

# AR CORN & GRAIN SORGHUM PROMOTION BOARD

## Enabling Laws

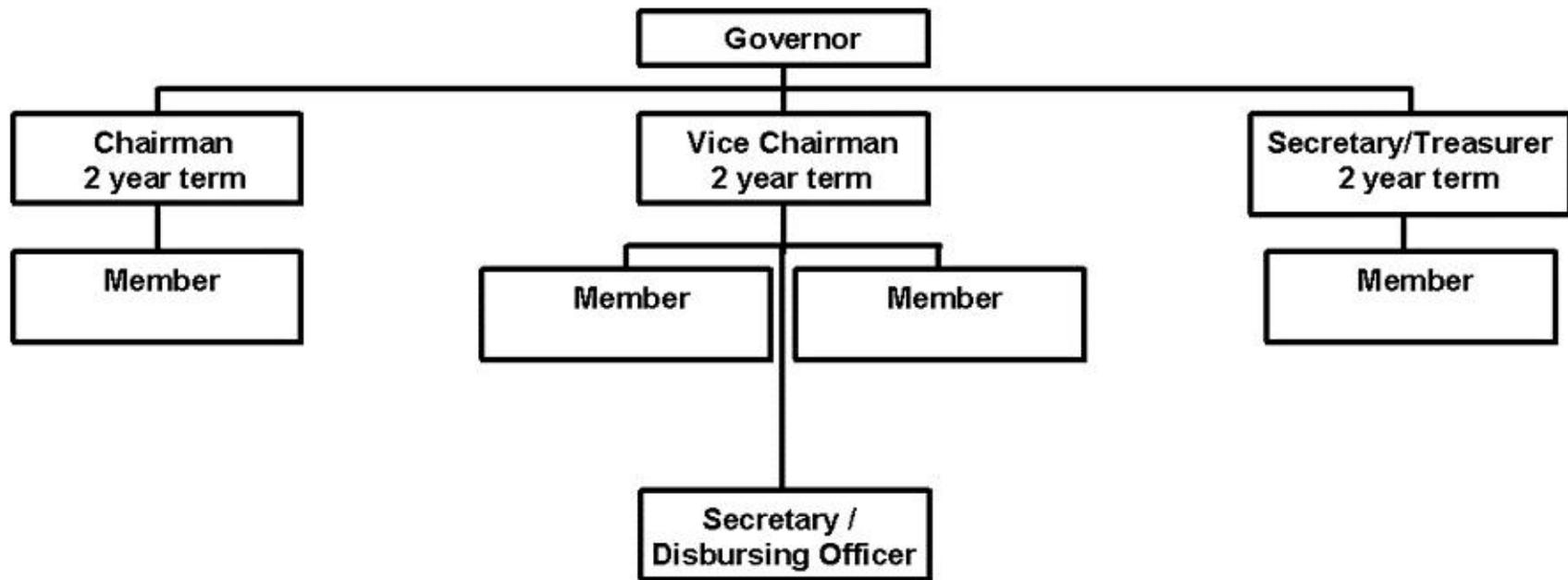
Act 44 of 2012  
A.C.A. §2-20-804 et seq.

## History and Organization

The Arkansas Corn and Grain Sorghum Board was created by Act 271 of 1997. Its mission is to promote the growth and development of the corn and grain sorghum industries in Arkansas by research, extension, promotion and market development, thereby promoting the general welfare of the people of Arkansas.

The Board is made up of seven members appointed by the Governor. Three are nominated by and represent the Arkansas Farm Bureau Federation, and two each are nominated by and represent Riceland Foods, Inc. and The Agriculture Council of Arkansas. The Board is administered by the Executive Vice President of Arkansas Farm Bureau Federation or his designee.

The Board administers a one cent per bushel assessment on all corn and grain sorghum grown in Arkansas for market. The funds enter the State Treasury, and are disbursed by the Board to fund corn and grain sorghum research and promotion efforts.



### Agency Commentary

The Arkansas Corn and Grain Sorghum Board budget is funded entirely by special revenues collected from a one cent per bushel check off on all corn and grain sorghum produced in Arkansas for market. In addition to Base Level appropriation of \$950,000, the Board requests Research/Development appropriation of \$250,000 in each year of the biennium to provide for increased costs in the promotion of research and development of corn and grain sorghum.

An allocation of these special revenue funds will be used to fund corn and grain sorghum related research projects through the University of Arkansas and private research companies as the Board sees fit. Projects will be individually approved and monitored by the Board. The Board welcomes project proposals at their first quarter meeting.

**Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS CORN AND GRAIN SORGHUM PROMOTION BOARD  
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

None

None

**State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012**

None

**Publications**

**A.C.A. 25-1-204**

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

## Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

## **Analysis of Budget Request**

**Appropriation:** 686 - Corn and Grain Sorghum

**Funding Sources:** SGS - AR Corn and Grain Sorghum Promotion Board Fund

The purpose of the Corn and Grain Sorghum Promotion Board is to promote the growth and development of the corn and grain sorghum industries in the State of Arkansas. The funds are primarily used to maintain a program of research through the University of Arkansas Agricultural Experiment Station and Cooperative Extension Service. A small portion is used for other programs designed to enhance the Arkansas corn and grain sorghum industries.

The Board is funded entirely by Special Revenues collected from a one cent per bushel assessment at the first point of sale or when the corn or grain sorghum enters the USDA loan program and is applicable to all corn and grain sorghum produced in Arkansas for market. The Board utilizes these funds to finance operating expenses and to conduct a program of research, market development and promotion.

The Agency Change Level Request reflects additional Research/Development appropriation of \$250,000 each year due to increased costs in the promotion of research and development of corn and grain sorghum, contingent upon available funding.

The Executive Recommendations provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 686 - Corn and Grain Sorghum

**Funding Sources:** SGS - AR Corn and Grain Sorghum Promotion Board Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	24,808	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Research/Development	5900031	797,786	925,000	1,175,000	925,000	1,175,000	1,175,000	925,000	1,175,000	1,175,000
<b>Total</b>		<b>822,594</b>	<b>950,000</b>	<b>1,200,000</b>	<b>950,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>950,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	168,218	6,046		0	0	0	0	0	0
Special Revenue	4000030	660,422	781,790		781,790	781,790	781,790	781,790	781,790	781,790
<b>Total Funding</b>		<b>828,640</b>	<b>787,836</b>		<b>781,790</b>	<b>781,790</b>	<b>781,790</b>	<b>781,790</b>	<b>781,790</b>	<b>781,790</b>
Excess Appropriation/(Funding)		(6,046)	162,164		168,210	418,210	418,210	168,210	418,210	418,210
<b>Grand Total</b>		<b>822,594</b>	<b>950,000</b>		<b>950,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>950,000</b>	<b>1,200,000</b>	<b>1,200,000</b>

## Change Level by Appropriation

**Appropriation:** 686 - Corn and Grain Sorghum

**Funding Sources:** SGS - AR Corn and Grain Sorghum Promotion Board Fund

### Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>950,000</b>	<b>0</b>	<b>950,000</b>	<b>100.0</b>	<b>950,000</b>	<b>0</b>	<b>950,000</b>	<b>100.0</b>
C01	Existing Program	250,000	0	1,200,000	126.3	250,000	0	1,200,000	126.3

### Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>950,000</b>	<b>0</b>	<b>950,000</b>	<b>100.0</b>	<b>950,000</b>	<b>0</b>	<b>950,000</b>	<b>100.0</b>
C01	Existing Program	250,000	0	1,200,000	126.3	250,000	0	1,200,000	126.3

### Justification

C01	Appropriation provides for increased costs in the promotion of research and development of corn and grain sorghum.								
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