

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
505 Private Career Education-Operations	365,432	4	437,632	4	433,552	4	439,857	4	439,857	4	439,857	4	439,987	4	439,987	4	439,987	4
506 Student Protection Trust	36,125	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
834 Private Career Ed-Cash in Treasury	0	0	50,000	0	100,500	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
Total	401,557	4	987,632	4	1,034,052	4	989,857	4	989,857	4	989,857	4	989,987	4	989,987	4	989,987	4

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	1,472,245	80.0	1,439,898	82.4	760,466	69.7	760,466	69.7	760,466	69.7	226,846	39.0	226,846	39.0	226,846	39.0	
Special Revenue	4000030	297,232	16.1	250,000	14.3	275,000	25.2	275,000	25.2	275,000	25.2	300,000	51.6	300,000	51.6	300,000	51.6	
Cash Fund	4000045	195	0.0	200	0.0	200	0.0	200	0.0	200	0.0	200	0.0	200	0.0	200	0.0	
Trust Fund	4000050	71,783	3.9	58,000	3.3	56,000	5.1	56,000	5.1	56,000	5.1	54,000	9.3	54,000	9.3	54,000	9.3	
Total Funds		1,841,455	100.0	1,748,098	100.0	1,091,666	100.0	1,091,666	100.0	1,091,666	100.0	581,046	100.0	581,046	100.0	581,046	100.0	
Excess Appropriation/(Funding)		(1,439,898)		(760,466)		(101,809)		(101,809)		(101,809)		408,941		408,941		408,941		
Grand Total		401,557		987,632		989,857		989,857		989,857		989,987		989,987		989,987		

FY15 Budget amount in Regular Salaries and Personal Services Matching in the Private Career Education Operations appropriation exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Variances in fund balances due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 505 - Private Career Education-Operations

Funding Sources: SCS - Private Career Education Fund

The State Board of Private Career Education was created by Act 906 of 1989 and is responsible for annual licensure and monitoring of private career schools and admissions representatives in Arkansas. The State Operations appropriation is funded by special revenue derived primarily from annual license and admissions representative fees paid by the schools to the Board.

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 for Regular Salaries includes board member stipend payments.

The Base Level and total Agency Request is \$439,857 in FY16 and \$439,987 in FY17.

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: 505 - Private Career Education-Operations

Funding Sources: SCS - Private Career Education Fund

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	242,007	238,242	237,339	239,587	239,587	239,587	239,687	239,687	239,687
#Positions		4	4	4	4	4	4	4	4	4
Extra Help	5010001	0	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500
#Extra Help		0	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	83,852	93,890	90,713	94,770	94,770	94,770	94,800	94,800	94,800
Operating Expenses	5020002	38,425	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
Conference & Travel Expenses	5050009	55	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	1,093	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
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		365,432	437,632	433,552	439,857	439,857	439,857	439,987	439,987	439,987
Funding Sources										
Fund Balance	4000005	344,277	276,077		88,445	88,445	88,445	0	0	0
Special Revenue	4000030	297,232	250,000		275,000	275,000	275,000	300,000	300,000	300,000
Total Funding		641,509	526,077		363,445	363,445	363,445	300,000	300,000	300,000
Excess Appropriation/(Funding)		(276,077)	(88,445)		76,412	76,412	76,412	139,987	139,987	139,987
Grand Total		365,432	437,632		439,857	439,857	439,857	439,987	439,987	439,987

FY15 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 506 - Student Protection Trust

Funding Sources: TCS - Private Career School Student Protection Trust Fund

Revenues deposited into this fund consists of annual certification fees paid by participating schools to the Board and are primarily used to cover expenses associated with providing for a student's continuing education in the event a school closes or to pay student claims when this arrangement is not feasible. Schools originally licensed during the 1989-91 biennium and have maintained their licensure for fifteen (15) years will not be assessed additional fees unless the fund balance totals less than \$500,000 on May 30th of any fiscal year. Regardless of the fund balance, schools that have not paid licensure fees for fifteen (15) years will continue being charged until they have paid fees for a minimum of fifteen (15) years.

The requested appropriation will enable the Student Protection Trust Fund to carry forward the following functions:

- pay claims filed by students when a school becomes insolvent or ceases to operate without offering a complete program of study;
- pay expenses incurred by a school that are directly related to educating a student placed in the school for teach out purposes;
- reimburse the Private Career Education Board Fund for expenses directly associated with the storage and maintenance of student academic and financial aid records; and
- reimburse the Private Career Education Board Fund for administrative costs incurred due to school closings.

The Base Level and total Agency Request is \$500,000 each year of the 2015-2017 Biennium.

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: 506 - Student Protection Trust

Funding Sources: TCS - Private Career School Student Protection Trust Fund

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Expenses/Claims/Fees 5900046	36,125	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	36,125	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000

Funding Sources									
Fund Balance 4000005	1,077,188	1,112,846		670,846	670,846	670,846	226,846	226,846	226,846
Trust Fund 4000050	71,783	58,000		56,000	56,000	56,000	54,000	54,000	54,000
Total Funding	1,148,971	1,170,846		726,846	726,846	726,846	280,846	280,846	280,846
Excess Appropriation/(Funding)	(1,112,846)	(670,846)		(226,846)	(226,846)	(226,846)	219,154	219,154	219,154
Grand Total	36,125	500,000		500,000	500,000	500,000	500,000	500,000	500,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 834 - Private Career Ed-Cash in Treasury

Funding Sources: NPC - Cash in Treasury

Funds for the Cash Operations appropriation are received through grants from the Real Estate Foundation and the Winthrop Rockefeller Foundation, investments, and from surety bond receipts paid to the Board to be used for payment of tuition refunds to students or potential students. These funds are used to supplement funding for regular operation costs of the Arkansas Private Career Education Board.

The Base Level and total Agency Request is \$50,000 each year of the 2015-2017 Biennium.

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: 834 - Private Career Ed-Cash in Treasury

Funding Sources: NPC - 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	0	31,102	81,602	31,102	31,102	31,102	31,102	31,102	31,102
Conference & Travel Expenses	5050009	0	8,898	8,898	8,898	8,898	8,898	8,898	8,898	8,898
Professional Fees	5060010	0	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	0	0	0	0	0	0
Total		0	50,000	100,500	50,000	50,000	50,000	50,000	50,000	50,000

Funding Sources										
Fund Balance	4000005	50,780	50,975		1,175	1,175	1,175	0	0	0
Cash Fund	4000045	195	200		200	200	200	200	200	200
Total Funding		50,975	51,175		1,375	1,375	1,375	200	200	200
Excess Appropriation/(Funding)		(50,975)	(1,175)		48,625	48,625	48,625	49,800	49,800	49,800
Grand Total		0	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Expenditure of appropriation is contingent upon available funding.