

AR ECONOMIC DEVELOPMENT COMMISSION

Enabling Laws

Act 260 of 2014
A.C.A. § 15-4-205 through § 15-4-219

History and Organization

AGENCY MISSION STATEMENT

To lead statewide economic development, create targeted strategies which produce better paying jobs, promote communities and support the training and growth of a 21st century skilled workforce.

ORGANIZATIONAL STRUCTURE

The Agency consists of three primary divisions: Global Business, Administration and Finance, and the Arkansas Energy Office.

The **Global Business Division** has primary responsibility for interacting with customers, partners and interested parties external to the agency's operations. Within the Global Business Division the following divisions are located:

- Business Development
- Community Development
- Existing Business Resources (includes the Industry Training program)
- Marketing
- Film Commission
- Small and Minority Business
- Technology Development

The Business Development division generates economic opportunity through strategic partnerships and is the sales representative for all business and industry seeking to locate and expand in the State. This division also has responsibility for actively recruiting new business and industry development to Arkansas as well as helping existing business in their efforts to expand and retain operations in already located within the state. The Division communicates and negotiates State incentive programs, assists in site selection for new business locations and

expansion of existing business. International portion of the division focuses on generating Foreign Direct Investment. The Community Development division works with strategic partners to assist communities in developing and obtaining the necessary resources to identify and solve local development challenges. The Existing Business Resource division works with new and existing businesses to help the company identify opportunities for improvement. The division develops an ongoing business relationship with the company which allows it to understand the immediate, as well as long term issues faced by the company. The division then identifies and utilizes any available resources, including but not limited to; training funds, customized training programs, other State Agencies and associated resources such as the Two-Year College System, and any Federal programs to help alleviate these issues. The goal is to identify and reduce any barrier that may prevent the company from optimal operations in Arkansas. The Marketing division assists the Business Development program and is primarily responsible for presenting the advantages of doing business in Arkansas to site location consultants, C-suite decision makers, and others looking to start or grow their business in the state through various advertising mediums including TV, print, online, direct mail, social media, and events. The Film Commission facilitates on-location film making within the state by offering production companies a complete range of pre-production services, as well providing accurate and timely information regarding local film procedures, permits, and guidelines. The Commission is also responsible for drafting and administering the states Digital Product and Motion Picture Development Incentive Program. The Small and Minority Business division's mission is to facilitate the growth, development and expansion of small and minority businesses by helping them gain access to valuable information, new market opportunities and financial resources. The Technology Development division is responsible for helping new and innovative technology-based companies trying to develop within the State. The division is the interface between AEDC and the five (5) Research Universities in Arkansas. This interface includes the primary contact with the four (4) innovation/entrepreneurial incubators located at the Universities. Additionally, the division represents AEDC to Accelerate Arkansas, which includes the oversight of the Innovate Arkansas program which is the statewide commercialization center funded by the State. The division is the business development arm of AEDC for new start up innovation creation in the State.

The **Administration and Finance Division** has responsibility for the financial and budgetary support functions to assist the Global Business Division programs in achieving their goals and objectives as well as carrying out the general administrative functions of the Department as a whole. The following divisions reside within the Administration and Finance Division:

- Organizational Efficiency
- Budget & Human Resources
- Information Technology
- Strategic Planning & Research
- Business Finance
- Grants Administration (CDBG)
- Communications & Public Information

The Organizational Efficiency division's function is to evaluate AEDC business practices, processes and staffing to guarantee efficiency of operation, mission focus, and staff development. The Organizational Efficiency division leads cross-divisional strategic projects and provides

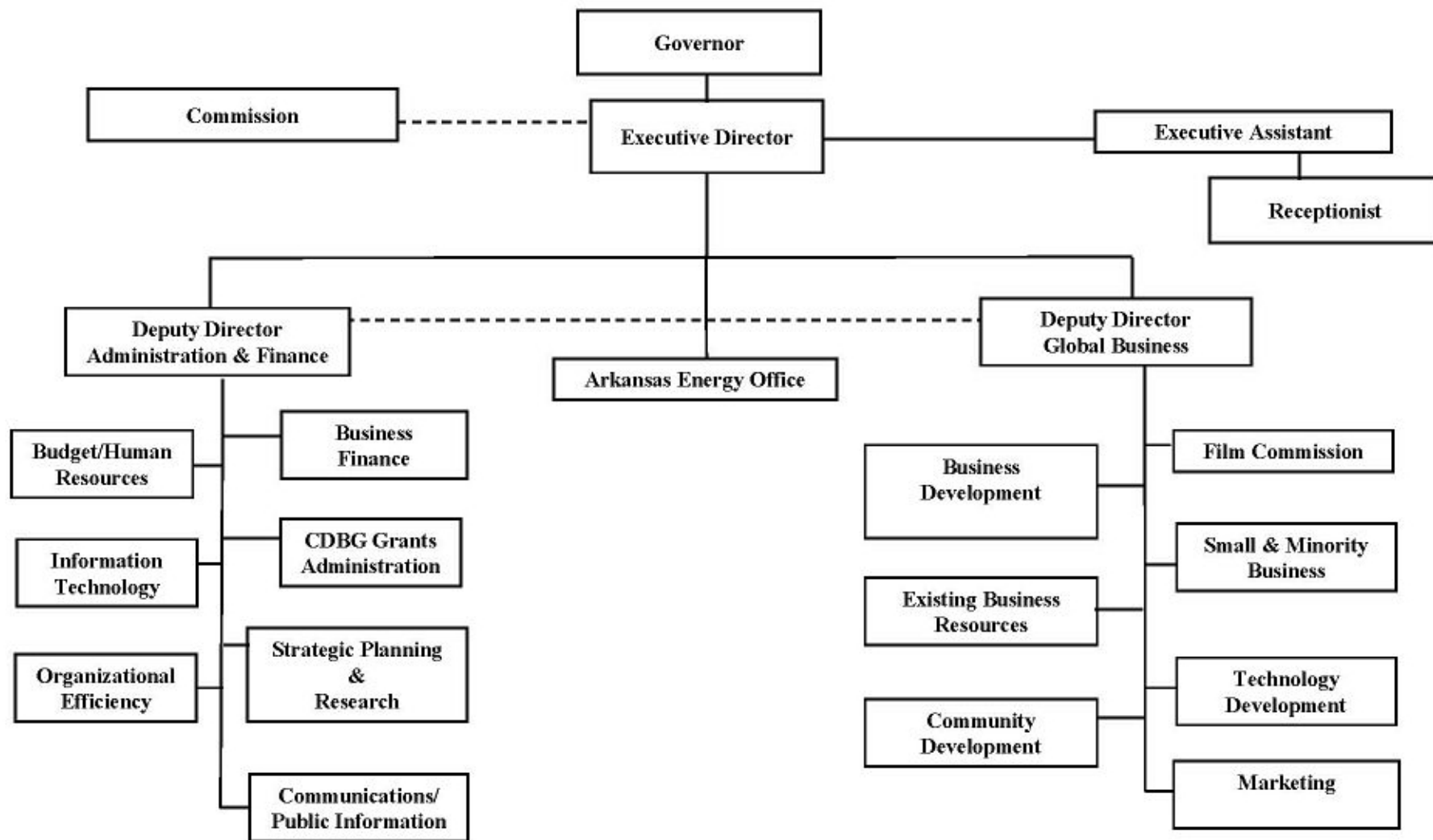
troubleshooting assistance to integrate new programs, products and services. The Budget and Human Resources division is responsible for maintaining the budgeting, procurement, accounting and personnel functions of the agency in accordance with state and federal rules and regulations and in agreement with generally accepted accounting practices. The division is responsible for preparing and submitting the Annual Operations Plan (AOP) and the Consolidated Annual Financial Report (CAFR) for the agency as well as submitting other similar accounting, personnel and budgeting reports to the Department of Finance and Administration (DFA). The Information Technology division serves as the communications backbone of the organization to facilitate the timely receiving, storing, processing and retrieving of data and to support the communications and transfer of information between agency users and other organizations. The Strategic Planning and Research division continually assesses Arkansas's position relative to competitor states on incentives and economic development policy to insure that Arkansas is prepared to compete for jobs and investment from both existing and new companies. Another key function of this division is to provide our business developers with information on targeted companies and existing businesses that may be in an expansion mode. The Business Finance division provides assistance to qualifying applicants that makes it easier to access low-cost funding through either direct debt financing support or indirect equity financing support. Debt support programs within the division are generally limited to fixed-asset financing while equity support programs generally provide support for working capital needs, both at a cost that is much less than is otherwise available, with each type of program making the applying entity more economically viable. Act 1474 of 2013 added a new program to AEDC, the New Markets Jobs Act program and the New Markets Performance Guarantee Program in which AEDC determines the allocation amount for each of the applicant Community Development Entities (CDEs) participating. The agency verifies equity investments raised by the CDEs, certifies qualified projects proposed by the CDEs, and reviews revenue impact analyses submitted with proposed projects. The Grants Administration division fosters economic growth and benefit to low-to-moderate income persons by administering Community Development Block Grants (CDBG) to cities and counties for infrastructure grants and loans to industry that result in job creation and job retention; and to improve the well-being of communities through water/wastewater projects, senior citizen centers, child care centers, public health building, fire stations and equipment, community centers, and other general and innovative projects. The CDBG program which is funded through the federal Housing and Urban Development Department (HUD), is administered by AEDC's Grants Administration division under the current Consolidated 5-year Plan which partners with other state agencies which administer funds from HUD, with AEDC as the lead agency. The Communications and Public Information division organizes all aspects (sets agenda, writes news release, sends invitations, notification of media, briefing material, etc.) of company announcements regarding new/expanded facilities and jobs, answers media inquiries on a daily basis and writes editorials for a variety of publications promoting Arkansas as a business destination.

The Arkansas Energy Office has responsibility for the development and implementation of programs and policies aimed at making energy efficiency improvements and the deployment of renewable energy technologies. The following programs are included within the Arkansas Energy Office:

- State Energy Plan
- Energy Efficiency Arkansas
- Arkansas Gaseous Fuels Program
- Clean Cities

- Weatherization Assistance Program

The State Energy Plan (SEP) includes all parts of the U. S. Department of Energy (USDOE) funded grant to carry out education and financing of energy efficiency and outreach programs both commercial and residential. The SEP is funded through formula and competitive grants from the USDOE. The mission of the Energy Efficiency Arkansas (EEA) program is to cost-effectively deliver relevant, consistent, and fuel-neutral information and training that results in decreases in energy consumption through the implementation of energy efficiency and conservation measures. The strategy is to use information and training to promote energy efficiency throughout the State of Arkansas and enable energy-saving technologies, services and best practices. This program is mandated by the Arkansas Public Service Commission and administered by the Arkansas Energy Office. Funding sources include Entergy, American Electric Power, CenterPoint Energy, Arkansas Oklahoma Gas Corporation, Empire, Oklahoma Gas and Electric, Arkansas Western Gas Company and Electric Cooperatives of Arkansas. The Arkansas Gaseous Fuels Program, created by Act 532 of 2013, gives the Arkansas Energy Office the authority to administer rebates for new refueling stations or the retrofitting of existing refueling stations in Arkansas that provide public access to clean burning motor fuels, including compressed natural gas (CNG), liquefied natural gas (LNG) and liquefied petroleum gas (LPG). Additionally, the program provides incentives for the purchase of clean alternate fuel vehicles or an incentive for the conversion of vehicles to the use of clean alternate fuel using certified or approved conversion systems. The Clean Cities program helps enhance energy security, promote energy independence, and advance environmental quality in the state through voluntary public and private partnerships. The Weatherization Assistance Program (WAP) provides grants to improve the energy efficiency of the homes of low-income families. The program contracts with nonprofit organizations to provide weatherization services in all 75 counties using the latest technologies for home energy upgrades.



Agency Commentary

The Commission is requesting a continuation of the Base Level budget for all major programs plus change levels as listed here:

State Operations: General revenues of \$14,602,228 in each year of the biennium for State Operations including the enhanced Industry Training Program. Included in this general revenue amount is the normal Revenue Stabilization Amendment distribution of \$12,102,228 each year plus \$2,500,000 each year that will come via a Department of Workforce Services Trust Fund transfer. Also included in the listing of general revenues are the balances of transfers made on a one-time basis during fiscal year 2014-15 from various sources to fund the enhanced Industry Training Program. These amounts are included in the budget as "Excess Appropriation" and the amounts are estimated as there is not a set timetable for expenditure of these funds. Business Development Division - Requesting a continuation of \$1 million unfunded appropriation for grants for economic development and infrastructure projects and Regional Partnership grants within the state that can benefit from immediate, short term funding that the Commission may be able to fund with savings in other program areas and/or salary savings. Information Technology - an unfunded appropriation of \$100,000 each year for Capital Outlay to allow purchase of equipment for emergency backup systems and replacement of aging equipment on a pre-determined schedule as savings from other programs allow. The Commission has been attempting to arrange for emergency backup systems since 2001, but due to budget and funding constraints, has not been able to complete this effort. The Commission will continue to seek to fund this effort as opportunity allows. Administration & Finance Division - The Commission has been notified by the Arkansas Building Authority that our rent will be increased by 3% in the coming biennium. This will require an additional \$16,050 in outlays for rent; however, the Commission does not request an increase in operations to cover this. The Commission will instead, reallocate the current general operations in order to cover the increase.

HUD/CDBG Federal Grants of \$43,747,305 in FY 16 and \$36,248,043 in FY 17 for the Community Development Block Grant (CDBG) and Disaster Recovery programs funded from the Department of Housing and Urban Development (HUD). These programs are being reduced each year due to the reduction of the Community Development Block Grant authorization to the State from HUD as well as the decreased balance of the Storm Recovery grants as the original awards are passed on to the recipients. The Commission has been advised of the possibility of new funding authorizations for Disasters occurring between 2010 and 2013, however, we have not been advised whether Arkansas will receive any of this new authorization, therefore, we are not asking for an increase or continuation of the current level. Such a request may be forthcoming in the fiscal session, or in future General Assembly sessions. The Federal CDBG programs noted include \$27,500,000 (a reduction from the previous authorization of \$30 million each year) each year for grants to carry out the mandates of the HUD CDBG program and \$15,695,324 in FY 16 (a reduction of \$6,940,946 from Base Level) and \$8,195,324 (a reduction of \$14,440,946 from Base Level) in FY 17 to carry out the mandates of the Flood and Storm Disaster Recovery Grants program of HUD.

USDOE Federal Grants include a request for continuation of \$1,283,818 each year of the biennium for the programs funded by the U.S. Department of Energy (USDOE) which is primarily for the State Energy Plan grant which has changed from a formula grant to a competitive grant and is now awarded on a three (3) year cycle instead of a five (5) year cycle. This appropriation is also utilized for expenditure of the indirect cost pool funds utilized for matching the USDOE grants.

Energy Efficiency Arkansas - The Commission is asking for Cash-in-Treasury of \$1,406,946 each year of the biennium to carry on the Energy Efficiency Arkansas program funded by utility assessments. This is a reduction from previous years due to the reduction of funding from the utility assessments.

Weatherization Assistance Program - The Commission is also asking for an appropriation of \$8,304,767 each year of the biennium to carry out the Weatherization Assistance Program funded by the U. S. Department of Energy and the Low Income Home Energy Assistance Program funded by a grant from the Department of Human Services. This includes the Commission's request to restore \$2,565,984 in appropriation. This program was transferred from the Department of Human Services to the Commission by Act 1111 of 2013 and this is will continue the appropriation established following that transfer.

We are asking that the appropriation for the **Economic Development Incentive Quick Action Closing Fund** (commonly known as the Governor's Quick Action Closing Fund (GQACF)) be added to and included in the request for appropriations of the Arkansas Economic Development Commission (AEDC). This request is made because of the importance of this incentive to the primary duty of the AEDC, that being to the recruitment, retention, and expansion of new and existing industry within the state and to expand the economy of the state and increase the economic wellbeing of all citizens of the state. The GQACF is the single most significant tool that the AEDC has to accomplish its goals.

Clean Cities Program - The Commission requests a Cash-in-Treasury funded appropriation of \$189,005 each year of the biennium for the Clean Cities Program; and, \$875,781 each year of the biennium to carry on the **New Markets Performance Program** created by Act 1474 of 2013.

The Commission is not requesting the following cash funded appropriations for the 2016-2017 Biennium due to discontinuation of the programs and depletion of funding: The Incentive Plans Cash fund; The Trade & International Investment Cash Fund; The Existing Business Resource Program Cash Fund; and the Petroleum Violation Escrow Cash Fund.

In addition, the Base Level includes a continuation of the appropriation for the **Super Projects Fund** of \$200 million each year as has been authorized each biennium since the 2005-07 Biennium and \$30 million each year for the **Technology Acceleration Program** as has also been authorized since the 2009-11 Biennium.

In addition to Base Level, the Commission is requesting the creation of an unfunded **career ladder series** to include the following classifications/grades:

- C120 - Training Project Manager
- C122 - AEDC Area/Program Representative
- C125 - AEDC Project/Regional Manager

The Commission requests no funding to implement this career ladder, only the authority to utilize the position levels to resolve a problem of employee retention.

AEDC has five major divisions that are involved in the recruitment, expansion and development of businesses and the economy of Arkansas, however, only two of those divisions currently have positions at the C125 grade level. Regularly under the current business practice numerous divisions work on the same project and with the same level of authority and responsibility, but at different grade levels. This creates an inequity in the system and causes problems with retention of employees within divisions lacking the grade C125 positions. When an employee in one of the divisions which lacks the grade C125 level position wants to improve their grade level, the only alternative they now have is for that employee to move to another division leaving their expertise and work experience vacant in their former division.

The purpose of this request is to help reduce the inequities in the five (5) major divisions within the AEDC that has been created by the following situations:

- Currently, the AEDC has moved to using teams as opposed to individuals to work on and manage the various economic development projects that the agency is responsible for in improving the economic health of the State.
- Often as the teams work together individuals from different divisions find themselves carrying out similar work responsibilities with similar levels of authority but at very differing levels of classification and pay.
- As a result, AEDC finds that many employees seeking to improve their pay and classification status seek to move to one of the divisions with higher levels of classification and grade in order to improve their situation.
- Movement from one division to another prevents the AEDC and employee from being able to develop necessary relationships and expertise to become subject matter experts in specific products and industry sectors. It also prevents the development of significant relationships in assigned regions around the state.
- In the end, the deficiencies in knowledge of products and industry sectors as well as the failure to be able to develop significant relationships in assigned regions around the state prevents the AEDC from developing the economic health of the state to the desired degree and negatively affects the economic status of all citizens of the state.
- For these reasons, the AEDC seeks to create a career ladder series for all positions working in the areas of community development, business finance, small and minority business, existing business resource, and business recruitment and development to help relieve inequities found with employees working together with the same responsibilities, but with varying levels of pay.
- In addition, allowing AEDC to have all positions used in the project management efforts to be authorized at the same class, but with a career ladder allowing upward movement in grades, AEDC can prevent migration from one division to another and develop those positive attributes noted above; which will solidify teams while allow individual growth, which creates enormous benefits for both the employee and the agency as a whole.

AEDC is requesting that a group of positions currently authorized at grades C120 and C122 be reclassified to grade C125 - AEDC Project Regional Manager in order to establish a career ladder for all similar situated employees to be able, through specific criteria, to move from an entry level grade to a mid-level and finally to a maximum level grade with time, experience and increased education, ability, and responsibility.

Reason for the requested change:

It is the intention at AEDC to begin a definitive plan to create a career ladder for all positions in the project management family. These positions normally enter employment with AEDC at a grade C120 and having completed specific criteria, move to grade C122 and finally, after completing certain specific educational and other project management criteria, move to grade C125.

The employees that will qualify for the grade C125 level will perform the following typical functions:

- Create and lead the activities of a professional project management staff by assigning projects to appropriate staff, offering input into interpretation of policies and procedures, providing support and recommendations to staff in the decision making process, and by assisting as necessary with staff and attorneys to bring to a successful conclusion the project under consideration. (Job Duty 1)
- Review staff reports for accuracy, organize information, and compile findings into year-end activity reports to reflect annual activity for agency use as well as for reporting to the legislature and also serving as the primary contact with the Division of Legislative Audit concerning incentive program activities. (Job Duty 7)
- Promotes industrial/economic expansion within the State by establishing and maintaining personal contact with management representatives of businesses throughout the state, nation and overseas and by sharing with other divisions within the agency, and with other appropriate agencies, useful information concerning the health and possible growth opportunities of existing businesses within the state. (Job Duty 10)
- Conducts and participates in appropriate statewide, national, and international trade shows, seminars, training sessions, workshops, business negotiations, educational/outreach events, and trade investment missions to obtain industrial prospect/trade leads and to build relations with commercial lenders and investors and maintains updated information on economic trends. (Job Duty 9)
- Researches community profile and company data and makes recommendations of specific Arkansas communities and companies through detailed, factual reports of economic, financial, employment, and other related business and social conditions of the community and company. (Job Duty 8)
- Identifies target sites for industries and makes recommendations by accompanying prospects to Arkansas communities whose sites meet specific prospect criteria. (Job Duty 4)
- Provide technical assistance to prospects, clients, and communities to help resolve problems or to complete project deficiencies in the areas of financing, state and local building codes or regulations, environmental requirements, education and employee training. (Job Duty 3)
- Perform the necessary research and develop the necessary business/community relationships in order to serve as a "subject matter" expert in assigned regions and with regard to certain specific business sectors and products in order to be able to deploy the appropriate resources to accomplish maximum benefits for economic development opportunities. (Job Duty 2)
- Create and execute incentive agreements that include training, financing, and other appropriate means to complete economic development projects. (Job Duty 5)

- Perform the necessary analysis and make appropriate recommendations concerning whether the State should undertake a project based on various benefits to the state including job creation, return on investment, wage level, etc. (Job Duty 6)

Under the proposal we are submitting, all of the positions that are involved in the recruitment, retention and expansion of business and industry in the state would be authorized at the maximum grade level of C125. This does not mean that all employees would automatically move to the maximum level upon creation of the proposed Career Ladder. We have positions that are currently grades C120 and C122 in the mix and there would be no change in these positions until they met certain specified criteria. When a grade C120 employee met a certain level of criteria, that employee could request movement to a grade C122 and when a grade C122 employee met the level of criteria for the C125, that employee could then move to the maximum.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS ECONOMIC DEVELOPMENT COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None
<u>Findings Covering Programs Audited by Other External Auditors</u>	
<u>U.S. Department of Housing and Urban Development</u>	
Finding Number: 13-790-01 State/Educational Agency(s): Arkansas Economic Development Commission CFDA Number(s) and Program Title(s): 14.218 - Community Development Block Grants/Entitlement Grants (CDBG - Entitlement Grants Cluster) Federal Award Number(s): B-08-DI-05-0001; B-08-DF-05-0001 Federal Award Year(s): 2012 and 2013 Compliance Requirement(s) Affected: Reporting Type of Finding: Significant Deficiency	Recommendation: We recommend the Agency establish and implement control procedures to ensure that Agency personnel responsible for reviewing reports adequately document their review. Views of Responsible Officials and Planned Corrective Action: Quarterly reports on the progress of the Disaster CDBG program are compiled by the responsible AEDC Grants Division staff member and are submitted electronically via the Disaster Recovery Grant Reporting System (DRGR) to the Little Rock Field Office of HUD for approval by our HUD Field Representative. As an additional internal control, the Quarterly reports will now be submitted first to the AEDC Grants Division Director for approval. The Director will review the report and respond by e-mail to the staff member. After the Division Director has approved the report, the report will be released to the HUD Field Representative.
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	Anticipated Completion Date: March 3, 2014

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS ECONOMIC DEVELOPMENT COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013

Findings

awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs. This includes establishing internal controls documenting agency reviews and approvals of reports prior to submission to the Department of Housing and Urban Development (HUD), the federal awarding agency.

Condition and Context:

The Agency is required to submit reports to HUD, the federal awarding agency. We reviewed the Agency's internal control procedures regarding the review and submission of the CDBG Disaster Quarterly Performance Reports. Discussions with Agency staff responsible for these reports indicated that a review was being performed prior to submission to HUD. However, documentation could not be provided to support that a review had been performed (e.g., signature of the reviewer).

It should be noted that compliance testing performed on these reports indicated the data submitted agreed with the Agency's financial records.

Questioned Costs:

None

Cause:

The Agency did not establish adequate internal controls to ensure documented evidence was maintained supporting the review of the CDBG Disaster Quarterly Performance Reports.

Effect:

A deficiency in the design of controls regarding inadequate documented reviews of reports could result in inaccurate reporting to the federal awarding agency.

U.S. Department of Housing and Urban Development (Continued)

Finding Number:	13-790-02
State/Educational Agency(s):	Arkansas Economic Development Commission
CFDA Number(s) and Program Title(s):	14.228 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii

Recommendations

Contact Person:

Basil Julian
Grants Division Director
Arkansas Economic Development Commission
900 West Capitol, Ste. 400
Little Rock, AR 72201
(501) 682-7392
bjulian@arkansasedc.com

Recommendation:

We recommend the Agency establish and implement adequate internal controls to ensure timely compliance with FFATA reporting requirements for first-tier subawards.

Views of Responsible Officials and Planned Corrective Action:

The agency will alter its internal procedures to insure that the grant commitments are entered into FSRs earlier in the process. In the past, entry was made into FSRs as the last

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS ECONOMIC DEVELOPMENT COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
<p>14.255 - ARRA - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii (CDBG - State-Administered CDBG Cluster) B-12-DC-05-0001 Reporting Noncompliance and Significant Deficiency</p> <p>Federal Award Number(s): Federal Award Year(s): Compliance Requirement(s) Affected: Type of Finding:</p> <p>Criteria: In accordance with 2 CFR § 170 Appendix A, recipients of federal financial assistance subject to the Transparency Act are required to report first-tier subawards for actions that obligate \$25,000 or more in federal funds, excluding American Recovery and Reinvestment Act (ARRA) funds. Reporting is required no later than the end of the month following the month in which the obligation was made. (For example, if the obligation is made on November 7, 2010, the obligation must be reported no later than December 31, 2010.) First-tier subawards are reported using the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System and are available for public viewing at USASpending.gov.</p> <p>Condition and Context: The Agency had 58 first-tier subawards that met the FFATA reporting requirements. We reviewed 10 of these subawards to determine if the Agency submitted the required information timely. Our review revealed that the required information was not submitted timely for all 10 first-tier subawards, ranging from 20 to 274 days late.</p> <p>Questioned Costs: None</p> <p>Cause: The Agency does not have adequate procedures in place to ensure timely submission of the FFATA first-tier subaward information. Agency personnel stated they were behind on entering the information but are making progress to become current.</p> <p>Effect: The required FFATA first-tier subaward information was not reported timely.</p>	<p>step in the grant approval process. The grant was signed by the AEDC Deputy Director, and then the grant was mailed to the grantee for signature by the Mayor or the County Judge. If the grant documents were held by the grantee before signing them or returning them, it may delay the entry into FSRS. In the future the grant will be entered into FSRS after the Deputy Director signs the grant and before it is mailed to the grantee. This better represents the date of commitment from AEDC. By making this change we will be able to insure that our commitments meet the deadline as established in the Transparency Act.</p> <p>Anticipated Completion Date: March 3, 2014</p> <p>Contact Person: Basil Julian Grants Division Director Arkansas Economic Development Commission 900 West Capitol, Ste. 400 Little Rock, AR 72201 (501) 682-7392 bjulian@arkansasedc.com</p>

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS ECONOMIC DEVELOPMENT COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

U.S. Department of Housing and Urban Development (Continued)

Finding Number: 13-790-03
State/Educational Agency(s): Arkansas Economic Development Commission
CFDA Number(s) and Program Title(s): 14.228 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
14.255 - ARRA - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CDBG - State-Administered CDBG Cluster)
Federal Award Number(s): B-12-DC-05-0001
Federal Award Year(s): 2012
Compliance Requirement(s) Affected: Reporting
Type of Finding: Significant Deficiency

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 provisions of contracts or grant agreements that could have a material effect on each of its federal programs. This includes establishing internal controls documenting agency reviews and approvals of reports prior to submission to the Department of Housing and Urban Development (HUD), the federal awarding agency.

Condition and Context:

The Agency is required to submit reports to HUD, the federal awarding agency. We reviewed the Agency's internal control procedures regarding the review and submission of two reports: the Performance and Evaluation Report and the Consolidated Annual Performance and Evaluation Report. Discussions with Agency staff responsible for these reports indicated that a review was being performed prior to submission to HUD. However, documentation could not be provided to support that a review had been performed (e.g.,

Recommendation:

We recommend the Agency establish and implement control procedures to ensure that Agency personnel responsible for reviewing reports adequately document their review.

Views of Responsible Officials and Planned Corrective Action:

The Performance Evaluation Report (PER) is prepared by the AEDC Senior Grants Manager for submission to the Little Rock HUD Field Office. Although the report is submitted to the Grants Division Director for review prior to its submission to HUD, the agency has not had a written approval process prior to its release to HUD. In the future, the Grants Division Director will respond to the Senior Grants Manager with a written or e-mailed approval prior to the submission of the PER to HUD.

The Consolidated Annual Performance Evaluation Report (CAPER) is prepared by the four different state agencies that compose the Consolidated Plan Advisory Board. Since AEDC is the lead agency for the Consolidated Plan, the AEDC Grants Division Director submits the plan on behalf of the Advisory Board. Although the Deputy Director for Finance and Administration has always been supplied a copy of the CAPER before its submission, the agency has not required a written approval from the Deputy Director before it is submitted to HUD. In the future, the Deputy Director for Finance and Administration will respond in writing or by e-mail to the Grants Division Director with approval to submit the CAPER to HUD.

Anticipated Completion Date: March 3, 2014

Contact Person: Basil Julian
Grants Division Director
Arkansas Economic Development Commission
900 West Capitol, Ste. 400
Little Rock, AR 72201
(501) 682-7392
bjulian@arkansasedc.com

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS ECONOMIC DEVELOPMENT COMMISSION
 FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

signature of the reviewer).

It should be noted that compliance testing performed on these reports indicated the data submitted agreed with the Agency's financial records.

Questioned Costs:

None

Cause:

The Agency did not establish adequate internal controls to ensure documentation was maintained supporting the review of the Performance and Evaluation Report and the Consolidated Annual Performance and Evaluation Report.

Effect:

A deficiency in the design of controls regarding inadequately documented reviews of reports could result in inaccurate reporting to the federal awarding agency.

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

None

Employment Summary

	Male	Female	Total	%
White Employees	33	36	69	80 %
Black Employees	4	11	15	17 %
Other Racial Minorities	0	2	2	3 %
Total Minorities			17	20 %
Total Employees			86	100 %

Cash Fund Balance Description as of June 30, 2014

Fund Account	Balance	Type	Location
1130300	\$3,088	Checking	Regions Bank, Little Rock, AR

Statutory/Other Restrictions on use:

These funds are used for marketing purposes as defined in AR Code 19-4-801.

Statutory Provisions for Fees, Fines, Penalties:

The Arkansas Economic Development Commission has the authority to set fee amounts.

Revenue Receipts Cycle:

Fees are collected and interest is earned throughout the fiscal year.

Fund Balance Utilization:

Funds are used to pay for Commission marketing expenses.

Fund Account	Balance	Type	Location
1130400	\$450	Checking	Regions Bank, Little Rock, AR

Statutory/Other Restrictions on use:

These funds are used to pay for administrative and legal costs associated with preparation of financial incentive plans as defined in AR Code 15-4-1901.

Statutory Provisions for Fees, Fines, Penalties:

The Arkansas Economic Development Commission is authorized to collect fees pertaining to financial incentive plans by AR Code 15-4-1901.

Revenue Receipts Cycle:

Fees are collected and interest is earned throughout the fiscal year.

Fund Balance Utilization:

Funds are used to defray the Commission's administrative and legal costs associated with the preparation of financial incentive plans.

Fund Account	Balance	Type	Location
1270800	\$0	Checking	Regions Bank and Bank of the Ozarks, Little Rock, AR

Statutory/Other Restrictions on use:

These funds are used for operating expenses and grants as defined by AR Code 19-4-801.

Statutory Provisions for Fees, Fines, Penalties:

Fees are set by the U.S. Department of Energy. Interest is earned throughout the fiscal year.

Revenue Receipts Cycle:

This fund was established by multiple disbursements from the U.S. Department of Energy. Interest is earned throughout the fiscal year.

Fund Balance Utilization:

Funds are used for operating expenses and grants for qualified energy projects. CD's are purchased in various terms to allow redemption at the most effective time for payment of operating expenses and grants.

Fund Account	Balance	Type	Location
1271200	\$6,375	Checking	Regions Bank, Little Rock, AR

Statutory/Other Restrictions on use:

These funds are used to pay for quality management related expenses and for other industrial training expenses as defined by AR Code 19-4-801.

Statutory Provisions for Fees, Fines, Penalties:

The Arkansas Economic Development Commission has the authority to set fee amounts.

Revenue Receipts Cycle:

Fees are collected and interest is earned throughout the fiscal year.

Fund Balance Utilization:

Funds are used for quality management and other industrial related expenses.

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				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1MZ Super Projects	0	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
2SK State Operations	10,236,985	77	21,050,803	79	26,841,502	79	21,059,727	79	22,214,061	79	22,214,061	79	21,064,681	79	22,219,015	79	22,219,015	79
2SQ Community Assistance-Federal	40,878,606	10	53,197,493	8	109,435,531	10	53,168,526	8	43,747,305	8	43,747,305	8	53,169,264	8	36,248,043	8	36,248,043	8
2ST State Energy Plan-Federal	636,682	6	1,280,670	6	869,581	9	1,283,818	6	1,283,818	6	1,283,818	6	1,283,818	6	1,283,818	6	1,283,818	6
55L Technology Development	0	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
56N Energy Efficiency Arkansas-Cash	888,547	2	1,875,198	2	2,580,556	2	1,877,191	2	1,406,946	2	1,406,946	2	1,877,191	2	1,406,946	2	1,406,946	2
F11 Clean Cities	16,517	0	189,005	0	189,005	0	189,005	0	189,005	0	189,005	0	189,005	0	189,005	0	189,005	0
F99 Weatherization Program	4,338,941	5	5,739,148	5	8,289,707	5	5,738,783	5	8,304,767	5	8,304,767	5	5,738,783	5	8,304,767	5	8,304,767	5
H07 Quick Action Closing	16,435,647	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0	50,000,000	0
M70 New Markets Performance Program	0	0	875,781	0	875,781	0	875,781	0	875,781	0	875,781	0	875,781	0	875,781	0	875,781	0
NOT REQUESTED FOR THE BIENNIUM																		
C32 Incentive Plans-Cash	0	0	450	0	1,261	0	0	0	0	0	0	0	0	0	0	0	0	0
C34 Trade & International Investment-Cash	0	0	3,088	0	8,785	0	0	0	0	0	0	0	0	0	0	0	0	0
C35 Existing Business Resource Program - Cash	0	0	6,375	0	26,505	0	0	0	0	0	0	0	0	0	0	0	0	0
C36 Petroleum Violation Escrow-Cash	56,267	0	0	0	404,489	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	73,488,192	100	364,218,011	100	429,522,703	105	364,192,831	100	358,021,683	100	358,021,683	100	364,198,523	100	350,527,375	100	350,527,375	100

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	46,756,079	44.0	32,746,793	8.3			31,989,604	8.2	31,989,604	8.4	31,989,604	8.4	31,929,089	9.4	32,188,653	9.9	32,188,653	9.9
General Revenue	4000010	10,236,985	9.6	12,050,803	3.0			12,102,228	3.1	12,102,228	3.2	12,102,228	3.2	12,102,228	3.6	12,102,228	3.7	12,102,228	3.7
Federal Revenue	4000020	45,854,229	43.2	90,217,311	22.8			90,191,127	23.2	83,335,890	21.8	83,335,890	21.8	90,191,865	26.6	75,836,628	23.3	75,836,628	23.3
Cash Fund	4000045	416,254	0.4	1,316,927	0.3			1,795,000	0.5	1,795,000	0.5	1,795,000	0.5	1,561,000	0.5	1,561,000	0.5	1,561,000	0.5
Bond Proceeds	4000125	0	0.0	200,000,000	50.5			200,000,000	51.4	200,000,000	52.3	200,000,000	52.3	200,000,000	59.0	200,000,000	61.5	200,000,000	61.5
General Improvement Fund	4000265	0	0.0	50,000,000	12.6			50,000,000	12.8	50,000,000	13.1	50,000,000	13.1	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	0	0.0	2,500,000	0.6			2,500,000	0.6	2,500,000	0.7	2,500,000	0.7	2,500,000	0.7	2,500,000	0.8	2,500,000	0.8
Miscellaneous Revolving	4000350	0	0.0	875,781	0.2			875,781	0.2	875,781	0.2	875,781	0.2	875,781	0.3	875,781	0.3	875,781	0.3
Other	4000370	2,971,438	2.8	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer From DWS	4000527	0	0.0	6,500,000	1.6			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		106,234,985	100.0	396,207,615	100.0			389,453,740	100.0	382,598,503	100.0	382,598,503	100.0	339,159,963	100.0	325,064,290	100.0	325,064,290	100.0
Excess Appropriation/(Funding)		(32,746,793)		(31,989,604)				(25,260,909)		(24,576,820)		(24,576,820)		25,038,560		25,463,085		25,463,085	
Grand Total		73,488,192		389,218,011				364,192,831		358,021,683		358,021,683		364,198,523		350,527,375		350,527,375	

Budget exceeds Authorized Appropriation in State Energy Plan-Federal (2ST) due to a transfer from the Miscellaneous Federal Grant Holding Account. Variances in fund balance due to unfunded appropriation in State Operations (2ST), and Energy Efficiency Arkansas-Cash (56N).

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	
103	90	12	102	1	12.62 %	100	90	10	100	0	10.00 %	105	90	10	100	5	14.29 %

Analysis of Budget Request

Appropriation: 1MZ - Super Projects

Funding Sources: TSP - Department of Economic Development Super Projects Fund

The Super Projects Program was established by the A.C.A. §15-4-3001 et seq. to provide resources in support of industries that indicate the intention to invest in the State of Arkansas. To be classified as a Super Project requires the project's sponsor to invest at minimum four hundred million dollars (\$400,000,000) into the State and provided 400 new full time jobs.

Funding for these projects may be attained in General Obligations Bonds approved by the public or the General Assembly. Amendment 82 to the current State Constitution authorizes up to 5% of general revenues to be applied toward amortization of bonded indebtedness for large economic development projects. During the General Election of 2010, Amendment 90 was adopted that allowed for the General Assembly to issues bonds under the 82nd Amendment without voter approval.

The Super Project Program fund is to be utilized for payments on part of or all of the debt service on bonds issued or on a pay-as-you-go basis should bonds neither be approved nor issued.

The Agency Request provides for Base Level of \$200,000,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MZ - Super Projects

Funding Sources: TSP - Department of Economic Development Super Projects Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Super Projects 5900046	0	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total	0	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000

Funding Sources									
Bond Proceeds 4000125	0	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total Funding	0	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000

Analysis of Budget Request

Appropriation: 2SK - State Operations

Funding Sources: HOA - Department of Economic Development Fund

This is the primary operating appropriation for the Arkansas Economic Development Commission and is funded by general revenues. In addition to the Director's Office, there are four functional groups within the Agency that utilize this State Operations appropriation. They are: (1) Administration and Finance, (2) Global Business, (3) Marketing and Communications, and (4) Energy Office.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY2015 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.

Base Level is \$21,059,727 FY2016 and \$21,064,681 FY2017.

The Agency Request provides for \$1,154,334 each year of the biennium in unfunded appropriation for the following:

- Regular Salaries and Personal Services Matching of \$54,334 each year for the reclassification of twenty two (22) positions including Eighteen (18) AEDC Area/Program Representatives C122 to AEDC Project/ Regional Manager C125, three (3) Training Program Managers C120 to AEDC Project/Regional Manager C125, and one (1) Grants Analyst C117 to Accountant II C117.
- Operating Expenses reallocation of \$16,500 from rent of office equipment to rent of facilities to cover Arkansas Building Authority three percent (3%) rent increase.
- Grants and Aid of \$1,000,000 each year for grants to economic development projects and regional partnerships as saving from other areas allows.
- Capital Outlay of \$100,000 each year of for replacement of aging equipment and purchase emergency backup systems as saving from other areas allows.

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

Appropriation Summary

Appropriation: 2SK - State Operations
Funding Sources: HOA - Department of Economic Development 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	4,451,923	4,767,313	4,768,725	4,732,319	4,776,269	4,776,269	4,736,119	4,780,069	4,780,069
#Positions	77	79	79	79	79	79	79	79	79
Personal Services Matching 5010003	1,390,247	1,477,974	1,437,587	1,481,505	1,491,889	1,491,889	1,482,659	1,493,043	1,493,043
Operating Expenses 5020002	1,279,064	1,507,851	1,550,204	1,548,238	1,548,238	1,548,238	1,548,238	1,548,238	1,548,238
Conference & Travel Expenses 5050009	116,859	141,486	141,486	141,486	141,486	141,486	141,486	141,486	141,486
Professional Fees 5060010	1,441,439	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	264,000	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000
Capital Outlay 5120011	127,733	0	100,000	0	100,000	100,000	0	100,000	100,000
Far East Trade/Ind Recruitment 5900046	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Industry Training Program 5900049	999,817	11,312,679	16,000,000	11,312,679	11,312,679	11,312,679	11,312,679	11,312,679	11,312,679
For State Matching of Federal Fu 5900050	15,903	228,500	228,500	228,500	228,500	228,500	228,500	228,500	228,500
Total	10,236,985	21,050,803	26,841,502	21,059,727	22,214,061	22,214,061	21,064,681	22,219,015	22,219,015
Funding Sources									
General Revenue 4000010	10,236,985	12,050,803		12,102,228	12,102,228	12,102,228	12,102,228	12,102,228	12,102,228
Inter-agency Fund Transfer 4000316	0	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Transfer From DWS 4000527	0	6,500,000		0	0	0	0	0	0
Total Funding	10,236,985	21,050,803		14,602,228	14,602,228	14,602,228	14,602,228	14,602,228	14,602,228
Excess Appropriation/(Funding)	0	0		6,457,499	7,611,833	7,611,833	6,462,453	7,616,787	7,616,787
Grand Total	10,236,985	21,050,803		21,059,727	22,214,061	22,214,061	21,064,681	22,219,015	22,219,015

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.
 Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 2SK - State Operations
Funding Sources: HOA - Department of Economic Development Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	21,059,727	79	21,059,727	100.0	21,064,681	79	21,064,681	100.0
C04	Reallocation	0	0	21,059,727	100.0	0	0	21,064,681	100.0
C05	Unfunded Appropriation	1,100,000	0	22,159,727	105.2	1,100,000	0	22,164,681	105.2
C10	Reclass	54,334	0	22,214,061	105.5	54,334	0	22,219,015	105.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	21,059,727	79	21,059,727	100.0	21,064,681	79	21,064,681	100.0
C04	Reallocation	0	0	21,059,727	100.0	0	0	21,064,681	100.0
C05	Unfunded Appropriation	1,100,000	0	22,159,727	105.2	1,100,000	0	22,164,681	105.2
C10	Reclass	54,334	0	22,214,061	105.5	54,334	0	22,219,015	105.5
C14	Title Change	0	0	22,214,061	105.5	0	0	22,219,015	105.5

Justification

C04	Reallocation of \$16,050 within Operating Expenses to cover upcoming 3% Arkansas Building Authority rent increase.
C05	Requesting the continuation of \$1,000,000 unfunded appropriation in Grants and Aid for economic development projects and regional partnership within the state that could benefit from immediate, short term funding which the Commission may be able to fund with savings in other areas. Also \$100,000 unfunded appropriation in Capital Outlay to allow purchase of equipment for emergency backup systems and replacement of aging equipment on a pre-determined schedule as savings from other programs allow.
C10	The Commission is requesting the creation of a career ladder series. This career ladder will help to eliminate grade level discrepancies among AEDC's five major divisions. No funding is being requested for the implementation of this career ladder.
C14	Executive Recommendation provides a Title Change of position G062C AEDC Project/Regional Manager to G062C AEDC Project Consultant.

Analysis of Budget Request

Appropriation: 2SQ - Community Assistance-Federal

Funding Sources: FAK - Economic Development - Federal

This is a federally funded appropriation used to operate the Community Development Block Grant Program at the Arkansas Economic Development Commission. Funding is provided by grants from the Department of Housing and Urban Development and through repayments of previous loans.

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

Base Level is \$53,168,526 in FY2016 and \$53,169,264 in FY2017.

The Agency's Change Level Request provides for a reduction to Base Level of (\$9,421,221) in FY2016 and (\$16,921,221) in FY2017, and reflects the following:

- Regular Salaries and Personal Services Matching of \$19,725 each year of the biennium for the reclassification of three (3) AEDC Area/Program Representatives C122 to AEDC Project Regional Managers C125.
- Grants and Aid of (\$2,500,000) each year of the biennium as a result of the decreasing availability of Community Development Block Grant funding to the state by the Department of Housing and Urban Development.
- Storm Recovery Grant Program of (\$6,940,946 in FY2016 and (\$14,440,946) in FY2017 as a result of decreasing funding as the majority of recipients are awarded.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SQ - Community Assistance-Federal
Funding Sources: FAK - Economic Development - Federal

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	224,734	303,737	316,008	279,677	295,622	295,622	280,277	296,222	296,222
#Positions	10	8	8	8	8	8	8	8	8
Personal Services Matching 5010003	84,655	102,040	103,999	96,979	100,759	100,759	97,117	100,897	100,897
Operating Expenses 5020002	47,710	60,600	60,600	60,600	60,600	60,600	60,600	60,600	60,600
Conference & Travel Expenses 5050009	8,327	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees 5060010	87,608	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	21,268,108	30,000,000	30,000,000	30,000,000	27,500,000	27,500,000	30,000,000	27,500,000	27,500,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Storm Recovery Grants 5900046	18,923,082	22,020,406	76,425,796	22,020,560	15,079,614	15,079,614	22,020,560	7,579,614	7,579,614
Flood Recovery Grants 5900047	234,382	615,710	1,305,000	615,710	615,710	615,710	615,710	615,710	615,710
ARRA of 2009 5900052	0	0	1,129,128	0	0	0	0	0	0
Total	40,878,606	53,197,493	109,435,531	53,168,526	43,747,305	43,747,305	53,169,264	36,248,043	36,248,043
Funding Sources									
Federal Revenue 4000020	40,878,606	53,197,493		53,168,526	43,747,305	43,747,305	53,169,264	36,248,043	36,248,043
Total Funding	40,878,606	53,197,493		53,168,526	43,747,305	43,747,305	53,169,264	36,248,043	36,248,043
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	40,878,606	53,197,493		53,168,526	43,747,305	43,747,305	53,169,264	36,248,043	36,248,043

Change Level by Appropriation

Appropriation: 2SQ - Community Assistance-Federal
Funding Sources: FAK - Economic Development - Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	53,168,526	8	53,168,526	100.0	53,169,264	8	53,169,264	100.0
C03	Discontinue Program	(9,442,750)	0	43,725,776	82.2	(16,942,750)	0	36,226,514	68.1
C10	Reclass	21,529	0	43,747,305	82.3	21,529	0	36,248,043	68.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	53,168,526	8	53,168,526	100.0	53,169,264	8	53,169,264	100.0
C03	Discontinue Program	(9,442,750)	0	43,725,776	82.2	(16,942,750)	0	36,226,514	68.1
C10	Reclass	21,529	0	43,747,305	82.3	21,529	0	36,248,043	68.2
C14	Title Change	0	0	43,747,305	82.3	0	0	36,248,043	68.2

Justification

C03	The Commission requests reductions in Grants and Aid and the Storm Recovery Grants. These reductions are necessary due to anticipated reductions in federal funding.
C10	The Commission is requesting the creation of a career ladder series. This career ladder will help to eliminate grade level discrepancies among AEDC's five major divisions.
C14	Executive Recommendation provides a Title Change of position G062C AEDC Project/Regional Manager to G062C AEDC Project Consultant.

Analysis of Budget Request

Appropriation: 2ST - State Energy Plan-Federal

Funding Sources: FKE - Department of Energy - Federal

This is one of the major federal programs administered by the Arkansas Economic Development Commission. Federal funding for the State Energy Plan is received from the U.S. Department of Energy and is directed at projects that address the State's needs in energy conservation. This appropriation is also used to expend indirect cost obligations for all federal programs administered by the Department.

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

The Agency Request provides for Base Level of \$1,283,818 each year of the biennium and changes resulting in no additional cost that are summarized as follows:

- Reclassification of one (1) position, AEDC Area/Program Representative C122 to AEDC Project/Regional Manager C125.
- Reallocation of \$350,000 from Professional Fees to Grants and Aid as approved by Miscellaneous Federal Grant Reallocation July 2014.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2ST - State Energy Plan-Federal

Funding Sources: FKE - Department of Energy - Federal

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	147,179	224,578	295,239	226,499	226,499	226,499	226,499	226,499	226,499
#Positions		6	6	9	6	6	6	6	6	6
Personal Services Matching	5010003	72,520	80,994	99,244	82,221	82,221	82,221	82,221	82,221	82,221
Operating Expenses	5020002	61,560	118,273	93,273	118,273	118,273	118,273	118,273	118,273	118,273
Conference & Travel Expenses	5050009	11,947	36,788	11,788	36,788	36,788	36,788	36,788	36,788	36,788
Professional Fees	5060010	88,694	618,085	218,085	618,085	268,085	268,085	618,085	268,085	268,085
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	254,782	201,952	151,952	201,952	551,952	551,952	201,952	551,952	551,952
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		636,682	1,280,670	869,581	1,283,818	1,283,818	1,283,818	1,283,818	1,283,818	1,283,818
Funding Sources										
Federal Revenue	4000020	636,682	1,280,670		1,283,818	1,283,818	1,283,818	1,283,818	1,283,818	1,283,818
Total Funding		636,682	1,280,670		1,283,818	1,283,818	1,283,818	1,283,818	1,283,818	1,283,818
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		636,682	1,280,670		1,283,818	1,283,818	1,283,818	1,283,818	1,283,818	1,283,818

FY15 Budget exceeds Authorized Appropriation in Operating Expenses, Conference & Travel Expenses, Professional Fees, and Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 2ST - State Energy Plan-Federal
Funding Sources: FKE - Department of Energy - Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,283,818	6	1,283,818	100.0	1,283,818	6	1,283,818	100.0
C04	Reallocation	0	0	1,283,818	100.0	0	0	1,283,818	100.0
C10	Reclass	0	0	1,283,818	100.0	0	0	1,283,818	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,283,818	6	1,283,818	100.0	1,283,818	6	1,283,818	100.0
C04	Reallocation	0	0	1,283,818	100.0	0	0	1,283,818	100.0
C10	Reclass	0	0	1,283,818	100.0	0	0	1,283,818	100.0
C14	Title Change	0	0	1,283,818	100.0	0	0	1,283,818	100.0

Justification

C04	Reallocating \$350,000 from Professional Fees to Grants and Aid.
C10	The Commission is requesting the creation of a career ladder series. This career ladder will help to eliminate grade level discrepancies among AEDC's five major divisions.
C14	Executive Recommendation provides a Title Change of position G062C AEDC Project/Regional Manager to G062C AEDC Project Consultant.

Analysis of Budget Request

Appropriation: 55L - Technology Development

Funding Sources: MTL - Technology Acceleration Fund

The Technology Development Program was established by Act 806 of 2009 to provide a means to deliver investment incentives to attract and retain development in the State by high technology centered businesses. Any use of this program requires a proposal made by this agency, the Arkansas Science and Technology Authority, and the Arkansas Development Finance Authority, that is approved by the Governor. Funding may be received from several sources, such as gifts, bequests, grants, emergency funds, bond proceeds, service charges, or interagency transfers, but centers on the probability of federal funding from the U.S. Department of Commerce.

The Agency Request provides for Base Level of \$30,000,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 55L - Technology Development

Funding Sources: MTL - Technology Acceleration 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
Technology Acceleration Prgm 5900046	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources									
Federal Revenue 4000020	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total Funding	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

Analysis of Budget Request

Appropriation: 56N - Energy Efficiency Arkansas-Cash

Funding Sources: NDE - Energy Efficiency - Cash in Treasury

The Energy Efficiency Arkansas - Cash in Treasury appropriation was originally authorized by request from the Cash Fund Holding Account in January, 2008. Funding for this program is received from various energy companies operating within the State for the Quick Start Statewide Energy Efficiency Program mandated by the Public Service Commission.

Base Level is \$1,877,191 each year of the biennium.

The Agency's Change Level Request provides for a reduction of (\$470,245) each year of the biennium and reflects the following:

- Reclassification of one (1) position from a Training Project Manager C120 to AEDC Project/Regional Manager C125 resulting in no additional cost.
- Professional Fees of (\$470,245) each year due to decreasing cash revenues from utility company audits.

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

Appropriation Summary

Appropriation: 56N - Energy Efficiency Arkansas-Cash
Funding Sources: NDE - Energy Efficiency - 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	78,005	80,713	80,257	82,119	82,119	82,119	82,119	82,119	82,119
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	22,476	28,340	27,194	28,927	28,927	28,927	28,927	28,927	28,927
Operating Expenses	5020002	71,381	93,900	93,900	93,900	93,900	93,900	93,900	93,900	93,900
Conference & Travel Expenses	5050009	1,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	361,632	1,220,245	1,927,205	1,220,245	750,000	750,000	1,220,245	750,000	750,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	353,553	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		888,547	1,875,198	2,580,556	1,877,191	1,406,946	1,406,946	1,877,191	1,406,946	1,406,946
Funding Sources										
Fund Balance	4000005	1,339,158	836,507		66,510	66,510	66,510	0	259,564	259,564
Cash Fund	4000045	385,896	1,105,201		1,600,000	1,600,000	1,600,000	1,400,000	1,400,000	1,400,000
Total Funding		1,725,054	1,941,708		1,666,510	1,666,510	1,666,510	1,400,000	1,659,564	1,659,564
Excess Appropriation/(Funding)		(836,507)	(66,510)		210,681	(259,564)	(259,564)	477,191	(252,618)	(252,618)
Grand Total		888,547	1,875,198		1,877,191	1,406,946	1,406,946	1,877,191	1,406,946	1,406,946

FY15 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 56N - Energy Efficiency Arkansas-Cash
Funding Sources: NDE - Energy Efficiency - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,877,191	2	1,877,191	100.0	1,877,191	2	1,877,191	100.0
C03	Discontinue Program	(470,245)	0	1,406,946	74.9	(470,245)	0	1,406,946	74.9
C10	Reclass	0	0	1,406,946	74.9	0	0	1,406,946	74.9

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,877,191	2	1,877,191	100.0	1,877,191	2	1,877,191	100.0
C03	Discontinue Program	(470,245)	0	1,406,946	74.9	(470,245)	0	1,406,946	74.9
C10	Reclass	0	0	1,406,946	74.9	0	0	1,406,946	74.9
C14	Title Change	0	0	1,406,946	74.9	0	0	1,406,946	74.9

Justification

C03	A reduction to the Energy Efficiency Arkansas program is necessary as result of anticipated declines in cash funds. The Commission requests reducing Professional Fees by \$470,245 each year of the biennium.
C10	The Commission is requesting the creation of a career ladder series. This career ladder will help to eliminate grade level discrepancies among AEDC's five major divisions.
C14	Executive Recommendation provides a Title Change of position G062C AEDC Project/Regional Manager to G062C AEDC Project Consultant.

Analysis of Budget Request

Appropriation: F11 - Clean Cities

Funding Sources: NDE - Clean Cities Coalition - Cash in Treasury

The Arkansas Clean Cities Coalition Program - Cash In Treasury was established by a Cash Fund Holding Account request that was approved in June, 2012. This program facilitates working groups to explore issues associated with the use of alternative fuels and alternative fuel vehicles, to initiate education and training programs, to encourage vehicle manufacturers to participate in the Arkansas market, and to promote research, development, and investment in alternative fuel vehicle projects.

Funding is derived from grants administered by various pass through agencies, contracted by the nationwide Clean Cities Program by the U.S. Department of Energy.

The Agency Request provides for Base Level of \$189,005 each year of the biennium.

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

Appropriation Summary

Appropriation: F11 - Clean Cities

Funding Sources: NDE - Clean Cities Coalition - Cash in Treasury

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
Operating Expenses	5020002	5,022	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Conference & Travel Expenses	5050009	4,761	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750
Professional Fees	5060010	3,000	105,255	105,255	105,255	105,255	105,255	105,255	105,255	105,255
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,734	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		16,517	189,005	189,005	189,005	189,005	189,005	189,005	189,005	189,005
Funding Sources										
Fund Balance	4000005	32,224	46,058		68,779	68,779	68,779	74,774	74,774	74,774
Cash Fund	4000045	30,351	211,726		195,000	195,000	195,000	161,000	161,000	161,000
Total Funding		62,575	257,784		263,779	263,779	263,779	235,774	235,774	235,774
Excess Appropriation/(Funding)		(46,058)	(68,779)		(74,774)	(74,774)	(74,774)	(46,769)	(46,769)	(46,769)
Grand Total		16,517	189,005		189,005	189,005	189,005	189,005	189,005	189,005

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: F99 - Weatherization Program

Funding Sources: FKE - Weatherization Program - Federal

The Weatherization Assistance Program (WAP) is funded by the U.S. Department of Energy. Low Income Home Energy Assistance Program (LAHEAP) is funded by a grant from the Department of Human Services. WAP was transferred from the Department of Human Service to the Commission by Act 1111 of 2013. Both programs administer grants to assist low income Arkansans to improve the energy efficiency of their homes.

Base Level provides \$5,738,783 each year of the biennium.

The Agency Request provides for \$2,565,984 each year and includes the following:

- Reclassification of one (1) position DHS/DCO Program Manager C120 to Energy Program Coordinator C120.
- Weatherization Program restoration of \$2,565,984 in appropriation each year of the biennium to ensure sufficient appropriation for additional federal funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F99 - Weatherization Program
Funding Sources: FKE - Weatherization Program - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	186,645	194,258	181,266	193,426	193,426	193,426	193,426	193,426	193,426
#Positions	5	5	5	5	5	5	5	5	5
Personal Services Matching 5010003	66,643	69,124	66,691	69,591	69,591	69,591	69,591	69,591	69,591
Operating Expenses 5020002	170,664	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Conference & Travel Expenses 5050009	8,553	6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,750
Professional Fees 5060010	16,662	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Data Processing Services 5900044	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Weatherization Assistance Progr: 5900046	3,889,774	5,434,016	8,000,000	5,434,016	8,000,000	8,000,000	5,434,016	8,000,000	8,000,000
Total	4,338,941	5,739,148	8,289,707	5,738,783	8,304,767	8,304,767	5,738,783	8,304,767	8,304,767
Funding Sources									
Federal Revenue 4000020	4,338,941	5,739,148		5,738,783	8,304,767	8,304,767	5,738,783	8,304,767	8,304,767
Total Funding	4,338,941	5,739,148		5,738,783	8,304,767	8,304,767	5,738,783	8,304,767	8,304,767
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,338,941	5,739,148		5,738,783	8,304,767	8,304,767	5,738,783	8,304,767	8,304,767

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

Change Level by Appropriation

Appropriation: F99 - Weatherization Program
Funding Sources: FKE - Weatherization Program - Federal

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	5,738,783	5	5,738,783	100.0	5,738,783	5	5,738,783	100.0
C01	Existing Program	2,565,984	0	8,304,767	144.7	2,565,984	0	8,304,767	144.7
C10	Reclass	0	0	8,304,767	144.7	0	0	8,304,767	144.7

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	5,738,783	5	5,738,783	100.0	5,738,783	5	5,738,783	100.0
C01	Existing Program	2,565,984	0	8,304,767	144.7	2,565,984	0	8,304,767	144.7
C10	Reclass	0	0	8,304,767	144.7	0	0	8,304,767	144.7

Justification

C01	The Commission is requesting restoration of \$2,565,984 in appropriation to the Weatherization Assistance Program in order to ensure sufficient appropriation for any additional federal funding received.
C10	The Commission is requesting the creation of a career ladder series. This career ladder will help to eliminate grade level discrepancies among AEDC's five major divisions.

Analysis of Budget Request

Appropriation: H07 - Quick Action Closing

Funding Sources: MQA - Quick Action Closing Fund

Established by Arkansas Code 19-5-1231 The Quick Action Closing Fund is comprised mainly of funding transferred from the General Revenue Allotment Reserve Fund. The Fund is utilized by the Arkansas Economic Development Commission, in conjunction with other incentives, to attract new businesses and economic development to the state and to retain existing businesses. This appropriation was originally established as a capital project.

Base Level for the program is \$50,000,000 both year of the biennium.

The Agency Request provides for Base Level.

The Executive recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: H07 - Quick Action Closing

Funding Sources: MQA - Quick Action Closing 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
Grants and Aid	5100004	16,435,647	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	75,000,000	75,000,000
Total		16,435,647	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	75,000,000	75,000,000
Funding Sources										
Fund Balance	4000005	45,318,524	31,854,315		31,854,315	31,854,315	31,854,315	31,854,315	31,854,315	31,854,315
General Improvement Fund	4000265	0	50,000,000		50,000,000	50,000,000	50,000,000	0	0	0
Other	4000370	2,971,438	0		0	0	0	0	0	0
Total Funding		48,289,962	81,854,315		81,854,315	81,854,315	81,854,315	31,854,315	31,854,315	31,854,315
Excess Appropriation/(Funding)		(31,854,315)	(31,854,315)		(31,854,315)	(31,854,315)	(31,854,315)	18,145,685	18,145,685	18,145,685
Grand Total		16,435,647	50,000,000		50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000

*Previously authorized as a capital project. Expenditure of appropriation is contingent upon available funding.
The Other amount is comprised of a prior year refund to expenditure and grant refund.

Analysis of Budget Request

Appropriation: M70 - New Markets Performance Program

Funding Sources: MNM - New Markets Performance Program

Arkansas Economic Development Commission administers the New Market Tax Credit program created by Act 1474 of 2013. The program allows business entities to earn credits against their state premium tax liability based on equity investments in community development entities that are invested in low income community businesses. Revenues in the fund are derived from application fees and a refundable performance fee.

The Agency Request provides for Base Level of \$875,781 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M70 - New Markets Performance Program

Funding Sources: MNM - New Markets Performance Program

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
Refunds/Reimbursements 5110014	0	875,781	875,781	875,781	875,781	875,781	875,781	875,781	875,781
Total	0	875,781	875,781	875,781	875,781	875,781	875,781	875,781	875,781
Funding Sources									
Miscellaneous Revolving 4000350	0	875,781		875,781	875,781	875,781	875,781	875,781	875,781
Total Funding	0	875,781		875,781	875,781	875,781	875,781	875,781	875,781
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	875,781		875,781	875,781	875,781	875,781	875,781	875,781

Appropriation Summary

Appropriation: C32 - Incentive Plans-Cash
Funding Sources: 113 - Arkansas Industrial Development - Cash in Bank

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
Incentive Plans 5900046	0	450	1,261	0	0	0	0	0	0
Total	0	450	1,261	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	450	450		0	0	0	0	0	0
Total Funding	450	450		0	0	0	0	0	0
Excess Appropriation/(Funding)	(450)	0		0	0	0	0	0	0
Grand Total	0	450		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

Appropriation Summary

Appropriation: C34 - Trade & International Investment-Cash
Funding Sources: 113 - Arkansas Industrial Development - Cash in Bank

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
Trade & Inter Invest Exp 5900046	0	3,088	8,785	0	0	0	0	0	0
Total	0	3,088	8,785	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	3,086	3,088		0	0	0	0	0	0
Cash Fund 4000045	2	0		0	0	0	0	0	0
Total Funding	3,088	3,088		0	0	0	0	0	0
Excess Appropriation/(Funding)	(3,088)	0		0	0	0	0	0	0
Grand Total	0	3,088		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

Appropriation Summary

Appropriation: C35 - Existing Business Resource Program - Cash

Funding Sources: 127 - Department of Energy - Cash in Bank

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
Existing Business 5900046	0	6,375	26,505	0	0	0	0	0	0
Total	0	6,375	26,505	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	6,370	6,375		0	0	0	0	0	0
Cash Fund 4000045	5	0		0	0	0	0	0	0
Total Funding	6,375	6,375		0	0	0	0	0	0
Excess Appropriation/(Funding)	(6,375)	0		0	0	0	0	0	0
Grand Total	0	6,375		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

Appropriation Summary

Appropriation: C36 - Petroleum Violation Escrow-Cash

Funding Sources: 127 - Department of Energy - Cash in Bank

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
Grants and Aid 5100004	56,267	0	404,489	0	0	0	0	0	0
Total	56,267	0	404,489	0	0	0	0	0	0
Funding Sources									
Fund Balance 4000005	56,267	0		0	0	0	0	0	0
Total Funding	56,267	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	56,267	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM