985	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total		413,427	831,497	1,067,804	882,096	882,096	882,096	882,096	882,096	882,096
Funding Sources										
Fund Balance	4000005	20,110	20,518		123,061	123,061	123,061	123,061	123,061	123,061
Inter-agency Fund Transfer	4000316	413,835	934,040		882,096	882,096	882,096	882,096	882,096	882,096
Total Funding		433,945	954,558		1,005,157	1,005,157	1,005,157	1,005,157	1,005,157	1,005,157
Excess Appropriation/(Funding)		(20,518)	(123,061)		(123,061)	(123,061)	(123,061)	(123,061)	(123,061)	(123,061)
Grand Total		413,427	831,497		882,096	882,096	882,096	882,096	882,096	882,096

Budget Number of Extra Help Positions may exceed the Authorized Number due to single Extra Help section in appropriation act.

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 Career 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 Career 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 include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level and total Agency Request is \$384,868 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 772 - Technical Education-Federal Programs

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

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	144,605	138,935	140,477	140,309	140,309	140,309	140,309	140,309	140,309
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	41,930	40,674	40,674	41,608	41,608	41,608	41,608	41,608	41,608
Operating Expenses	5020002	84,677	77,251	120,000	77,251	77,251	77,251	77,251	77,251	77,251
Conference & Travel Expenses	5050009	8,465	15,200	20,000	15,200	15,200	15,200	15,200	15,200	15,200
Professional Fees	5060010	99,575	110,500	120,000	110,500	110,500	110,500	110,500	110,500	110,500
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		379,252	382,560	441,151	384,868	384,868	384,868	384,868	384,868	384,868
Funding Sources										
Federal Revenue	4000020	379,252	382,560		384,868	384,868	384,868	384,868	384,868	384,868
Total Funding		379,252	382,560		384,868	384,868	384,868	384,868	384,868	384,868
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		379,252	382,560		384,868	384,868	384,868	384,868	384,868	384,868

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 Base Level request is \$1,595,000 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is for Capital Outlay of \$100,000 each year of the biennium to update and maintain data processing equipment and storage. This request is located in the Agency's IT Plan, pages 37-49.

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

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 921 - Dept Higher Education - Cash in Treasury

Funding Sources: NHE - Cash in Treasury

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	16,255	878,070	878,070	878,070	878,070	878,070	878,070	878,070	878,070
Conference & Travel Expenses	5050009	0	60,620	60,620	60,620	60,620	60,620	60,620	60,620	60,620
Professional Fees	5060010	30,000	551,310	551,310	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	2,000	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	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total		48,255	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000
Funding Sources										
Fund Balance	4000005	385,094	343,703		148,703	148,703	148,703	53,707	53,703	53,703
Cash Fund	4000045	6,864	1,500,000		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Total Funding		391,958	1,843,703		1,748,703	1,748,703	1,748,703	1,653,707	1,653,703	1,653,703
Excess Appropriation/(Funding)		(343,703)	(148,703)		(53,703)	(53,703)	(53,703)	41,293	41,297	41,297
Grand Total		48,255	1,695,000		1,695,000	1,695,000	1,695,000	1,695,000	1,695,000	1,695,000

Expenditure of appropriation is contingent upon available funding.

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 Base Level Request is \$1,000,000 each year of the 2015-2017 Biennium.

The Agency's Change Level Requests total (\$900,000) each year of the biennium and are summarized as follows:

- Professional Fees reduction of (\$100,000) each year due to foundation funding ending.
- Grants and Aid reduction of (\$800,000) each year due to foundation funding ending.

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

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 97E - Compl't Coll Amer Grt

Funding Sources: NHE - Cash in Treasury

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	5,910	100,000	100,000	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	16,100	100,000	100,000	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	120,137	800,000	800,000	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		142,147	1,000,000	1,000,000	100,000	100,000	100,000	100,000	100,000	100,000

Funding Sources									
Fund Balance	4000005	142,147	0		0	0	0	0	0
Cash Fund	4000045	0	1,000,000		100,000	100,000	100,000	100,000	100,000
Total Funding		142,147	1,000,000		100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0
Grand Total		142,147	1,000,000		100,000	100,000	100,000	100,000	100,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: F91 - Outcome-Cent Funding

Funding Sources: HQA - Outcome Center Funding- Higher Education Grants Fund Account

Act 1203 of 2011 repealed Arkansas Code §6-61-223 and amended §6-61-224, §6-61-228, §6-61-229, and §6-61-230. The act directs the Department of Higher Education to develop an outcome-centered component of the funding formula for colleges and universities by December 31, 2011. Beginning in 2013-14 the funding recommendations will be based on the need component of student enrollment and the output components of student success and other performance measures. The proportion of the funding recommendation will begin with five percent based on outcome-centered measures, increasing by five percent each year to reach 25 percent in 2017-18. The Director and staff at the Department of Higher Education worked with the presidents, chancellors and key staff at the universities and colleges, along with the Executive Director and key staff at the Arkansas Association of Two-Year Colleges, to develop the university and college performance measures.

Funds are payable from the Higher Education Fund Account.

The Base Level Request is \$54,198,524 each year of the 2015-2017 Biennium.

The Agency's Change Level Requests total \$314,178 each year of the biennium in Outcome Centered Funding appropriation to reflect the 10% of proposed RSA funding for Universities.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: F91 - Outcome-Cent Funding

Funding Sources: HQA - Outcome Center Funding- Higher Education Grants Fund Account

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
outcome Centered Funding 5900046	0	40,006,106	40,006,106	40,320,284	40,320,284	40,320,284	40,320,284	40,320,284	40,320,284
Outcome-Centered Awards - College 5900047	0	14,192,418	14,192,418	14,192,418	14,192,418	14,192,418	14,192,418	14,192,418	14,192,418
Total	0	54,198,524	54,198,524	54,512,702	54,512,702	54,512,702	54,512,702	54,512,702	54,512,702

Funding Sources									
Other 4000370	0	54,198,524		54,512,702	54,512,702	54,512,702	54,512,702	54,512,702	54,512,702
Total Funding	0	54,198,524		54,512,702	54,512,702	54,512,702	54,512,702	54,512,702	54,512,702
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	54,198,524		54,512,702	54,512,702	54,512,702	54,512,702	54,512,702	54,512,702

Analysis of Budget Request

Appropriation: HEG - Health Education Grants & Loans

Funding Sources: HEG - Higher Education Grants

The Health Professions Financial Assistance Program of the Arkansas Department of Higher Education (ADHE) is responsible for developing rules and regulations for the Arkansas Health Education Grants (ARHEG) Program. ARHEG provides Arkansas residents financial assistance to attend certain out-of-state health and medical professional schools for graduate or professional programs not available in Arkansas. Education programs not offered in Arkansas are facilitated through contractual arrangements negotiated through the Southern Regional Education Board (SREB), of which Arkansas is a member. The State also contracts directly with out-of-state institutions for additional spaces or student slots at Non-SREB institutions. Such assistance is typically amounts sufficient to help offset the difference in the resident and non-resident tuition fees at participating institutions. Assistance is currently available for attendance at any accredited school of dentistry, veterinary medicine, optometry, osteopathy medicine, podiatric and chiropractic medicine. ARHEG is funded by general revenue payable from the Higher Education Grants (HEG) Fund.

The Base Level and total Agency Request is \$5,391,670 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation provides for the Executive Recommendation with the addition of \$250,000 in appropriation for Veterinary Aid Loans.

Appropriation Summary

Appropriation: HEG - Health Education Grants & Loans

Funding Sources: HEG - Higher Education Grants

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Chiropractic Aid	5100004	123,339	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Dental Aid Grants	5100004	2,053,200	2,133,900	2,133,900	2,133,900	2,133,900	2,133,900	2,133,900	2,133,900	2,133,900
Optometry Aid Grants	5100004	382,500	410,000	410,000	410,000	410,000	410,000	410,000	410,000	410,000
Osteopathy Aid	5100004	76,200	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000
Podiatry Aid	5100004	57,000	130,400	130,400	130,400	130,400	130,400	130,400	130,400	130,400
Veterinary Aid	5100004	1,047,692	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Dental Aid Loans	5120029	987,370	987,370	987,370	987,370	987,370	987,370	987,370	987,370	987,370
Optometry Aid Loans	5120029	105,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Veterinary Aid Loans	5120029	0	0	250,000	0	0	250,000	0	0	250,000
Total		4,832,301	5,391,670	5,641,670	5,391,670	5,391,670	5,641,670	5,391,670	5,391,670	5,641,670

Funding Sources										
Gen Rev Higher Ed Grants	4000258	4,832,301	5,391,670		5,391,670	5,391,670	5,391,670	5,391,670	5,391,670	5,391,670
Total Funding		4,832,301	5,391,670		5,391,670	5,391,670	5,391,670	5,391,670	5,391,670	5,391,670
Excess Appropriation/(Funding)		0	0		0	0	250,000	0	0	250,000
Grand Total		4,832,301	5,391,670		5,391,670	5,391,670	5,641,670	5,391,670	5,391,670	5,641,670