

# AR SCIENCE AND TECHNOLOGY AUTHORITY

## Enabling Laws

Act 239 of 2014  
A.C.A. 15-3-101 - A.C.A. 15-3-505

## History and Organization

The Arkansas Science and Technology Authority (the Authority) was created by Act 859 of 1983: "There is hereby established for the State of Arkansas the Arkansas Science and Technology Authority, hereinafter referred to as "The Authority," which shall have the powers, functions and duties, as herein provided, to be the instrumentality of this State to exert leadership in and give directions to a broad spectrum of programs and services designed to gain for this State and its people the benefits and opportunities to be realized through advanced science and technology."

The Authority's vision, mission, goals and core values are derived from its strategic planning process and are established by the Authority's Board in the "Board of Director's Operating Guide," dated November 20, 2009.

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21<sup>st</sup> century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21<sup>st</sup> century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21<sup>st</sup> century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity and (6) We will value diversity among ourselves and our customers.

The Arkansas Science and Technology Authority is comprised of a Board of Directors and staff. The -member Board is appointed by the Governor to staggered four year terms. The Authority has a thirty person staff, eighteen state funded positions, one miscellaneous funded position and eleven federally-funded positions.

The Board makes all decisions concerning the allocation of monies to projects funded under the Authority's programs, except the Technology Transfer Assistance Grants Program where the Board approves funding to the program and the Director approves the individual project funding. Recommendations are made to the Board by three standing committees comprised exclusively of members of the Board. The committees deal respectively with sponsored projects, research and commercialization, and manufacturing extension. The Board's Executive Committee deals with proposals with deadlines and actions required between regularly scheduled meetings. The standing committees are further supported by three advisory committees.

Staff activities are designed to support the goals of the Authority's Board of Directors.

The Vice President of Finance, assisted by the Finance Program Coordinator and the Research Program Coordinator is responsible for managing programs involving Seed Capital Investments, Technology Development, Technology Transfer Assistance Grants, Basic Research Grants, Applied Research Grants, Research Matching Grants, Research Infrastructure Grants, Business Incubator Technology Certifications, and Centers for Applied Technology. These activities are overseen by the Board's Research and Commercialization Committee. The Vice President of Finance and Program Managers also provide technical assistance to (1) Arkansas Manufacturing Solutions, a state-federal partnership under the federal Manufacturing Extension Partnership, (2) and the Research and Development Tax Credit activities under the Consolidated Incentive Act.

The Vice President of Informatics , assisted by the Information Technology Manager and the Database Analyst is responsible for the Authority's initiative to become paperless, provide electronic applications for all programs, automate agency workflows, maintain the Authority's database, and prepare analytical reports. The Vice President of Informatics is also responsible for projects with deadlines, supports the Vice President of Finance with research-oriented programs, and assists in overseeing the NSF EPSCoR grant. These activities are overseen by the Board's Executive Committee.

The Vice President of Research and Sponsored Projects, assisted by the ASTA Assistant Director EPSCoR, and the EPSCoR Accountant II, is responsible for managing the Authority's ASSET Initiative The ASSET Initiative is a project jointly funded by a grant from the National Science Foundation's EPSCoR Program and by state matching support. The Vice President of Research and Sponsored Projects, assisted by the EPSCoR Assistant Director, and the EPSCoR Accountant II, manages the grant and additional STEM (Science, Technology, Engineering, and Mathematics) outreach grants. These activities are overseen by the Board's Sponsored Projects Committee.

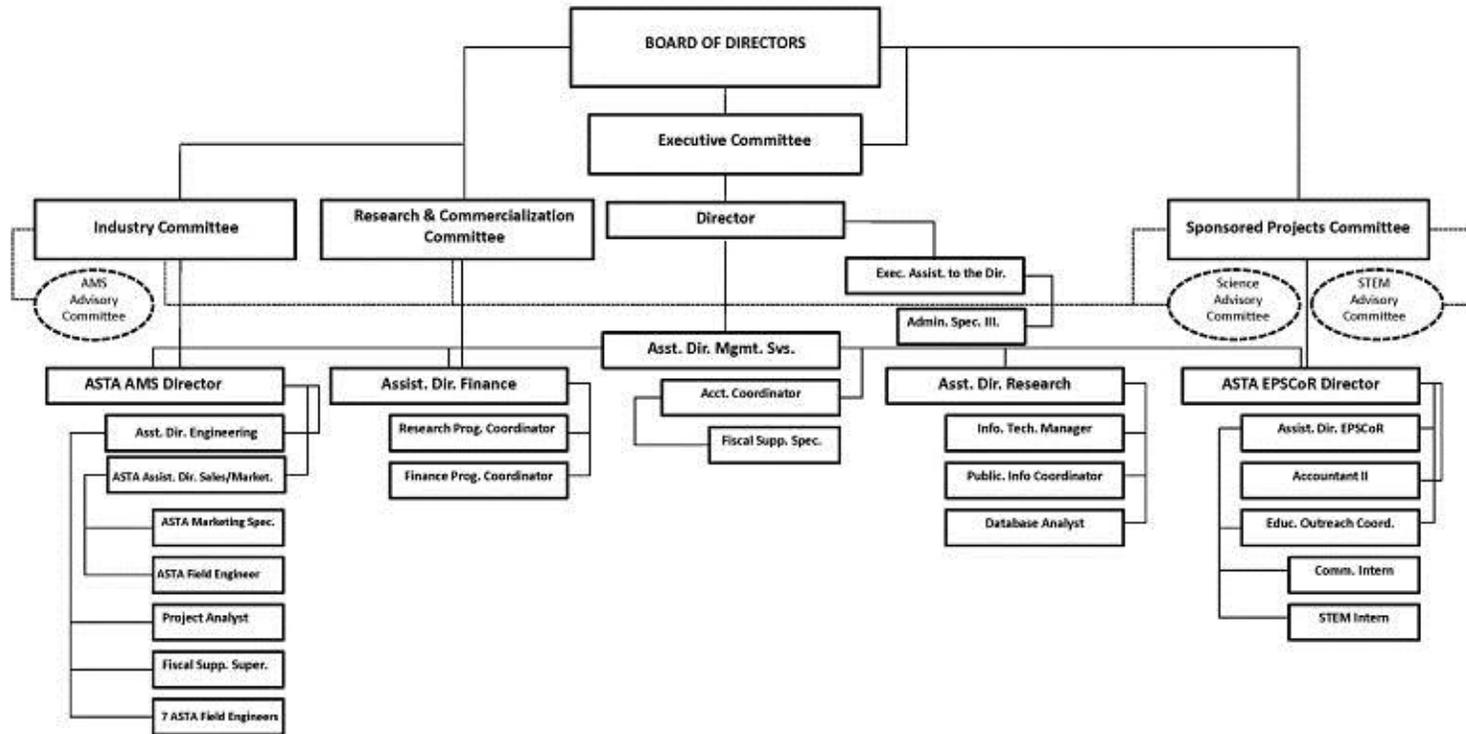
Arkansas Manufacturing Solutions (AMS) is a program created through a cooperative agreement between the National Institute of Standards and Technology and the Arkansas Science & Technology Authority. AMS is headed by the ASTA Vice President of Industry. The Vice President of Industry is responsible for federally funded positions housed at the Authority: the Science & Technology Assistant Director of Engineering, Assistant Director of Sales and Marketing, Fiscal Support Supervisor, ASTA Sales and Marketing Specialist, 5 Field Engineers, and 2 Field Engineer positions housed at the University of Arkansas at Fayetteville as well as 2 Subrecipient personnel housed at the Arkansas State University at Jonesboro. AMS is responsible for the management and administration of the Cooperative Agreement. The Field Engineers work as Project Managers throughout the state, and are responsible for the delivery of services. The activities are overseen by the Board's Industry Committee.

The Vice President of STEM (Science, Technology, Engineering, and Math) is responsible for the day to day operations of the Authority's STEM Works program. STEM Works is an initiative of the Governor's Workforce Cabinet. Its intention is to transform education by recognizing that future educational and workforce demands will be driven by the 21<sup>st</sup> Century economy, requiring higher level skills for workers at all levels and more talent to fill opening in the STEM occupations.

The Executive Vice President is responsible for the day-to-day operations of the Authority and is assisted by the Accounting Coordinator, Research Project Analyst, and the Fiscal Support Specialist. The Accounting Coordinator is responsible for the fiscal activities of the Authority and is assisted by the Fiscal Support Specialist and the Research Project Analyst. The Fiscal Support Specialist is responsible for the procurement, accounts payable, travel reconciliations and payments, and asset management activities of the Authority. The Research Project Analyst is responsible for AMS reporting. Management Services are overseen by the Board's Executive Committee.

The President is the chief executive officer and has overall responsibility for the Authority's programs and staff activities. The President is assisted by the Executive Assistant to the Director, who provides administrative support to the agency's Board of Directors and is responsible for the personnel activities of the agency. The Administrative Specialist III assists the Executive Assistant and is responsible for administrative support for the Authority's programs and cooperative agreements.

The President is selected by the Board and serves at the pleasure of the Governor.



## Agency Commentary

Vision: We envision an Arkansas prepared to compete and prosper in the global economy.

Mission: To advance the talent and innovation necessary for Arkansas to prosper.

The Authority's goals are to: (1) Ensure the availability of the next generation of Arkansans with science, engineering and mathematics skills necessary for a competitive 21<sup>st</sup> century workforce, (2) Maximize the production of scientific and engineering talent and research innovations as building blocks for the 21<sup>st</sup> century economy, (3) Invest in research innovations that build knowledge-based industries for Arkansas's 21<sup>st</sup> century economy, (4) Strengthen Arkansas companies' capacity to innovate, create wealth, expand knowledge-based jobs and compete globally, and (5) Extend science and technology expertise to take advantage of emerging opportunities in partnership with other programs, services and organizations.

Core Values: (1) We will be accountable to our stakeholders, (2) We will be honest and ethical, (3) We will value and promote our products and services, (4) We will be creative and objective as we improve our organization and ourselves, (5) We will treat all with respect and dignity, and (6) We will value diversity among ourselves and our customers.

The Arkansas Science & Technology Authority's (Authority) agency commentary is derived from the Authority's vision, mission, goals and core values that were created in its strategic planning process and is established by the Authority's Board in the "Board of Directors Operating Guide," dated November 20, 2009.

**GOAL 1: ENSURE THE AVAILABILITY OF THE NEXT GENERATION OF ARKANSANS WITH SCIENCE, ENGINEERING AND MATHEMATICS SKILLS NECESSARY FOR A COMPETITIVE 21<sup>ST</sup> CENTURY WORKFORCE.**

The Authority, will empower teachers to generate enthusiasm in STEM classrooms around the state using projects, such as robotics competition and summer academies, that interest and engage students in the STEM curriculum. These efforts result not only in increased student competence in STEM skill sets but also produce increases in STEM career choices for these students as they advance.

**GOAL 2: MAXIMIZE THE PRODUCTION OF SCIENTIFIC AND ENGINEERING TALENT AND RESEARCH INNOVATIONS AS BUILDING BLOCKS FOR THE 21<sup>ST</sup> CENTURY ECONOMY.**

The Authority continues to manage the cooperative agreement with the National Science Foundation for the EPSCoR program. The cooperative agreement has established the Arkansas ASSET Initiative (**A**dvancing and **S**upporting **S**cience, **E**ngineering and **T**echnology). This project is designed to strengthen developing research areas in Arkansas with economic development potential. The initiative is a multi-institutional, interdisciplinary, state-wide program. Integral components of the five-year research project are entrepreneurial training, support for commercialization of new technologies, and an educational outreach program that targets the STEM pipeline needed to support the advanced technologies workforce.

The ASSET Initiative project covers more than one of the Authority's five goals. The match for the project, for budget purposes, is included in goal 3.

**GOAL 3: INVEST IN RESEARCH INNOVATIONS THAT BUILD KNOWLEDGE-BASED INDUSTRIES FOR ARKANSAS'S 21<sup>ST</sup> CENTURY ECONOMY.**

The Authority's research and commercialization programs address this goal by supporting strategic state investments in university research activities, development of new products, and the commercialization of new technology by entrepreneurial firms.

Technology Transfer Assistance Grants (TTAG) support enterprises participating in the federal Small Business Innovation Research Program; the Technology Development Program supports enterprises developing new technologies; and the Seed Capital Investment Program provides start-up working capital.

The Authority Board of Directors requests \$156,975 per year from General Revenue to support TTAG and Technology Development Programs, \$292,653 to support research and an additional \$800,000 to support research under a five-year, \$20 million National Science Foundation research grant. We also request \$6,500,000 in the Arkansas Acceleration Fund. The \$800,000 for match for the National Science Foundation will be included in the \$6,500,000.

The Board also requests \$292,653 per year from General Revenue for Seed Capital Investments.

The Board requests authority to spend up to \$1.9 million per year from the Seed Capital Investment Fund (a cash fund).

**GOAL 4: STRENGTHEN ARKANSAS COMPANIES' CAPACITY TO INNOVATE, CREATE WEALTH, EXPAND KNOWLEDGE-BASED JOBS AND COMPETE GLOBALLY.**

The Authority continues its state-federal technology partnership with the National Institute of Standards and Technology (NIST). The partnership allows the Authority, through the function of its Arkansas Manufacturing Solutions (AMS), to continue to meet the expressed needs of Arkansas manufacturers and provide them with the tools to become world-class competitors. AMS continues to provide technology support to the state's manufacturers through TTAG grants. AMS, connects Arkansas innovators with potential buyers, investors, distributors and manufacturers seeking breakthrough technological advancements.

The Authority Board of Directors requests \$257,182 per year from General Revenue as state match for AMS.

**GOAL 5: EXTEND SCIENCE AND TECHNOLOGY EXPERTISE TO TAKE ADVANTAGE OF EMERGING OPPORTUNITIES IN PARTNERSHIP WITH OTHER PROGRAMS, SERVICES AND ORGANIZATIONS.**

The Authority continues to collaborate on economic development projects with AEDC and ADFA. The agencies, through shared processes, manage projects involving the Venture Capital Investment Trust, Equity Investment Tax Credit, and Research and Development Tax Credits.

The Authority further extends its expertise by membership on at least 13 boards and commissions.

## **Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY  
FOR THE YEAR ENDED JUNE 30, 2012

Findings

Recommendations

None

None

## **State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014**

None

## **Employment Summary**

	Male	Female	Total	%
White Employees	12	7	19	86 %
Black Employees	0	2	2	9 %
Other Racial Minorities	0	1	1	5 %
Total Minorities			3	14 %
Total Employees			22	100 %

## Publications

### A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	A.C.A. §15-3-123	Y	Y	4	Detail operations and transactions conducted in previous fiscal year. Posted on website; printed by request only.	0	0.00
ARMF Biennial Report	A.C.A. §15-3-206	Y	Y	1	Report investments from the Arkansas Research Matching Fund. Posted on website; printed by request only.	0	0.00

# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1ND AR Manufacturing Extention Network-St	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
34G Seed Capital Investment-Cash in Treasury	200,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0	1,900,000	0
35K AR EPSCoR-Federal	3,665,712	3	4,000,000	3	11,473,064	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3	3,994,815	3
678 Science & Tech-St Operations	2,826,938	13	5,425,355	13	5,425,410	13	5,435,921	13	8,474,157	13	8,474,157	13	5,436,289	13	8,474,547	13	8,474,547	13
84W New AMS - Cash in Treasury	330,660	3	1,455,986	7	1,244,065	7	890,378	7	1,455,986	9	1,455,986	9	890,378	7	1,455,986	9	1,455,986	9
85E Energy Efficiency-Cash in Treasury	56,719	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
919 AR Manufacturing Extension Network-Fed	617,539	6	1,081,110	6	941,110	6	619,886	6	941,110	4	941,110	4	619,886	6	941,110	4	941,110	4
99Q AR Acceleration Fund	372,347	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0	18,700,000	0
F43 STEM Education	87,028	1	67,160	1	65,430	1	66,021	1	66,021	1	66,021	1	66,021	1	66,021	1	66,021	1
<b>Total</b>	<b>8,414,125</b>	<b>26</b>	<b>33,036,793</b>	<b>30</b>	<b>40,156,261</b>	<b>30</b>	<b>32,014,203</b>	<b>30</b>	<b>35,939,271</b>	<b>30</b>	<b>35,939,271</b>	<b>30</b>	<b>32,014,571</b>	<b>30</b>	<b>35,939,661</b>	<b>30</b>	<b>35,939,661</b>	<b>30</b>

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	2,151,767	17.3	4,052,164	11.5	2,314,018	6.9	2,314,018	6.2	2,314,018	6.7	1,458,032	4.4	1,458,032	3.9	1,458,032	4.3
General Revenue	4000010	3,084,120	24.7	5,682,537	16.1	5,693,103	17.0	8,731,339	23.3	5,731,339	16.7	5,693,471	17.1	8,731,729	23.4	5,731,729	16.7
Federal Revenue	4000020	4,283,251	34.4	5,081,110	14.4	4,614,701	13.8	4,935,925	13.2	4,935,925	14.3	4,614,701	13.8	4,935,925	13.3	4,935,925	14.4
Cash Fund	4000045	533,409	4.3	1,835,000	5.2	2,150,413	6.4	2,716,021	7.3	2,716,021	7.9	2,860,413	8.6	3,426,021	9.2	3,426,021	10.0
Inter-agency Fund Transfer	4000316	913,742	7.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	0	0.0	18,700,000	52.9	18,700,000	55.9	18,700,000	50.0	18,700,000	54.4	18,700,000	56.1	18,700,000	50.2	18,700,000	54.6
Transfer from General Imprv	4000540	1,500,000	12.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		12,466,289	100.0	35,350,811	100.0	33,472,235	100.0	37,397,303	100.0	34,397,303	100.0	33,326,617	100.0	37,251,707	100.0	34,251,707	100.0
Excess Appropriation/(Funding)		(4,052,164)		(2,314,018)		(1,458,032)		(1,458,032)		1,541,968		(1,312,046)		(1,312,046)		1,687,954	
Grand Total		8,414,125		33,036,793		32,014,203		35,939,271		35,939,271		32,014,571		35,939,661		35,939,661	

FY15 Budget for New AMS - Cash in Treasury (84W) exceeds authorized due to transfer from the Cash Fund Holding Account.  
 FY15 Budget for AR Manufacturing Extension Network-Fed (919) exceeds authorized due to transfer from the Miscellaneous Federal Grant Holding Account.  
 FY15 Budget for STEM Education (F43) exceeds authorized due to salary and matching rate adjustments during the 2013-2015 Biennium.  
 Variance in Fund Balance is due to unfunded appropriation.

## Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
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	
21	18	1	19	2	14.29 %	29	22	8	30	-1	24.14 %	30	22	8	30	0	26.67 %

Total Budgeted positions in FY14 exceed Authorized amount due to positions authorized from the Central Growth Pool.

## **Analysis of Budget Request**

**Appropriation:** 1ND - AR Manufacturing Extension Network-St

**Funding Sources:** HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority Technology and Manufacturing Extension Program plans strategic state investments in, evaluates proposals and applications for, and supports Manufacturing Extension, Technology Transfer, and Applied Research. The Technology and Manufacturing Program is funded by General Revenue.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 1ND - AR Manufacturing Extention Network-St

**Funding Sources:** HUA - Miscellaneous Agencies Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Manufacturing Ext Network 5900046	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Total	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182	257,182
Funding Sources									
General Revenue 4000010	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Total Funding	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	257,182	257,182		257,182	257,182	257,182	257,182	257,182	257,182

## **Analysis of Budget Request**

**Appropriation:** 34G - Seed Capital Investment-Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

This program is used for investment in technology-based businesses in accordance with Arkansas Code, §15-3-101 through §15-3-123. Funds are loaned to businesses, with a maximum amount of \$500,000 for any one project. As businesses repay the loans, ASTA deposits the repayments into a revolving fund.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

## Appropriation Summary

**Appropriation:** 34G - Seed Capital Investment-Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Investments	5120013	200,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total		200,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
<b>Funding Sources</b>										
Fund Balance	4000005	1,186,368	1,112,603		12,603	12,603	12,603	12,603	12,603	12,603
Cash Fund	4000045	126,235	800,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total Funding		1,312,603	1,912,603		1,912,603	1,912,603	1,912,603	1,912,603	1,912,603	1,912,603
Excess Appropriation/(Funding)		(1,112,603)	(12,603)		(12,603)	(12,603)	(12,603)	(12,603)	(12,603)	(12,603)
Grand Total		200,000	1,900,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

## **Analysis of Budget Request**

**Appropriation:** 35K - AR EPSCoR-Federal

**Funding Sources:** FST - ASTA Federal Programs

The Experimental Program to Stimulate Competitive Research (EPSCoR), funded by the National Science Foundation is a statewide multi-university collaborative research initiative addressing two research areas: 1) plant-based bioproduction and 2) solar cell efficiency, and 3) smart grid testing.

Base Level Regular Salaries and Personal Services Matching include the 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 Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 35K - AR EPSCoR-Federal

**Funding Sources:** FST - ASTA Federal Programs

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	171,573	202,262	202,259	197,695	197,695	197,695	197,695	197,695	197,695
<b>#Positions</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Personal Services Matching	5010003	53,510	60,734	59,157	60,116	60,116	60,116	60,116	60,116	60,116
Operating Expenses	5020002	144,538	167,518	497,664	167,518	167,518	167,518	167,518	167,518	167,518
Conference & Travel Expenses	5050009	20,233	27,000	81,000	27,000	27,000	27,000	27,000	27,000	27,000
Professional Fees	5060010	69,690	74,800	224,400	74,800	74,800	74,800	74,800	74,800	74,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,206,168	3,467,686	10,408,584	3,467,686	3,467,686	3,467,686	3,467,686	3,467,686	3,467,686
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>3,665,712</b>	<b>4,000,000</b>	<b>11,473,064</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	3,665,712	4,000,000		3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815
Total Funding		3,665,712	4,000,000		3,994,815	3,994,815	3,994,815	3,994,815	3,994,815	3,994,815
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>3,665,712</b>	<b>4,000,000</b>		<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>	<b>3,994,815</b>

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

## **Analysis of Budget Request**

**Appropriation:** 678 - Science & Tech-St Operations

**Funding Sources:** HUA - Miscellaneous Agencies Fund

The Arkansas Science and Technology Authority was created to develop and promote Arkansas' technological resources and to encourage the use of advanced technology in the State's business and agricultural communities. The Authority offers a variety of programs emphasizing three areas: project financing, company financing, and technology extension/development. This appropriation is funded by general revenue.

Base Level Regular Salaries and Personal Services Matching include the 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 1% Cost of Living Adjustment.

The Agency requests a Change Level increase of \$3,038,236 in FY16 and \$3,038,258 in FY17 as follows:

- Regular Salaries and Personal Services Matching of \$38,236 in FY16 and \$38,258 in FY17 to reclassify three (3) positions - Information Technology Manager Grade C120 to Information Systems Manager Grade C128, Public Information Coordinator Grade C120 to Public Information Manager C123, and Assistant Director of Management Services Grade N901 to Deputy Director Grade N907. The reclassifications are the result of an OPM job audit findings of increased responsibilities for these positions.
- Arkansas Acceleration Fund Programs line item of \$3,000,000. This will provide \$1,500,000 for grants to Innovate Arkansas and to the Experimental Program to Stimulate Competitive Research (EPSCoR) Research Alliance.

The Executive Recommendation provides for the positions reclassification and general revenue funding of \$38,236 in FY16 and \$38,258 in FY17 and appropriation only for the Arkansas Acceleration Fund Programs line item.

## Appropriation Summary

**Appropriation:** 678 - Science & Tech-St Operations

**Funding Sources:** HUA - Miscellaneous Agencies Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	644,531	685,754	689,794	692,894	723,818	723,818	693,194	724,118	724,118
<b>#Positions</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
Extra Help	5010001	5,189	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>#Extra Help</b>		<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Personal Services Matching	5010003	209,771	222,017	218,032	225,443	232,755	232,755	225,511	232,845	232,845
Operating Expenses	5020002	186,578	218,703	218,703	218,703	218,703	218,703	218,703	218,703	218,703
Conference & Travel Expenses	5050009	27,800	27,800	27,800	27,800	27,800	27,800	27,800	27,800	27,800
Professional Fees	5060010	10,788	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	1,292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Technology Development	5900046	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975	156,975
Seed Capital Investments	5900047	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653	292,653
Arkansas Acceleration Fund Prog	5900048	0	3,500,000	3,500,000	3,500,000	6,500,000	6,500,000	3,500,000	6,500,000	6,500,000
<b>Total</b>		<b>2,826,938</b>	<b>5,425,355</b>	<b>5,425,410</b>	<b>5,435,921</b>	<b>8,474,157</b>	<b>8,474,157</b>	<b>5,436,289</b>	<b>8,474,547</b>	<b>8,474,547</b>
<b>Funding Sources</b>										
General Revenue	4000010	2,826,938	5,425,355		5,435,921	8,474,157	5,474,157	5,436,289	8,474,547	5,474,547
Total Funding		2,826,938	5,425,355		5,435,921	8,474,157	5,474,157	5,436,289	8,474,547	5,474,547
Excess Appropriation/(Funding)		0	0		0	0	3,000,000	0	0	3,000,000
<b>Grand Total</b>		<b>2,826,938</b>	<b>5,425,355</b>		<b>5,435,921</b>	<b>8,474,157</b>	<b>8,474,157</b>	<b>5,436,289</b>	<b>8,474,547</b>	<b>8,474,547</b>

FY15 Budget in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

## Change Level by Appropriation

**Appropriation:** 678 - Science & Tech-St Operations  
**Funding Sources:** HUA - Miscellaneous Agencies Fund

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>5,435,921</b>	<b>13</b>	<b>5,435,921</b>	<b>100.0</b>	<b>5,436,289</b>	<b>13</b>	<b>5,436,289</b>	<b>100.0</b>
C01	Existing Program	3,000,000	0	8,435,921	155.2	3,000,000	0	8,436,289	155.2
C10	Reclass	38,236	0	8,474,157	155.9	38,258	0	8,474,547	155.9

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>5,435,921</b>	<b>13</b>	<b>5,435,921</b>	<b>100.0</b>	<b>5,436,289</b>	<b>13</b>	<b>5,436,289</b>	<b>100.0</b>
C01	Existing Program	3,000,000	0	8,435,921	155.2	3,000,000	0	8,436,289	155.2
C10	Reclass	38,236	0	8,474,157	155.9	38,258	0	8,474,547	155.9

### Justification

C01	The Agency requests a Change Level increase of \$3,000,000 each year for the Arkansas Acceleration Fund Programs. This will provide \$1,500,000 to Innovate Arkansas and \$1,500,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR) Research Alliance.
C10	The Agency requests a reclassification of three (3) positions, the Information Technology Manager Grade C120 to an Information Systems Manager Grade C128, the Public Information Coordinator Grade C120 to a Public Information Manager Grade C123, and the Assistant Director of Management Services Grade N901 to Deputy Director Grade N907. These reclassifications will increase Regular Salaries and Personal Services Matching \$38,236 in FY16 and \$38,258 in FY17. The requested reclassifications are the result of an OPM job audit findings of increased responsibilities of the positions.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES  
FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015**

Agency: Science and Technology Authority

Program: Science & Tech-St Operations

Act #: 519 Section(s) #: 3 & 12

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

**Accounting Information:**

Business Area: 0327 Funds Center: 678 Fund: HUA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

**Justification for carry forward of fund balance:**

No Carry Forward.

**Actual Funding Carry Forward Amount** \$ 0.00

**Current status of carry forward funding:**

All funding was spent in FY14.

Dr. Tim Atkinson  
President

08-20-2014  
Date

## **Analysis of Budget Request**

**Appropriation:** 84W - New AMS - Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. Funding is provided by client (cash) service agreements and training class revenue.

Base Level Regular Salaries and Personal Services Matching include the 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 Agency requests a Change Level of \$565,608 each year as follows:

- Regular Salaries and Personal Services Matching of \$208,769 for transfer of two (2) positions from the AMS-Federal appropriation. This is due to award reduction by the Manufacturing Extension Program (MEP) funded by the Department of Commerce National Institute of Standards and Technology (NIST). An additional \$240,713 in Regular Salaries and Personal Services Matching is requested to provide sufficient appropriation for the budgeted staff.
- Operating Expenses of \$331,457, which includes a reduction of (\$11,000) in advertising to adjust the budget due to reduction of the federal award and increase in federal grants and aid.
- Conference and Travel of \$14,500 is for new hires travel and training to develop expertise in AMS direct delivery services.
- Grants and Aid reduction of (\$229,831) due to the MEP reduction in the federal award and increase in federal grants and aid.

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

## Appropriation Summary

**Appropriation:** 84W - New AMS - Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	127,150	417,145	234,530	235,360	579,828	579,828	235,360	579,828	579,828
<b>#Positions</b>		<b>3</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>9</b>
Personal Services Matching	5010003	50,325	129,258	71,161	72,314	177,328	177,328	72,314	177,328	177,328
Operating Expenses	5020002	51,657	524,122	211,743	211,743	543,200	543,200	211,743	543,200	543,200
Conference & Travel Expenses	5050009	9,482	67,360	52,860	52,860	67,360	67,360	52,860	67,360	67,360
Professional Fees	5060010	4,900	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	87,146	243,101	358,771	243,101	13,270	13,270	243,101	13,270	13,270
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Field Services	5900046	0	0	240,000	0	0	0	0	0	0
<b>Total</b>		<b>330,660</b>	<b>1,455,986</b>	<b>1,244,065</b>	<b>890,378</b>	<b>1,455,986</b>	<b>1,455,986</b>	<b>890,378</b>	<b>1,455,986</b>	<b>1,455,986</b>

Funding Sources										
Fund Balance	4000005	784,540	1,621,890		1,005,904	1,005,904	1,005,904	149,918	149,918	149,918
Cash Fund	4000045	254,268	840,000		34,392	600,000	600,000	744,392	1,310,000	1,310,000
Inter-agency Fund Transfer	4000316	913,742	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>1,952,550</b>	<b>2,461,890</b>		<b>1,040,296</b>	<b>1,605,904</b>	<b>1,605,904</b>	<b>894,310</b>	<b>1,459,918</b>	<b>1,459,918</b>
Excess Appropriation/(Funding)		(1,621,890)	(1,005,904)		(149,918)	(149,918)	(149,918)	(3,932)	(3,932)	(3,932)
<b>Grand Total</b>		<b>330,660</b>	<b>1,455,986</b>		<b>890,378</b>	<b>1,455,986</b>	<b>1,455,986</b>	<b>890,378</b>	<b>1,455,986</b>	<b>1,455,986</b>

Budget exceeds Authorized appropriation in Regular Salaries, Personal Services Matching, Operating Expenses, and Conference & Travel Expenses due to a transfer from the Cash Fund Holding Account.

## Change Level by Appropriation

**Appropriation:** 84W - New AMS - Cash in Treasury  
**Funding Sources:** NST - Cash in Treasury

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>890,378</b>	<b>7</b>	<b>890,378</b>	<b>100.0</b>	<b>890,378</b>	<b>7</b>	<b>890,378</b>	<b>100.0</b>
C01	Existing Program	597,670	0	1,488,048	167.1	597,670	0	1,488,048	167.1
C03	Discontinue Program	(240,831)	0	1,247,217	140.1	(240,831)	0	1,247,217	140.1
C07	Agency Transfer	208,769	2	1,455,986	163.5	208,769	2	1,455,986	163.5

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>890,378</b>	<b>7</b>	<b>890,378</b>	<b>100.0</b>	<b>890,378</b>	<b>7</b>	<b>890,378</b>	<b>100.0</b>
C01	Existing Program	597,670	0	1,488,048	167.1	597,670	0	1,488,048	167.1
C03	Discontinue Program	(240,831)	0	1,247,217	140.1	(240,831)	0	1,247,217	140.1
C07	Agency Transfer	208,769	2	1,455,986	163.5	208,769	2	1,455,986	163.5

### Justification

C01	The Agency requests an increase of \$597,670 which includes Regular Salaries and Personal Services Matching of \$240,713, Operating Expenses of \$342,457, and Conference and Travel of \$14,500. The Regular Salaries and Personal Services Matching will provide sufficient appropriation for the budgeted staff. The increase in Operating Expenses is to adjust budget due to the reduction of the federal award and increase in federal Grants and Aid. The increase in Conference and Travel is for new hires travel and training to develop their expertise in AMS direct delivery services.
C03	The Agency requests a decrease of (\$240,831), in Operating Expenses and Grants and Aid. The reduction includes (\$11,000) reduction in Advertising and (\$229,831) in Grants and Aid due to the MEP reduction of the federal award and increase in federal Grants and Aid.
C07	The Agency requests an increase of \$208,769 for a transfer of two (2) positions, one (1) AMS Director Grade N906 and one (1) Sales and Marketing Specialist Grade N901, to AMS-Cash (84W/NST0900) from AMS-Federal (919/FST0200) resulting in an increase in Regular Salaries and Personal Services Matching of \$208,769. The increase is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the U.S. Department of Commerce National Institute of Standards and Technology (NIST).

## **Analysis of Budget Request**

**Appropriation:** 85E - Energy Efficiency-Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

The Agency is contracted to develop, plan, and execute the logistical details for the Energy Efficiency program workshops and/or conferences for Arkansas manufacturers. Funding is provided by a grant from the Arkansas Economic Development Commission.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

## Appropriation Summary

**Appropriation:** 85E - Energy Efficiency-Cash in Treasury

**Funding Sources:** NST - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	12,686	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
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
Grants and Aid	5100004	44,033	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>56,719</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	64,572	159,432		159,432	159,432	159,432	159,432	159,432	159,432
Cash Fund	4000045	151,579	150,000		150,000	150,000	150,000	150,000	150,000	150,000
<b>Total Funding</b>		<b>216,151</b>	<b>309,432</b>		<b>309,432</b>	<b>309,432</b>	<b>309,432</b>	<b>309,432</b>	<b>309,432</b>	<b>309,432</b>
Excess Appropriation/(Funding)		(159,432)	(159,432)		(159,432)	(159,432)	(159,432)	(159,432)	(159,432)	(159,432)
<b>Grand Total</b>		<b>56,719</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>

## **Analysis of Budget Request**

**Appropriation:** 919 - AR Manufacturing Extension Network-Fed

**Funding Sources:** FST - ASTA Federal Programs

The Arkansas Science and Technology Authority's Arkansas Manufacturing Extension Network program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance. The program is funded by the U.S. Department of Commerce's National Institute of Standards and Technology (NIST) and third party reimbursements for field services and technical support from manufacturers supported under this grant.

Base Level Regular Salaries and Personal Services Matching include the 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 Agency requests a Change Level of \$321,224 each year as follows:

- Regular Salaries and Personal Services Matching reduction of (\$208,769) from transfer of two (2) positions to the AMS-Cash appropriation. The transfer is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the Department of Commerce National Institute of Standards and Technology (NIST).
- Operating Expenses decrease of (\$35,007) due to changes in the MEP award.
- Grants and Aid increase of \$240,000 due to changes in the MEP award.
- Field Services increase of \$325,000 due to changes in the MEP award.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 919 - AR Manufacturing Extension Network-Fed

**Funding Sources:** FST - ASTA Federal Programs

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	272,832	441,049	608,504	443,431	281,580	281,580	443,431	281,580	281,580
<b>#Positions</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>4</b>
Personal Services Matching 5010003	106,324	129,770	177,848	131,164	84,246	84,246	131,164	84,246	84,246
Operating Expenses 5020002	80,968	45,291	124,758	45,291	10,284	10,284	45,291	10,284	10,284
Conference & Travel Expenses 5050009	12,354	0	30,000	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
Grants and Aid 5100004	145,061	140,000	0	0	240,000	240,000	0	240,000	240,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Field Services 5900046	0	325,000	0	0	325,000	325,000	0	325,000	325,000
<b>Total</b>	<b>617,539</b>	<b>1,081,110</b>	<b>941,110</b>	<b>619,886</b>	<b>941,110</b>	<b>941,110</b>	<b>619,886</b>	<b>941,110</b>	<b>941,110</b>
<b>Funding Sources</b>									
Federal Revenue 4000020	617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110
Total Funding	617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	617,539	1,081,110		619,886	941,110	941,110	619,886	941,110	941,110

## Change Level by Appropriation

**Appropriation:** 919 - AR Manufacturing Extension Network-Fed  
**Funding Sources:** FST - ASTA Federal Programs

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>619,886</b>	<b>6</b>	<b>619,886</b>	<b>100.0</b>	<b>619,886</b>	<b>6</b>	<b>619,886</b>	<b>100.0</b>
C01	Existing Program	565,000	0	1,184,886	191.1	565,000	0	1,184,886	191.1
C03	Discontinue Program	(35,007)	0	1,149,879	185.5	(35,007)	0	1,149,879	185.5
C07	Agency Transfer	(208,769)	(2)	941,110	151.8	(208,769)	(2)	941,110	151.8

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>619,886</b>	<b>6</b>	<b>619,886</b>	<b>100.0</b>	<b>619,886</b>	<b>6</b>	<b>619,886</b>	<b>100.0</b>
C01	Existing Program	565,000	0	1,184,886	191.1	565,000	0	1,184,886	191.1
C03	Discontinue Program	(35,007)	0	1,149,879	185.5	(35,007)	0	1,149,879	185.5
C07	Agency Transfer	(208,769)	(2)	941,110	151.8	(208,769)	(2)	941,110	151.8

### Justification

C01	The Agency requests an increase of \$565,000 in Grants and Aid and Field Services for each year of the biennium. This is due to changes in the MEP award.
C03	The Agency requests a reduction of (\$35,007) in Operating Expenses due to changes in the MEP award.
C07	The Agency requests transfer of two (2) positions, one (1) AMS Director Grade N906 and one (1) Sales and Marketing Specialist Grade N901, from AMS-Federal (919/FST0200) to AMS-Cash (84W/NST0900) resulting in a reduction of Regular Salaries and Personal Services Matching (\$208,769). The reduction is requested due to award reduction by the Manufacturing Extension Program (MEP) funded by the U.S. Department of Commerce National Institute of Standards and Technology (NIST).

## **Analysis of Budget Request**

**Appropriation:** 99Q - AR Acceleration Fund

**Funding Sources:** MST - Arkansas Acceleration Fund

The Arkansas Science & Technology Authority uses this fund for support and assistance for the accelerated growth of knowledge-based and high-technology jobs in the state through funding of the state's initiatives and programs defined under §15-3-501 et seq. Among those included, are initiatives and programs authorized by the Arkansas Research Alliance, Innovate Arkansas, and Arkansas Risk Capital Matching.

The Fund shall consist of funds provided by law and grants made by any person or federal government agency.

The Agency requests Base Level appropriation for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 99Q - AR Acceleration Fund

**Funding Sources:** MST - Arkansas Acceleration Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	372,347	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Total		372,347	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Funding Sources										
Fund Balance	4000005	0	1,127,653		1,127,653	1,127,653	1,127,653	1,127,653	1,127,653	1,127,653
Other	4000370	0	18,700,000		18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Transfer from General Imprv	4000540	1,500,000	0		0	0	0	0	0	0
Total Funding		1,500,000	19,827,653		19,827,653	19,827,653	19,827,653	19,827,653	19,827,653	19,827,653
Excess Appropriation/(Funding)		(1,127,653)	(1,127,653)		(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)	(1,127,653)
Grand Total		372,347	18,700,000		18,700,000	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000

## **Analysis of Budget Request**

**Appropriation:** F43 - STEM Education

**Funding Sources:** NST - Cash in Treasury

The Assistant Director of Science, Technology, Engineering, and Mathematics (STEM) Education is responsible for the daily activities of Arkansas STEM Works, an initiative of the Governor's Workforce Cabinet to improve science, technology, engineering, and mathematics education statewide. This position coordinates activities with the Department of Education, Career Education, Higher Education, Workforce Services, Economic Development Commission, Science and Technology Authority, and the General Assembly. The position assists in development of STEM Works performance measures and reports to the Governor's Workforce Cabinet.

Currently, the position is funded twenty-five percent (25%) by General Revenue and seventy-five percent (75%) by grants from the Department of Education, Higher Education, and Career Education.

Base Level Regular Salaries and Personal Services Matching include the 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 Agency requests Base Level appropriation for the 2015-2017 Biennium.

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

## Appropriation Summary

**Appropriation:** F43 - STEM Education

**Funding Sources:** NST - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	71,021	51,714	50,388	50,701	50,701	50,701	50,701	50,701	50,701
<b>#Positions</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	16,007	15,446	15,042	15,320	15,320	15,320	15,320	15,320	15,320
<b>Total</b>		<b>87,028</b>	<b>67,160</b>	<b>65,430</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>
<b>Funding Sources</b>										
Fund Balance	4000005	116,287	30,586		8,426	8,426	8,426	8,426	8,426	8,426
Cash Fund	4000045	1,327	45,000		66,021	66,021	66,021	66,021	66,021	66,021
<b>Total Funding</b>		<b>117,614</b>	<b>75,586</b>		<b>74,447</b>	<b>74,447</b>	<b>74,447</b>	<b>74,447</b>	<b>74,447</b>	<b>74,447</b>
Excess Appropriation/(Funding)		(30,586)	(8,426)		(8,426)	(8,426)	(8,426)	(8,426)	(8,426)	(8,426)
<b>Grand Total</b>		<b>87,028</b>	<b>67,160</b>		<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>	<b>66,021</b>