

# D.2



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**OFFICE OF BUDGET**  
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<http://www.dfa.arkansas.gov>

August 3, 2018

Senator Bruce Maloch, Co-Chair  
Representative David Meeks, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: FY19 Appropriation and/or Fund Transfer Request(s)

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached Appropriation and/or Fund Transfer Request(s) that have received my approval as Chief Fiscal Officer of the State, but which also require approval and/or review of the Arkansas Legislative Council.

Sincerely,

  
Larry W. Walther  
Director

LWW:kb

Attachment(s)



# Arkansas Department of Education

*Transforming Arkansas to lead the nation in student-focused education*

July 12, 2018

**Johnny Key**  
*Commissioner*

Mr. Larry W. Walther, Chief Fiscal Officer  
Department of Finance and Administration  
1509 West 7th Street Room 401  
Little Rock, AR 72203

**State Board  
of Education**

Dr. Jay Barth  
*Little Rock  
Chair*

Dear Mr. Walther:

By authority granted in Section 13 of Act 243 of 2018, I am requesting approval of the following appropriation transfers for FY19:

Charisse Dean  
*Little Rock  
Vice Chair*

### APPROPRIATION TRANSFER

Susan Chambers  
*Bella Vista*

<b>FROM:</b>	
Public School Fund (JAA)	
School Funding Contingency (2ZH)	(\$2,384,767)
Assessment (459)	<u>(2,000,000)</u>
	(\$4,384,767)

Dr. Fitz Hill  
*Little Rock*

Kathy McFetridge  
*Springdale*

<b>TO:</b>	
Public School Fund (JAA)	
Alternative Learning (311)	\$1,800,000
Computer Science (V30)	2,000,000
Gifted and Talented (457)	464,619
Teacher Retirement Matching (437)	<u>120,148</u>
	\$4,384,767

Dr. Sarah Moore  
*Stuttgart*

Ouida Newton  
*Poyen*

R. Brett Williamson  
*El Dorado*

The request to increase appropriation for the Alternative Learning Environment line item is due to an unanticipated increase in ALE students from 5,701.93 FTE initially projected to 6,106.35 actual 2017-18 FTEs.

Diane Zook  
*Melbourne*

The Computer Science program requests additional appropriation in FY19 to carry forward FY18 grants that were not fully expended by June 30, 2018. These grants include the K-8 Lead Teacher Program, Learning Blade, High School CS stipend program, state CS professional development grant, APPEL, and the CS Praxis reimbursement program.

Four Capitol Mall  
Little Rock, AR  
72201-1019  
(501) 682-4475  
ArkansasEd.gov

The request to transfer appropriation to the Gifted and Talented line item to enable ADE to restructure the grant payment process for the Governor's School. Currently, a portion of the allocation for the Governor's School is paid in the fiscal year following the year of expense at the grantee level. ADE is proposing to make all payments for the Governor's School in the fiscal year in which the grantee expenditures occur. This appropriation transfer is a one-time request to allow ADE to make this change.

*An Equal  
Opportunity  
Employer*

*CAR*

Section 16 of Act 243 of 2018 requires the ADE to pay teacher retirement employer matching for employees of the Education Service Cooperatives, Vocational Centers, Arkansas Easter Seals, and the Department of Correction school. The request for additional appropriation is to accommodate anticipated increases in employer contributions due to salary increases and growth in the number of participants.

**APPROPRIATION TRANSFER – PUBLIC SCHOOL FUND (JAA)**

**FROM:**

Education Renewal Zones (2HY)	
Operating (02)	(\$70,000)
Travel-Conference (09)	<u>(11,500)</u>
	\$81,500

**TO:**

Education Renewal Zones (2HY)	
Grants & Aids (04)	\$81,500

The Education Renewal Zones program requests a reallocation from Operating and Travel-Conference line items to Grants & Aids to provide targeted professional development to academically distressed schools. State-level expenditures have been reduced in order to increase funds at the grantee level. This request will be made in the 2019-2021 biennial planning process as well.

**APPROPRIATION TRANSFER – DEPARTMENT OF EDUCATION FUND (EGA)**

**FROM:**

Department of Education Operating Fund (EGA)	
Arkansas Leadership Academy	(\$900,000)
Advanced Placement and Incentive Program Grants	<u>(450,000)</u>
	(\$1,350,000)

**TO:**

Public School Fund (JAA)	
Leadership Academy – Master Principal (2ZK)	\$900,000
Advanced Placement Incentive (440)	<u>450,000</u>
	\$1,350,000

ADE is requesting to move two grant programs previously paid from the operating fund to the Public School Fund. This transfer will align these two programs with all other grant programs that benefit public school students and will enable ADE's operating fund to serve its purpose in providing support for the operating of the Arkansas Department of Education. This request will be made in the 2019-2021 biennial planning process as well.

**APPROPRIATION TRANSFER – ALTERNATIVE CERTIFICATION (899)**

**FROM:**

Alternative Certification – APPEL (899)	
Operating (02)	(\$287,925)
Professional Fees (10)	<u>(90,000)</u>
	(\$377,925)

**TO:**

Alternative Certification – APPEL (899)	
Grants & Aids (04)	\$377,925

This reallocation within the Alternative Certification cash fund is needed because the APPEL program has added three additional sites in the Delta region of Arkansas as an attempt to help increase the minority teaching pool in Arkansas. These sites are the Crowley's Ridge Education Cooperative in Harrisburg, a partnership between Marvell-Elaine School District and Great Rivers Education Cooperative in Helena-West Helena, and at the Arkansas River Education Cooperative in Pine Bluff. This request will be made in the 2019-2021 biennial planning process as well.

I appreciate your consideration and approval of this request. If you have any questions, please call Greg Rogers at 682-4256.

Sincerely,



Johnny Key  
Commissioner

JK: as

cc: Duncan Baird, Administrator  
DFA – Office of Budget