

DOE - General Education

Enabling Laws

Act 291 of 2014
Act 292 of 2014
Act 293 of 2014 (PSF)
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.

At the beginning of the 2009 legislative session, Governor Mike Beebe challenged the Arkansas General Assembly to rise above the current economic circumstances and find ways to continue Arkansas’s educational progress. The General Assembly responded to this challenge, and through careful budgeting and responsible legislation, found a way to continue to fully fund public education in Arkansas. Act 1474 of 2009 established the state per-pupil foundation funding amount at \$5,905 for the 2009-2010 school year and \$6,023 for the 2010-2011 school year.

The 2009 General Assembly enhanced educational standards by passing laws that created high-stakes end-of-course assessments, changed the requirements and age for kindergarten enrollment, and allowed increased parental access to public school data. Other measures passed by the General Assembly included the Arkansas Smart Core Funding Incentive Program and grants for after-school programs. The General Assembly also implemented early interventions for school districts in danger of entering fiscal or facilities distress.

In 2010, the Arkansas General Assembly convened its first fiscal session. During this historic session, the General Assembly continued its steadfast support for education in Arkansas by allocating \$1,849,659,072 to the Department of Education Public School Fund. Through its actions, the Arkansas General Assembly maintained its commitment to fund education first.

Governor Beebe and the Arkansas Legislature passed a large number of education bill during the 88th General Assembly that support the Governor’s goal to improve education in the state of Arkansas. These include improvements to teacher testing and licensure, improving college and career readiness, removing caps on Charter schools, and providing more safety protections for the children of Arkansas. Laws regarding school books were reformed to reflect the increased use of virtual education. Safety of children was improved with bullying legislation and school guidance counselors being required to report abuse of children. Parents were offered assistance with school expenses via the “tax-free holiday” and flexibility in school start dates. The legislature also approved a nearly \$4.6 billion general fund budget for 2011-2012. Funding for K-12 education rose 2.9 percent to more than \$2 billion and included \$1.9 billion in formula funding for schools.

Act 1209 addressed the evaluation of Arkansas public school teachers, established the Teacher Excellence and Support System and sought to increase public awareness of effective teachers.

Act 1178 amended Arkansas teacher licensure and reciprocity.

Act 743 established the Arkansas College and Career Readiness Standard, and called for development of criteria to evaluate, support, promote and fund Arkansas Career and Technical Education.

Act 288 amended school textbook requirements to include digital resources.

Act 987 removed the limitation on the number of open-enrollment charter schools in the state.

Act 993 amended provisions of Arkansas's law to require charter schools to submit periodic reports, amended various provisions and sought to protect charter schools from certain liabilities.

Act 784 requires child abuse hotlines to accept reports of intellectual, emotional or psychological injury to a child from a guidance counselor licensed as a teacher.

Act 907 clarifies Arkansas's antibullying laws for public school students and states requirements for actions on the part of a school principal.

Act 65 allows school districts flexibility in the school start dates while limiting the start dates to no earlier than August 14 and no later than August 26. The board of directors of the school district will determine the beginning of the school year.

Act 757 sought to reduce school expenses for parents by creating a "sales tax holiday" during which back-to-school related purchases are exempted from the sales tax.

In 2012, the Arkansas General Assembly began its second fiscal session primarily on state budget issues. The General Assembly considered Governor Beebe's call for \$114 million in new allocations for the state's Human Services Department to pay for growth in Medicaid. Governor Beebe also requested \$56 million in additional funding for Arkansas's public schools for the coming year very similar to the Joint Budget Committee's proposal. The General Assembly approved and the Governor signed the \$4.7 billion budget (an increase of 3.6 percent) from the general revenue fund for fiscal year 2012-2013. Elementary and secondary education will operate with 2.8 percent increase in state funds, to \$2.1 billion. Of that, \$2 billion was allocated to fund the public school formula. This reflects a 3 percent increase.

In 2013, the Arkansas legislature convened its 89th General Assembly. One hundred twenty-one acts concerning K-12 Education were enacted. Act 509 designated a panel of Department of Education employees to review, approve or deny charter applications. Relative to school safety, Act 484 calls for an annual requirement for training of school staff and students and school safety assessments. Act 1227 amended the public school choice act to require every district to participate in the state choice program and school districts are required to inform parents about choice opportunities. Districts would not be required to participate in school choice if it conflicts with a desegregation order or plan. Act 1280 will require public schools to offer, and each high school student to take, at least one digital course for graduation beginning with the entering ninth grade class of 2014-2015 school year. Relative to licensure, the general assembly passed a act to allow for temporary licensure certification for spouses of active duty service members. Act 413 amended the non-traditional teacher licensure law to require a passing score on a basic skills assessment. Regarding accountability, low-performing schools and innovation, the general assembly enacted Act 696 to set out in detail the grading system ("A" through "F") for school improvement and performance. Act 601 created the new district of innovation program the permits a school council including educators, other school employees, parents, community members and at least two students, to develop a plan to improve academic performance and learning for all students. As a focus on students graduating from high school, college and career ready. Act 585 created the Council on Postsecondary Education and Career Readiness to facilitate a unified strategy to reduce remediation rates and improve postsecondary graduation rates.

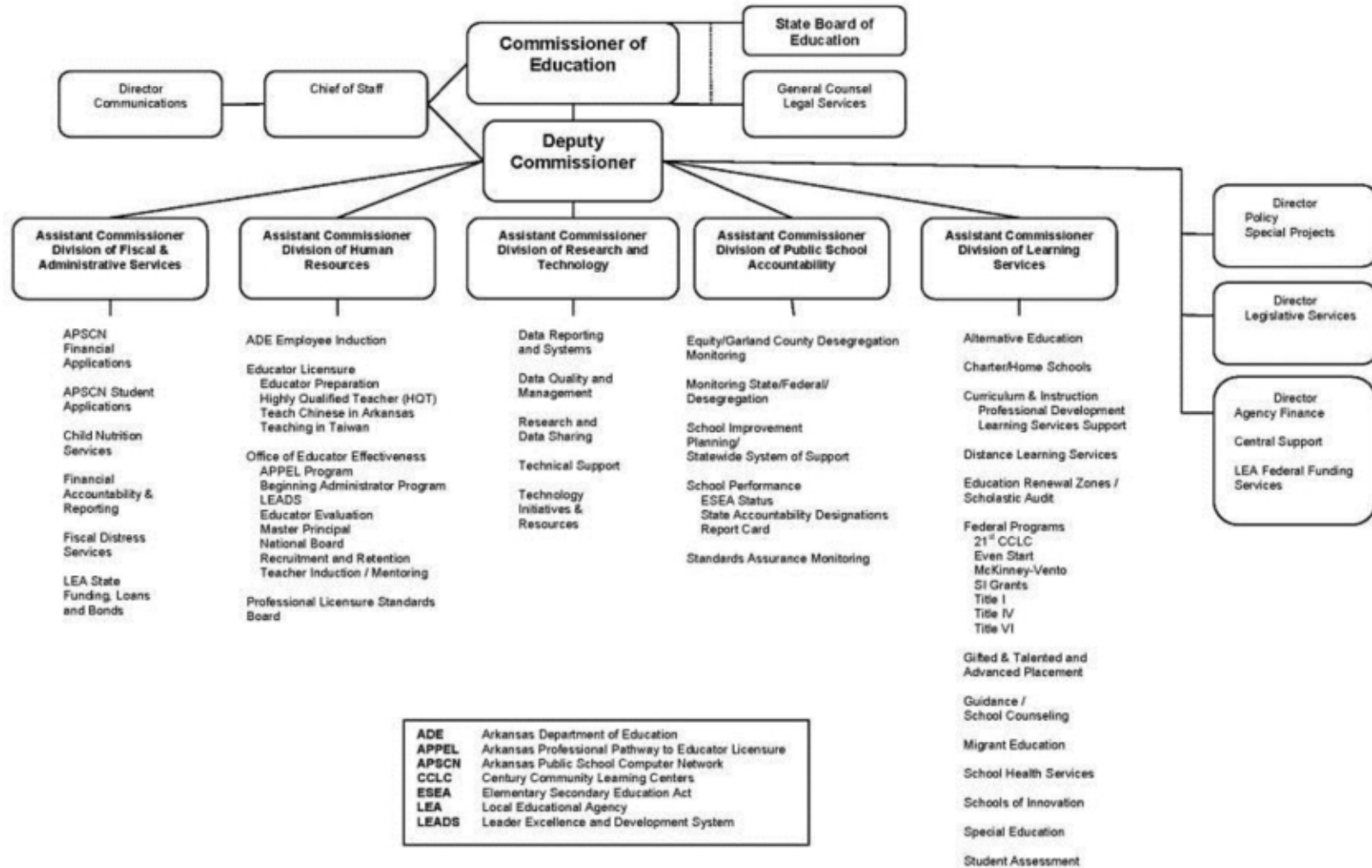
In 2014, the Arkansas General Assembly met in its third fiscal session and approved a \$5 billion state-funded budget (an increase of 2.1 percent) for fiscal year 2014-15. Elementary and secondary education will operate with 3.1 percent increase in state funds, to over \$2.1 billion. Most of this amount is state aid to school districts. Act 297 provided \$5 million for the Open Enrollment Public Charter School Facilities Loan Fund in 2013-14. Any unused funds at the end of the school year will roll over to 2014-15.

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."



Agency Commentary

GENERAL DIVISION 2015-2017 BIENNIAL BUDGET REQUEST

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

STATE OPERATIONS (620)

The State Operations appropriation provides the state funded support for 266 positions and associated operating expenses of the various units of the Arkansas Department of Education (ADE). 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 Academic Accountability and Division of Research and Technology.

The Base Level appropriation is \$23,577,841 in FY16 and \$23,587,052 in FY17. The Change Level requests are for restoration of four (4) Pool Positions that were established by the authority of Section 25 of Act 1310 of 2013. This same authority requires that if the agency requests the continuation of Pool Positions in the next fiscal year, it must request the positions as new positions. The Pool Positions being requested to continue include: four N908 ADE Special Advisor positions. The first position is necessary to fulfill the agency's growing information technology needs. This position leads the programming and development operations of the agency's core educational information systems, including: Statewide Information Systems, which collects both certified and uncertified data from school districts that is used for ad hoc data-driven decision making and web-based dashboards; ADE State Data Warehouse, which is a statewide, longitudinal repository of district certified data received since 2004 that is used for all forms of ad-hoc, state and federal reporting; Standards Annual Accreditation System, which enables the public to view school district accreditation reports and enables school districts to view data which forms the annual accreditation report; and Arkansas Educator Licensure System, which allows licensed educators to update their contact information and to view their license, license activity and all information accessible through the public view. Educators may also use the login to start a new application online, and the system has a public site which allows public access to educator licensure data. The second position is needed to handle the expansion of work involving Educator Effectiveness to lead the work with teacher evaluation, principal evaluation, superintendent evaluation, teacher mentoring and induction, administrator mentoring, National Board certified teachers, and teacher recruitment and retention. The third position is needed to handle the expansion of work involving Educator Licensure and Educator Preparation. The position ensures: that all licensure avenues, traditional and non-traditional routes, are implemented with the highest effectiveness; that all licensure avenues are resulting in educators that can produce college and career ready learners by ensuring that all licensure exams are appropriate for the respective position, and that all candidates applying for licensure meet requirements and background checks; and that there is more accountability for educator preparation programs by reporting data on all educator programs in the state and

providing the areas of need with support and interventions to improve the programs. The fourth position is needed to convert a current unclassified position to a classified position on the Professional and Executive Pay Plan. The position is for an ADE Deputy General Counsel. The ADE's legal services office maintains an extremely high workload, including: representing the ADE and the State Board of Education in state and federal court, before legislative committees and other state boards and commissions; addressing constituent complaints and legal questions from school district superintendents and educational leaders from across the state; researching and drafting legislation and rules/regulations related to education; and reviewing and approving Freedom of Information Act requests submitted to the ADE. Currently, the Legal Services office employs only four attorneys, including this position, to address all of the legal needs of the ADE. The General Counsel is often called away to legislative meetings, department leadership meetings, board meetings and court hearings. The Deputy General Counsel provides needed continuity of leadership and supervision in the absence of the General Counsel. The total change level request to restore these pool positions is \$436,620. Also, the base level appropriation for Extra Help of \$14,998 is not sufficient to meet ADE's needs. With eight Extra Help positions authorized, an appropriation of only \$14,998 allows for a total of approximately \$1,875 that can be spent per position. The ADE is requesting unfunded Extra Help appropriation to allow for the expenditure of up to \$20,000 per Extra Help position. This represents an increase of \$156,197 unfunded appropriation over base level per year. The ADE requests unfunded appropriation of \$100,000 to be added to the Professional Fees & Services line item due to increasing needs for curriculum frameworks meetings, scholastic audit training, and other projects for which the ADE needs to bring in experts to be of maximum benefit for school districts and charter schools. Unfunded appropriation in the grants line item is requested in the amount of \$413,830 to continue supporting programs affiliated with the National Math and Science Initiative to support the Advanced Placement Training and Incentive Program. Additionally, the ADE requests unfunded appropriation of \$100,000 each year for unforeseen Capital Outlay needs that may occur in the 2015-2017 biennium.

The ADE also requests reclassification of two positions. The first is 2207-7347 from a C122 Systems Analyst to a C126 ADE Systems Administrator. This change is necessary due to specialized skill sets that the incumbent of the position must possess, such as programming languages Microsoft C#.NET, VB.NET, ASP.NET, ASP.NET MVC, XHTML, SQL server, ADO.ET, and general relational database knowledge. The second position is 2208-2920, a C122 Systems Analyst to a C126 Systems Analyst. This change is necessary due to specialized skill sets that the incumbent of the position must possess, including Informix 4GL, Informix ESQL.C Genero Business Development Language, C#.Net.

PULASKI COUNTY DESEGREGATION CASE COST (35U)

In compliance with the settlement agreement approved on January 13, 2014 regarding state desegregation funding, all funds in this appropriation were disbursed to the parties named in the settlement during FY14. This appropriation is no longer needed.

VISION SCREENING AND CARE (35V)

This request is to restore appropriation based on the FY15 amount that was budgeted subsequent to the biennial budget request process. It is to support vision screenings for students in public schools and public charter schools, pursuant to ACA 6-18-1501

CHILD NUTRITION (637)

This program assists schools in making school breakfasts, lunches and snacks available to all school children and to encourage the domestic consumption of nutritious agricultural commodities. Federally-funded appropriation is requested for currently authorized position 2208-2883, which was not budgeted in the FY15 Annual Operations Plan. Subsequent to the FY15 budget process, it was determined that this position was needed in order to accommodate the increased work load due to Child Nutrition performance-based funding and community eligibility. Position 2208-2835, a grade C109 position, was also not budgeted in the FY15 budget process, but the position was subsequently filled. The ADE is requesting restoration of this position in the biennial budget, and is requesting that position 2208-2820, also a grade C109 position, be unbudgeted in the biennial budget. The total request for adding two previously unbudgeted positions and deleting one previously budgeted position is a net increase of \$26,188. The ADE also requests an increase in federally-funded appropriation of \$500,000 in the Operations line item, due to the continuation of the Meal Pattern Grant into FY16 and FY17, which provides federal funds for the Child Nutrition Unit to implement requirements of the Healthy, Hunger Free Kids Act of 2010. Funds from this grant are intended to allow state agencies to assist local program operators to improve the quality of school meals and ensure compliance with new regulations. MFG requests were done in FY14 and FY15 to begin implementation of the Meal Pattern Grant. The ADE is also requesting federally-funded appropriation of \$50,000 each year for unforeseen Capital Outlay needs of the Child Nutrition program that may occur in the 2015-2017 biennium. Additionally, the ADE is requested federally-funded appropriation in the amount of \$20,000,000 in the grants line item to accommodate increased participation in the performance based program and the community eligibility provision that uses information from other programs to allow schools that serve predominately low-income children to offer free school meals to all students.

FEDERAL ELEMENTARY & SECONDARY EDUCATION (650)

The Federal Elementary and Secondary Education appropriation provides federally-funded programs that meet a variety of needs within the Arkansas public school districts and charter schools. The ADE requests the restoration of two pool positions that were established by the authority of Section 25 of Act 1310 of 2013. This same authority requires that if the agency requests the continuation of a Pool Position in the next fiscal year, it must be requested as a new position. The Pool Positions being requested to continue are G012C ADE Assistant to Director, Grade C129 positions. The first Assistant to Director position is needed to ensure that the ADE complies with the United States Department of Education guidelines regarding the responsibilities under the Partnership for Assessment of Readiness for College and Careers. The position assists the Assistant Commissioner of Learning Services in overseeing Arkansas' involvement and contributions to PARCC/state assessments. This position is completely supported by federal dollars at no cost to the agency or the State of Arkansas. The second Assistant to Director position is needed to assist the Director of Federal Programs in duties related to implementing the requirements of the multi-million dollar 1003(g) school improvement grant. This position is completely supported by federal dollars at no cost to the agency or the State of Arkansas. The pool positions represent a total change level of \$170,273 per year of the biennium. Additionally, the ADE is requesting ARRA (federally funded) appropriation of \$400,000 for each year of the biennium to continue one ARRA program (PARCC); and federally funded appropriation of \$200,000 each year for unforeseen Capital Outlay needs for federal programs that may occur in the 2015-2017 biennium.

FEDERAL INDIRECT COST (435)

This appropriation funds the functions within ADE that support federal programs but that cannot be readily identified with a grant or project. Indirect cost functions benefit the agency as a whole rather than being assigned to a specific federal program. Funds are drawn down from

multiple federal grants quarterly using the USDE approved indirect cost rate of 12%, and deposited into the agency's indirect cost fund. The ADE requests an increase in unfunded appropriation in the Professional Fees line item to pay for increasing costs for single audits and compliance audits of federal programs that do not have adequate administrative funds to cover audit costs. The increase requested is \$200,000. This will be added to base level of \$60,000, for a total line item appropriation of \$260,000.

MULTIPLE GRANT AWARD PROGRAM (885)

The ADE receives grants and awards from private foundations or individuals for programs such as Teacher of the Year, Play it Again Arkansas, and Milken Educator Awards. Unfunded capital outlay appropriation in the amount of \$100,000 is requested to meet unforeseen capital outlay needs for private grant programs that may occur in the 2015-17 biennium. The multiple grant award program is a cash fund and has funding available to support this change level request.

PROFESSIONAL LICENSURE STANDARDS BOARD (56P)

The Professional Licensure Standards Board (PLSB) was created by Act 846 of 2007 (original act and amendments are codified at Ark. Code §§ 6-17-422 and 6-17-428). Pursuant to Ark. Code Ann. § 6-17-422, the Professional Licensure Standards Board develops minimum college level preparatory and grade point average requirements for all teachers. With the assistance of the Department of Education and the Department of Higher Education, the Board reviews the audits of the teacher education programs in the state to determine if the programs allow graduates to become licensed. The Board also maintains a code of ethics for administrators and teachers in educational environments for students in pre-kindergarten through grade 12. The Code of Ethics is administered by a five-member ethics subcommittee composed of PLSB members. The Code of Ethics is governed by Ark. Code Ann. § 6-17-428 and the administrative rules adopted by the State Board of Education set forth the procedures for receiving, considering, and investigating complaints regarding the unethical behavior of licensed school personnel. The Professional Licensure Standards Board makes recommendations for enforcement to the State Board of Education. PLSB requests an increase in unfunded appropriation in capital outlay in the amount of \$275,000. This request is necessary due to increasing reliance on technology for background checks and investigations. An increase in unfunded appropriation in the amount of \$50,000 in maintenance and operations is requested due to increasing costs associated with maintaining equipment. PLSB also requests an increase in the Grants and Aids line item in the amount of \$100,000 to have the ability to issue grants to institutions of higher education for the edTPA program, a pre-service assessment process designed to determine a new teacher's readiness for the job, and can be used as part of the teacher licensure process.

The PLSB is requesting two additional Senior Investigator (C123) positions. These positions are needed because the PLSB workload has increased significantly in recent years, and employees with higher skill sets are required to handle the laws and rules that govern the PLSB complaint process; the investigation of allegations of ethical violations by educators; the high degree of confidentiality required; the interviewing of children who may have been a victim of abuse, harassment, or injury perpetrated by an educator; and sensitive and complex investigations into alleged violations of the Code of Ethics for Arkansas Educators.

The PLSB requests the transfer of position 2208-3056 from the State Operations (620) appropriation to the PLSB (56P) appropriation. PLSB is requesting that the out-of-family crossgrade on this position be maintained at Managing Attorney, C129. The transfer is needed to provide the PLSB with an attorney with a high level of knowledge of the laws and rules that govern the PLSB complaint process.

The PLSB is also requesting the reclassification of the following positions: Position 2215-0720 is requested to be reclassified from a C109 Administrative Specialist II to a C112 Administrative Specialist III; Position 2214-8282 is requested to be reclassified from a C112 Administrative Specialist III to a C115 Administrative Analyst; and Position 22148279 is requested to be re-titled and upgraded from a C125 Education Chief Investigator to a C126 ADE PLSB Chief Investigator. The Administrative Specialist position reclassifications are needed to provide a higher level of office support functions to maintain the confidentiality and integrity of the handling of ethics complaints. The reclassification of the Chief Investigator position is needed in order to provide stronger leadership for the investigative unit in resolving issues with specific investigations and for the performance of subordinate investigators that is critical to the proper handling and resolution of ethics complaints, and the ultimate decision by the PLSB and State Board for sanctions on educators' licenses.

The PLSB appropriation is in a cash fund and has funding available to support these change level requests.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF EDUCATION
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

Findings Covering Programs Audited by Other External Auditors

U.S. Department of Agriculture

Finding Number: 13-500-01
State/Educational Agency(s): Arkansas Department of Education
CFDA Number(s) and Program Title(s): 10.553 - School Breakfast Program
 10.555 - National School Lunch Program
 10.559 - Summer Food Service Program for Children
 (Child Nutrition Cluster)
Federal Award Number(s): 2013IN109946
Federal Award Year(s): 2013

Recommendation:

We recommend the Agency strengthen controls to ensure proper review and approval of manual transactions. We also recommend the Agency adjust the 2012 and 2013 grant awards to properly reflect expenditures from each award. It may be necessary for the Agency to contact the federal awarding agency to assist with the adjustments.

Views of Responsible Officials and Planned Corrective Action:

As mentioned above, this error involved a manual payment outside of our usual automated process. The manual process in this instance was performed by the same person who both drew down the Federal funds and processed the payment document. We have since

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Compliance Requirement(s) Affected: **Period of Availability of Federal Funds**
Type of Finding: **Noncompliance**

Criteria:

In accordance with Title 34 § 80.23 and the A-102 Common Rule, federal awards may specify a time period during which the non-federal entity may use the federal funds. When a funding period is specified, a non-federal entity may charge to the award only costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the federal awarding agency. Also, if authorized by the federal program, unobligated balances may be carried over and charged for obligations of a subsequent funding period. "Obligation" means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the non-federal entity during the same or a future period.

Condition and Context:

We reviewed manual and adjusting entries related to program reimbursement claims. Our review revealed that expenditures from August and September 2012 totaling \$36,470 had been improperly drawn from the 2013 grant award for lunch meals. Funding for the 2013 grant begins on October 1, 2012. Therefore, these expenditures were obligated prior to the funding date and drawn outside the period of availability.

Questioned Costs:

\$36,470

Cause:

Agency grants and aid expenditures are identified by program and grant year through accounting funds, cost centers, and WBS elements in the Arkansas Administrative Statewide Information System (AASIS). The Agency utilizes a conversion program for electronically uploading the majority of reimbursement claims data from its TeraTerm Claims System into AASIS for payment. The TeraTerm System codes the claims data based on a two-digit numeric code that changes every year. Occasionally, a manual warrant is requested by program management for claims from a prior grant year and subsequently entered in AASIS in the Finance Office. The improper draw from the 2013 Child Nutrition grant award appears to have resulted from a coding error in the Agency Finance Office.

Effect:

Recommendations

split those duties so that the person drawing down the funds is a different person from the one processing the payment documents. The correcting adjustments have been made both in AASIS, and with the federal awarding agency.

Anticipated Completion Date: Complete

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Findings

The funds were drawn outside the period of availability.

U.S. Department of Agriculture (Continued)

Finding Number: 13-500-02
State/Educational Agency(s): Arkansas Department of Education
CFDA Number(s) and Program Title(s): 10.553 - School Breakfast Program
10.555 - National School Lunch Program
10.559 - Summer Food Service Program for Children
(Child Nutrition Cluster)
Federal Award Number(s): 2013IN109946
Federal Award Year(s): 2013
Compliance Requirement(s) Affected: Reporting
Type of Finding: Noncompliance and Significant Deficiency

Criteria:

In accordance with 7 CFR §§ 210.5(d)(1), 210.8(4), the FNS-10 Report of School Program Operations captures meals served under the National School Lunch Program (NSLP) and School Breakfast Program (SBP), as well as half-pints of milk served under the Special Milk Program for Children (SMP). The agency administering the NSLP, SBP, and SMP compiles the data gathered on its subrecipients' claims for reimbursement into monthly reports to its FNS regional office. A final report containing only actual participation data is due 90 days after the close of the report data. Revisions to the data presented in a 90-day report must be submitted by the last day of the quarter in which they are identified. However, the agency must immediately submit an amended report if, at any time following the submission of the 90-day report, identified changes to the data cause the agency's level of funding to change by more than (plus or minus) 0.5%.

Condition and Context:

The Agency failed to report revisions in its FNS-10 90-day reports during fiscal year 2013. The Agency's NSLP additional 6 cents performance-based reimbursement data were not reported in the 90-day reports until October 29, 2013, when control testing revealed the omission. The additional 6 cents expenditures during fiscal year 2013 for lunch meals served were \$1,432,517 or 0.89% of total program expenditures. This data change should have been reported immediately after the level of funding varied by more than 0.5%.

Recommendations

Recommendation:

We recommend the Agency strengthen controls to ensure required reports are properly reviewed, accurate, and submitted timely.

Views of Responsible Officials and Planned Corrective Action:

There were three or more revisions by the USDA in their lengthy guidance regarding the new 6 cents performance-based reimbursement reporting process. This significant change in the program, communications issues connected with the government shutdown, the retirement of our long-time Child Nutrition Program Director in August of 2013, and health problems by key personnel in the Child Nutrition Unit all contributed to our reporting delays. The problems that resulted in these reporting delays have been rectified, and controls are in place to ensure timely and accurate reporting in the future.

Anticipated Completion Date: Complete

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DIVISION OF LEGISLATIVE AUDIT
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Findings

Revisions to the October 2012 90-day report were also reported on October 29, 2013, which was after the last day of the quarter in which they were identified. ADE payments to School Food Authorities (SFA) for October - December 2012 NSLP claims of additional 6 cents were disbursed in February 2013.

Questioned Costs:

None

Cause:

The Agency has historically reported meals served in FNS-10 Reports of School Program Operations, which capture meals served under the NSLP and SBP and half-pints of milk served under the SMP from data obtained through the TeraTerm Claims System. However, the additional 6 cents performance-based reimbursement data only began in October 2012 and were not built into the TeraTerm Claims System for payment. Therefore, it appears that, during fiscal year 2013, controls were not implemented by the Agency to ensure inclusion of the additional 6 cents performance-based reimbursement data with the regular NSLP, SBP, and SMP data reported in the TeraTerm Claims System.

Effect:

The Agency's fiscal year 2013 NSLP additional 6 cents performance-based reimbursement data were not reported in its FNS-10 90-day reports until October 29, 2013, when control testing revealed the omission. ADE's additional 6 cents expenditures during fiscal year 2013 for lunch meals served were \$1,432,517 or 0.89% of total program expenditures. This information should have been reported immediately after the level of funding changed by more than 0.5% or submitted by the last day of the quarter in which they were identified.

U.S. Department of Education

Finding Number:

13-500-03

State/Educational Agency(s):

Arkansas Department of Education

CFDA Number(s) and Program Title(s):

84.027 - Special Education_Grants to States

**84.173 - Special Education_Preschool Grants
(Special Education Cluster)**

**84.391 - ARRA - Special Education, Grants to
States**

Recommendations

Recommendation:

We again recommend that knowledgeable Agency personnel adequately review, test, and approve allocation worksheets used to distribute federal funding to LEAs and that documentation supporting the allocation of grant awards be retained and readily available for audit purposes.

Views of Responsible Officials and Planned Corrective Action:

Following the previous audit finding in this regard, we assigned clear responsibility to an appropriate supervisor to review the allocation figures that are prepared by their employee.

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Findings	Recommendations
<p>Federal Award Number(s): H027A090018; H027A100018; H027A120018; H173A100021; H173A110021; H173A1200021; H391A090018</p> <p>Federal Award Year(s): 2010, 2011, 2012, and 2013</p> <p>Compliance Requirement(s) Affected: Matching, Level of Effort, Earmarking</p> <p>Type of Finding: Material Weakness</p> <p>Criteria: As noted in OMB Circular A-133 § 300(b), the auditee shall maintain internal control over federal programs that provides reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its federal programs. Also, 34 CFR § 300.705 requires the agency to allocate any funds under the Special Education program that the State Education Agency (SEA) does not retain for administration and other state-level activities to eligible Local Education Agencies (LEAs) in accordance with program guidelines.</p> <p>Condition and Context: The methodologies and formulas to be implemented for the allocation and distribution of Special Education funds to the LEAs are very complex. One employee at the Agency is responsible for the allocation of these funds, but there is no review of the allocations by another knowledgeable individual. Additionally, information and documentation to support the allocations and distributions were not readily available for audit purposes.</p> <p>Questioned Costs: Unknown</p> <p>Cause: The Agency did not establish internal controls to adequately review and ensure that Special Education calculations and allocations were in accordance with program requirements or that supporting documentation was retained and readily available.</p> <p>Effect: Inappropriate allocations could result in an improper payment to an LEA.</p>	<p>The supervisor was also instructed to acknowledge in writing that the review had been performed, that any errors identified had been corrected, and to ensure all information and documentation regarding the allocations and distributions of Special Education funds were readily available for audit purposes. This supervisor failed to perform these assignments, and we failed to follow-up to ensure we received the written acknowledgements of their completion. We are taking appropriate personnel actions to rectify this breakdown in controls and apologize for our oversight.</p> <p>Contact Person: Ron Byrns Controller Department of Education 4 Capitol Mall, Room 204A Little Rock, AR 72201 (501) 683-4740 Ron.Byrns@Arkansas.gov</p>

DIVISION OF LEGISLATIVE AUDIT
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Findings

Recommendations

U.S. Department of Education (Continued)

Finding Number: 13-500-04
State/Educational Agency(s): Arkansas Department of Education
CFDA Number(s) and Program Title(s): 84.367 - Improving Teacher Quality State Grants
Federal Award Number(s): S367A100004; S367A110004; S367A120004
Federal Award Year(s): 2011, 2012, and 2013
Compliance Requirement(s) Affected: Cash Management; Eligibility; Matching, Level of Effort, Earmarking; Period of Availability of Federal Funds; Reporting
Type of Finding: Material Weakness

Criteria:

As noted in OMB Circular A-133 § 300(b), the auditee shall maintain internal control over federal programs that provides reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its federal programs.

Condition and Context:

The Agency failed to properly design and maintain internal controls related to the administration of the above-noted federal grant awards. There were no known instances of noncompliance. However, the Agency's failure to identify risk, verify distribution calculations, and review program activities during the year under audit decreases the likelihood that errors or instances of noncompliance would have been prevented, detected, or corrected timely.

Questioned Costs:

None

Cause:

The Agency experienced turnover among management and other key positions over the last few years and did not establish strong controls to assess risk, monitor and document the review of employee activities, or perform independent reviews of calculations.

Recommendation:

We recommend the Agency review program requirements, assess risk, and design controls that would mitigate to a relatively low level the risk of noncompliance with program requirements.

Views of Responsible Officials and Planned Corrective Action:

We recognized this weakness and had been implementing corrective action before the finding was written. We have moved this function directly under our Finance Office and have conducted two rounds of interviews in an attempt to fill the position with a well-qualified candidate. We have also implemented procedures where review and approval of all grant payments are obtained from the responsible program area. Additionally, we are updating calculation processes to enable effective supervisory monitoring and review.

Anticipated Completion Date: We hope to have a person hired and in place by June 30, 2014. At that point we plan to implement further controls, including redundant processes that will help to ensure data integrity. We hope to complete all training and development and achieve full implementation by June 30, 2015.

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Findings

Recommendations

Effect:

Errors in the calculations related to federal awards to subrecipients could result in improper distributions or amounts required to be reported to federal agencies. Additionally, a lack of oversight could cause the Agency to err in the timing of its acquisition or use of federal funds.

Performance Audit Findings

DEPARTMENT OF EDUCATION

Findings and Conclusions:

Review of Arkansas Medicaid Program School Services and Reimbursements

Arkansas Department of Education (ADE)

Review Period: July 1, 2012 - June 30, 2013

Report Issued: June 6, 2014

Findings and Conclusions:

- School districts tested by DLA
 - Did not maintain adequate documentation to support reimbursement requests or request reimbursement for all Medicaid-eligible services provided.
 - Did not deliver services as prescribed by physicians, although the services were deemed medically-necessary.
 - Did not obtain consent forms from non-Medicaid parents for release of hearing and vision screening information to Medicaid in the Schools (MITS) for determination of Medicaid eligibility and reimbursement, which may constitute a violation of the Family Educational Rights and Privacy Act (FERPA).
 - Were not in compliance with the federal "free care" principle because they did not seek reimbursement from private insurance for covered students.
 - Did not maintain therapists' active qualification information. In numerous instances, therapist qualifications on file with the district had been expired for several years. Also, districts did not maintain adequate documentation that all personnel providing Medicaid services had undergone the required criminal background and child maltreatment checks.
- A Southeast Arkansas Education Service Cooperative (SEARK) employee who served as MITS director until January 2013 was associated with the Individual Student Educational Plan (ISEP) since its inception in 2008 until he resigned from employment with SEARK in January 2013. This relationship between a SEARK employee and ISEP may conflict with ethical guidelines found in Ark. Code Ann. § 6-24-107.

Recommendations:

- ADE should assist school districts in developing or strengthening internal controls over the Medicaid reimbursement process.
- ADE should develop policies and procedures to ensure delivery of Medicaid services to Arkansas students as prescribed.
- ADE should propose to school districts that student handbooks be modified to require parental consent to release information regarding hearing and vision screenings for Medicaid reimbursement purposes to ensure that FERPA standards are not violated.
- ADE should collaborate with school districts to develop policies to comply with the "free care" principle.
- ADE should develop policies and procedures for reviewing and monitoring MITS activities.
- ADE should ensure that employees involved with MITS comply with ethics laws.

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

None

Employment Summary

	Male	Female	Total	%
White Employees	84	184	268	69 %
Black Employees	23	84	107	28 %
Other Racial Minorities	6	5	11	3 %
Total Minorities			118	31 %
Total Employees			386	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				
Academic Support Centers - Report regarding the Establishment of Academic Support Centers and their Effectiveness	A.C.A. §6-13-1612	N	Y	75	Required by Law to the House and Senate Committees on Education	80	7.20
ADE & ADH shall jointly report progress in implementing nutrition and physical education standards	A.C.A. §20-7-135	N	N	4	Required by Law to the Chairs of the House & Senate Committees on Public Health, Welfare, and Labor and the House and Senate Committees on Education	8	0.72
ALE Status Report	A.C.A. §6-48-104(d)	N	Y	75	Required by Law to the Senate Committee on Education and the House Committee on Education	80	0.72
Annual Results of Statewide Assessment Program	A.C.A. §6-15-2101(a)(1)	N	N	100	Required by law to make hard copies available to parents upon request.	0	0.00
Annual Statistical Report	HCR 58 of 1961	Y	N	700	Required by Resolution	0	0.00
Approved digital learning providers listing	Act 1280 of 2013	N	Y	75	Required by Law by the House and Senate Committees on Education.	240	2.16
Arkansas Advisory Council for the Education of Gifted and Talented Children	A.C.A. §6-42-104(h)(4)(A)	Y	Y	7	Required by law to the Governor, General Assembly, State Board of Education, the Commissioner and the news media	290	2.61
Arkansas Commission on Eye & Vision Care of School Age Children	A.C.A. 6-18-1803(b)	Y	Y	105	Required by Law to the Governor, Legislative Council, House and Senate Committees on Public Health, Welfare and Labor	388	3.49
Arkansas Title II State Report	Title II Sec 207 & 208 Higher Education Act	Y	Y	5	Federal Mandate to Publish	0	0.00
Arkansas Youth at Risk Survey	CDC, DASH	N	N	1,500	School districts for prevention programming and writing grants	0	0.00

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				
Assessment of Educational Progress of Students from Districts Consolidated/ Annexed under Act 60	A.C.A. §6-13-1606(d)	Y	Y	105	Required by Law to the Governor, Chairs of the House and Senate Committees on Education and the Secretary of Legislative Council	8	0.72
Average Teacher Salary	Act 293 of 2014 §30, Special Language	N	Y	75	Required by Law to the House and Senate Interim Committees on Education	0	0.00
Best Financial Management Practices Review	A.C.A. §6-15-2301(k)(2)(A)	N	Y	58	Required by Law to the Arkansas Legislative Council	232	62.64
Changes in the calculation of state aid to public school districts	A.C.A. §10-3-1405(d)(2)	N	N	1	Required by Law to the Office of Economic & Tax Policy	0	0.00
Comprehensive study of service providers on methods for establishing and maintaining infrastructure and bandwidth to deliver quality digital learning environment in each school district/public charter	A.C.A. 6-16-1403(b)(1)	N	Y	75	Required by Law to the House and Senate Committees on Education. Required no later than June 1 of each year.	0	0.00
Evaluation of the Pilot Program for Mobile Learning Technology in Public Schools	A.C.A. §6-19-124(g)(1)	N	Y	75	Required by Law to the House and Senate Committees on Education	150	40.50
Findings and recommendations as a result of study regarding education and assistance of students physically unable to attend school	Act 1182 of 2013	N	Y	75	Required by Law by the House and Senate Committees on Education.	80	18.00
Free Textbook Act Compliance Report	A.C.A. §6-21-403(d)	N	Y	75	Required by Law to the House and Senate Committees on Education	0	0.00
Grade Inflation Report	A.C.A. §6-15-421(d)(2)(A)	N	Y	130	Required by Law to the state board and General Assembly	286	2.57

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				
Impact of National School Lunch students categorical funding provided under A.C.A. §6-20-2305(b)(4) on closing the achievement gap	A.C.A. §6-20-2305(b)(4)(E)	N	Y	75	Required by Law to the House and Senate Committees on Education	40	1.80
Impending Layoff Report	A.C.A. §21-12-504(a)	N	N	60	Required by Law to the Arkansas Legislative Council & the Office of Personnel Management of the Division of Management Services of DFA	0	0.00
Individual Schools Annual Improvement & Performance Category Level Designations & Ratings	A.C.A. §6-15-2105(b)(1)	N	N	100	Required by Law to be published on ADE website and available in printed form upon request.	0	0.00
Justification for the Need to Allocate Titles from Growth Pool Positions	Act 291 of 2014, §25, Special Language	N	Y	41	Required by Law to the Chief Fiscal Officer of the State and the Legislative Council	448	4.03
Lifetime Teaching License Compliance Report	A.C.A. §6-17-2606	N	Y	135	Required by Law to the General Assembly	268	24.12
List of all contracts in excess of \$50,000 awarded to minority-owned businesses	A.C.A. §25-36-104(c)(1)	N	Y	58	Required by Law to the Governor and Co-Chairs of the Arkansas Legislative Council, and to the Legislative Joint Auditing Committee and the Minority Business Advisory Council.	0	0.00
List of all financial accountability reports and due dates	A.C.A. §6-20-2202(e)(1)	N	N	255	Required by Law to school districts	0	0.00
List of reports of noncompliance following school district audit	A.C.A. §6-13-635	N	Y	75	Required by Law by the House and Senate Committees on Education.	80	0.72
Net maximum number of school choice transfers for the current school year	A.C.A. §6-18-1906(c)(2)	N	N	255	Required by Law to each school district.	80	7.20

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				
Position Vacancy Report	A.C.A. §19-4-609(1)(2)	N	N	1	Required by Law to the Bureau of Legislative Research	0	0.00
Progress Report on Equal Employment Hiring	A.C.A. §21-3-101(b)(1)	N	Y	58	Required by Law to the Arkansas Legislative Council	112	1.01
Progress Report on implementation of Pulaski County School Desegregation Case Settlement Agreement	A.C.A. §10-3-1504(c)	N	Y	75	Required by Law to the House & Senate Committees on Education	8	2.88
Public School and Public School District expenditures required by law	A.C.A. §6-20-2208(d)(4)	Y	Y	105	Required by law to the Governor, the Senate Interim Committee on Education and the House Interim Committee on Education	82	288.56
Public School Student Access to Postsecondary Preparatory Programs Reports	A.C.A. §6-16-601(d)(2)(C), A.C.A. §6-15-441(e)	N	Y	75	Required by law to the House Committee on Education and the Senate Committee on Education	0	0.00
Pulaski County Desegregation Case Settlement Agreement and any future desegregation litigation involving the State of Arkansas	A.C.A. §10-3-1504(a)	N	Y	10	Required by Law to the Desegregation Litigation Oversight Subcommittee	80	7.20
Report of the whole child - whole community recognition working group	Act 1326 of 2013	N	Y	75	Required by Law to the House and Senate Committees on Education and Arkansas Legislative Council.	0	0.00
Report on implementation and availability of Automatic External Defibrillators on each campus	A.C.A. §6-10-122(c)	N	Y	6	Required by Law to the Senate and House Committees on Public Health, Welfare and Labor	80	0.72
Results of Required Examination	A.C.A. §6-15-404	N	N	1,000	Required by Law	0	0.00

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

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		Governor	General Assembly				
Results of statewide assessment program which describe student achievement in the state, each school district, each school as well as the school performance category level	A.C.A. §6-15-2101(a)(1) Act 1429 of 2013	N	N	100	Required by Law to make hard copies available to parents upon request.	0	0.00
Review of Arkansas Academic Content Standards and Curriculum Frameworks	A.C.A. §6-15-1504(a) and (c)	N	N	10	Required by Law	18	1.62
Review of school districts under state authority	A.C.A. 6-13-112	N	Y	135	Required by Law to each member of the General Assembly who represents an area in which the school district is located.	0	0.00
Revision of Arkansas History Course Guidelines	A.C.A. §6-16-124(b)(2)	N	Y	75	Required by Law to the House and Senate Committees on Education	80	14.40
Rules Regarding Physical Education or Physical Activity Standards for Grades Kindergarten through Grade 12 (K-12) developed pursuant to this section	A.C.A. §6-16-132(f)	N	Y	75	Required by Law to the House and Senate Interim Committees on Education	0	0.00
School Choice Report	A.C.A. §6-18-227(f) Act 1138 of 2013	Y	Y	75	Required by Law to the State Board of Education, Governor and Arkansas Legislative Council	65	2.93
School Districts Textbook Requirements to include digital resources compliance report	A.C.A. §6-21-403(d)(2)	Y	Y	134	Required by law to the Governor, the Arkansas Legislative Council, the House and Senate	0	0.00
School Performance Reports	A.C.A. §6-15-1402	N	Y	100	Required by law to the House Committee on Education and the Senate Committee on Education. Required by law to be published on ADE website.	80	4700.00

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				
School's annual improvement and performance category level designations and ratings	A.C.A. §6-15-2105(b)(1)	N	N	450,000	Required by Law on ADE's Website and to parents and guardians of students K-12	0	0.00
Standards of Accreditation	A.C.A. §6-15-202(d)	N	Y	75	Required by Law to the House and Senate Committees on Education	40	1.80
Status of Open-Enrollment Public Charter School Programs	A.C.A. §6-23-310	N	Y	135	Required by Law to the General Assembly each biennium and to the General Assembly and to the House and Senate Committees on Education during the interim	134	6.03
Student Services Status Report	A.C.A. §6-18-1007(a)	Y	Y	50	Required by Law to the Governor, State Board of Education, the Senate Committee on Education and the House Committee on Education.	100	4.50
Teacher Recruitment Publications	A.C.A. §6-17-310	N	N	100	Required by law	0	0.00
The state of the Division of Youth Services system of education	A.C.A. §9-28-205(f) (Act 972 of 2009)	N	Y	42	Required by Law from DHS and ADE to the House Committee on Aging, Children and Youth, Legislative and Military Affairs and the Senate Intirim Committee on Children and Youth	80	0.72
The use of NSLA state categorical funding and the status of chronically underperforming schools	A.C.A. §6-15-2701(c)(3)	N	Y	75	Required by Law to the House and Senate Committees on Education	80	7.20

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1XY Fish/Wildlife Conservation	632,088	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0
2DD Conference-Treasury	174,430	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
35U Pulaski County Deseg Case Costs	803,976	0	894,671	0	894,671	0	894,671	0	0	0	0	0	894,671	0	0	0	0	0
35V Vision Screening Program	0	0	0	0	1,000,000	0	0	0	5,508	0	5,508	0	0	0	5,508	0	5,508	0
435 Federal Grants Administration	744,151	10	741,065	7	713,897	7	745,942	7	945,942	7	945,942	7	746,794	7	946,794	7	946,794	7
4HF Medicaid Adm-Cash in Treasury	14,999,788	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	1,016,665	9	862,937	10	899,154	10	867,849	10	1,520,755	13	1,520,755	13	868,701	10	1,521,607	13	1,521,607	13
620 State Operations	21,753,906	257	23,827,366	266	24,794,455	269	23,577,841	262	24,692,988	265	24,692,988	265	23,587,052	262	24,702,199	265	24,702,199	265
630 Building Maintenance	0	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	211,177	1	13,096,608	1	13,097,512	1	13,097,234	1	13,097,234	1	13,097,234	1	13,097,234	1	13,097,234	1	13,097,234	1
637 Child Nutrition	167,591,382	22	168,062,676	19	167,677,799	19	167,604,448	19	188,231,036	20	188,231,036	20	167,605,308	19	188,231,896	20	188,231,896	20
650 Fed Elem & Sec Education	349,326,405	53	524,319,017	53	559,201,832	53	523,375,206	51	524,145,479	53	524,145,479	53	523,376,309	51	524,146,582	53	524,146,582	53
85J Open Enrollment Charter School Closure	0	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
885 Multiple Grant Award Program	829,371	0	2,626,375	0	2,626,375	0	2,626,375	0	2,726,375	0	2,726,375	0	2,626,375	0	2,726,375	0	2,726,375	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	537,941	0	1,349,212	0	1,349,212	0	1,349,212	0	1,349,212	0	1,349,212	0	1,349,212	0	1,349,212	0	1,349,212	0
Total	558,621,280	352	757,865,427	356	794,340,407	359	756,224,278	350	778,800,029	359	778,800,029	359	756,237,156	350	778,812,907	359	778,812,907	359

Funding Sources			%		%		%		%		%		%		%		%		
Fund Balance	4000005	32,306,565	5.5	31,633,755	4.0			31,643,288	4.0	31,643,288	3.9	31,643,288	3.9	32,260,144	4.1	30,831,703	3.8	30,486,583	3.8
General Revenue	4000010	16,578,345	2.8	16,587,878	2.1			16,328,820	2.1	16,673,940	2.1	16,328,820	2.0	16,338,031	2.1	16,683,151	2.1	16,338,031	2.0
Federal Revenue	4000020	517,661,938	87.7	693,122,758	87.8			691,725,596	87.8	713,322,457	88.1	713,322,457	88.1	691,728,411	87.8	713,325,272	88.2	713,325,272	88.3
Cash Fund	4000045	21,701,583	3.7	26,424,024	3.3			27,045,792	3.4	27,145,792	3.4	27,145,792	3.4	27,046,644	3.4	27,146,644	3.4	27,146,644	3.4
Trust Fund	4000050	1,097,813	0.2	13,596,608	1.7			13,597,234	1.7	13,597,234	1.7	13,597,234	1.7	13,597,234	1.7	13,597,234	1.7	13,597,234	1.7
Educational Adequacy Fund	4000210	6,266,222	1.1	6,266,222	0.8			6,266,222	0.8	6,266,222	0.8	6,266,222	0.8	6,266,222	0.8	6,266,222	0.8	6,266,222	0.8
Educational Excellence Fund	4000220	955,791	0.2	982,799	0.1			982,799	0.1	982,799	0.1	982,799	0.1	982,799	0.1	982,799	0.1	982,799	0.1
Interest	4000300	188,788	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	(44,635)	0.0	894,671	0.1			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	21,935	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Adjustments	4000345	54,817	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer frm General Education	4000535	(411,215)	(0.1)	0	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	(6,122,912)	(1.0)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		590,255,035	100.0	789,508,715	100.0			787,589,751	100.0	809,631,732	100.0	809,286,612	100.0	788,219,485	100.0	808,833,025	100.0	808,142,785	100.0
Excess Appropriation/(Funding)		(31,633,755)		(31,643,288)				(31,365,473)		(30,831,703)		(30,486,583)		(31,982,329)		(30,020,118)		(29,329,878)	
Grand Total		558,621,280		757,865,427				756,224,278		778,800,029		778,800,029		756,237,156		778,812,907		778,812,907	

FY15 Budget exceeds the authorized amount in Federal Grants Administration (435) due to salary adjustments during the 2013-2015 Biennium.
 FY15 Budget exceeds the authorized amount in Child Nutrition (637) due to a transfer from the Miscellaneous Federal Grant Holding Account.
 Variance in Fund Balance is due to unfunded appropriation.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
357	303	52	355	2	15.13 %	356	312	44	356	0	12.36 %	356	314	42	356	0	11.80 %

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 serve as the pass through Agency for distributing the funds from the Commission to the counties.

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

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			2015-2016			2016-2017		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	632,088	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Total	632,088	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Funding Sources									
Cash Fund 4000045	632,088	800,000		800,000	800,000	800,000	800,000	800,000	800,000
Total Funding	632,088	800,000		800,000	800,000	800,000	800,000	800,000	800,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	632,088	800,000		800,000	800,000	800,000	800,000	800,000	800,000

Analysis of Budget Request

Appropriation: 2DD - Conference-Treasury

Funding Sources: NED-Cash in Treasury

This appropriation is used to pay expenses of conferences sponsored by the Department. Funding is provided from registration fees charged to participants.

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

The Executive Recommendation provides for the 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	166,988	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Conference & Travel Expenses	5050009	4,192	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	3,250	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
Total		174,430	475,000	475,000	475,000	475,000	475,000	475,000	475,000	475,000
Funding Sources										
Fund Balance	4000005	632,741	641,447		641,447	641,447	641,447	641,447	641,447	641,447
Cash Fund	4000045	183,136	475,000		475,000	475,000	475,000	475,000	475,000	475,000
Total Funding		815,877	1,116,447		1,116,447	1,116,447	1,116,447	1,116,447	1,116,447	1,116,447
Excess Appropriation/(Funding)		(641,447)	(641,447)		(641,447)	(641,447)	(641,447)	(641,447)	(641,447)	(641,447)
Grand Total		174,430	475,000		475,000	475,000	475,000	475,000	475,000	475,000

Analysis of Budget Request

Appropriation: 35U - Pulaski County Deseg Case Costs

Funding Sources: EGA - Department of Education-State Operations

This program, established in Act 395 of 2007, allows for the Department of Education, in consultation with the Attorney General to have the authority to enter into agreements with the three (3) Pulaski County school districts to reimburse the school districts for legal fees incurred for seeking unitary status. To be eligible for possible reimbursement for legal fees, the school districts were to file motions seeking unitary status no later than October 30, 2007 and the school districts must be declared unitary or at least partially unitary by the federal district court no later than December 31, 2009 (A.C.A. 6-20-416).

In compliance with the settlement agreement approved on January 13, 2014 regarding state desegregation funding, all funds in this appropriation were disbursed to the parties named in the settlement during FY14.

The Agency Request is to decrease the remaining appropriation.

The Executive Recommendation provides for the Agency Request.

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	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Pulaski County Deseg Case Cost: 5900046	803,976	894,671	894,671	894,671	0	0	894,671	0	0
Total	803,976	894,671	894,671	894,671	0	0	894,671	0	0
Funding Sources									
Fund Balance 4000005	848,611	0		0	0	0	0	0	0
Intra-agency Fund Transfer 4000317	(44,635)	894,671		0	0	0	0	0	0
Total Funding	803,976	894,671		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		894,671	0	0	894,671	0	0
Grand Total	803,976	894,671		894,671	0	0	894,671	0	0

Expenditure of appropriation is contingent upon available funding carried forward from the previous fiscal year.

Change Level by Appropriation

Appropriation: 35U - Pulaski County Deseg Case Costs
Funding Sources: EGA - Department of Education-State Operations

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	894,671	0	894,671	100.0	894,671	0	894,671	100.0
C03	Discontinue Program	(894,671)	0	0	0.0	(894,671)	0	0	0.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	894,671	0	894,671	100.0	894,671	0	894,671	100.0
C03	Discontinue Program	(894,671)	0	0	0.0	(894,671)	0	0	0.0

Justification

C03	In compliance with the settlement agreement approved on January 13, 2014 regarding state desegregation funding, all funds in this appropriation were disbursed to the parties named in the settlement during FY14.
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**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015**

Agency: Education Department-General Education

Program: Pulaski County Deseg Case Costs

Act #: 1310 Section(s) #: 28

Estimated Carry Forward Amount \$ 894,671.00 Funding Source: General Revenue

Accounting Information:

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

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

Justification for carry forward of fund balance:

Section 28 of Act 1310 of 2013 requires the Department of Education to utilize any unexpended balance of funds transferred to the Department of Education in the 2007-2009 biennium for the purpose of providing funds for the Pulaski County Desegregation Case Costs incurred by the Department of Education and the three (3) Pulaski County School Districts to comply with the provisions of Arkansas Code 6-20-415 and 6-20-416.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

In compliance with the settlement agreement approved on January 13, 2014 regarding state desegregation funding, all funds in this appropriation were disbursed to the parties named in the settlement during FY14.

Mr. Tony Wood
Commissioner of Education

08-11-2014
Date

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 Agency requests a Change Level of \$5,508 appropriation to restore appropriation.

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			2015-2016			2016-2017		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Vision Screening and Care 5900046	0	0	1,000,000	0	5,508	5,508	0	5,508	5,508
Total	0	0	1,000,000	0	5,508	5,508	0	5,508	5,508
Funding Sources									
Fund Balance 4000005	5,508	5,508		5,508	5,508	5,508	5,508	0	0
Total Funding	5,508	5,508		5,508	5,508	5,508	5,508	0	0
Excess Appropriation/(Funding)	(5,508)	(5,508)		(5,508)	0	0	(5,508)	5,508	5,508
Grand Total	0	0		0	5,508	5,508	0	5,508	5,508

Expenditure of appropriation is contingent upon available funding carried forward from the previous fiscal year.

Change Level by Appropriation

Appropriation: 35V - Vision Screening Program
Funding Sources: SCV - School Age Child Eyecare

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
C01	Existing Program	5,508	0	5,508	100.0	5,508	0	5,508	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
C01	Existing Program	5,508	0	5,508	100.0	5,508	0	5,508	100.0

Justification

C01	This request is to restore appropriation based on the FY15 amount that was budgeted subsequent to the biennial budget request process. It is to support vision screenings for students in public schools and public charter schools, pursuant to ACA 6-18-1501.								
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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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Bases level salaries will not include Merit Pay Increases.

The Base Level Request is \$745,945 in FY16 and \$746,794 in FY17.

The Agency Change Level provides for Professional Fees of \$200,000 each year for increasing costs associated with audits of federal programs.

The Executive Recommendation provides for the 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	380,532	474,025	443,936	477,341	477,341	477,341	478,041	478,041	478,041
#Positions		10	7	7	7	7	7	7	7	7
Personal Services Matching	5010003	113,149	137,398	140,319	138,959	138,959	138,959	139,111	139,111	139,111
Operating Expenses	5020002	13,124	49,970	49,970	49,970	49,970	49,970	49,970	49,970	49,970
Conference & Travel Expenses	5050009	0	19,672	19,672	19,672	19,672	19,672	19,672	19,672	19,672
Professional Fees	5060010	237,346	60,000	60,000	60,000	260,000	260,000	60,000	260,000	260,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		744,151	741,065	713,897	745,942	945,942	945,942	746,794	946,794	946,794
Funding Sources										
Federal Revenue	4000020	744,151	741,065		745,942	945,942	945,942	746,794	946,794	946,794
Total Funding		744,151	741,065		745,942	945,942	945,942	746,794	946,794	946,794
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		744,151	741,065		745,942	945,942	945,942	746,794	946,794	946,794

FY15 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 435 - Federal Grants Administration
Funding Sources: FHA - Federal Indirect Costs

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	745,942	7	745,942	100.0	746,794	7	746,794	100.0
C01	Existing Program	200,000	0	945,942	126.8	200,000	0	946,794	126.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	745,942	7	745,942	100.0	746,794	7	746,794	100.0
C01	Existing Program	200,000	0	945,942	126.8	200,000	0	946,794	126.8

Justification

C01	This appropriation funds the functions within ADE that support federal programs but that cannot be readily identified with a grant or project. Indirect cost functions benefit the agency as a whole rather than being assigned to a specific federal program. Funds are drawn down from multiple federal grants quarterly using the USDE approved indirect cost rate of 12%, and deposited into the agency's indirect cost fund. The ADE requests an increase in appropriation in the Professional Fees line item to pay for increasing costs for single audits and compliance audits of federal programs that do not have adequate administrative funds to cover audit costs. The increase requested is \$200,000. This will be added to base level of \$60,000, for a total line item appropriation of \$260,000.
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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.

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

The Executive Recommendation provides for the Agency Request.

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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
AR Medicaid Admin Claims	5900046	14,999,788	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		14,999,788	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources										
Fund Balance	4000005	3,426,760	1,063,952		1,063,952	1,063,952	1,063,952	1,063,952	1,063,952	1,063,952
Cash Fund	4000045	12,636,980	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total Funding		16,063,740	16,063,952		16,063,952	16,063,952	16,063,952	16,063,952	16,063,952	16,063,952
Excess Appropriation/(Funding)		(1,063,952)	(1,063,952)		(1,063,952)	(1,063,952)	(1,063,952)	(1,063,952)	(1,063,952)	(1,063,952)
Grand Total		14,999,788	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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

The Base Level Request is \$867,849 in FY16 and \$868,701 in FY17.

The Agency's Change Level request for each year is \$652,906 as follows:

- Regular Salaries and Personal Services Matching of \$227,906 for a transfer from State Operations (620), a position upgrade, and two new investigator positions.
- Operating Expenses of \$50,000 for increased cost of equipment maintenance.
- Grants and Aid of \$100,000 to issue grants to institutions of higher education for the edTPA program.
- Capital Outlay of \$275,000 for increases related to background checks and investigations.

The Executive Recommendation provides for the 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		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	329,869	384,412	407,044	387,462	562,277	562,277	388,162	562,977	562,977
#Positions		9	10	10	10	13	13	10	13	13
Personal Services Matching	5010003	121,090	132,695	146,280	134,557	187,648	187,648	134,709	187,800	187,800
Operating Expenses	5020002	318,323	326,325	326,325	326,325	376,325	376,325	326,325	376,325	376,325
Conference & Travel Expenses	5050009	9,882	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	1,692	9,505	9,505	9,505	9,505	9,505	9,505	9,505	9,505
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	100,000	100,000	0	100,000	100,000
Capital Outlay	5120011	235,809	0	0	0	275,000	275,000	0	275,000	275,000
Total		1,016,665	862,937	899,154	867,849	1,520,755	1,520,755	868,701	1,521,607	1,521,607
Funding Sources										
Fund Balance	4000005	2,267,190	2,036,258		2,036,258	2,036,258	2,036,258	2,653,114	2,000,208	2,000,208
Cash Fund	4000045	785,733	862,937		1,484,705	1,484,705	1,484,705	1,485,557	1,485,557	1,485,557
Total Funding		3,052,923	2,899,195		3,520,963	3,520,963	3,520,963	4,138,671	3,485,765	3,485,765
Excess Appropriation/(Funding)		(2,036,258)	(2,036,258)		(2,653,114)	(2,000,208)	(2,000,208)	(3,269,970)	(1,964,158)	(1,964,158)
Grand Total		1,016,665	862,937		867,849	1,520,755	1,520,755	868,701	1,521,607	1,521,607

Change Level by Appropriation

Appropriation: 56P - Professional Licensure Standards Board
Funding Sources: NED - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	867,849	10	867,849	100.0	868,701	10	868,701	100.0
C01	Existing Program	540,288	2	1,408,137	162.3	540,288	2	1,408,989	162.2
C07	Agency Transfer	111,583	1	1,519,720	175.1	111,583	1	1,520,572	175.0
C10	Reclass	0	0	1,519,720	175.1	0	0	1,520,572	175.0
C11	Upgrade/Downgrade	1,035	0	1,520,755	175.2	1,035	0	1,521,607	175.2
C14	Title Change	0	0	1,520,755	175.2	0	0	1,521,607	175.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	867,849	10	867,849	100.0	868,701	10	868,701	100.0
C01	Existing Program	540,288	2	1,408,137	162.3	540,288	2	1,408,989	162.2
C07	Agency Transfer	111,583	1	1,519,720	175.1	111,583	1	1,520,572	175.0
C10	Reclass	0	0	1,519,720	175.1	0	0	1,520,572	175.0
C11	Upgrade/Downgrade	1,035	0	1,520,755	175.2	1,035	0	1,521,607	175.2
C14	Title Change	0	0	1,520,755	175.2	0	0	1,521,607	175.2

Justification

C01	The PLSB requests an increase in cash-funded appropriation in capital outlay in the amount of \$275,000. This request is necessary due to increasing reliance on technology for background checks and investigations. An increase in cash-funded appropriation in the amount of \$50,000 in maintenance and operations is requested due to increasing costs associated with maintaining equipment. PLSB also requests an increase in the Grants and Aids line item in the amount of \$100,000 to have the ability to issue grants to institutions of higher education for the edTPA program, a pre-service assessment process designed to determine a new teacher's readiness for the job, and can be used as part of the teacher licensure process. The PLSB is requesting three additional positions: A Managing Attorney (C129), and two Senior Investigators (C123). These positions are needed because the PLSB workload has increased significantly in recent years, and employees with higher skill sets are required to handle the laws and rules that govern the PLSB complaint process; the investigation of allegations of ethical violations by educators; the high degree of confidentiality required; the interviewing of children who may have been a victim of abuse, harassment, or injury perpetrated by an educator; and sensitive and complex investigations into alleged violations of the Code of Ethics for Arkansas Educators. The addition of the three position totals a change level request of \$144,348 cash appropriation per year of the biennium. The PLSB appropriation is in a cash fund and has funding available to support these change level requests.
C07	The PLSB requests the transfer of position 2208-3056 from the State Operations (620) appropriation to the PLSB (56P) appropriation. PLSB is requesting that the out-of-family crossgrade on this position be maintained at Managing Attorney, C129. The transfer is needed to provide the PLSB with an attorney with a high level of knowledge of the laws and rules that govern the PLSB complaint process.
C10	The PLSB is also requesting the reclassification of the following positions: Position 2215-0720 is requested to be reclassified from a C109 Administrative Specialist II to a C112 Administrative Specialist III; Position 2214-8282 is requested to be reclassified from a C112 Administrative Specialist III to a C115 Administrative Analyst; and Position 22148279 is requested to be re-titled and upgraded from a C125 Education Chief Investigator to a C126 ADE PLSB Chief Investigator. The Administrative Specialist position reclassifications are needed to provide a higher level of office support functions to maintain the confidentiality and integrity of the handling of ethics complaints. The reclassification of the Chief Investigator position is needed in order to provide stronger leadership for the investigative unit in resolving issues with specific investigations and for the performance of subordinate investigators that is critical to the proper handling and resolution of ethics complaints, and the ultimate decision by the PLSB and State Board for sanctions on educators' licenses.

Change Level by Appropriation

Justification	
C11	The reclassification of the Chief Investigator position is needed in order to provide stronger leadership for the investigative unit in resolving issues with specific investigations and for the performance of subordinate investigators that is critical to the proper handling and resolution of ethics complaints, and the ultimate decision by the PLSB and State Board for sanctions on educators' licenses.
C14	The reclassification of the Chief Investigator position is needed in order to provide stronger leadership for the investigative unit in resolving issues with specific investigations and for the performance of subordinate investigators that is critical to the proper handling and resolution of ethics complaints, and the ultimate decision by the PLSB and State Board for sanctions on educators' licenses.

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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment. The Base Level request for Regular Salaries includes board member stipend payments.

The Base Level Request is \$23,577,841 in FY16 and \$23,587,052 in FY17, with general revenue funding of \$16,328,820 in FY16 and \$16,338,031 in FY17 .

The Agency's Change Level Request of \$1,115,147 each year in appropriation and general revenue funding reflects the following:

- Regular Salaries and Personal Services Matching of \$345,120 which includes restoration of four (4) ADE Special Advisors, reclassification of three (3) positions, and transfer of a position to Professional Licensure Standards Board (PLSB) (56P).
- Extra Help and Personal Services Matching of \$156,197 in unfunded appropriation.
- Professional Fees of \$100,000 of unfunded appropriation for curriculum frameworks meetings, scholastic audit training and other projects for school districts and charter schools.
- Grants and Aid of \$413,830 of unfunded appropriation for support of programs affiliated with the National Math and Science Initiative to support the Advanced Placement Training and Incentive Program.
- Capital Outlay of \$100,000 of unfunded appropriation for unforeseen needs.

The Executive Recommendation provides for the Agency Request appropriation only.

Appropriation Summary

Appropriation: 620 - State Operations

Funding Sources: EGA - Department of Education-State Operations

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	13,319,717	14,450,244	14,235,750	14,235,132	14,506,243	14,506,243	14,242,232	14,513,343	14,513,343
#Positions		257	266	269	262	265	265	262	265	265
Extra Help	5010001	0	14,998	14,998	14,998	160,000	160,000	14,998	160,000	160,000
#Extra Help		0	8	8	8	8	8	8	8	8
Personal Services Matching	5010003	4,192,393	4,434,412	4,652,165	4,399,999	4,485,203	4,485,203	4,402,110	4,487,314	4,487,314
Operating Expenses	5020002	2,533,145	3,479,443	3,479,443	3,479,443	3,479,443	3,479,443	3,479,443	3,479,443	3,479,443
Conference & Travel Expenses	5050009	53,434	206,530	206,530	206,530	206,530	206,530	206,530	206,530	206,530
Professional Fees	5060010	180,427	205,569	205,569	205,569	305,569	305,569	205,569	305,569	305,569
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	450,000	36,170	900,000	36,170	450,000	450,000	36,170	450,000	450,000
Capital Outlay	5120011	24,790	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
Total		21,753,906	23,827,366	24,794,455	23,577,841	24,692,988	24,692,988	23,587,052	24,702,199	24,702,199

Funding Sources										
Fund Balance	4000005	6,669,012	8,375,001		8,384,534	8,384,534	8,384,534	8,384,534	7,614,507	7,269,387
General Revenue	4000010	16,578,345	16,587,878		16,328,820	16,673,940	16,328,820	16,338,031	16,683,151	16,338,031
Educational Adequacy Fund	4000210	6,266,222	6,266,222		6,266,222	6,266,222	6,266,222	6,266,222	6,266,222	6,266,222
Educational Excellence Fund	4000220	955,791	982,799		982,799	982,799	982,799	982,799	982,799	982,799
M & R Sales	4000340	15,935	0		0	0	0	0	0	0
Miscellaneous Adjustments	4000345	54,817	0		0	0	0	0	0	0
Transfer frm General Education	4000535	(411,215)	0		0	0	0	0	0	0
Total Funding		30,128,907	32,211,900		31,962,375	32,307,495	31,962,375	31,971,586	31,546,679	30,856,439
Excess Appropriation/(Funding)		(8,375,001)	(8,384,534)		(8,384,534)	(7,614,507)	(7,269,387)	(8,384,534)	(6,844,480)	(6,154,240)
Grand Total		21,753,906	23,827,366		23,577,841	24,692,988	24,692,988	23,587,052	24,702,199	24,702,199

FY15 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	23,577,841	262	23,577,841	100.0	23,587,052	262	23,587,052	100.0
C05	Unfunded Appropriation	770,027	0	24,347,868	103.3	770,027	0	24,357,079	103.3
C06	Restore Position/Approp	436,620	4	24,784,488	105.1	436,620	4	24,793,699	105.1
C07	Agency Transfer	(111,583)	(1)	24,672,905	104.6	(111,583)	(1)	24,682,116	104.6
C10	Reclass	20,083	0	24,692,988	104.7	20,083	0	24,702,199	104.7

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	23,577,841	262	23,577,841	100.0	23,587,052	262	23,587,052	100.0
C05	Unfunded Appropriation	770,027	0	24,347,868	103.3	770,027	0	24,357,079	103.3
C06	Restore Position/Approp	436,620	4	24,784,488	105.1	436,620	4	24,793,699	105.1
C07	Agency Transfer	(111,583)	(1)	24,672,905	104.6	(111,583)	(1)	24,682,116	104.6
C10	Reclass	20,083	0	24,692,988	104.7	20,083	0	24,702,199	104.7

Justification

C05	The Base Level appropriation for Extra Help of \$14,998 is not sufficient to meet ADE's needs. With eight Extra Help positions authorized, an appropriation of only \$14,998 allows for a total of approximately \$1,875 that can be spent per position. The ADE is requesting unfunded Extra Help appropriation to allow for the expenditure of up to \$20,000 per Extra Help position. This represents an increase of \$156,197 unfunded appropriation over Base Level per year. The ADE requests unfunded appropriation of \$100,000 to be added to the Professional Fees & Services line item due to increasing needs for curriculum frameworks meetings, scholastic audit training, and other projects for which the ADE needs to bring in experts to be of maximum benefit for school districts and charter schools. Unfunded appropriation in the grants line item is requested in the amount of \$413,830 to continue supporting programs affiliated with the National Math and Science Initiative to support the Advanced Placement Training and Incentive Program. Additionally, the ADE requests unfunded appropriation of \$100,000 each year for unforeseen Capital Outlay needs that may occur in the 2015-2017 biennium.
C06	The ADE requests the continuation of four N908 ADE Special Advisor pool positions. The first position is necessary to fulfill the agency's growing information technology needs. This position leads the programming and development operations of the agency's core educational information systems, The second position is needed to handle the expansion of work involving Educator Effectiveness to lead the work with teacher evaluation, principal evaluation, superintendent evaluation, teacher mentoring and induction, administrator mentoring, National Board certified teachers, and teacher recruitment and retention. The third position is needed to handle the expansion of work involving Educator Licensure and Educator Preparation. The position ensures: that all licensure avenues, traditional and non-traditional routes, are implemented with the highest effectiveness; that all licensure avenues are resulting in educators that can produce college and career ready learners by ensuring that all licensure exams are appropriate for the respective position, and that all candidates applying for licensure meet requirements and background checks; and that there is more accountability for educator preparation programs by reporting data on all educator programs in the state and providing the areas of need with support and interventions to improve the programs. The fourth position is needed to convert a current unclassified position to a classified position on the Professional and Executive Pay Plan. The position is for an ADE Deputy General Counsel. The ADE's legal services office represents the ADE and the State Board of Education in state and federal court, before legislative committees and other state boards and commissions; addresses constituent complaints and legal questions from school district superintendents and educational leaders from across the state; researches and drafts legislation and rules/regulations related to education; and reviews Freedom of Information Act requests submitted to the ADE. Currently, the Legal Services office employs only four attorneys, including this position, to address all of the legal needs of the ADE. The General Counsel is often called away to legislative meetings, department leadership meetings, board meetings and court hearings. The Deputy General Counsel provides needed continuity of leadership and supervision in the absence of the General Counsel. The total Change Level request to restore these pool positions is \$436,620.
C07	The PLSB requests the transfer of one (1) position from the State Operations (620) appropriation to the PLSB (56P) appropriation.

Change Level by Appropriation

Justification	
C10	The ADE requests reclassification of two positions. The first position is from a C122 Systems Analyst to a C126 ADE Systems Administrator. This change is necessary due to specialized skill sets that the incumbent of the position must possess, such as programming languages Microsoft C#.NET, VB.NET, ASP.NET, ASP.NET MVC, XHTML, SQL server, ADO.ET, and general relational database knowledge. The second position is from a C122 Systems Analyst to a C126 Systems Analyst. This change is necessary due to specialized skill sets that the incumbent of the position must possess, including Informix 4GL, Informix ESQL.C Genero Business Development Language, C#.Net.

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

Agency: Education Department-General Education

Program: State Operations

Act #: 1310 Section(s) #: 23

Estimated Carry Forward Amount \$ 6,250,000.00 Funding Source: General Revenue, Educational Adequacy, Educational Excellence

Accounting Information:

Business Area: 0500 Funds Center: 620 Fund: EGA Functional Area: EDUC

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

Justification for carry forward of fund balance:

These funds will be used to address any unforeseen circumstances that may arise in the State Operations of the Department of Education in the 2015 fiscal year.

Actual Funding Carry Forward Amount \$ 8,215,320.00

Current status of carry forward funding:

Carry forward fund balances will be utilized for any unforeseen circumstances.

Mr. Tony Wood
Commissioner of Education

08-20-2014
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 Agency requests Base Level for the 2015-2017 Biennium.

The Executive Recommendation provides for the 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	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
Total		0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources										
Fund Balance	4000005	4,255,812	4,458,929		4,458,929	4,458,929	4,458,929	4,458,929	4,458,929	4,458,929
Trust Fund	4000050	187,331	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Interest	4000300	15,786	0		0	0	0	0	0	0
Total Funding		4,458,929	4,958,929		4,958,929	4,958,929	4,958,929	4,958,929	4,958,929	4,958,929
Excess Appropriation/(Funding)		(4,458,929)	(4,458,929)		(4,458,929)	(4,458,929)	(4,458,929)	(4,458,929)	(4,458,929)	(4,458,929)
Grand Total		0	500,000		500,000	500,000	500,000	500,000	500,000	500,000

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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

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

The Executive Recommendation provides for the 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			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	43,199	42,465	42,464	42,881	42,881	42,881	42,881	42,881	42,881
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	14,319	14,143	15,048	14,353	14,353	14,353	14,353	14,353	14,353
Operating Expenses	5020002	3,126	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	150,533	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
Total		211,177	13,096,608	13,097,512	13,097,234	13,097,234	13,097,234	13,097,234	13,097,234	13,097,234

Funding Sources										
Fund Balance	4000005	9,908,333	10,779,355		10,779,355	10,779,355	10,779,355	10,779,355	10,779,355	10,779,355
Trust Fund	4000050	910,482	13,096,608		13,097,234	13,097,234	13,097,234	13,097,234	13,097,234	13,097,234
Interest	4000300	171,717	0		0	0	0	0	0	0
Total Funding		10,990,532	23,875,963		23,876,589	23,876,589	23,876,589	23,876,589	23,876,589	23,876,589
Excess Appropriation/(Funding)		(10,779,355)	(10,779,355)		(10,779,355)	(10,779,355)	(10,779,355)	(10,779,355)	(10,779,355)	(10,779,355)
Grand Total		211,177	13,096,608		13,097,234	13,097,234	13,097,234	13,097,234	13,097,234	13,097,234

FY15 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2013-2015 Biennium.

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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

The Base Level Request is \$167,604,448 in FY16 and \$167,605,308 in FY17.

The Agency's Change Level Request for each year is \$20,626,588 and reflects the following:

- Regular Salaries and Personal Services Matching of \$26,188 for restoration of two (2) positions and discontinuation of one (1) position.
- Operating Expenses of \$500,000 for costs related to the Meal Pattern Grant.
- Grants and Aid of \$20,000,000 for increased program participation to allow schools that serve predominately low-income children to offer free school meals to all students.
- Refunds of \$50,400 due to the increase in grant payments.
- Capital Outlay of \$50,000 for unforeseen needs of the Child Nutrition Program.

The Executive Recommendation provides for the 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	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	777,728	865,504	875,851	870,437	887,812	887,812	871,037	888,412	888,412
#Positions	22	19	19	19	20	20	19	20	20
Personal Services Matching 5010003	270,143	281,472	303,248	285,311	294,124	294,124	285,571	294,384	294,384
Operating Expenses 5020002	1,050,390	1,089,100	672,100	672,100	1,172,100	1,172,100	672,100	1,172,100	1,172,100
Conference & Travel Expenses 5050009	20,840	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600
Professional Fees 5060010	24,240	156,400	156,400	156,400	156,400	156,400	156,400	156,400	156,400
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	165,167,355	165,168,000	165,168,000	165,168,000	185,168,000	185,168,000	165,168,000	185,168,000	185,168,000
Refunds/Reimbursements 5110014	280,686	399,600	399,600	399,600	450,000	450,000	399,600	450,000	450,000
Capital Outlay 5120011	0	50,000	50,000	0	50,000	50,000	0	50,000	50,000
Total	167,591,382	168,062,676	167,677,799	167,604,448	188,231,036	188,231,036	167,605,308	188,231,896	188,231,896
Funding Sources									
Federal Revenue 4000020	167,591,382	168,062,676		167,604,448	188,231,036	188,231,036	167,605,308	188,231,896	188,231,896
Total Funding	167,591,382	168,062,676		167,604,448	188,231,036	188,231,036	167,605,308	188,231,896	188,231,896
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	167,591,382	168,062,676		167,604,448	188,231,036	188,231,036	167,605,308	188,231,896	188,231,896

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

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	167,604,448	19	167,604,448	100.0	167,605,308	19	167,605,308	100.0
C01	Existing Program	20,667,804	2	188,272,252	112.3	20,667,804	2	188,273,112	112.3
C03	Discontinue Program	(41,216)	(1)	188,231,036	112.3	(41,216)	(1)	188,231,896	112.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	167,604,448	19	167,604,448	100.0	167,605,308	19	167,605,308	100.0
C01	Existing Program	20,667,804	2	188,272,252	112.3	20,667,804	2	188,273,112	112.3
C03	Discontinue Program	(41,216)	(1)	188,231,036	112.3	(41,216)	(1)	188,231,896	112.3

Justification

C01	Federally-funded appropriation is requested for currently authorized position 2208-2883, which was not budgeted in the FY15 Annual Operations Plan. Subsequent to the FY15 budget process, it was determined that this position was needed in order to accommodate the increased work load due to Child Nutrition performance-based funding and community eligibility. Position 2208-2835, a grade C109 position, was also not budgeted in the FY15 budget process, but the position was subsequently filled. The ADE is requesting restoration of this position in the biennial budget, and is requesting that position 2208-2820, also a grade C109 position, be unbudgeted in the biennial budget. The total request for adding previously unbudgeted positions is \$67,404, which is partially offset by the Change Level 03 requesting that position 2208-2820 be unbudgeted. The ADE also requests an increase in federally-funded appropriation of \$500,000 in the Operations line item, due to the continuation of the Meal Pattern Grant into FY16 and FY17, which provides federal funds for the Child Nutrition Unit to implement requirements of the Healthy, Hunger Free Kids Act of 2010. Funds from this grant are intended to allow state agencies to assist local program operators to improve the quality of school meals and ensure compliance with new regulations. MFG requests were done in FY14 and FY15 to begin implementation of the Meal Pattern Grant. The ADE is also requesting federally-funded appropriation of \$50,000 each year for unforeseen Capital Outlay needs of the Child Nutrition program that may occur in the 2015-2017 biennium. Additionally, the ADE is requested federally-funded appropriation in the amount of \$20,000,000 in the grants line item to accommodate increased participation in the performance based program and the community eligibility provision that uses information from other programs to allow schools that serve predominately low-income children to offer free school meals to all students. The ADE is also requesting a change level of \$50,400 in the refunds line item as it is anticipated that the amount of refunds to send back to USDA will increase due to an increase in grant payments.
C03	The ADE is requesting that one (1) C109 position be unbudgeted in the biennial budget, resulting in a decrease of \$41,216 per year.

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.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include appropriation for Merit Pay Increases.

The Base Level Request is \$523,375,206 in FY16 and \$523,376,309 in FY17.

The Agency's Change Level Request for each year is \$770,273 and reflects the following:

- Salaries and Personal Services Matching of \$170,273 for restoration of two (2) positions.
- Capital Outlay of \$200,000 for unforeseen federal program needs.
- \$400,000 to continue the Partnership for Assessment of Readiness for College and Careers (PARCC) program.

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		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,431,345	2,516,297	3,187,425	2,763,565	2,895,173	2,895,173	2,764,365	2,895,973	2,895,973
#Positions		53	53	48	51	53	53	51	53	53
Extra Help	5010001	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help		0	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	776,412	783,474	1,061,534	858,768	897,433	897,433	859,071	897,736	897,736
Operating Expenses	5020002	1,663,969	3,475,900	3,475,900	3,475,900	3,475,900	3,475,900	3,475,900	3,475,900	3,475,900
Conference & Travel Expenses	5050009	130,992	710,500	710,500	710,500	710,500	710,500	710,500	710,500	710,500
Professional Fees	5060010	5,535,167	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	0	0	0	0	0	0	0	0
Grants and Aid	5100004	331,972,856	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	134,092	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	0	200,000	200,000	0	200,000	200,000	0	200,000	200,000
ARRA of 2009	5900052	6,681,572	1,066,373	35,000,000	0	400,000	400,000	0	400,000	400,000
Total		349,326,405	524,319,017	559,201,832	523,375,206	524,145,479	524,145,479	523,376,309	524,146,582	524,146,582
Funding Sources										
Federal Revenue	4000020	349,326,405	524,319,017		523,375,206	524,145,479	524,145,479	523,376,309	524,146,582	524,146,582
Total Funding		349,326,405	524,319,017		523,375,206	524,145,479	524,145,479	523,376,309	524,146,582	524,146,582
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		349,326,405	524,319,017		523,375,206	524,145,479	524,145,479	523,376,309	524,146,582	524,146,582

Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	523,375,206	51	523,375,206	100.0	523,376,309	51	523,376,309	100.0
C01	Existing Program	200,000	0	523,575,206	100.0	200,000	0	523,576,309	100.0
C06	Restore Position/Approp	170,273	2	523,745,479	100.1	170,273	2	523,746,582	100.1
C16	ARRA	400,000	0	524,145,479	100.1	400,000	0	524,146,582	100.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	523,375,206	51	523,375,206	100.0	523,376,309	51	523,376,309	100.0
C01	Existing Program	200,000	0	523,575,206	100.0	200,000	0	523,576,309	100.0
C06	Restore Position/Approp	170,273	2	523,745,479	100.1	170,273	2	523,746,582	100.1
C16	ARRA	400,000	0	524,145,479	100.1	400,000	0	524,146,582	100.1

Justification

C01	The ADE requests federally-funded appropriation of \$200,000 each year for unforeseen Capital Outlay needs for federal programs that may occur in the 2015-2017 biennium.
C06	The ADE requests the restoration of two pool positions that were established by the authority of Section 25 of Act 1310 of 2013. This same authority requires that if the agency requests the continuation of a Pool Position in the next fiscal year, it must be requested as a new position. The Pool Positions being requested to continue are G012C ADE Assistant to Director, Grade C129 positions. The first Assistant to Director position is needed to ensure that the ADE complies with the United States Department of Education guidelines regarding the responsibilities under the Partnership for Assessment of Readiness for College and Careers. The position assists the Assistant Commissioner of Learning Services in overseeing Arkansas' involvement and contributions to PARCC/state assessments. This position is completely supported by federal dollars at no cost to the agency or the State of Arkansas. The second Assistant to Director position is needed to assist the Director of Federal Programs in duties related to implementing the requirements of the multi-million dollar 1003(g) school improvement grant. This position is completely supported by federal dollars at no cost to the agency or the State of Arkansas. The pool positions represent a total change level of \$170,273 per year of the biennium.
C16	The ADE requests ARRA (federally-funded) appropriation of \$400,000 for each year of the biennium to continue one ARRA program (PARCC).

Analysis of Budget Request

Appropriation: 85J - Open Enrollment Charter School Closure

Funding Sources: NED-Cash in Treasury

This appropriation was established to allow the Department of Education to pay outstanding debts incurred by a closed open enrollment charter school. Anytime an open enrollment school is closed, the assets and outstanding debts of that school are transferred to the Department. The funds are collected from the school.

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

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85J - Open Enrollment Charter School Closure

Funding Sources: NED-Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Charter School Closure	5900046	0	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total		0	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources										
Fund Balance	4000005	114,510	148,786		148,786	148,786	148,786	148,786	148,786	148,786
Cash Fund	4000045	26,991	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Interest	4000300	1,285	0		0	0	0	0	0	0
M & R Sales	4000340	6,000	0		0	0	0	0	0	0
Total Funding		148,786	448,786		448,786	448,786	448,786	448,786	448,786	448,786
Excess Appropriation/(Funding)		(148,786)	(148,786)		(148,786)	(148,786)	(148,786)	(148,786)	(148,786)	(148,786)
Grand Total		0	300,000		300,000	300,000	300,000	300,000	300,000	300,000

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, Milken Educator Awards and Play it Again Arkansas. The Department currently administers approximately 16-20 such grants each year.

The Base Level Request is \$2,626,374 in each year.

The Agency requests a Change Level increase each year in Capital Outlay of \$100,000 to meet unforeseen needs for private grant programs.

The Executive Recommendation provides for the 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		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	121,369	122,000	122,000	122,000	122,000	122,000	122,000	122,000	122,000
Conference & Travel Expenses	5050009	8,904	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500
Professional Fees	5060010	6,574	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	692,524	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	100,000	100,000	0	100,000	100,000
Total		829,371	2,626,375	2,626,375	2,626,375	2,726,375	2,726,375	2,626,375	2,726,375	2,726,375
Funding Sources										
Fund Balance	4000005	3,574,524	3,587,886		3,587,886	3,587,886	3,587,886	3,587,886	3,587,886	3,587,886
Cash Fund	4000045	842,733	2,626,375		2,626,375	2,726,375	2,726,375	2,626,375	2,726,375	2,726,375
Total Funding		4,417,257	6,214,261		6,214,261	6,314,261	6,314,261	6,214,261	6,314,261	6,314,261
Excess Appropriation/(Funding)		(3,587,886)	(3,587,886)		(3,587,886)	(3,587,886)	(3,587,886)	(3,587,886)	(3,587,886)	(3,587,886)
Grand Total		829,371	2,626,375		2,626,375	2,726,375	2,726,375	2,626,375	2,726,375	2,726,375

Change Level by Appropriation

Appropriation: 885 - Multiple Grant Award Program
Funding Sources: NED - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	2,626,375	0	2,626,375	100.0	2,626,375	0	2,626,375	100.0
C01	Existing Program	100,000	0	2,726,375	103.8	100,000	0	2,726,375	103.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	2,626,375	0	2,626,375	100.0	2,626,375	0	2,626,375	100.0
C01	Existing Program	100,000	0	2,726,375	103.8	100,000	0	2,726,375	103.8

Justification

C01	The ADE receives grants and awards from private foundations or individuals for programs such as Teacher of the Year, Play it Again Arkansas, and Milken Educator Awards. Unfunded Capital Outlay appropriation in the amount of \$100,000 is requested to meet unforeseen Capital Outlay needs for private grant programs that may occur in the 2015-17 biennium. The multiple grant award program is a cash fund and has funding available to support this Change Level request.
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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 requests Base Level for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: 893 - Medicaid Reimbursement

Funding Sources: NED - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2015-2016			2016-2017		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
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
Total	0	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500
Funding Sources									
Fund Balance 4000005	10,245	8,659		8,659	8,659	8,659	8,659	8,659	8,659
Cash Fund 4000045	6,121,326	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	(6,122,912)	0		0	0	0	0	0	0
Total Funding	8,659	5,019,159		5,019,159	5,019,159	5,019,159	5,019,159	5,019,159	5,019,159
Excess Appropriation/(Funding)	(8,659)	(8,659)		(8,659)	(8,659)	(8,659)	(8,659)	(8,659)	(8,659)
Grand Total	0	5,010,500		5,010,500	5,010,500	5,010,500	5,010,500	5,010,500	5,010,500

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 requests Base Level for the 2015-2017 Biennium.

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		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	130,585	515,292	515,292	515,292	515,292	515,292	515,292	515,292	515,292
Conference & Travel Expenses	5050009	369	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Professional Fees	5060010	31,394	125,420	125,420	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	375,593	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		537,941	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212
Funding Sources										
Fund Balance	4000005	593,319	527,974		527,974	527,974	527,974	527,974	527,974	527,974
Cash Fund	4000045	472,596	1,349,212		1,349,212	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212
Total Funding		1,065,915	1,877,186		1,877,186	1,877,186	1,877,186	1,877,186	1,877,186	1,877,186
Excess Appropriation/(Funding)		(527,974)	(527,974)		(527,974)	(527,974)	(527,974)	(527,974)	(527,974)	(527,974)
Grand Total		537,941	1,349,212		1,349,212	1,349,212	1,349,212	1,349,212	1,349,212	1,349,212