

# DEPARTMENT OF COMMERCE - ARKANSAS DEVELOPMENT FINANCE AUTHORITY

## State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2020

None

### Employment Summary

	Male	Female	Total	%
White Employees	12	21	33	80 %
Black Employees	0	5	5	12 %
Other Racial Minorities	2	1	3	8 %
Total Minorities			8	20 %
Total Employees			41	100 %

### Publications

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

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Audit Report	A.C.A. 15-5-210	N	Y	2	Reporting of audited agency financials.	0	0.00
Bond Issuance Report	Act 36 of 1989	N	Y	1	Provides summary of bond transactions when executed	0	0.00
Bond Issues/Outstanding Report	Act 222 of 1987	N	N	1	Provides comprehensive list of bonds issued and outstanding.	0	0.00

## Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2019-2020		2020-2021		2020-2021		2021-2022				2022-2023			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
A57 ADFA-Cash Operations	20,061,569	56	31,682,262	52	32,427,356	60	31,713,210	52	31,713,210	52	31,713,210	52	31,713,210	52
C57 AR Housing Trust Advisory Comm	7,000	0	7,825	0	15,475	0	7,825	0	7,825	0	7,825	0	7,825	0
C91 Student Loan Auth Div of ADFA-Operation	1,816,521	4	2,393,811	4	2,392,333	4	2,403,171	4	2,403,171	4	2,403,171	4	2,403,171	4
D34 DIS IT	159,579	0	11,150,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
X15 NHTF Grant	1,498,227	0	12,000,000	0	6,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0
Total	23,542,896	60	57,233,898	56	55,835,164	64	61,124,206	56	61,124,206	56	61,124,206	56	61,124,206	56

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	4,063,431	13.9	5,697,053	9.1	5,697,252	8.5	5,697,252	8.5	5,674,212	8.5	5,674,212	8.5
Federal Revenue	4000020	16,780,596	57.4	38,341,215	60.9	38,341,215	57.4	38,341,215	57.4	38,341,215	57.4	38,341,215	57.4
Cash Fund	4000045	8,395,922	28.7	19,612,981	31.2	23,495,697	35.2	23,495,697	35.2	23,495,697	35.2	23,495,697	35.2
Shared Services Transfer	4000760	0	0.0	(720,099)	(1.1)	(735,746)	(1.1)	(735,746)	(1.1)	(735,746)	(1.1)	(735,746)	(1.1)
Total Funds		29,239,949	100.0	62,931,150	100.0	66,798,418	100.0	66,798,418	100.0	66,775,378	100.0	66,775,378	100.0
Excess Appropriation/(Funding)		(5,697,053)		(5,697,252)		(5,674,212)		(5,674,212)		(5,651,172)		(5,651,172)	
Grand Total		23,542,896		57,233,898		61,124,206		61,124,206		61,124,206		61,124,206	

FY21 Budget amount in FC C91 (Student Loan Authority - Operations) exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium.  
Budget exceeds Authorized Appropriation in FC X15 (NHTF) due to a transfer from the Miscellaneous Federal Grant Holding Account.

## **Analysis of Budget Request**

**Appropriation:** A57 - ADFA-Cash Operations

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

A.C.A. §15-5-201 et seq. created the Arkansas Development Finance Authority and the Board of Directors. Act 910 of 2019 transferred the Authority under the Department of Commerce.

The Board of Directors is composed of the Secretary of the Department Finance and Administration, Secretary of the Department of Commerce, Treasurer of State, President of ADFA, and eleven (11) public members appointed by the Governor with the advice and consent of the Senate. Duties and responsibilities of the Board may include but are not limited to, powers to sue; make and issue rules, regulations, and bylaws; appoint officers, agents, and employees; borrow money; issue notes and bonds on behalf of state agencies and political subdivisions; make secured or unsecured loans; sell mortgages and security interests, collect fees and charges in connection with its loans, bond guarantees.

With the exception of Personal Services Matching and Capital Outlay, continuing level of appropriation is the FY2021 Authorized.

This appropriation provides for all operational costs of the Authority including the Federal Housing Assistance Program, HUD Home Program, and other financial programs. Funding for this appropriation is derived primarily from federal funds and cash revenues from bond proceeds.

The Agency is requesting appropriation in the amount of \$31,713,210 in each year of the biennium.

The Agency Request includes the following changes for both years:

- Reallocation of (8) positions and (\$510,971) in Regular Salaries, (\$160,775) in Personal Services Matching, and (\$64,000) in Operating Expenses in appropriation to the Department of Commerce - Shared Services to provide shared services to the Department.
- Restoration of \$23,000 in Capital Outlay appropriation to replace vehicles when necessary.

The Executive Recommendation provides for the Agency Request and title changes for 43 positions.

## Appropriation Summary

**Appropriation:** A57 - ADFA-Cash Operations

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	3,018,600	3,215,052	3,735,242	3,224,271	3,224,271	3,224,271	3,224,271
<b>#Positions</b>		<b>56</b>	<b>52</b>	<b>60</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>
Extra Help	5010001	0	40,000	40,000	40,000	40,000	40,000	40,000
<b>#Extra Help</b>		<b>0</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Personal Services Matching	5010003	938,131	1,003,215	1,164,119	1,024,944	1,024,944	1,024,944	1,024,944
Operating Expenses	5020002	560,341	611,458	675,458	611,458	611,458	611,458	611,458
Conference & Travel Expenses	5050009	9,914	60,000	60,000	60,000	60,000	60,000	60,000
Professional Fees	5060010	88,795	123,810	123,810	123,810	123,810	123,810	123,810
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	1,498,228	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000
Capital Outlay	5120011	21,697	23,000	23,000	23,000	23,000	23,000	23,000
Data Processing Services	5900044	131,722	264,512	264,512	264,512	264,512	264,512	264,512
Hud Home Program	5900046	13,794,141	16,341,215	16,341,215	16,341,215	16,341,215	16,341,215	16,341,215
Federal Housing Programs	5900047	0	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000
<b>Total</b>		<b>20,061,569</b>	<b>31,682,262</b>	<b>32,427,356</b>	<b>31,713,210</b>	<b>31,713,210</b>	<b>31,713,210</b>	<b>31,713,210</b>

Funding Sources								
Fund Balance	4000005	247,084	237,084		237,283	237,283	215,683	215,683
Federal Revenue	4000020	15,282,369	26,341,215		26,341,215	26,341,215	26,341,215	26,341,215
Cash Fund	4000045	4,769,200	6,061,345		6,086,141	6,086,141	6,086,141	6,086,141
Shared Services Transfer	4000760	0	(720,099)		(735,746)	(735,746)	(735,746)	(735,746)
<b>Total Funding</b>		<b>20,298,653</b>	<b>31,919,545</b>		<b>31,928,893</b>	<b>31,928,893</b>	<b>31,907,293</b>	<b>31,907,293</b>
Excess Appropriation/(Funding)		(237,084)	(237,283)		(215,683)	(215,683)	(194,083)	(194,083)
<b>Grand Total</b>		<b>20,061,569</b>	<b>31,682,262</b>		<b>31,713,210</b>	<b>31,713,210</b>	<b>31,713,210</b>	<b>31,713,210</b>

Expenditure of appropriation is contingent upon available funding.

## **Analysis of Budget Request**

**Appropriation:** C57 - AR Housing Trust Advisory Comm

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

The Arkansas Housing Trust Fund was established by Act 661 of 2009, as amended (A.C.A. §15-5-1701) to provide a source of funds for communities to address affordable housing needs and created the Arkansas Housing Trust Fund Advisory Committee to provide advice to ADFA's Board of Directors on matters relating to the Housing Trust Fund and its programs.

Act 764 of 2012 provided a "one-time transfer" from unexpended balances of funds received by the Division of Check Cashing of the State Board of Collections Agencies under the Check-Cashers Act. Program funding is contingent on the Arkansas Housing Trust Fund Advisory Committee securing a dedicated funding source.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting appropriation in the amount of \$7,825 in each year of the biennium.

The Agency Request includes the discontinuation of (\$7,650) in appropriation to reflect current cash balances in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** C57 - AR Housing Trust Advisory Comm

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Ar Housing Trust	5900046	7,000	7,825	15,475	7,825	7,825	7,825	7,825
Total		7,000	7,825	15,475	7,825	7,825	7,825	7,825

Funding Sources								
Cash Fund	4000045	7,000	7,825		7,825	7,825	7,825	7,825
Total Funding		7,000	7,825		7,825	7,825	7,825	7,825
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		7,000	7,825		7,825	7,825	7,825	7,825

Expenditure of appropriation is contingent upon available funding.  
Revenues provided are through a cash in bank transfer.

## **Analysis of Budget Request**

**Appropriation:** C91 - Student Loan Auth Div of ADFA-Operations

**Funding Sources:** 157 - Student Loan Authority - Cash

The Arkansas Student Loan Authority was created for the purpose of originating and acquiring student loans and support Arkansas' student financial assistance by purchasing loans made by local lenders to higher education students. The process provides liquidity to banks so additional loans may be made to students in need.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

This appropriation is funded by cash revenues derived from: investments on trust indentures which allow the Authority to draw 80 basis points, or 0.8%, per annum of the outstanding loan balance for loan servicing, program administration, and general and administrative costs; student loan interest from Federal Family Education Loan Program (FFELP) student loans; federal special allowance subsidies provided on student loans; the Arkansas Education Loan Program; and investment income.

The Agency is requesting to continue appropriation in the amount of \$2,403,171 in each year in the biennium.

The Executive Recommendation provides for the Agency Request and title changes for 2 positions.

## Appropriation Summary

**Appropriation:** C91 - Student Loan Auth Div of ADFA-Operations

**Funding Sources:** 157 - Student Loan Authority - Cash

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	353,046	349,965	348,621	356,403	356,403	356,403	356,403
<b>#Positions</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	106,295	100,687	100,553	103,609	103,609	103,609	103,609
Operating Expenses	5020002	98,450	110,312	110,312	110,312	110,312	110,312	110,312
Conference & Travel Expenses	5050009	2,668	13,972	13,972	13,972	13,972	13,972	13,972
Professional Fees	5060010	1,256,062	1,818,875	1,818,875	1,818,875	1,818,875	1,818,875	1,818,875
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
<b>Total</b>		<b>1,816,521</b>	<b>2,393,811</b>	<b>2,392,333</b>	<b>2,403,171</b>	<b>2,403,171</b>	<b>2,403,171</b>	<b>2,403,171</b>
<b>Funding Sources</b>								
Fund Balance	4000005	3,816,347	5,459,969		5,459,969	5,459,969	5,458,529	5,458,529
Cash Fund	4000045	3,460,143	2,393,811		2,401,731	2,401,731	2,401,731	2,401,731
<b>Total Funding</b>		<b>7,276,490</b>	<b>7,853,780</b>		<b>7,861,700</b>	<b>7,861,700</b>	<b>7,860,260</b>	<b>7,860,260</b>
Excess Appropriation/(Funding)		(5,459,969)	(5,459,969)		(5,458,529)	(5,458,529)	(5,457,089)	(5,457,089)
<b>Grand Total</b>		<b>1,816,521</b>	<b>2,393,811</b>		<b>2,403,171</b>	<b>2,403,171</b>	<b>2,403,171</b>	<b>2,403,171</b>

FY21 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium. Expenditure of appropriation is contingent upon available funding.



## **Analysis of Budget Request**

**Appropriation:** D34 - DIS IT

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

This appropriation provides for the IT equipment purchases on behalf of the Department of Transformation and Shared Services - Division of Information Systems for the data consolidation center. Funding for this fund is cash revenues derived from bond proceeds.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$15,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** D34 - DIS IT

**Funding Sources:** 123 - Arkansas Development Finance Authority - Cash

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Computer Equipment & Related : 5900044	159,579	11,150,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
<b>Total</b>	159,579	11,150,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources							
Cash Fund 4000045	159,579	11,150,000		15,000,000	15,000,000	15,000,000	15,000,000
<b>Total Funding</b>	159,579	11,150,000		15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
<b>Grand Total</b>	159,579	11,150,000		15,000,000	15,000,000	15,000,000	15,000,000

Expenditure of appropriation is contingent upon available funding.

## **Analysis of Budget Request**

**Appropriation:** X15 - NHTF Grant

**Funding Sources:** FDF - NHTF Federal

This appropriation provides for the construction of rental housing for Extremely Low Income (ELI) AR veterans. Program expenses will fluctuate between fiscal years depending on project development. Funding is 100% federal.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting appropriation in the amount of \$12,000,000 in each year of the biennium.

The Agency Request includes the continuation of \$6,000,000 in appropriation that was originally approved by the Arkansas Legislative Council in FY20 as Miscellaneous Federal Grants.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** X15 - NHTF Grant

**Funding Sources:** FDF - NHTF Federal

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Federal Housing	5900046	1,498,227	12,000,000	6,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total		1,498,227	12,000,000	6,000,000	12,000,000	12,000,000	12,000,000	12,000,000

Funding Sources								
Federal Revenue	4000020	1,498,227	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Total Funding		1,498,227	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		1,498,227	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000

Budget exceeds Authorized Appropriation in Federal Housing due to a transfer from the Miscellaneous Federal Grant Holding Account.