

# DOE - General Education

## Enabling Laws

Act 1420 of 2007  
Act 229 of 2007 (PSF)  
Act 1243 of 2007  
A.C.A. §6-5-301 et seq.  
A.C.A. §6-10-101 thru §6-26-305  
A.C.A. §6-42-101 et seq.  
A.C.A. §6-45-101 et seq.  
A.C.A. §6-47-201 et seq.  
A.C.A. §26-80-101 et seq.  
A.C.A. §25-6-101 et seq.

## History and Organization

### HISTORY OF PUBLIC EDUCATION IN ARKANSAS

Provisions were made within the framework of the Constitution of the State of Arkansas for free public education; directing the legislature to pass needed laws related to education; creating funding for public schools; providing local taxing units for school purposes; designing a method of levying a tax for maintenance and operation of local school districts; and providing authority for local school board members to carry out programs of the State's public education department.

The Arkansas Territorial Legislature in 1829 passed the first law for public education by requiring county judges to appoint a trustee for the sixteenth section of land in each township granted to education. The territory was organized in 1819. In 1853, the office of the County School Commissioner was created by the legislature. With various title changes and added responsibilities, this particular individual is now called the County School Supervisor.

In 1931, the Arkansas General Assembly established a reorganization law whereby consolidation of districts occurred only by the majority of the electors of those districts. In 1948, the Arkansas voters created the District Reorganization Bill that reduced the number of school districts from 1,500 to 424.

From 1875 to 1931, the office of the State's Superintendent of Public Instruction was reestablished. In 1931, the elected office of State Superintendent was abolished, and the State Board of Education was given the power to select a Commissioner of Education.

In 1965, the improvement of elementary and secondary schools was emphasized during a Presidential message on education. Within months after the message, Congress passed the Elementary and Secondary Education Act, which was to strengthen and improve the quality of education and increased educational opportunities in the public schools. The educational opportunities provided for in this federal act are currently being paid from federal funds.

Act 38 of 1971 changed the title of the Commissioner of Education to the Director of Education but kept the duties and powers of the office the same. The Director of Education was to be confirmed by the Governor and served at the pleasure of the Governor.

Act 64 of 1981 divided the Department of Education into two major divisions, the General Education Division and the Vocational and Technical Education Division with each Division having a separate director.

Act 445 of 1983, known as "The Quality Education Act of 1983," provided for the establishment of minimum standards for accrediting public elementary and secondary schools in the State. As a result, the **Standards for Accreditation of Arkansas Public Schools** were developed and adopted by the State Board of Education on February 22, 1984. School districts had until June 1, 1987, to meet the Standards or risk consolidation or annexation. In 1984, there were 367 school districts in the State. As of June 30, 2000, there were 310 school districts in the State. These Standards have been revised once since they were put into place. The revision occurred in 1993.

Act 34 of 1983, First Extraordinary Session, created a new funding formula for local school districts known as "The School Finance Act of 1984." This particular formula provided funding to school districts known as Minimum Foundation Program Aid. The main focus of the 1983 First Extraordinary Session was education. The Arkansas General Assembly passed a one-cent sales tax which helped to increase the revenue available to school districts and to fund many new programs for education.

The legislation passed in the 1983 Regular Session and the 1983 First Extraordinary Session was considered to be the "first wave" of educational reform for Arkansas public schools. Examples of reforms include: required elementary school counselors; established smaller class sizes; created curriculum content guides which listed requirements for courses to be taught; increased advanced course offerings; required yearly testing of students in grades 3, 6, and 8 in the basic skills, Minimum Performance Test (MPT); required all public school districts to develop and file a six-year plan for improving its educational programs; established an Advisory Council for the Education of Gifted and Talented Children; implemented Act 76 of 1983, First Extraordinary Session, requiring teachers, administrators, and other certified personnel to undergo testing in regard to functional academic skills and knowledge of subject areas; implemented an effective schools project as a model of excellence for Arkansas public schools; and provided for the implementation of computer-based educational projects in the public schools, later known as the Instructional Microcomputer Project for Arkansas Classrooms (IMPAC).

In 1985-86, the Arkansas General Assembly adopted an array of additional legislation such as the establishment of a statewide system of Education Service Cooperatives; the authorization of parents to provide home schooling for their children; the amendment to the Arkansas Teacher Retirement System laws to establish an optional noncontributory plan for its members; the authorization of the Department of Education, General Division, to develop and implement a program of health services; the creation of a commission to study the disparity in teacher salaries; and the requirement for school districts to establish a drug abuse prevention program.

In 1987-88, the Arkansas General Assembly provided the state education system with acts such as establishing residency requirements for persons attending public schools; providing waivers from the teacher salary requirement due to a one time increase in new current revenue; establishing guidelines for reporting data on students leaving high school prior to graduation; establishing the Commission on Teaching Excellence; and changing the date of the annual school election to the third Tuesday in September.

In 1989-90, the Arkansas General Assembly set up the Office of Accountability to assess the performance of schools and to publish a School Report Card by December 1 of each year, the School Choice program enabling students to attend a public school in a district other than the one in which the student resides but subject to certain restrictions and conditions, the Arkansas Early Childhood Commission, the suspension of a student's learner's permit or driver's license if no longer attending school if under 17, and a mandatory kindergarten law.

In 1991-92, the Arkansas General Assembly created an Educational Excellence Trust Fund to target to all of education the funds from a 1/2 cent sales tax increase; established a statewide computer network for education, later known as the Arkansas Public School Computer Network (APSCN), which is a computer link up with all schools in the State to facilitate data collection and reduce paperwork; established the Arkansas School for Mathematics and Sciences; established the Academy for Leadership Training and School-based Management; and passed a major restructuring act, Act 236 of 1991, which called for the reorganization of the Department of Education, General Division, to provide more support and less regulation to school districts as well as defining what Arkansas public schools must do in preparing students to be internationally competitive. The Department established the Comprehensive Outcomes Evaluation Program as a method for evaluation of the public schools every five years as mandated by the Standards for Accreditation. School vehicle insurance was added to the insurance program as a self-insurance program for schools.

In 1993-94, the legislature combined the appropriations for the Department of Education to a few appropriations for greater flexibility in reaching the goals of Act 236 of 1991. Grant programs were set up for Writing Assessments to assist in the development and piloting of writing portfolios and Curriculum Frameworks for school districts to develop exemplary local curricula to serve as statewide models. An appropriation was also set up for Workers Compensation to help school districts with worker compensation payments on school personnel. In addition, the K-3 Initiative was started with the passage of Act 1139 of 1993 which provided free summer school and summer school transportation to K-3 students who did not perform at grade level during the regular school year. In order for these students to be eligible for promotion to the next grade, they had to attend this specially designed summer school program.

In 1995-96, the Arkansas General Assembly enacted a new funding formula for the public schools that provided more equity in school funding. Minimum Foundation Program Aid was replaced by Equalization Funding. The legislature also funded At-risk Programs, Growth Facilities Funding, Additional Base Funding, and Debt Service Funding Supplements to assist districts with the cost of facilities. Technology centers were appropriated for the Education Service Cooperative to assist local school districts. Fiscal Crisis Relief Funding also provided assistance to districts adversely affected by the implementation of the new funding formula. Other legislation passed in 1995 included: an act to require criminal background checks for all teachers and administrators seeking an Arkansas teaching license for the first time; an act to ensure that a fiscal or academic crisis will not interrupt educational services provided to students (Academic and Fiscal Distress); an act known as the School Bus Safety Act of 1995; an act to establish the Arkansas Advanced Placement Incentive Program; an act to expand the K-3 Initiative of 1993 to include grades K-5; and an act to increase the number of State Board of Education members from nine (9) to twelve (12).

In 1997-98, the Arkansas General Assembly passed legislation which provided for one core curriculum for all students in Arkansas public schools; required the Director to develop a plan to allow all school districts to utilize distance learning through a distance learning network; amended the laws concerning

home-schooled students; provided a clearinghouse for information on nonsectarian practices in character and citizenship education; amended the laws relative to Arkansas education goals and performance accountability; required criminal background checks as a condition for employment in a public school district for all non-certified staff positions; expanded the requirement for background checks on teachers and administrators; allowed Teacher Retirement System members to retire with 28 years of service rather than 30; and Act 803 of 1997 abolished the Vocational and Technical Division of the Department of Education and created the Department of Workforce Education as a separate state agency with its own State Board of Workforce Education and Career Opportunities. The State Board of Education and the Department of Education continued for the general supervision of the public K-12 schools in the State.

In 1999-2000, the Arkansas General Assembly passed legislation which provided for teacher incentives to seek the National Board for Professional Teaching Standards (NBPTS) Certification to pay full tuition cost and bonuses; annual individual school performance reports and for the distribution of these reports to all parents or guardians of children enrolled in Arkansas public schools; the reduction in the number of State Board of Education members from twelve (12) to nine (9) over a three-year period; a new Charter School Law which allows for open-enrollment and school district conversion forms of charter schools with the new law completely replacing the 1995 law; the establishment for an accountability program for schools across the State referred to as the Arkansas Comprehensive Testing Assessment and Accountability Program (ACTAAP); and the elimination of the antiquated county boards of education in all 75 counties of the State over time.

In 2001-2002, the Arkansas General Assembly created the Arkansas Blue Ribbon Commission on Public Education to define an equitable and adequate system of free public education in the State as mandated under the "general, suitable and efficient" components of the Arkansas Constitution; directed the State Board of Education to conduct a study of public education, its structure, financial needs, and funds needed for improvement; adopted ethical guidelines to prohibit self-dealing in transactions between public educational entities and board members, administrators, or employees; passed the Educator Compensation Act to supplement traditional pay increases for the State's teachers; authorized the Department of Education to conduct a study of grade inflation within the State's high schools and to notify schools of such finding; established procedures for identifying critical teacher shortage areas and granting retired teachers a waiver of earnings limitations to return to active employment to help meet the needs of these areas; and clarified the State's ethics law to allow teachers and other school employees to receive gifts or compensation which recognize the employee's contribution to education.

In 2003-2004, the General Assembly addressed four major areas in the public education system of Arkansas: structure of the K-12 system, public school funding, public school facilities, and the structure of the Arkansas Department of Education. During the Regular Session, the legislature; enacted the Omnibus Quality Education Act, requiring all school districts to meet the Standards for Accreditation with sanctions for non-compliance; established requirements for school districts to create plans for more parental involvement in public schools; and created the Joint Committee on Educational Facilities to assess all of the State's K-12 facilities and equipment. During the 2nd Extraordinary Session, the General Assembly required administrative consolidation of public school districts serving less than 350 students into districts that would have in excess of 350 students; adopted the Arkansas Student Assessment and Educational Accountability Act of 2004; created the Public School Funding Act, which designated a base of \$5,400 per student as the amount necessary for students to receive an adequate education; enacted a variety of revenue measures to raise the necessary funds to implement the new Public School Funding Act. The legislature also provided for the division of the Arkansas Department of Education into three divisions: General Education, Accountability and Educational Facilities with each division having its own director who answers independently to the State Board of Education. Other significant actions taken by

the 84th General Assembly included the creation of a Teacher Housing Program; master's program for school principals; mandatory professional development for teachers and administrators and an appropriation to increase the number of early childhood programs offered in the State.

In 2005-06, the Arkansas General Assembly focused primarily on education reform as a result of directives and requirements of the Arkansas Supreme Court in *Lake View School District No. 25, et al. v. Mike Huckabee, et al.* The Court outlined the State's responsibility to identify and fund an adequate education for all students in Arkansas. Accordingly, legislation that provided additional funding in the amount of \$436.6 million over the biennium was implemented. The Legislature also funded and commissioned an Adequacy Study to determine future educational needs. Legislation established the Division of Public School Facilities and Transportation that will identify, assess and fund the State's facilities needs. In the area of teacher recruitment and retention, the General Assembly increased teacher salaries, took steps to strengthen the teacher health insurance program and provided for programs to enhance teaching and learning. The General Assembly also complied with the Court's mandate to track expenditures by expanding current coding methods, providing for in-service training for fiscal staff, strengthening financial accountability, and outlining penalties for non-compliance. The General Assembly continued to enhance and enrich curriculum standards and upgraded the capacity of the State's technology network. Legislation was enacted to change the structure of the Arkansas Department of Education (ADE). The ADE was also given more flexibility in personnel policies. The General Assembly again increased funding for early childhood programs to serve additional children. The Governor called the First Extraordinary Session of the 85th General Assembly to implicitly deal with the Court's mandates, providing an additional \$132.5 million for education funding.

In 2007-2008, the work conducted by the 86th General Assembly successfully freed the state from litigation in the Lake View case. On May 31, 2007, the Arkansas Supreme Court ruled that "...our system of public-school financing is now in constitutional compliance..." It further stated in the conclusion of the opinion:

"What is especially meaningful to this court is the Maters' finding that the General Assembly has expressly shown that constitutional compliance in the field of education is an ongoing task requiring constant study, review, and adjustment. In this court's view, Act 57 of the Second Extraordinary Session of 2003 requiring annual adequacy review by legislative committees, and Act 108 of the Second Extraordinary Session of 2003, establishing education as the State's first funding priority, are the cornerstones for assuring future compliance."

The legislature expanded upon Act 57 requirements, passing Act 1204 of 2007. Act 1204 set forth an outline of the work to be performed in preparation for the 2009 legislative session. Among other things it required the review of fiscal, academic, and facilities distress programs; a comparison of Arkansas teacher salaries with surrounding states and Southern Regional Education Board member states; review of expenditures from isolated schools; national school lunch student funding; declining enrollment funding; student growth funding; special education funding. Act 1204 also required an expenditure analysis and resource allocation review each biennium. The Department of Education budget total was \$760.3 million in FY08 and \$764.7 million in FY09. The Public School Fund authorized

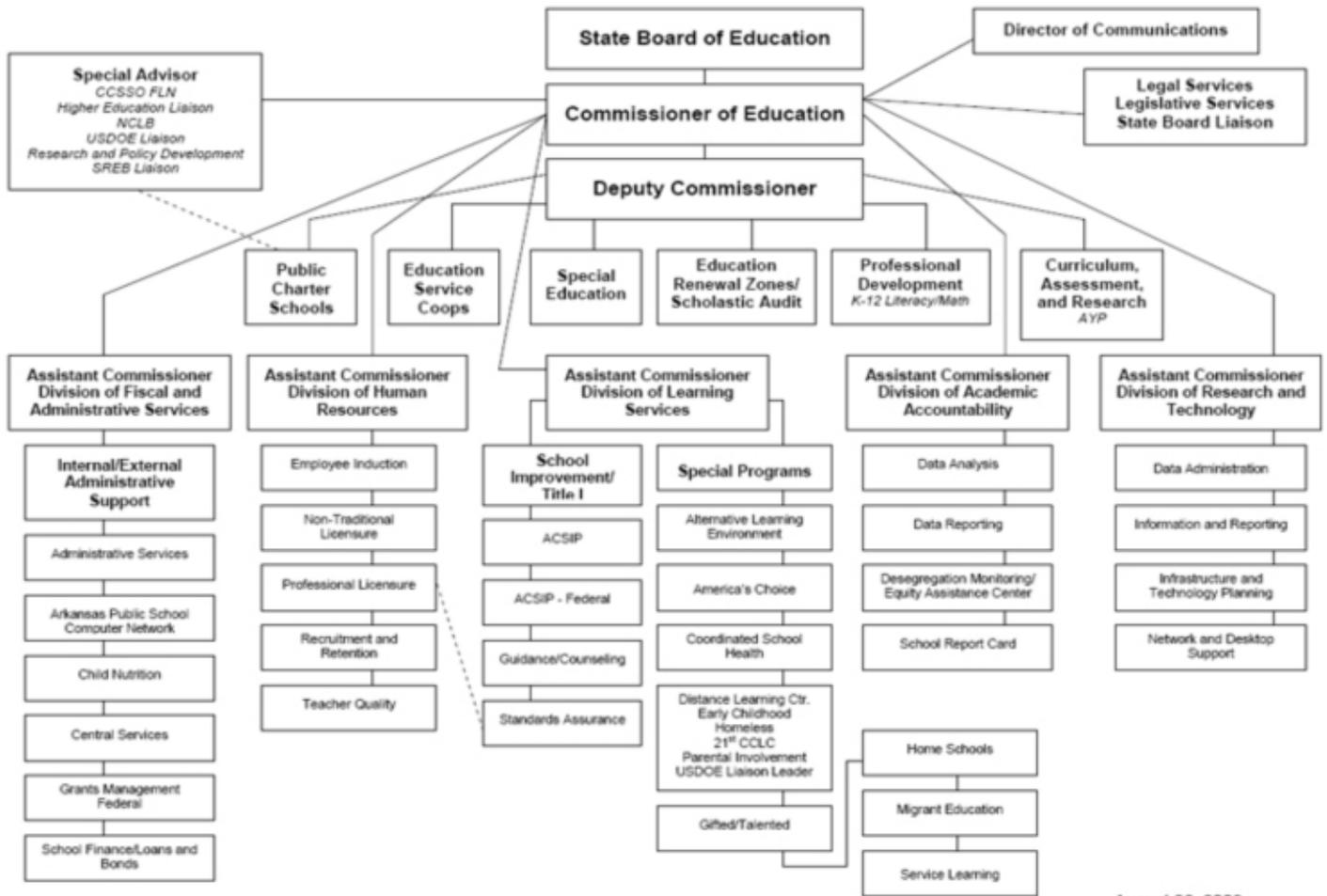
## STATE BOARD OF EDUCATION - OVERSIGHT AND AUTHORITY

Statutory authority for the Arkansas State Board of Education is found in Ark. Code Ann. §6-11-101

(1999 Repl.). As set forth in various subsections of this code cite, the State Board of Education reduced the number of its members from twelve (12) to nine (9) members over a three-year period ending with the nine-member board as of July 1, 2001, two from each Congressional district of the State and the remainder to be appointed at large from within the State. The term of office is set at six (6) years with the terms of outgoing member(s) expiring on June 30 of each year. The Governor, subject to the confirmation of the Senate, appoints the members of the State Board of Education. The members take the oath of office prescribed by the Constitution of the State of Arkansas for officers.

The State Board of Education's powers and duties are outlined in Ark. Code Ann. §6-11-105 (1999 Repl.). These powers and duties include such things as general supervision of the public schools of the State, recommending courses of study for the public schools, issuing licenses to qualified persons to teach in the public schools, and performing "all other functions which may now or hereafter be delegated to the State Board of Education by law."

In addition, "the State Board of Education may organize and, from time to time, change and alter the Department of Education into such branches or sections as may be found necessary and desirable by the Director of the Department of Education . . ." These changes are to be brought forward in order for the Department of Education ". . . to perform all proper functions and to render maximum service relating to the operation and improvement of general education programs of the State."



August 26, 2008

## **Agency Commentary**

### **ARKANSAS DEPARTMENT OF EDUCATION - GENERAL DIVISION**

The following is a summary of Change Level requests by appropriation:

#### **Fish/Wildlife Conservation - 1XY**

A.C.A. §6-16-1101, redirects money from Game and Fish Commission fines to educational programs in the counties in which the fines were collected. It requires the ADE to be the pass through agency to get the funds from the Commission to the counties. The Base Level for the 2009-11 biennium is \$700,000 each year. The ADE is requesting a Change Level of \$100,000 each year for potential increases in fine collections that may occur in the 2009-11 biennium.

#### **Federal Grants Administration - 435**

This appropriation provides for 9 positions and operating support for the Administrative Support unit of the Department. It is funded by indirect cost charges levied on federal programs administered by the ADE. The Change Level request in the 2009-11 biennium for this appropriation is to restore the ADE Budget Manager Position. This position was created by the authority of Section 25 of Act 1420 of 2007. Section 25 also requires that positions created by this authority must be requested to continue into the next biennium. The position is budgeted in FY2009.

#### **Professional Licensure Standards Board - 56P**

Act 846 of 2007 created the Professional Licensure Standards Board (PLSB). Responsibilities of the PLSB include: 1) Development and recommendation for adoption by the State Board of Education of minimum college preparatory and grade point average requirements for all teachers applying for licensure, 2) Review of audits of teacher education programs at institutions of higher education to determine if they are properly aligned to allow graduates to become licensed, and 3) Establish a Code of Ethics for administrators and teachers. On June 9, 2008, the Arkansas State Board of Education accepted the recommendation of the PLSB and approved the Rules Governing the Code of Ethics for Arkansas Educators. The PLSB is also charged through this law and rule to investigate all violations which may lead to some action being taken upon the educator's professional teaching license.

The Change Level request for this appropriation is for 11 new positions and associated operating support. The total appropriation being requested is \$1,070,042 in FY10 and \$899,315 in FY11. Line item appropriation requests include: Regular Salaries (\$399,549/\$408,732), Personal Services Matching (\$142,763/\$144,753), Operating Expenses (\$508,225/\$326,325), Conference and Travel Expenses (\$10,000 each year), and Professional Fees (\$9,505 each year). Funding for the program would be from cash funds generated from license fees and fines.

#### **ADE - State Operations - 620**

The State Operations appropriation provides the state funded support for 260 positions and associated operating expenses of the various units of the Department of Education. The major units supported by this appropriation are: Central Administration, Division of Fiscal and Administrative Services, Division of Human Resources, Division of Learning Services, Division of Public School Accountability and Division of Research and Technology. The two Change Level requests for this appropriation are for \$100,000 of unfunded Capital Outlay appropriation in each year of the biennium for unforeseen needs that may occur in the biennium and a reallocation of appropriation from Data Processing to Operating Expenses to allow

for the proper expensing of data base support from the Department of Information Systems.

### **Child Nutrition - 637**

The appropriation for the Child Nutrition Program is funded by federal funds received from the US Department of Agriculture. The Change Level request for the Child Nutrition Program for the 2009-11 biennium is for \$40,000 of federally funded Capital Outlay appropriation for unforeseen needs that may occur in the biennium. Additionally, there is a change level for the reallocation of appropriation from Data Processing to Operating Expenses to allow for the proper expensing of data base support from the Department of Information Systems.

### **Federal Turnback Program - 639**

Federal turnback funds are monies collected by federal agencies on land they own within the State of Arkansas. These collections are "turned back" to the State of Arkansas to help cover the loss of property tax revenues that would otherwise be collected. Federal law dictates that these revenues be distributed to the State. As these funds are received, the Department of Education returns them to the counties in which the federal lands are located. The Change Level for this appropriation for the 2009-11 biennium is for \$2 million of Federal Turnback appropriation in anticipation of additional funds that may become available in the biennium.

### **Federal Elementary and Secondary Education - 650**

The appropriation for the Federal Elementary and Secondary Education appropriation is funded primarily by federal funds received from the U.S. Department of Education. There are two Change Level requests for this program for the 2009-11 biennium. One is for \$160,000 of federally funded Capital Outlay appropriation for unforeseen needs that may occur in the biennium. The other Change Level request is a reallocation of appropriation from Data Processing to Operating Expenses to allow for the agency to properly record expensing for data base support from the Department of Information Systems.

### **Multiple Grant Award Program - 885**

The Multiple Grant Award Program appropriation consists of cash funds received by the Department of Education from grants and awards from private foundations or individuals. The Change Level request for this program is for \$10,000 of cash funded Capital Outlay appropriation in each year of the biennium for unforeseen needs that may occur.

### **Alternative Certification Program - 899**

The Alternative Certification Program is cash funded from program participation fees of \$1,200 paid by participants who are seeking alternative teacher certifications to cover the cost of training.

The total Change Level request for the program is for additional Operating Expenses of \$200,000 each year for refunds of fees to participants. The request is also for an additional \$1,500 each year for Conference and Travel Expenses for costs associated with sending two program advisors to two national meetings for Alternative Certification.

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
DEPARTMENT OF EDUCATION

FOR THE YEAR ENDED JUNE 30, 2006

### Findings

The Agency failed to establish adequate monitoring and review of reimbursement requests from school districts for the **Residential Centers/Juvenile Detention** program, which provided funding totaling \$8,668,086 to school districts for educational costs associated with students in approved residential treatment facilities. School districts submitted to the Agency the number of students and the number of days that students were served by treatment facilities through a web-based application. However, the Agency did not have a procedure in place to verify - either for eve payment or for districts selected for monitoring reviews - that the information supplied by the district was accurate. Prior to the implementation of the web-based application process, support documentation to verify the accuracy of the reimbursement request was required.

The Agency failed to properly record and track postage usage in the Elementary and Secondary Education Federal Fund (FEE) during the years ended June 30, 2004, 2005 and 2006. At June 30, 2006, a postage meter with a balance of \$35,319 was discovered in the offices of the **Special Education Division**. This balance consisted of \$7,000 purchased during fiscal year 2006, \$15,000 purchased during fiscal year 2005 and the remaining \$13,319 attributed to purchases made during fiscal year 2004. There were no formal policies or procedures in place to prevent misuse or misappropriation of this postage.

### Recommendations

Establish controls to ensure that reimbursement requests from the school districts are legitimate and accurate.

Establish and/or strengthen controls over all postage machines utilized by the various divisions of the Agency and record unused balances correctly so that expenditures can be reflected in the appropriate reporting period.

## Employment Summary (All Divisions)

	Male	Female	Total	%
White Employees	88	154	242	70 %
Black Employees	20	77	97	28 %
Other Racial Minorities	2	6	8	2 %
	Total Minorities		105	30 %
	Total Employees		347	100 %

# Publications

## A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Academic Support Centers - Report regarding the Establishment of Academic Support Centers and their Effectiveness	Act 1575 of 2007 A.C.A. §6-13-1612	N	N	75	Required by Law to the House and Senate Interim Committees on Education
ADE & ADH shall jointly report progress in implementing nutrition and physical education standards	Act 317 of 2007 A.C.A. §20-7-135	N	N	4	Required by Law to the Chairs of the House & Senate Interim Committees on Public Health, Welfare, and Labor and the House and Senate Interim Committees on Education
Annual Results of Statewide Assessment Program	A.C.A. §6-15-1905	N	N	450,000	Required by Law
Annual Statistical Report	HCR 58 of 1961	Y	N	700	Required by Resolution
Arkansas Advisory Council for the Education of Gifted and Talented Children	A.C.A. §6-42-106	Y	Y	7	Governor, Legislators, Advisory Council members, Ken James, Woody Cummins, and Janinne Riggs
Arkansas Commission on Eye & Vision Care of School Age Children	Act 138 of 2007, not codified	Y	N	105	Required by Law to the Governor, Legislative Council, House and Senate Interim Committees on Public Health, Welfare and Labor
Arkansas Title II State Report	Title II Sec 207 & 208 Higher Education Act	Y	Y	5	Federal Mandate to Publish
Arkansas Youth at Risk Survey	CDC, DASH	N	N	1,500	School districts for prevention programming and writing grants
Average Teacher Salary	Act 229 of 2007 §26, Special Language	N	N	75	Required by Law to the House and Senate Interim Committees on Education
Coordinated School Health Program Pamphlet	CDC, DASH	N	N	3,000	Distributed to school districts, community organizations and used at exhibits
Free Textbook Act Compliance Report	Act 1199 of 2007 Act 1577 of 2007 A.C.A. §6-21-403	N	N	75	Required by Law to the House and Senate Interim Committees on Education
Individual Schools Annual Improvement & Performance Category Level Designations & Ratings	A.C.A. Act 1420 of 2007, §6-15-1905	N	N	450,000	Required by Law
Justification for the Need to Allocate Titles from Growth Pool Positions	Act 1420 of 2007, §23, Special Language	N	N	41	Required by Law to the Chief Fiscal Officer of the State and the Legislative Council
Lifetime Teaching License Compliance Report	Act 169 of 2007 A.C.A. §6-17-2606	N	Y	135	Required by Law to the General Assembly

### A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Medicaid Administration Claiming Program	Act 1420 of 2007, §29 (2), Special Language	N	N	40	Required by Law to the House and Senate Public Health, Welfare and Labor Committee
Results of Require Examination	A.C.A. §6-15-404	N	N	1,000	Required by Law
Rules Regarding Physical Education or Physical Activity Standards for Grades Kindergarten through Grade 12 (K-12) developed pursuant to this section	Act 317 of 2007 A.C.A. §6-16-132	N	N	75	Required by Law to the House and Senate Interim Committees on Education
School Choice Black-White Percentage of each county's public school students and acceptable range of variance report	A.C.A. §6-18-206	N	N	310	Required report for school districts within counties to use in determining school choice options for students
School Performance Reports	A.C.A. §6-15-1402	N	N	450,000	Legislation requiring individual school building performance reports to be compiled and mailed
Status of the Conversion Public Charter School Programs	Act 736 of 2007 A.C.A. §6-23-207	N	Y	135	Required by Law to the General Assembly and the House & Senate Interim Committees on Education
Status of the Open Enrollment Charter School Programs	Act 736 of 2007 A.C.A. §6-23-207	N	Y	135	Required by Law to the General Assembly and the House & Senate Interim Committees on Education
Student Services Report	A.C.A. §6-18-1007	Y	N	50	Required by Law
Teacher Recruitment Publications	A.C.A. §6-17-310	N	N	100	Required by law

# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1XJ School District Millage	938,567	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0
1XY Fish/Wildlife Conservation	707,204	0	700,000	0	700,000	0	700,000	0	800,000	0	800,000	0	700,000	0	800,000	0	800,000	0
2DD Conference-Treasury	103,525	0	475,000	0	475,000	0	475,000	0	475,000	0	475,000	0	475,000	0	475,000	0	475,000	0
35V Vision Screening Program	987	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
435 Federal Grants Administration	592,123	10	741,830	9	646,022	8	710,717	8	812,233	9	812,233	9	721,773	8	825,480	9	825,480	9
4HF Medicaid Adm-Cash in Treasury	8,015,426	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
56P Professional Licensure Standards Board	0	0	0	0	0	0	0	0	1,070,042	11	1,070,042	11	0	0	899,315	11	899,315	11
56U Teacher Housing Dev Oprs	0	0	0	0	0	0	0	0	0	0	224,746	1	0	0	0	0	226,688	1
620 State Operations	20,417,358	248	22,126,975	260	22,797,477	270	23,132,931	260	23,232,931	260	23,232,931	260	23,443,169	260	23,543,169	260	23,543,169	260
630 Building Maintenance	80,331	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
631 Revolving Loan Certification	1,526,054	2	13,160,977	3	13,162,540	3	13,173,851	3	13,173,851	3	13,173,851	3	13,174,752	3	13,174,752	3	13,174,752	3
637 Child Nutrition	123,936,240	13	166,966,048	15	167,004,769	15	166,998,489	15	167,038,489	15	167,038,489	15	167,010,008	15	167,050,008	15	167,054,008	15
639 Federal Turnback for School	10,996,945	0	11,000,000	0	11,000,000	0	11,000,000	0	13,000,000	0	13,000,000	0	11,000,000	0	13,000,000	0	13,000,000	0
650 Fed Elem & Sec Education	315,883,584	56	523,572,585	62	523,744,832	62	523,617,555	62	523,777,555	62	523,777,555	62	523,686,595	62	523,846,595	62	523,846,595	62
885 Multiple Grant Award Program	178,772	0	2,626,375	0	2,626,375	0	2,626,375	0	2,636,375	0	2,636,375	0	2,626,375	0	2,636,375	0	2,636,375	0
893 Medicaid Reimbursement	0	0	5,010,500	0	5,010,500	0	5,010,500	0	5,010,500	0	5,010,500	0	5,010,500	0	5,010,500	0	5,010,500	0
899 Alternative Certification Program	969,220	0	1,047,712	0	1,047,712	0	1,047,712	0	1,349,212	0	1,349,212	0	1,047,712	0	1,349,212	0	1,349,212	0
<b>NOT REQUESTED FOR THE BIENNIUM</b>																		
35U Pulaski County Deseg Case Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4GT NGA Honor - Cash in Treasury	754,455	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>485,100,791</b>	<b>330</b>	<b>764,978,002</b>	<b>349</b>	<b>765,665,227</b>	<b>358</b>	<b>765,943,130</b>	<b>348</b>	<b>769,826,188</b>	<b>360</b>	<b>770,050,934</b>	<b>361</b>	<b>766,345,884</b>	<b>348</b>	<b>770,060,406</b>	<b>360</b>	<b>770,291,094</b>	<b>361</b>

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	11,036,941	2.2	15,532,623	2.0	15,448,471	2.0	15,448,471	2.0	15,596,762	2.0	15,448,471	2.0	15,448,471	2.0	15,472,016	2.0	
General Revenue	4000010	14,819,231	3.0	14,684,913	1.9	15,799,390	2.0	15,799,390	2.0	15,799,390	2.0	16,109,628	2.1	16,109,628	2.1	16,109,628	2.1	
Federal Revenue	4000020	450,816,769	90.0	701,538,633	89.9	701,616,044	89.8	703,816,044	89.6	703,816,044	89.6	701,696,603	89.8	703,896,603	89.6	703,900,603	89.6	
Special Revenue	4000030	0	0.0	1,000,000	0.1	1,000,000	0.1	1,000,000	0.1	1,000,000	0.1	1,000,000	0.1	1,000,000	0.1	1,000,000	0.1	
Cash Fund	4000045	14,205,512	2.8	24,875,435	3.2	24,859,587	3.2	26,341,129	3.4	26,441,129	3.4	24,859,587	3.2	26,170,402	3.3	26,270,402	3.3	
Trust Fund	4000050	3,143,842	0.6	13,660,977	1.8	13,673,851	1.7	13,673,851	1.7	13,673,851	1.7	13,674,752	1.7	13,674,752	1.7	13,674,752	1.7	
Merit Adjustment Fund	4000055	0	0.0	108,521	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Educational Adequacy Fund	4000210	5,526,870	1.1	6,391,870	0.8	6,391,870	0.8	6,391,870	0.8	6,391,870	0.8	6,391,870	0.8	6,391,870	0.8	6,391,870	0.8	
Educational Excellence Fund	4000220	981,901	0.2	941,671	0.1	941,671	0.1	941,671	0.1	941,671	0.1	941,671	0.1	941,671	0.1	941,671	0.1	
Federal Indirect Costs	4000240	592,123	0.1	741,830	0.1	710,717	0.1	812,233	0.1	812,233	0.1	721,773	0.1	825,480	0.1	825,480	0.1	

Funding Sources		%		%		%		%		%		%		%	
Interest	4000300	170,324	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	2,050	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Property Tax Relief Trust	4000390	950,000	0.2	950,000	0.1	950,000	0.1	950,000	0.1	950,000	0.1	950,000	0.1	950,000	0.1
Trnfr frm DOE Pub School Fund	4000525	1,615,000	0.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer frm General Education	4000535	(408,873)	(0.1)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer from General Imprv	4000540	230,000	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Trnfr to DOE Public School Fund	4000625	(250,000)	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to Medicaid Match	4000660	(2,808,058)	(0.6)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers / Adjustments	4000683	9,782	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Unfunded Appropriation	4000715	0	0.0	0	0.0	100,000	0.0	100,000	0.0	0	0.0	100,000	0.0	100,000	0.0
Total Funds		500,633,414	100.0	780,426,473	100.0	781,391,601	100.0	785,274,659	100.0	785,522,950	100.0	781,794,355	100.0	785,508,877	100.0
Excess Appropriation/(Funding)		(15,532,623)		(15,448,471)		(15,448,471)		(15,448,471)		(15,472,016)		(15,448,471)		(15,448,471)	
Grand Total		485,100,791		764,978,002		765,943,130		769,826,188		770,050,934		766,345,884		770,060,406	

Actual exceeds Authorized in appropriation 1XY - Fish/Wildlife Conservation due to transfer from Cash Fund Holding Account.  
 Budget exceeds Authorized in appropriation 435 - Federal Grants Administration due to salary adjustments made during the 2007-2009 Biennium.  
 Variance in Fund Balance for Executive Recommendation reflects recommendation of transfer of Teacher Housing Development Foundation to Department of Education.  
 The appropriation not requested for 35U - Pulaski County Desegregation Case Costs, found in Sections 19, 34 and 35 of Act 1420 of 2007, was added during the 2007-2009 Biennium. This appropriation is not part of the Desegregation payments received by the Little Rock, North Little Rock and Pulaski County Special School Districts. The appropriation and funding for those payments is part of the Public School Fund budget request.

## Agency Position Usage Report - General Education Division

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
361	284	71	355	6	21.33 %	358	290	60	350	8	18.99 %	358	278	70	348	10	22.35 %

## **Analysis of Budget Request**

**Appropriation:** 1XJ - School District Millage

**Funding Sources:** TPR - ADE Millage Rollback

Act 1026 of 2003 established appropriation for the Department of Education to compensate various school districts for Amendment 79 millage rollback. Funding for this appropriation is provided from the Property Tax Relief Trust Fund.

The Agency is requesting Base Level of \$950,000 for both fiscal years of the 2009-2010 Biennium.

The Executive Recommendation provides for Agency Request.

**Appropriation Summary**

**Appropriation:** 1XJ - School District Millage

**Funding Sources:** TPR - ADE Millage Rollback

**Historical Data**

**Agency Request and Executive Recommendation**

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	938,567	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Total		938,567	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
<b>Funding Sources</b>										
Fund Balance	4000005	45,735	57,168		57,168	57,168	57,168	57,168	57,168	57,168
Property Tax Relief Trust	4000390	950,000	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Total Funding		995,735	1,007,168		1,007,168	1,007,168	1,007,168	1,007,168	1,007,168	1,007,168
Excess Appropriation/(Funding)		(57,168)	(57,168)		(57,168)	(57,168)	(57,168)	(57,168)	(57,168)	(57,168)
Grand Total		938,567	950,000		950,000	950,000	950,000	950,000	950,000	950,000

## **Analysis of Budget Request**

**Appropriation:** 1XY - Fish/Wildlife Conservation

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

Act 799 of 2003, redirected money collected from Game and Fish Commission fines to educational programs in the counties in which the fines were collected. The act required the Arkansas Department of Education to be the pass through Agency to get the funds from the Commission to the counties.

The Department of Education requests Base Level of \$700,000 plus additional appropriation in Grants and Aids of \$100,000 for each fiscal year of the 2009-2011 Biennium. The current Base Level is not sufficient to meet expected income.

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

## Appropriation Summary

**Appropriation:** 1XY - Fish/Wildlife Conservation

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	707,204	700,000	700,000	700,000	800,000	800,000	700,000	800,000	800,000
<b>Total</b>	<b>707,204</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	<b>800,000</b>	<b>800,000</b>	<b>700,000</b>	<b>800,000</b>	<b>800,000</b>
<b>Funding Sources</b>									
Cash Fund 4000045	707,204	700,000		700,000	800,000	800,000	700,000	800,000	800,000
<b>Total Funding</b>	<b>707,204</b>	<b>700,000</b>		<b>700,000</b>	<b>800,000</b>	<b>800,000</b>	<b>700,000</b>	<b>800,000</b>	<b>800,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>707,204</b>	<b>700,000</b>		<b>700,000</b>	<b>800,000</b>	<b>800,000</b>	<b>700,000</b>	<b>800,000</b>	<b>800,000</b>

Actual exceeds Authorized Appropriation due to transfer from Cash Fund Holding Account.

## Change Level by Appropriation

**Appropriation:** 1XY - Fish/Wildlife Conservation

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

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>700,000</b>	<b>0</b>	<b>700,000</b>	<b>100.0</b>	<b>700,000</b>	<b>0</b>	<b>700,000</b>	<b>100.0</b>
C01	Existing Program	100,000	0	800,000	114.3	100,000	0	800,000	114.3

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>700,000</b>	<b>0</b>	<b>700,000</b>	<b>100.0</b>	<b>700,000</b>	<b>0</b>	<b>700,000</b>	<b>100.0</b>
C01	Existing Program	100,000	0	800,000	114.3	100,000	0	800,000	114.3

### Justification

C01	ACA § 6-16-1101, redirects money from Game and Fish Commission fines to educational programs in the counties in which the fines were collected. It requires the ADE to be the pass through agency to get the funds from the Commission to the counties. This request is for any increases that may occur in fine collections in the 2009-11 biennium.
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## **Analysis of Budget Request**

**Appropriation:** 2DD - Conference-Treasury

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

The Department of Education is requesting Base Level appropriation of \$475,000 each fiscal year to pay expenses of conferences sponsored by the Department. Funding is provided from registration fees charged to participants.

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

## Appropriation Summary

**Appropriation:** 2DD - Conference-Treasury

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	101,569	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Conference & Travel Expenses	5050009	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	1,956	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>103,525</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	393,062	447,206		447,206	447,206	447,206	447,206	447,206	447,206
Cash Fund	4000045	157,669	475,000		475,000	475,000	475,000	475,000	475,000	475,000
<b>Total Funding</b>		<b>550,731</b>	<b>922,206</b>		<b>922,206</b>	<b>922,206</b>	<b>922,206</b>	<b>922,206</b>	<b>922,206</b>	<b>922,206</b>
Excess Appropriation/(Funding)		(447,206)	(447,206)		(447,206)	(447,206)	(447,206)	(447,206)	(447,206)	(447,206)
<b>Grand Total</b>		<b>103,525</b>	<b>475,000</b>		<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>	<b>475,000</b>

## **Analysis of Budget Request**

**Appropriation:** 35V - Vision Screening Program

**Funding Sources:** SCV - School Age Child Eyecare

This appropriation for the Vision Screening Program provides operating expenses for the Arkansas Commission on Eye and Vision Care of School Age Children. The Commission was established for the Department of Health in Act 755 of 2003. However, during the 2007-2009 Biennium the operating appropriation for the Commission was transferred from the Department of Health to the Department of Education by Act 1243 of 2007. Additionally, the Commission was extended to exist through June 30, 2011 in Act 138 of 2007.

The duties of the Commission are to study the vision needs of children, evaluate screening programs in schools, determine whether children are receiving adequate vision care, and to study the effects of inadequate vision on classroom performance.

The special revenue funding for the Commission comes from donations, gifts, grants, and any other resources that become available.

The Agency Request is for Base Level of \$1,000,000 for each year of the 2009-2011 Biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 35V - Vision Screening Program

**Funding Sources:** SCV - School Age Child Eyecare

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Vision Screening and Care 5900046	987	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total</b>	987	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources									
Fund Balance 4000005	6,525	5,538		5,538	5,538	5,538	5,538	5,538	5,538
Special Revenue 4000030	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Funding</b>	6,525	1,005,538		1,005,538	1,005,538	1,005,538	1,005,538	1,005,538	1,005,538
Excess Appropriation/(Funding)	(5,538)	(5,538)		(5,538)	(5,538)	(5,538)	(5,538)	(5,538)	(5,538)
<b>Grand Total</b>	987	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

## **Analysis of Budget Request**

**Appropriation:** 435 - Federal Grants Administration

**Funding Sources:** FHA - Federal Indirect Costs

This appropriation for the Department of Education provides administration, accounting, purchasing and record keeping services for federal programs. It is funded by indirect cost charges levied against the federal programs operated by the Department.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting Base Level plus a change level request of \$101,516 for FY10 and \$103,707 for FY11 for continuation of an Arkansas Department of Education Budget Manager pool position as a regular authorized position. The position was established from the Agency's position pool language, Section 25 of Act 1420 of 2007, and requires the position to be requested as a new position in the Agency's Biennial Budget Request. This position is budgeted for FY2009 and will be used for fiscal and administration services.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 435 - Federal Grants Administration

**Funding Sources:** FHA - Federal Indirect Costs

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	437,279	502,221	396,664	443,976	523,207	523,207	453,062	534,094	534,094
<b>#Positions</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>9</b>	<b>9</b>
Personal Services Matching 5010003	113,272	109,967	119,716	137,099	159,384	159,384	139,069	161,744	161,744
Operating Expenses 5020002	20,540	49,970	49,970	49,970	49,970	49,970	49,970	49,970	49,970
Conference & Travel Expenses 5050009	4,869	19,672	19,672	19,672	19,672	19,672	19,672	19,672	19,672
Professional Fees 5060010	16,163	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>592,123</b>	<b>741,830</b>	<b>646,022</b>	<b>710,717</b>	<b>812,233</b>	<b>812,233</b>	<b>721,773</b>	<b>825,480</b>	<b>825,480</b>
<b>Funding Sources</b>									
Federal Indirect Costs 4000240	592,123	741,830		710,717	812,233	812,233	721,773	825,480	825,480
Total Funding	592,123	741,830		710,717	812,233	812,233	721,773	825,480	825,480
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>592,123</b>	<b>741,830</b>		<b>710,717</b>	<b>812,233</b>	<b>812,233</b>	<b>721,773</b>	<b>825,480</b>	<b>825,480</b>

Actuals and FY09 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments made during the 2007-2009 Biennium.

Actual number of positions exceeded the Authorized Number due to flexibility inherent in the authorization of all positions through one salary section in the appropriation act and Agency usage of growth pool position special language in Section 25 of Act 1420 of 2007.

Budgeted number of positions exceeds Authorized due to Agency usage of growth pool position special language in Section 25 of Act 1420 of 2007.

## Change Level by Appropriation

**Appropriation:** 435 - Federal Grants Administration

**Funding Sources:** FHA - Federal Indirect Costs

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>710,717</b>	<b>8</b>	<b>710,717</b>	<b>100.0</b>	<b>721,773</b>	<b>8</b>	<b>721,773</b>	<b>100.0</b>
C06	Restore Position/Approp	101,516	1	812,233	114.3	103,707	1	825,480	114.4

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>710,717</b>	<b>8</b>	<b>710,717</b>	<b>100.0</b>	<b>721,773</b>	<b>8</b>	<b>721,773</b>	<b>100.0</b>
C06	Restore Position/Approp	101,516	1	812,233	114.3	103,707	1	825,480	114.4

### Justification

C06	This ADE Budget Manager position was established from the Position Pool authorized by Section 25 of Act 1420 of 2007. This Section also requires that positions being requested to continue into the next biennium must be requested as new positions in the agency's biennial budget request. This position is budgeted in FY2009.
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## **Analysis of Budget Request**

**Appropriation:** 4HF - Medicaid Adm-Cash in Treasury

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

Medicaid Administrative Claiming is a federally funded program administered by the Centers for Medicare and Medicaid Services (CMS). This program provides school districts with the ability to receive reimbursement for certain administrative activities. School districts will be reimbursed for administrative costs incurred which directly support the Arkansas Medicaid program. The program includes all students, not just students in Special Education.

In FY06, The Department of Education, Special Education Unit along with the Department of Human Services-Division of Medical Services received approval from CMS to coordinate and manage a statewide Medicaid administrative claiming program.

The Agency Request is for Base Level of \$15,000,000 for each year of the 2009-2011 Biennium.

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

## Appropriation Summary

**Appropriation:** 4HF - Medicaid Adm-Cash in Treasury

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Medicaid Admin Claims	5900046	8,015,426	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		8,015,426	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
<b>Funding Sources</b>										
Fund Balance	4000005	48,929	76,128		76,128	76,128	76,128	76,128	76,128	76,128
Cash Fund	4000045	8,042,625	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total Funding		8,091,554	15,076,128		15,076,128	15,076,128	15,076,128	15,076,128	15,076,128	15,076,128
Excess Appropriation/(Funding)		(76,128)	(76,128)		(76,128)	(76,128)	(76,128)	(76,128)	(76,128)	(76,128)
Grand Total		8,015,426	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

## **Analysis of Budget Request**

**Appropriation:** 56P - Professional Licensure Standards Board

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

Act 846 of 2007 created the Professional Licensure Standards Board (PLSB). As part of the legislation, the PLSB was charged with creating a code of ethics for Arkansas Educators and developing and recommend for adoption by the Arkansas State Board of Education minimum college level preparatory and grade point average requirements for all teacher apply for initial or additional licensure after July 1, 2007. In June of 2008, the Arkansas State Board of Education accepted the recommendation of the PLSB and approved the Rules Governing the Code of Ethics for Arkansas Educators. Through this act, the PLSB is also in charge of investigating violations of the ethics code and to conduct audits of licensure programs of study in all Arkansas institutions of higher education.

The Agency is requesting 11 new positions and maintenance and operations appropriations for the staff necessary to carry out the charge of the PLSB. These change levels are \$1,070,042 for FY10 and \$899,315 for FY11. The breakdown of the change level requests are as follows:

- 11 new positions: 1-Chief Investigator, 1-Attorney, 4-Investigators, 2-Legal Services Specialists, 1-Accountant I, 1-Administrative Analyst, and 1-Administrative Specialist III; Regular Salaries and Personal Services Matching for FY10 are \$399,549 & \$142,763; FY11 \$408,732 and \$144,753
- Operating Expenses of \$508,225 for FY10 and \$326,325 for FY11.
- Conference and Travel Expenses of \$10,000 for each fiscal year
- Professional Fees of \$9,505 for each fiscal year

The funding for these change levels will come from license fees and fines generated by the PLSB.

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

## Appropriation Summary

**Appropriation:** 56P - Professional Licensure Standards Board

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	0	0	399,549	399,549	0	408,732	408,732
<b>#Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>11</b>	<b>0</b>	<b>11</b>	<b>11</b>
Personal Services Matching 5010003	0	0	0	0	142,763	142,763	0	144,753	144,753
Operating Expenses 5020002	0	0	0	0	508,225	508,225	0	326,325	326,325
Conference & Travel Expenses 5050009	0	0	0	0	10,000	10,000	0	10,000	10,000
Professional Fees 5060010	0	0	0	0	9,505	9,505	0	9,505	9,505
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,070,042</b>	<b>1,070,042</b>	<b>0</b>	<b>899,315</b>	<b>899,315</b>
<b>Funding Sources</b>									
Cash Fund 4000045	0	0		0	1,070,042	1,070,042	0	899,315	899,315
Total Funding	0	0		0	1,070,042	1,070,042	0	899,315	899,315
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>1,070,042</b>	<b>1,070,042</b>	<b>0</b>	<b>899,315</b>	<b>899,315</b>

## Change Level by Appropriation

**Appropriation:** 56P - Professional Licensure Standards Board

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

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C02	New Program	1,070,042	11	1,070,042	100.0	899,315	11	899,315	100.0

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C02	New Program	1,070,042	11	1,070,042	100.0	899,315	11	899,315	100.0

### Justification

C02	Act 846 of 2007 created the Professional Licensure Standards Board (PLSB). As part of that legislation the PLSB was charged with creating a code of ethics for Arkansas Educators. On June 9, 2008, the Arkansas State Board of Education accepted the recommendation of the PLSB and approved the Rules Governing the Code of Ethics for Arkansas Educators. The PLSB is also charged through this law to investigate all violations which may lead to some action being taken upon the educators professional teaching license. This request is for 11 new positions and associated operating support for the program which would be authorized from a cash fund appropriation. Funding for the program would be from license fees and fines generated by the board.
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## **Analysis of Budget Request**

**Appropriation:** 56U - Teacher Housing Development Operations

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

The Arkansas Teacher Housing Development Foundation was established by Act 39 of the Second Extraordinary Session 2003, Arkansas Code § 6-26-101 et seq. The Agency has a board of nine members. The board members consist of 3 members chosen by the President Pro Tempore of the Senate, 3 members chosen by the Speaker of the House of Representatives, the President of the Arkansas Chapter of the National Association of Minority Contractors, The President of the Arkansas Development Finance Authority, and the Executive Director of the Arkansas Teacher Retirement System. The term of each board member shall be four years.

The Foundation was established to implement and administer housing incentive programs to recruit and retain high performing teachers in high priority school districts. Those incentives may include down payment assistance, low-interest rate mortgages, rental assistance and multifamily housing developments. For FY2008 the agency paid out \$24,100 of incentive grants to qualifying teachers.

Current funding for the foundation comes from a \$100,000 grant from the Department of Education Public School fund for each fiscal year of the biennium. Additionally, the Foundation is charged with soliciting private and public donations and grants from the local communities to pay for the housing incentive programs.

Salary for the classified position reflects the recommendations of the Pay Plan Study. A 2.3 % Cost of Living Allowance is reflected in the second year of the biennium. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Executive Recommendation is to transfer this program from the Teacher Housing Development Foundation to the Department of Education. It allows for Base Level of all maintenance and operations line items and the Director position. The Administrative Assistant position will be discontinued. Expenditure of appropriation is contingent upon available funding.

## Appropriation Summary

**Appropriation:** 56U - Teacher Housing Development Operations

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	0	0	0	71,298	0	0	72,937
<b>#Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
Personal Services Matching 5010003	0	0	0	0	0	18,448	0	0	18,751
Operating Expenses 5020002	0	0	0	0	0	25,000	0	0	25,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	10,000	0	0	10,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	0	0	0	0	0	100,000	0	0	100,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>224,746</b>	<b>0</b>	<b>0</b>	<b>226,688</b>
<b>Funding Sources</b>									
Fund Balance 4000005	0	0		0	0	148,291	0	0	23,545
Cash Fund 4000045	0	0		0	0	100,000	0	0	100,000
Total Funding	0	0		0	0	248,291	0	0	123,545
Excess Appropriation/(Funding)	0	0		0	0	(23,545)	0	0	103,143
Grand Total	0	0		0	0	224,746	0	0	226,688

The Executive Recommendation transferred this appropriation (Base Level minus 1 Administrative Assistant position) from the Teacher Housing Development Foundation to the Department of Education.

## Change Level by Appropriation

**Appropriation:** 56U - Teacher Housing Development Operations

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

### Executive Recommendation

Change Level	2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
C07 Agency Transfer	224,746	1	224,746	100.0	226,688	1	226,688	100.0

### Justification

C07	The Executive Recommendation transferred this appropriation (Base Level minus 1 Administrative Assistant position) from the Teacher Housing Development Foundation to the Department of Education.
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## **Analysis of Budget Request**

**Appropriation:** 620 - State Operations

**Funding Sources:** EGA - Department of Education-State Operations

This appropriation provides state funded resources for the operations of the Department of Education and assistance to Arkansas' public schools. Operational activities include legal services, information technology, public relations and fiscal management. Assistance to school districts includes the "School Report Card," fiscal and administrative support, curriculum and instruction, and special education assistance and compliance monitoring. To provide the operations of the Department and assistance to schools, the Department is separated into 6 units. These units are: (1) Central Administration, (2) Division of Fiscal and Administrative Services, (3) Division of Human Resources, (4) Division of Learning Services, (5) Division of Public School Accountability and (6) Division of Research and Technology.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. Also, fourteen (14) positions have been transitioned from unclassified to classified positions. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency has two change level requests. First, is a request for \$100,000 each fiscal year of the 2009-2011 biennium of unfunded Capital Outlay appropriation. This request is to handle any unforeseen needs that may occur during the biennium. Secondly, the Agency is requesting a reallocation of \$380,597 each year from Data Processing to Operating Expenses to allow for the proper classification of data base support expenses paid to the Department of Information Systems.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 620 - State Operations  
**Funding Sources:** EGA - Department of Education-State Operations

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	11,216,982	12,684,385	11,857,258	13,155,565	13,155,565	13,155,565	13,410,115	13,410,115	13,410,115
	<b>#Positions</b>	<b>248</b>	<b>260</b>	<b>270</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>
Extra Help	5010001	6,079	14,998	64,998	14,998	14,998	14,998	14,998	14,998	14,998
	<b>#Extra Help</b>	<b>2</b>	<b>8</b>							
Personal Services Matching	5010003	3,384,613	3,632,589	3,680,426	4,167,365	4,167,365	4,167,365	4,223,053	4,223,053	4,223,053
Operating Expenses	5020002	3,092,554	3,381,613	4,090,770	3,381,613	3,762,210	3,762,210	3,381,613	3,762,210	3,762,210
Conference & Travel Expenses	5050009	158,904	206,530	209,030	206,530	206,530	206,530	206,530	206,530	206,530
Professional Fees	5060010	771,900	811,263	1,061,263	811,263	811,263	811,263	811,263	811,263	811,263
Data Processing	5090012	718,732	380,597	718,732	380,597	0	0	380,597	0	0
Capital Outlay	5120011	67,594	0	100,000	0	100,000	100,000	0	100,000	100,000
Reading Recovery	5900046	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
AR Leadership Academy	5900049	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Compact Educ Resrch & Dev	5900050	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
<b>Total</b>		<b>20,417,358</b>	<b>22,126,975</b>	<b>22,797,477</b>	<b>23,132,931</b>	<b>23,232,931</b>	<b>23,232,931</b>	<b>23,443,169</b>	<b>23,543,169</b>	<b>23,543,169</b>

Funding Sources										
Fund Balance	4000005	1,711,266	2,839,869		3,819,869	3,819,869	3,819,869	3,819,869	3,819,869	3,819,869
General Revenue	4000010	14,819,231	14,684,913		15,799,390	15,799,390	15,799,390	16,109,628	16,109,628	16,109,628
Merit Adjustment Fund	4000055	0	108,521		0	0	0	0	0	0
Educational Adequacy Fund	4000210	5,526,870	6,391,870		6,391,870	6,391,870	6,391,870	6,391,870	6,391,870	6,391,870
Educational Excellence Fund	4000220	981,901	941,671		941,671	941,671	941,671	941,671	941,671	941,671
M & R Sales	4000340	2,050	0		0	0	0	0	0	0
Trnfr frm DOE Pub School Fund	4000525	865,000	0		0	0	0	0	0	0
Transfer frm General Education	4000535	(408,873)	0		0	0	0	0	0	0
Trnfr to DOE Public School Fund	4000625	(250,000)	0		0	0	0	0	0	0
Transfers / Adjustments	4000683	9,782	0		0	0	0	0	0	0
Unfunded Appropriation	4000715	0	0		0	100,000	100,000	0	100,000	100,000
<b>Total Funding</b>		<b>23,257,227</b>	<b>24,966,844</b>		<b>26,952,800</b>	<b>27,052,800</b>	<b>27,052,800</b>	<b>27,263,038</b>	<b>27,363,038</b>	<b>27,363,038</b>
Excess Appropriation/(Funding)		(2,839,869)	(2,839,869)		(3,819,869)	(3,819,869)	(3,819,869)	(3,819,869)	(3,819,869)	(3,819,869)
<b>Grand Total</b>		<b>20,417,358</b>	<b>22,126,975</b>		<b>23,132,931</b>	<b>23,232,931</b>	<b>23,232,931</b>	<b>23,443,169</b>	<b>23,543,169</b>	<b>23,543,169</b>

The FY09 Budget Amount in Regular Salaries exceeds the Authorized Amount due to salary adjustments during the 2007-2009 Biennium.  
Fund Balance for 2009-2011 Biennium includes fund balance from Pulaski County Desegregation Case Costs appropriation (Appropriation 35U) of \$980,000.

## Change Level by Appropriation

**Appropriation:** 620 - State Operations

**Funding Sources:** EGA - Department of Education-State Operations

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>23,132,931</b>	<b>260</b>	<b>23,132,931</b>	<b>100.0</b>	<b>23,443,169</b>	<b>260</b>	<b>23,443,169</b>	<b>100.0</b>
C04	Reallocation	0	0	23,132,931	100.0	0	0	23,443,169	100.0
C05	Unfunded Appropriation	100,000	0	23,232,931	100.4	100,000	0	23,543,169	100.4

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>23,132,931</b>	<b>260</b>	<b>23,132,931</b>	<b>100.0</b>	<b>23,443,169</b>	<b>260</b>	<b>23,443,169</b>	<b>100.0</b>
C04	Reallocation	0	0	23,132,931	100.0	0	0	23,443,169	100.0
C05	Unfunded Appropriation	100,000	0	23,232,931	100.4	100,000	0	23,543,169	100.4

### Justification

C04	This request is to reallocate \$380,597 of currently authorized appropriation from Data Processing Services to Operating Expense. The Department of Information Systems expenditures are for database support and should be expensed from Operating Expense rather than Data Processing.
C05	The Department of Education is requesting unfunded appropriation of \$100,000 each year for unforeseen Capital Outlay needs that may occur in the 2009-11 biennium.

**CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009**

Agency: Education Department-General Education

Program: State Operations

Act #: 1420 of 2007

Section(s) #: 3 & 23

Estimated Carry Forward Amount \$ 3,298,008.00

Appropriation

Funds

Funding Source: General

**Accounting Information:**

Business Area: 0500

Funds Center: 620

Fund: EGA

Functional Area: EDUC

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Total		\$ 0.00	\$ 0.00

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

**Justification for carry forward of unexpended balance of appropriation and/or funding:**

The Department of Education plans to utilize the carry forward balance to phase out Maintenance and General Operations reductions that are being affected in the FY2009 budget due to funding constraints. The program areas involved are Internal Reporting and Management System Development, Enhanced Professional Development, and Staff Development. The ADE will also continue the Memorandum of Understanding with the Department of Workforce Education to provide for the use of the KUDER Career Planning System (KCPS)

**Actual Funding Carry Forward Amount** \$ 2,870,019.00

**Current status of carry forward appropriation/funding:**

The Department of Education will utilize the carry forward balance in FY2009 as stated in the justification for the unexpended balance. Also, the Department is considering utilization of a portion of this fund balance to reduce the amount of Educational Adequacy funding needed in FY2009.

Dr. Ken James  
Commissioner of Education

08-25-2008  
Date

## **Analysis of Budget Request**

**Appropriation:** 630 - Building Maintenance

**Funding Sources:** TEB - Education Building Revolving Bond

The Building Maintenance program provides financing for building and grounds maintenance, equipment maintenance contracts, insurance and janitorial services for the various buildings in the Education complex. This appropriation is funded from rent charged to the various non-federal units at the Department. The Department of Education is requesting Base Level of \$500,000 for each year of the 2009-2011 Biennium.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 630 - Building Maintenance  
**Funding Sources:** TEB - Education Building Revolving Bond

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	80,331	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
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
<b>Total</b>		<b>80,331</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	3,190,087	3,846,083		3,846,083	3,846,083	3,846,083	3,846,083	3,846,083	3,846,083
Trust Fund	4000050	566,003	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Interest	4000300	170,324	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>3,926,414</b>	<b>4,346,083</b>		<b>4,346,083</b>	<b>4,346,083</b>	<b>4,346,083</b>	<b>4,346,083</b>	<b>4,346,083</b>	<b>4,346,083</b>
<b>Excess Appropriation/(Funding)</b>		<b>(3,846,083)</b>	<b>(3,846,083)</b>		<b>(3,846,083)</b>	<b>(3,846,083)</b>	<b>(3,846,083)</b>	<b>(3,846,083)</b>	<b>(3,846,083)</b>	<b>(3,846,083)</b>
<b>Grand Total</b>		<b>80,331</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>

## **Analysis of Budget Request**

**Appropriation:** 631 - Revolving Loan Certification

**Funding Sources:** TEM - Education Revolving Loan Certificates Fund

The Revolving Loan Certification program within the Department of Education issues revolving loan certificates through the State Treasury in order to finance loans up to \$500,000 each to school districts for construction and the purchase of equipment or buses.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency is requesting Base Level for the 2007-2009 Biennium.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 631 - Revolving Loan Certification  
**Funding Sources:** TEM - Education Revolving Loan Certificates Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	31,269	89,082	90,330	97,421	97,421	97,421	98,162	98,162	98,162
<b>#Positions</b>		<b>2</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	19,389	31,895	32,210	36,430	36,430	36,430	36,590	36,590	36,590
Operating Expenses	5020002	2,888	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500
Conference & Travel Expenses	5050009	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
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
Loans	5120029	1,472,508	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
<b>Total</b>		<b>1,526,054</b>	<b>13,160,977</b>	<b>13,162,540</b>	<b>13,173,851</b>	<b>13,173,851</b>	<b>13,173,851</b>	<b>13,174,752</b>	<b>13,174,752</b>	<b>13,174,752</b>
<b>Funding Sources</b>										
Fund Balance	4000005	2,833,936	3,885,721		3,885,721	3,885,721	3,885,721	3,885,721	3,885,721	3,885,721
Trust Fund	4000050	2,577,839	13,160,977		13,173,851	13,173,851	13,173,851	13,174,752	13,174,752	13,174,752
<b>Total Funding</b>		<b>5,411,775</b>	<b>17,046,698</b>		<b>17,059,572</b>	<b>17,059,572</b>	<b>17,059,572</b>	<b>17,060,473</b>	<b>17,060,473</b>	<b>17,060,473</b>
Excess Appropriation/(Funding)		(3,885,721)	(3,885,721)		(3,885,721)	(3,885,721)	(3,885,721)	(3,885,721)	(3,885,721)	(3,885,721)
<b>Grand Total</b>		<b>1,526,054</b>	<b>13,160,977</b>		<b>13,173,851</b>	<b>13,173,851</b>	<b>13,173,851</b>	<b>13,174,752</b>	<b>13,174,752</b>	<b>13,174,752</b>

## **Analysis of Budget Request**

**Appropriation:** 637 - Child Nutrition

**Funding Sources:** FHB - DOE Food Service Federal Fund

The Child Nutrition Program of the Department of Education provides administrative services and reimbursement to the local school districts that participate in the school lunch, school breakfast or special milk programs. This program also promotes nutrition education by conducting courses in methods and materials for teaching nutrition education. The Child Nutrition Program is funded with federal funds from the United States Department of Agriculture.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request includes 2 change levels. A reallocation of \$28,000 each year of the 2009-2011 Biennium from Data Processing Services to Operating Expenses for proper classifying of database support expenses paid to the Department of Information Systems. Additionally, the Agency is requesting \$40,000 each year for Capital Outlay for any unforeseen needs than may arise during the biennium.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 637 - Child Nutrition

**Funding Sources:** FHB - DOE Food Service Federal Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	473,399	554,182	578,480	595,191	595,191	595,191	607,944	607,944	607,944
<b>#Positions</b>		<b>13</b>	<b>15</b>							
Personal Services Matching	5010003	156,647	174,166	188,589	205,598	205,598	205,598	208,364	208,364	208,364
Operating Expenses	5020002	216,099	393,100	393,100	393,100	421,100	421,100	389,100	417,100	421,100
Conference & Travel Expenses	5050009	17,166	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600
Professional Fees	5060010	0	156,400	156,400	156,400	156,400	156,400	156,400	156,400	156,400
Data Processing	5090012	12,211	28,000	28,000	28,000	0	0	28,000	0	0
Grants and Aid	5100004	123,009,612	165,168,000	165,168,000	165,168,000	165,168,000	165,168,000	165,168,000	165,168,000	165,168,000
Refunds/Reimbursements	5110014	42,319	399,600	399,600	399,600	399,600	399,600	399,600	399,600	399,600
Capital Outlay	5120011	8,787	40,000	40,000	0	40,000	40,000	0	40,000	40,000
<b>Total</b>		<b>123,936,240</b>	<b>166,966,048</b>	<b>167,004,769</b>	<b>166,998,489</b>	<b>167,038,489</b>	<b>167,038,489</b>	<b>167,010,008</b>	<b>167,050,008</b>	<b>167,054,008</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	123,936,240	166,966,048		166,998,489	167,038,489	167,038,489	167,010,008	167,050,008	167,054,008
Total Funding		123,936,240	166,966,048		166,998,489	167,038,489	167,038,489	167,010,008	167,050,008	167,054,008
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>123,936,240</b>	<b>166,966,048</b>		<b>166,998,489</b>	<b>167,038,489</b>	<b>167,038,489</b>	<b>167,010,008</b>	<b>167,050,008</b>	<b>167,054,008</b>

## Change Level by Appropriation

**Appropriation:** 637 - Child Nutrition  
**Funding Sources:** FHB - DOE Food Service Federal Fund

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>166,998,489</b>	<b>15</b>	<b>166,998,489</b>	<b>100.0</b>	<b>167,010,008</b>	<b>15</b>	<b>167,010,008</b>	<b>100.0</b>
C01	Existing Program	40,000	0	167,038,489	100.0	40,000	0	167,050,008	100.0
C04	Reallocation	0	0	167,038,489	100.0	0	0	167,050,008	100.0

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>166,998,489</b>	<b>15</b>	<b>166,998,489</b>	<b>100.0</b>	<b>167,014,008</b>	<b>15</b>	<b>167,014,008</b>	<b>100.0</b>
C01	Existing Program	40,000	0	167,038,489	100.0	40,000	0	167,054,008	100.0
C04	Reallocation	0	0	167,038,489	100.0	0	0	167,054,008	100.0

### Justification

C01	The Department of Education is requesting federally funded appropriation of \$40,000 each year for unforeseen Capital Outlay needs that may occur in the 2009-11 biennium.
C04	This request is to reallocate \$28,000 of currently authorized appropriation from Data Processing Services to Operating Expense. The Department of Information Systems expenditures are for database support and should be expensed from Operating Expense rather than Data Processing.

## **Analysis of Budget Request**

**Appropriation:** 639 - Federal Turnback for School

**Funding Sources:** FZF - Federal Forest Reserve-DOE

The appropriation for the Federal Turnback for Schools program is funded from Federal turnback funds collected by federal agencies on land they own within the State of Arkansas. These collections are sent to the State of Arkansas to help cover the loss of property tax revenues that would otherwise be collected. Federal law dictates that these revenues be distributed to the State. As these funds are received, the Department of Education returns them to the counties in which the federal lands are located.

The Agency Request includes Base Level and a change level of \$2,000,000 each year. This increase is in anticipation of additional funds that may become available in the biennium.

The Executive Recommendation provides for Agency Request.

**Appropriation Summary**

**Appropriation:** 639 - Federal Turnback for School

**Funding Sources:** FZF - Federal Forest Reserve-DOE

**Historical Data**

**Agency Request and Executive Recommendation**

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	10,996,945	11,000,000	11,000,000	11,000,000	13,000,000	13,000,000	11,000,000	13,000,000	13,000,000
Total		10,996,945	11,000,000	11,000,000	11,000,000	13,000,000	13,000,000	11,000,000	13,000,000	13,000,000
<b>Funding Sources</b>										
Federal Revenue	4000020	10,996,945	11,000,000		11,000,000	13,000,000	13,000,000	11,000,000	13,000,000	13,000,000
Total Funding		10,996,945	11,000,000		11,000,000	13,000,000	13,000,000	11,000,000	13,000,000	13,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		10,996,945	11,000,000		11,000,000	13,000,000	13,000,000	11,000,000	13,000,000	13,000,000

## Change Level by Appropriation

**Appropriation:** 639 - Federal Turnback for School

**Funding Sources:** FZF - Federal Forest Reserve-DOE

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>11,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>100.0</b>	<b>11,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>100.0</b>
C01	Existing Program	2,000,000	0	13,000,000	118.2	2,000,000	0	13,000,000	118.2

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>11,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>100.0</b>	<b>11,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>100.0</b>
C01	Existing Program	2,000,000	0	13,000,000	118.2	2,000,000	0	13,000,000	118.2

### Justification

C01	Federal Turnback funds are monies collected by Federal agencies on land they own within the State of Arkansas. These collections are "turned back" to the State of Arkansas to help cover the loss of property tax revenues we would otherwise collect. Federal law dictates that these revenues be distributed to the State. As these funds are received, the Department of Education returns them to the counties in which the federal lands are located. This request is for an additional \$2 million of federally funded appropriation each year in anticipation of additional funds that may become available in the 2009-11 biennium.
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## **Analysis of Budget Request**

**Appropriation:** 650 - Fed Elem & Sec Education

**Funding Sources:** FEE - Dept of Education Federal Fund

The Federal Elementary and Secondary Education appropriation for the Department of Education contains the majority of the federal entitlement programs for elementary and secondary education. These programs include Title 1 Compensatory Education for the educationally disadvantaged, Title 2 Block Grant, Special Education programs, Early Childhood programs, AIDS Education, Drug Education, and Migrant Education.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency has two change level requests. First, is a request for \$160,000 each fiscal year of the 2009-2011 biennium of unfunded Capital Outlay appropriation to handle any unforeseen needs that may occur during the biennium. Secondly, the Agency is requesting a reallocation of \$20,000 each year from Data Processing to Operating Expenses to allow for the proper classification of data base support expenses paid to the Department of Information Systems.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 650 - Fed Elem & Sec Education

**Funding Sources:** FEE - Dept of Education Federal Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,295,644	2,831,926	2,858,916	2,915,368	2,915,368	2,915,368	2,972,103	2,972,103	2,972,103
<b>#Positions</b>		<b>56</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
Extra Help	5010001	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>#Extra Help</b>		<b>0</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Personal Services Matching	5010003	737,727	827,786	907,043	949,314	949,314	949,314	961,619	961,619	961,619
Operating Expenses	5020002	2,250,920	3,455,900	3,455,900	3,455,900	3,475,900	3,475,900	3,455,900	3,475,900	3,475,900
Conference & Travel Expenses	5050009	111,639	710,500	710,500	710,500	710,500	710,500	710,500	710,500	710,500
Professional Fees	5060010	11,780,839	18,351,105	18,351,105	18,351,105	18,351,105	18,351,105	18,351,105	18,351,105	18,351,105
Data Processing	5090012	0	20,000	86,000	20,000	0	0	20,000	0	0
Grants and Aid	5100004	297,919,072	496,095,368	496,095,368	496,095,368	496,095,368	496,095,368	496,095,368	496,095,368	496,095,368
Refunds/Reimbursements	5110014	747,676	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000
Capital Outlay	5120011	40,067	160,000	160,000	0	160,000	160,000	0	160,000	160,000
<b>Total</b>		<b>315,883,584</b>	<b>523,572,585</b>	<b>523,744,832</b>	<b>523,617,555</b>	<b>523,777,555</b>	<b>523,777,555</b>	<b>523,686,595</b>	<b>523,846,595</b>	<b>523,846,595</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	315,883,584	523,572,585		523,617,555	523,777,555	523,777,555	523,686,595	523,846,595	523,846,595
Total Funding		315,883,584	523,572,585		523,617,555	523,777,555	523,777,555	523,686,595	523,846,595	523,846,595
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		315,883,584	523,572,585		523,617,555	523,777,555	523,777,555	523,686,595	523,846,595	523,846,595

## Change Level by Appropriation

**Appropriation:** 650 - Fed Elem & Sec Education  
**Funding Sources:** FEE - Dept of Education Federal Fund

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>523,617,555</b>	<b>62</b>	<b>523,617,555</b>	<b>100.0</b>	<b>523,686,595</b>	<b>62</b>	<b>523,686,595</b>	<b>100.0</b>
C01	Existing Program	160,000	0	523,777,555	100.0	160,000	0	523,846,595	100.0
C04	Reallocation	0	0	523,777,555	100.0	0	0	523,846,595	100.0

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>523,617,555</b>	<b>62</b>	<b>523,617,555</b>	<b>100.0</b>	<b>523,686,595</b>	<b>62</b>	<b>523,686,595</b>	<b>100.0</b>
C01	Existing Program	160,000	0	523,777,555	100.0	160,000	0	523,846,595	100.0
C04	Reallocation	0	0	523,777,555	100.0	0	0	523,846,595	100.0

### Justification

C01	The Department of Education is requesting federally funded appropriation of \$160,000 each year for unforeseen Capital Outlay needs that may occur in the 2009-11 biennium.
C04	This request is to reallocate \$20,000 of currently authorized appropriation from Data Processing Services to Operating Expense. The Department of Information Systems expenditures are for database support and should be expensed from Operating Expense rather than Data Processing.

## **Analysis of Budget Request**

**Appropriation:** 885 - Multiple Grant Award Program

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

The Department of Education receives grants and awards from private foundations or individuals for program, such as, Teacher of the Year, Minority Teacher Recruitment, Dean's Symposium and Play it Again Arkansas. The Department currently administers approximately 16-20 such grants each year.

The Agency Request is for Base Level and a request of \$10,000 in Capital Outlay for each year of the 2009-2011 Biennium.

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

## Appropriation Summary

**Appropriation:** 885 - Multiple Grant Award Program

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	56,905	122,000	122,000	122,000	122,000	122,000	122,000	122,000	122,000
Conference & Travel Expenses	5050009	1,915	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500
Professional Fees	5060010	20,777	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	99,175	2,447,875	2,447,875	2,447,875	2,447,875	2,447,875	2,447,875	2,447,875	2,447,875
Capital Outlay	5120011	0	0	0	0	10,000	10,000	0	10,000	10,000
<b>Total</b>		<b>178,772</b>	<b>2,626,375</b>	<b>2,626,375</b>	<b>2,626,375</b>	<b>2,636,375</b>	<b>2,636,375</b>	<b>2,626,375</b>	<b>2,636,375</b>	<b>2,636,375</b>
<b>Funding Sources</b>										
Fund Balance	4000005	1,344,783	1,745,257		1,745,257	1,745,257	1,745,257	1,745,257	1,745,257	1,745,257
Cash Fund	4000045	579,246	2,626,375		2,626,375	2,636,375	2,636,375	2,626,375	2,636,375	2,636,375
<b>Total Funding</b>		<b>1,924,029</b>	<b>4,371,632</b>		<b>4,371,632</b>	<b>4,381,632</b>	<b>4,381,632</b>	<b>4,371,632</b>	<b>4,381,632</b>	<b>4,381,632</b>
Excess Appropriation/(Funding)		(1,745,257)	(1,745,257)		(1,745,257)	(1,745,257)	(1,745,257)	(1,745,257)	(1,745,257)	(1,745,257)
<b>Grand Total</b>		<b>178,772</b>	<b>2,626,375</b>		<b>2,626,375</b>	<b>2,636,375</b>	<b>2,636,375</b>	<b>2,626,375</b>	<b>2,636,375</b>	<b>2,636,375</b>

## Change Level by Appropriation

**Appropriation:** 885 - Multiple Grant Award Program

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

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,626,375</b>	<b>0</b>	<b>2,626,375</b>	<b>100.0</b>	<b>2,626,375</b>	<b>0</b>	<b>2,626,375</b>	<b>100.0</b>
C01	Existing Program	10,000	0	2,636,375	100.4	10,000	0	2,636,375	100.4

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,626,375</b>	<b>0</b>	<b>2,626,375</b>	<b>100.0</b>	<b>2,626,375</b>	<b>0</b>	<b>2,626,375</b>	<b>100.0</b>
C01	Existing Program	10,000	0	2,636,375	100.4	10,000	0	2,636,375	100.4

### Justification

C01	The Department of Education is requesting cash fund appropriation of \$10,000 each year for unforeseen Capital Outlay needs that may occur in the 2009-11 biennium.
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## **Analysis of Budget Request**

**Appropriation:** 893 - Medicaid Reimbursement

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

The Department of Education collects from the various school districts their match as Medicaid providers and then transmits this quarterly to the State Medicaid Office. Reimbursements are for targeted case management and psychological services in addition to the reimbursement for speech-language pathology, physical therapy and occupational therapy.

The Agency is requesting Base Level of \$5,010,500 for each fiscal year of the 2009-2011 Biennium.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** 893 - Medicaid Reimbursement

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements	5110014	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Medicaid Admin	5900046	0	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
<b>Total</b>		<b>0</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>
<b>Funding Sources</b>										
Fund Balance	4000005	11,549	27,743		27,743	27,743	27,743	27,743	27,743	27,743
Cash Fund	4000045	2,824,252	5,010,500		5,010,500	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500
Transfer to Medicaid Match	4000660	(2,808,058)	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>27,743</b>	<b>5,038,243</b>		<b>5,038,243</b>	<b>5,038,243</b>	<b>5,038,243</b>	<b>5,038,243</b>	<b>5,038,243</b>	<b>5,038,243</b>
Excess Appropriation/(Funding)		(27,743)	(27,743)		(27,743)	(27,743)	(27,743)	(27,743)	(27,743)	(27,743)
<b>Grand Total</b>		<b>0</b>	<b>5,010,500</b>		<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>	<b>5,010,500</b>

For FY2008 Funds transfer was made in lieu of actual warrant expenditure.

## **Analysis of Budget Request**

**Appropriation:** 899 - Alternative Certification Program

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

The Department of Education has developed alternative methods for certifying individuals within the State who have expertise and knowledge in particular subject areas but do not have the standard teaching certificate. The prospective teachers are charged a fee for training workshops with the funds used to pay workshop expenses.

The Agency is requesting Base Level and Change Levels totaling \$301,500 for both fiscal years which includes: \$200,000 in Operating Expenses, \$1,500 in Conference and Travel Expenses and \$100,000 for Grants and Aids due to continued growth in the alternative certification program.

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

## Appropriation Summary

**Appropriation:** 899 - Alternative Certification Program

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	305,786	315,292	802,092	315,292	515,292	515,292	315,292	515,292	515,292
Conference & Travel Expenses	5050009	4,407	7,000	0	7,000	8,500	8,500	7,000	8,500	8,500
Professional Fees	5060010	53,820	125,420	45,620	125,420	125,420	125,420	125,420	125,420	125,420
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	605,207	600,000	200,000	600,000	700,000	700,000	600,000	700,000	700,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>969,220</b>	<b>1,047,712</b>	<b>1,047,712</b>	<b>1,047,712</b>	<b>1,349,212</b>	<b>1,349,212</b>	<b>1,047,712</b>	<b>1,349,212</b>	<b>1,349,212</b>
<b>Funding Sources</b>										
Fund Balance	4000005	1,339,856	1,537,758		1,537,758	1,537,758	1,537,758	1,537,758	1,537,758	1,537,758
Cash Fund	4000045	1,167,122	1,047,712		1,047,712	1,349,212	1,349,212	1,047,712	1,349,212	1,349,212
<b>Total Funding</b>		<b>2,506,978</b>	<b>2,585,470</b>		<b>2,585,470</b>	<b>2,886,970</b>	<b>2,886,970</b>	<b>2,585,470</b>	<b>2,886,970</b>	<b>2,886,970</b>
Excess Appropriation/(Funding)		(1,537,758)	(1,537,758)		(1,537,758)	(1,537,758)	(1,537,758)	(1,537,758)	(1,537,758)	(1,537,758)
<b>Grand Total</b>		<b>969,220</b>	<b>1,047,712</b>		<b>1,047,712</b>	<b>1,349,212</b>	<b>1,349,212</b>	<b>1,047,712</b>	<b>1,349,212</b>	<b>1,349,212</b>

Actuals and Budget exceeds Authorized Appropriation due to Reallocation of Resources authorized in Section 13 of Act 229 of 2007.

## Change Level by Appropriation

**Appropriation:** 899 - Alternative Certification Program

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

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,047,712</b>	<b>0</b>	<b>1,047,712</b>	<b>100.0</b>	<b>1,047,712</b>	<b>0</b>	<b>1,047,712</b>	<b>100.0</b>
C01	Existing Program	301,500	0	1,349,212	128.8	301,500	0	1,349,212	128.8

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,047,712</b>	<b>0</b>	<b>1,047,712</b>	<b>100.0</b>	<b>1,047,712</b>	<b>0</b>	<b>1,047,712</b>	<b>100.0</b>
C01	Existing Program	301,500	0	1,349,212	128.8	301,500	0	1,349,212	128.8

### Justification

C01	The Alternative Certification Program is cash funded from fees paid by participants who are seeking alternative teacher certification. The fees paid are to cover the cost of training. This request is for additional Operating Expenses of \$200,000 each year for refunds of fees to participants. The request is also for an additional \$1,500 each year for Conference Fees and Travel for costs associated with sending two program advisors to two national meetings for Alternative Certification. Additionally, there is a request for \$100,000 in Grants and Aid as program continues to grow in participants.
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## Appropriation Summary

**Appropriation:** 35U - Pulaski County Deseg Case Costs

**Funding Sources:** EGA - Department of Education-State Operations

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Pulaski County Deseg. Case Costs 5900046	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	0	980,000		0	0	0	0	0	0
Trnfr frm DOE Pub School Fund 4000525	750,000	0		0	0	0	0	0	0
Transfer from General Imprv 4000540	230,000	0		0	0	0	0	0	0
Total Funding	980,000	980,000		0	0	0	0	0	0
Excess Appropriation/(Funding)	(980,000)	(980,000)		0	0	0	0	0	0
Grand Total	0	0		0	0	0	0	0	0

The Authorized Amount for this Biennial Appropriation is \$1,500,000 for the 2007-2009 Biennium.(Section 19 of Act 1420 of 2007)

The carry forward balance has been reflected in DOE-State Operations (appro. 620).

THIS BIENNIAL APPROPRIATION IS NOT REQUESTED FOR THE 2009 - 2011 BIENNIUM.

**CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009**

Agency: Education Department-General Education

Program: Pulaski County Deseg Case Costs

Act #: 1290 & 1420 of 2007 Section(s) #: 91 and 19 & 23

Estimated Carry Forward Amount \$ 980,000.00      Appropriation       Funds

Funding Source: General

**Accounting Information:**

Business Area: 0500      Funds Center: 35U      Fund: EGA      Functional Area: EDUC

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Total		\$ 0.00	\$ 0.00

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

**Justification for carry forward of unexpended balance of appropriation and/or funding:**

Carry forward of these funds is to ensure the designated general revenue is available for use in expenses for Pulaski County Desegregation Case costs.

**Actual Funding Carry Forward Amount**      \$ 980,000.00

**Current status of carry forward appropriation/funding:**

The carry forward balance remains available for Pulaski County Desegregation Case costs.

Dr. Ken James  
Commissioner of Education

08-25-2008  
Date

## Appropriation Summary

**Appropriation:** 4GT - NGA Honor - Cash in Treasury

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

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2009-2010			2010-2011		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
NGA Honor States Grant	5900046	754,455	100,000	0	0	0	0	0	0	0
Total		754,455	100,000	0	0	0	0	0	0	0
<b>Funding Sources</b>										
Fund Balance	4000005	111,213	84,152		0	0	0	0	0	0
Cash Fund	4000045	727,394	15,848		0	0	0	0	0	0
Total Funding		838,607	100,000		0	0	0	0	0	0
Excess Appropriation/(Funding)		(84,152)	0		0	0	0	0	0	0
Grand Total		754,455	100,000		0	0	0	0	0	0

Actuals and Budget exceeds Authorized appropriation due to transfer from Cash Fund Holding Account.  
THIS APPROPRIATION IS NOT REQUESTED FOR THE 2009-2011 BIENNIUM.