

AR ECONOMIC DEVELOPMENT COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	37	36	73	80 %
Black Employees	2	10	12	13 %
Other Racial Minorities	2	4	6	7 %
Total Minorities			18	20 %
Total Employees			91	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				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1MZ Super Projects	5,290,601	0	6,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
2SK State Operations	10,942,013	71	13,445,987	75	16,719,275	73	17,897,832	76	17,897,832	76	17,899,882	76	17,899,882	76
2SQ Community Assistance-Federal	20,603,259	6	19,764,610	6	36,256,271	8	36,281,635	6	36,281,635	6	36,281,635	6	36,281,635	6
55L Technology Development	0	0	0	0	30,000,000	0	0	0	0	0	0	0	0	0
M70 New Markets Performance Program	0	0	0	0	875,781	0	875,781	0	875,781	0	875,781	0	875,781	0
T88 AEDC-Rural Service Div-State Operations	891,450	3	919,120	3	1,243,767	3	1,284,510	3	1,284,510	3	1,284,510	3	1,284,510	3
T89 AEDC-Rural Services Div-Animal Rescue	0	0	0	0	5,328	0	0	0	0	0	0	0	0	0
T90 AEDC-Rural Services Div-Admin Fee	9,709	0	21,982	0	45,395	0	0	0	0	0	0	0	0	0
T93 AEDC-RS Unpaved Road Program	149,631	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
U08 AR Manufacturing Extention Network-State	205,720	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
U09 Seed Capital Investment-Cash in Treasury	0	0	1,900,000	0	1,900,000	0	1,540,000	0	1,540,000	0	1,540,000	0	1,540,000	0
U11 Science & Technology-State Operations	2,542,876	12	2,540,680	12	8,433,264	12	8,283,668	12	8,283,668	12	8,283,707	12	8,283,707	12
U12 New AMS - Cash in Treasury	443,338	4	1,043,511	4	1,415,952	8	1,052,722	4	1,052,722	4	1,052,911	4	1,052,911	4
U13 Energy Efficiency - Cash in Treasury	31,224	0	150,000	0	150,000	0	100,000	0	100,000	0	100,000	0	100,000	0
U14 AR Manufacturing Extension Network-Fed	844,544	2	927,733	4	814,928	2	929,103	4	929,103	4	929,293	4	929,293	4
U16 Arkansas Acceleration Fund	910,000	0	1,090,026	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
U17 STEM Education - Cash	0	0	0	0	40,000	0	40,000	0	40,000	0	40,000	0	40,000	0
U18 EPSCoR RII - Track 2 Plant Bioimaging	354,641	0	0	0	3,132,830	0	0	0	0	0	0	0	0	0
U20 Innovate Arkansas	0	0	0	0	5,000,000	0	0	0	0	0	0	0	0	0
U22 Fish and Wildlife Conservation Program	417,691	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0	800,000	0
U28 Rural Services Conference Cash	79,623	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
U34 EPSCOR Track III	4,026,765	3	4,942,094	3	20,000,000	2	5,002,233	3	5,002,233	3	5,002,355	3	5,002,355	3
U77 Quick Action Closing	0	0	0	0	75,000,000	0	75,000,000	0	75,000,000	0	75,000,000	0	75,000,000	0
V39 Internet Service Provider Grant Program	0	0	0	0	25,000,000	0	0	0	0	0	0	0	0	0
X09 Minority and Women-Owned Business Loan	0	0	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total	47,743,085	100	54,152,925	107	457,939,973	108	380,194,666	108	380,194,666	108	380,197,256	108	380,197,256	108

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	62,084,430	52.4	70,780,700	59.0	65,889,605	20.1	65,889,605	20.1	1,750,497	0.7	1,750,497	0.7
General Revenue	4000010	12,897,694	10.9	14,812,393	12.3	14,815,619	4.5	14,815,619	4.5	14,817,486	5.6	14,817,486	5.6
Federal Revenue	4000020	25,843,154	21.8	23,634,437	19.7	42,242,971	12.9	42,242,971	12.9	42,243,283	16.0	42,243,283	16.0
Cash Fund	4000045	584,248	0.5	1,265,000	1.1	2,560,000	0.8	2,560,000	0.8	2,560,000	1.0	2,560,000	1.0
Bond Proceeds	4000125	0	0.0	0	0.0	193,000,000	58.9	193,000,000	58.9	193,000,000	73.3	193,000,000	73.3

Funding Sources			%		%		%		%		%
Rainy Day Fund	4000267	2,500,000	2.1	500,000	0.4	0	0.0	0	0.0	0	0.0
Interest	4000300	1,201,486	1.0	2,000,000	1.7	0	0.0	0	0.0	0	0.0
Miscellaneous Revolving	4000350	0	0.0	0	0.0	875,781	0.3	875,781	0.3	875,781	0.3
Other	4000370	5,290,876	4.5	6,000,000	5.0	7,000,000	2.1	7,000,000	2.1	7,000,000	2.7
Reimbursement	4000425	65,000	0.1	0	0.0	0	0.0	0	0.0	0	0.0
Transfers / Adjustments	4000683	1,761	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers from Agencies	4000690	690,702	0.6	1,050,000	0.9	1,050,000	0.3	1,050,000	0.3	1,050,000	0.4
Transfers (to) / from Agencies	4000693	7,364,434	6.2	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		118,523,785	100.0	120,042,530	100.0	327,433,976	100.0	327,433,976	100.0	263,297,047	100.0
Excess Appropriation/(Funding)		(70,780,700)		(65,889,605)		52,760,690		52,760,690		116,900,209	
Grand Total		47,743,085		54,152,925		380,194,666		380,194,666		380,197,256	

FY19 Budget amount in Appropriation U14 exceeds the authorized amount due to salary and matching rate adjustments

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. Per Amendment 90 of the Arkansas Constitution, "Super Project" is defined as a project that requires an investment of over \$500,000,000 and that creates in excess of five hundred jobs. These projects are funded with Obligation Bonds for Economic Development as defined in Amendment 82 and are backed by the full faith and credit of the State of Arkansas.

The Agency is requesting \$200,000,000 for each year of the 2019-2021 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		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Super Projects	5900046	5,290,601	6,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total		5,290,601	6,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Funding Sources								
Bond Proceeds	4000125	0	0		193,000,000	193,000,000	193,000,000	193,000,000
Other	4000370	5,290,601	6,000,000		7,000,000	7,000,000	7,000,000	7,000,000
Total Funding		5,290,601	6,000,000		200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		5,290,601	6,000,000		200,000,000	200,000,000	200,000,000	200,000,000

Expenditure of appropriation is contingent upon available funding.
 Other Funding is Deduction from Gross General Revenue, as defined by 19-5-401.

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.

The Agency is requesting \$17,897,832 in FY20 and \$17,899,882 in FY21 and General Revenue funding of \$11,097,773 in FY20 and \$11,099,517 in FY21.

The Agency Request includes the following changes for both years:

- Capital Outlay - Restoration of Capital Outlay of \$100,000 for each year for equipment purchases and building renovation.

The Technology related requests are documented in the Agency's Information Technology (IT) Plan.

AEDC has received direction from the Legislature regarding economic development programs that are currently in development. In order to facilitate those upcoming programs, Special Language was added to Act 230 of 2018 (Section 32) to allow for the transfer of excess appropriation between all lines in this section. To ensure that we can comply, AEDC would like to maintain all authorized appropriations at current levels for both years of the Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SK - State Operations

Funding Sources: HOA - Department of Economic Development Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	4,118,586	5,062,628	4,217,303	5,149,185	5,149,185	5,150,588	5,150,588
	#Positions	71	75	73	76	76	76	76
Extra Help	5010001	1,245	30,000	30,000	30,000	30,000	30,000	30,000
	#Extra Help	1	6	6	6	6	6	6
Personal Services Matching	5010003	1,296,174	1,386,827	1,323,948	1,570,623	1,570,623	1,571,270	1,571,270
Operating Expenses	5020002	1,462,868	1,486,988	1,548,238	1,548,238	1,548,238	1,548,238	1,548,238
Conference & Travel Expenses	5050009	104,775	141,486	141,486	141,486	141,486	141,486	141,486
Professional Fees	5060010	1,728,984	1,583,037	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Outlay	5120011	119,599	100,000	100,000	100,000	100,000	100,000	100,000
Global Business Initiatives	5900046	685,561	900,000	900,000	900,000	900,000	900,000	900,000
Military Affairs Grant Program	5900047	447,813	750,000	750,000	750,000	750,000	750,000	750,000
Small Business Innovative Resea	5900048	0	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Industry Training Program	5900049	524,408	1,505,021	1,714,800	1,714,800	1,714,800	1,714,800	1,714,800
For State Match of Fed Funds	5900050	0	0	228,500	228,500	228,500	228,500	228,500
Office of Transformation Expens	5900051	452,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total		10,942,013	13,445,987	16,719,275	17,897,832	17,897,832	17,899,882	17,899,882

Funding Sources								
Fund Balance	4000005	3,034,941	1,850,576		0	0	0	0
General Revenue	4000010	9,257,648	11,095,411		11,097,773	11,097,773	11,099,517	11,099,517
Rainy Day Fund	4000267	500,000	500,000		0	0	0	0
Total Funding		12,792,589	13,445,987		11,097,773	11,097,773	11,099,517	11,099,517
Excess Appropriation/(Funding)		(1,850,576)	0		6,800,059	6,800,059	6,800,365	6,800,365
Grand Total		10,942,013	13,445,987		17,897,832	17,897,832	17,899,882	17,899,882

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium. Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

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.

The Agency is requesting \$36,281,635 in FY20 and FY21.

Annual funding amounts are dependent on Congressional approval, and fluctuate from year to year. While there is appropriation available for request between Legislative Sessions, AEDC requests to maintain all authorized appropriations at current levels for both years of the biennium in order to respond to any and all community needs or emergencies as they occur.

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			
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
				Agency	Executive	Agency	Executive
Regular Salaries 5010000	228,070	287,424	302,843	325,764	325,764	325,764	325,764
#Positions	6	6	8	6	6	6	6
Personal Services Matching 5010003	86,669	95,840	102,504	104,947	104,947	104,947	104,947
Operating Expenses 5020002	21,868	60,600	60,600	60,600	60,600	60,600	60,600
Conference & Travel Expenses 5050009	8,647	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees 5060010	27,635	70,000	70,000	70,000	70,000	70,000	70,000
Data Processing 5090012	0	0	0	0	0	0	0
Grants and Aid 5100004	19,920,075	19,175,746	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000
Capital Outlay 5120011	0	0	0	0	0	0	0
Storm Recovery Grants 5900046	310,295	50,000	7,579,614	7,579,614	7,579,614	7,579,614	7,579,614
Flood recovery grant 5900047	0	0	615,710	615,710	615,710	615,710	615,710
Total	20,603,259	19,764,610	36,256,271	36,281,635	36,281,635	36,281,635	36,281,635
Funding Sources							
Federal Revenue 4000020	20,603,259	17,764,610		36,281,635	36,281,635	36,281,635	36,281,635
Interest 4000300	0	2,000,000		0	0	0	0
Total Funding	20,603,259	19,764,610		36,281,635	36,281,635	36,281,635	36,281,635
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	20,603,259	19,764,610		36,281,635	36,281,635	36,281,635	36,281,635

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 is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes for both years:

- Technology Acceleration Program - Discontinue (\$30,000,000).

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			2019-2020		2020-2021	
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	Agency	Executive	Agency	Executive
Tech Accel Prog 5900046	0	0	30,000,000	0	0	0	0
Total	0	0	30,000,000	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

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. Funded with a half percent fee on qualified equity investment or long-term debt security requested by any qualified entity as defined in §15-4-3601 et seq.

The Agency is requesting \$875,781 for both years of the biennium.

The Agency did not have any actual expenses in FY18, but is asking to keep this appropriation at requested level for contingency purposes.

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	Historical Data			2019-2020		2020-2021	
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	0	0	875,781	875,781	875,781	875,781	875,781
Total	0	0	875,781	875,781	875,781	875,781	875,781
Funding Sources							
Fund Balance 4000005	142,265	142,265		142,265	142,265	142,265	142,265
Miscellaneous Revolving 4000350	0	0		875,781	875,781	875,781	875,781
Total Funding	142,265	142,265		1,018,046	1,018,046	1,018,046	1,018,046
Excess Appropriation/(Funding)	(142,265)	(142,265)		(142,265)	(142,265)	(142,265)	(142,265)
Grand Total	0	0		875,781	875,781	875,781	875,781

Analysis of Budget Request

Appropriation: T88 - AEDC-Rural Service Div-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Economic Development Commission's Rural Services Division serves as a single point of contact for all organizations and individuals with a desire to enhance the quality of life for rural citizens. Working under the guidance of the Arkansas Rural Development Commission (ARDC), the Division assists citizens of rural Arkansas by providing rural grant programs and information sharing and educational opportunities through regional forums and the annual Arkansas Rural Development Conference. This appropriation provides for the operations of the division and is funded by general revenue.

The Agency is requesting \$1,284,510 in each year of the 2019-2021 Biennium and General Revenue funding of \$919,120 in each year of the Biennium.

The Agency is requesting to keep this appropriation at Authorized amount, to have as much flexibility as possible to assist these communities which are most vulnerable and lack the necessary available fiscal resources.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: T88 - AEDC-Rural Service Div-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	141,182	154,246	126,312	154,934	154,934	154,934	154,934	
#Positions		3	3	3	3	3	3	3	
Extra Help	5010001	0	0	2,000	2,000	2,000	2,000	2,000	
#Extra Help		0	1	1	1	1	1	1	
Personal Services Matching	5010003	41,865	50,973	39,317	51,438	51,438	51,438	51,438	
Operating Expenses	5020002	51,824	72,038	72,038	72,038	72,038	72,038	72,038	
Conference & Travel Expenses	5050009	1,340	4,100	4,100	4,100	4,100	4,100	4,100	
Grants and Aid	5100004	298,778	300,000	400,000	400,000	400,000	400,000	400,000	
Rural Fire Protection Grants	5900046	299,966	300,000	500,000	500,000	500,000	500,000	500,000	
County Fair Improvement Grants	5900048	56,495	37,763	100,000	100,000	100,000	100,000	100,000	
Total		891,450	919,120	1,243,767	1,284,510	1,284,510	1,284,510	1,284,510	
Funding Sources									
General Revenue	4000010	891,450	919,120		919,120	919,120	919,120	919,120	
Total Funding		891,450	919,120		919,120	919,120	919,120	919,120	
Excess Appropriation/(Funding)		0	0		365,390	365,390	365,390	365,390	
Grand Total		891,450	919,120		1,284,510	1,284,510	1,284,510	1,284,510	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: T89 - AEDC-Rural Services Div-Animal Rescue

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

Act 692 of the 87th Regular Session of 2009 amended ACA 27-24-1409 to authorize the Department of Finance and Administration to issue a new special license plate with a \$25 design fee that will be remitted monthly to the Treasurer of the State for deposit into the State Treasury as special revenues for the Animal Rescue and Shelter Trust Fund. The Act further amended ACA 19-5-1136 to create the Animal Rescue and Shelter Trust Fund to be distributed as follows:

The Agency is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes:

- Grants and Aids - Discontinue (\$5,328) in each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: T89 - AEDC-Rural Services Div-Animal Rescue

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid 5100004	0	0	5,328	0	0	0	0
Total	0	0	5,328	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: T90 - AEDC-Rural Services Div-Admin Fee

Funding Sources: HUA - Miscellaneous Agencies Fund

The Administrative Fee Appropriation is used to provide maintenance and general operations support for the Agency's General Improvement Grant appropriations. This appropriation is funded by special language that authorizes the transfer of funds from the agency's various General Improvement sub funds to the Agency's Miscellaneous Agencies Fund.

The Agency is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes:

- Operating Expenses - Discontinue (\$45,395) in each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: T90 - AEDC-Rural Services Div-Admin Fee

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	9,709	21,982	45,395	0	0	0	0
Total		9,709	21,982	45,395	0	0	0	0
Funding Sources								
Fund Balance	4000005	31,691	21,982		0	0	0	0
Total Funding		31,691	21,982		0	0	0	0
Excess Appropriation/(Funding)		(21,982)	0		0	0	0	0
Grand Total		9,709	21,982		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: T93 - AEDC-RS Unpaved Road Program

Funding Sources: MUP - Unpaved Roads Program

The Arkansas Unpaved Roads Program is established to help provide funding for unpaved road projects throughout the state using best management practices. This appropriation is used for Grants and Aid for the AEDC- Rural Services Unpaved Road Program.

The Agency is requesting \$250,000 in each year of the 2019-2021 Biennium.

The Agency is asking to keep this appropriation at Authorized level for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: T93 - AEDC-RS Unpaved Road Program

Funding Sources: MUP - Unpaved Roads Program

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	149,631	250,000	250,000	250,000	250,000	250,000	250,000
Total		149,631	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources								
Fund Balance	4000005	0	65,369		65,369	65,369	65,369	65,369
Reimbursement	4000425	65,000	0		0	0	0	0
Transfers from Agencies	4000690	150,000	250,000		250,000	250,000	250,000	250,000
Total Funding		215,000	315,369		315,369	315,369	315,369	315,369
Excess Appropriation/(Funding)		(65,369)	(65,369)		(65,369)	(65,369)	(65,369)	(65,369)
Grand Total		149,631	250,000		250,000	250,000	250,000	250,000

Analysis of Budget Request

Appropriation: U08 - AR Manufacturing Extension Network-State

Funding Sources: HUA - Miscellaneous Agencies Fund

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

The Agency is requesting \$257,182 in each year of the 2019-2021 Biennium in Appropriation and General Revenue funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U08 - AR Manufacturing Extention Network-State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
AR Manufacturing Ext Network 5900046	205,720	257,182	257,182	257,182	257,182	257,182	257,182
Total	205,720	257,182	257,182	257,182	257,182	257,182	257,182
Funding Sources							
General Revenue 4000010	205,720	257,182		257,182	257,182	257,182	257,182
Total Funding	205,720	257,182		257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	205,720	257,182		257,182	257,182	257,182	257,182

Analysis of Budget Request

Appropriation: U09 - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

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

The Agency is requesting \$1,540,000 in each year of the 2019-2021 Biennium.

The Agency Request includes the following changes:

- Investments - The Agency requests a reduction of (\$360,000) in Investment for both years of the Biennium.

While there have been no expenditures in this fund, which is intended to invest in technology-based businesses, in the last three fiscal years, there is a fund balance of nearly \$1,400,000. AEDC intends on utilizing the fund balance during biennium.

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

Appropriation Summary

Appropriation: U09 - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Investments	5120013	0	1,900,000	1,900,000	1,540,000	1,540,000	1,540,000	1,540,000
Total		0	1,900,000	1,900,000	1,540,000	1,540,000	1,540,000	1,540,000
Funding Sources								
Fund Balance	4000005	1,348,984	1,383,014		33,014	33,014	393,014	393,014
Cash Fund	4000045	0	550,000		1,900,000	1,900,000	1,900,000	1,900,000
Interest	4000300	34,030	0		0	0	0	0
Total Funding		1,383,014	1,933,014		1,933,014	1,933,014	2,293,014	2,293,014
Excess Appropriation/(Funding)		(1,383,014)	(33,014)		(393,014)	(393,014)	(753,014)	(753,014)
Grand Total		0	1,900,000		1,540,000	1,540,000	1,540,000	1,540,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U11 - Science & Technology-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

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

The Agency is requesting \$8,283,668 in FY20 and \$8,283,707 in FY21.

The Agency Request includes the following changes:

- Extra Help - The Agency requests a reduction of (\$12,000) in each year due to discontinuation of two positions.
- Personal Services Matching - The Agency requests a reduction of (\$926) in each year due to discontinuation of two positions.
- Operating Expenses - The Agency requests a reduction of (\$218,703) in each year in Operating Expenses.
- Conference & Travel Expenses - The Agency requests a reduction of (\$27,800) in each year in Conference & Travel Expenses.
- Professional Fees - The Agency requests a reduction of (\$16,800) in each year in Professional Fees.

This appropriation was the main operating fund for the Arkansas Science and Technology Authority that was merged with AEDC with Act 8 of 2015 (1st Ex. Session).

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses, Professional Fees and Arkansas Acceleration Fund Program for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U11 - Science & Technology-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
				Agency	Executive	Agency	Executive
Regular Salaries 5010000	739,622	793,400	694,388	795,716	795,716	795,733	795,733
#Positions	12	12	12	12	12	12	12
Extra Help 5010001	0	12,000	12,000	0	0	0	0
#Extra Help	0	2	2	0	0	0	0
Personal Services Matching 5010003	226,127	245,313	221,292	245,671	245,671	245,693	245,693
Operating Expenses 5020002	34,224	153,086	218,703	0	0	0	0
Conference & Travel Expenses 5050009	0	27,800	27,800	0	0	0	0
Professional Fees 5060010	4,001	16,800	16,800	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0
Grants and Aid 5100004	292,653	42,653	292,653	292,653	292,653	292,653	292,653
Capital Outlay 5120011	0	0	0	0	0	0	0
Technology 5900046	156,975	156,975	156,975	156,975	156,975	156,975	156,975
Seed Capital Investments 5900047	289,275	292,653	292,653	292,653	292,653	292,653	292,653
Arkansas Acceleration Fund Proc 5900048	799,999	800,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Total	2,542,876	2,540,680	8,433,264	8,283,668	8,283,668	8,283,707	8,283,707
Funding Sources							
General Revenue 4000010	2,542,876	2,540,680		2,541,544	2,541,544	2,541,667	2,541,667
Total Funding	2,542,876	2,540,680		2,541,544	2,541,544	2,541,667	2,541,667
Excess Appropriation/(Funding)	0	0		5,742,124	5,742,124	5,742,040	5,742,040
Grand Total	2,542,876	2,540,680		8,283,668	8,283,668	8,283,707	8,283,707

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: U12 - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

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

The Agency is requesting \$1,052,722 for FY20 and \$1,052,911 for FY21.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses, Conference & Travel Expenses, Professional Fees and Grants and Aid. Historically, AEDC-MS has used General Revenue funds in the Science and Technology - State Operations appropriation to provide matching funds. The Agency wants to use these cash funds instead to save General Revenue. By using this appropriation for matching funds, the Agency will have higher expenses in all commitment items, comparing to 2018.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U12 - New AMS - Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	254,144	264,913	548,794	272,100	272,100	272,222	272,222	
#Positions		4	4	8	4	4	4	4	
Personal Services Matching	5010003	57,207	79,768	168,328	81,792	81,792	81,859	81,859	
Operating Expenses	5020002	96,479	543,200	543,200	543,200	543,200	543,200	543,200	
Conference & Travel Expenses	5050009	299	67,360	67,360	67,360	67,360	67,360	67,360	
Professional Fees	5060010	35,209	75,000	75,000	75,000	75,000	75,000	75,000	
Grants and Aid	5100004	0	13,270	13,270	13,270	13,270	13,270	13,270	
Total		443,338	1,043,511	1,415,952	1,052,722	1,052,722	1,052,911	1,052,911	
Funding Sources									
Fund Balance	4000005	1,455,090	1,516,395		1,072,884	1,072,884	520,162	520,162	
Cash Fund	4000045	504,643	600,000		500,000	500,000	500,000	500,000	
Total Funding		1,959,733	2,116,395		1,572,884	1,572,884	1,020,162	1,020,162	
Excess Appropriation/(Funding)		(1,516,395)	(1,072,884)		(520,162)	(520,162)	32,749	32,749	
Grand Total		443,338	1,043,511		1,052,722	1,052,722	1,052,911	1,052,911	

Expenditure of appropriation is contingent upon available funding.

Budget number of positions may be different from the Authorized Number due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: U13 - Energy Efficiency - Cash in Treasury

Funding Sources: NST - Cash in Treasury

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

The Agency is requesting \$100,000 in each year of the 2019-2021 Biennium.

The Agency Request includes the following changes:

- Operating Expenses - The Agency requests an increase of \$40,000 for AEDC - Manufacturing Solutions training for each year.
- Grants and Aids - The Agency requests a reduction of (\$90,000) for each year.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses - The Agency is expected an increase in Operating Expenses during Biennium due to AEDC-MS training.

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

Appropriation Summary

Appropriation: U13 - Energy Efficiency - Cash in Treasury

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	31,224	60,000	60,000	100,000	100,000	100,000	100,000
Grants and Aid	5100004	0	90,000	90,000	0	0	0	0
Total		31,224	150,000	150,000	100,000	100,000	100,000	100,000
Funding Sources								
Fund Balance	4000005	263,060	236,760		126,760	126,760	126,760	126,760
Cash Fund	4000045	4,924	40,000		100,000	100,000	100,000	100,000
Total Funding		267,984	276,760		226,760	226,760	226,760	226,760
Excess Appropriation/(Funding)		(236,760)	(126,760)		(126,760)	(126,760)	(126,760)	(126,760)
Grand Total		31,224	150,000		100,000	100,000	100,000	100,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U14 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

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

The Agency is requesting \$929,103 in FY20 and \$929,293 in FY21.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Field Services - The Agency is expecting an increase in expenditures during FY20 and FY21, comparing to FY18.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U14 - AR Manufacturing Extension Network-Fed

Funding Sources: FST - ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2019-2020		2020-2021	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	127,071	271,250	183,873	272,090	272,090	272,213	272,213
#Positions		2	4	2	4	4	4	4
Personal Services Matching	5010003	74,276	81,199	55,771	81,729	81,729	81,796	81,796
Operating Expenses	5020002	12,359	10,284	10,284	10,284	10,284	10,284	10,284
Grants and Aid	5100004	355,508	240,000	240,000	240,000	240,000	240,000	240,000
Field Services	5900046	275,330	325,000	325,000	325,000	325,000	325,000	325,000
Total		844,544	927,733	814,928	929,103	929,103	929,293	929,293
Funding Sources								
Fund Balance	4000005	77,181	129,150		129,150	129,150	129,150	129,150
Federal Revenue	4000020	896,513	927,733		929,103	929,103	929,293	929,293
Total Funding		973,694	1,056,883		1,058,253	1,058,253	1,058,443	1,058,443
Excess Appropriation/(Funding)		(129,150)	(129,150)		(129,150)	(129,150)	(129,150)	(129,150)
Grand Total		844,544	927,733		929,103	929,103	929,293	929,293

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium. Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: U16 - Arkansas Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

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

Funding consist of funds provided by law and grants made by federal governmental agency.

The Agency is requesting \$30,000,000 in each year of the 2019-2021 Biennium.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Grants and Aids - This appropriation funds the Accelerate Arkansas Program, as well as the State's partnerships with Innovate Arkansas and the Arkansas Research Alliance. Innovate's goals are to foster high-tech, fast-growing, high-skills, and high-paying companies in Arkansas, while the Research Alliance elevates research performed at Arkansas universities under the support of both public and private sources. AEDC requests authorized appropriation for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U16 - Arkansas Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid 5100004	910,000	1,090,026	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total	910,000	1,090,026	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources							
Fund Balance 4000005	26	1,090,026		0	0	0	0
Rainy Day Fund 4000267	2,000,000	0		0	0	0	0
Total Funding	2,000,026	1,090,026		0	0	0	0
Excess Appropriation/(Funding)	(1,090,026)	0		30,000,000	30,000,000	30,000,000	30,000,000
Grand Total	910,000	1,090,026		30,000,000	30,000,000	30,000,000	30,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U17 - STEM Education - Cash

Funding Sources: NST - Cash in Treasury

The Arkansas STEM Works is an initiative of the Governor's Workforce Cabinet to improve science, technology, engineering, and mathematics education statewide.

The Agency is requesting \$40,000 in each year of the 2019-2021 Biennium.

The Agency did not have any actual expenses in FY18. AEDC requests to maintain this appropriation at current authorized level to help supplement any STEM-related education project funding.

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

Appropriation Summary

Appropriation: U17 - STEM Education - Cash

Funding Sources: NST - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Stem Program Expenses 5900046	0	0	40,000	40,000	40,000	40,000	40,000
Total	0	0	40,000	40,000	40,000	40,000	40,000
Funding Sources							
Fund Balance 4000005	36,994	37,733		37,733	37,733	0	0
Interest 4000300	739	0		0	0	0	0
Total Funding	37,733	37,733		37,733	37,733	0	0
Excess Appropriation/(Funding)	(37,733)	(37,733)		2,267	2,267	40,000	40,000
Grand Total	0	0		40,000	40,000	40,000	40,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U18 - EPSCoR RII - Track 2 Plant Bioimaging

Funding Sources: FST- ASTA Federal Programs

The Collaborative Research on Plant (EPSCoR RII:Track-2), funded by the National Science Foundation is a cooperative agreement from the National Science Foundation to make resources accessible to a plant biology network of more than 130 researchers across the region.

The Agency is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes:

- Operating Expenses - Discontinue (\$34,280) in each year of the 2019-2021 Biennium.
- Conference & Travel Expenses - Discontinue (\$133,200) in each year of the 2019-2021 Biennium.
- Professional Fees - Discontinue (\$55,500) in each year of the 2019-2021 Biennium.
- Grants and Aid - Discontinue (\$2,09,850) in each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U18 - EPSCoR RII - Track 2 Plant Bioimaging

Funding Sources: FST- ASTA Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	8,050	0	34,280	0	0	0	0	
Conference & Travel Expenses	5050009	2,108	0	133,200	0	0	0	0	
Professional Fees	5060010	0	0	55,500	0	0	0	0	
Grants and Aid	5100004	344,483	0	2,909,850	0	0	0	0	
Total		354,641	0	3,132,830	0	0	0	0	
Funding Sources									
Fund Balance	4000005	15,585	0		0	0	0	0	
Federal Revenue	4000020	337,295	0		0	0	0	0	
Transfers / Adjustments	4000683	1,761	0		0	0	0	0	
Total Funding		354,641	0		0	0	0	0	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		354,641	0		0	0	0	0	

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: U20 - Innovate Arkansas

Funding Sources: MST - Arkansas Acceleration Fund

This appropriation covers personal services and operating expenses of the Arkansas Economic Development Commission-Innovate Arkansas. The fund shall be used by the Arkansas Economic Development Commission for the sole support of a contract between the commission and the entity selected to provide support and assistance for development and growth of knowledge-based and technology-based companies in the State of Arkansas.

The Agency is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes:

- Innovative AR Transfer - Discontinue (\$5,000,000) in each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U20 - Innovate Arkansas

Funding Sources: MST - Arkansas Acceleration Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2019-2020		2020-2021	
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	Agency	Executive	Agency	Executive
Innovative AR transfer 5900046	0	0	5,000,000	0	0	0	0
Total	0	0	5,000,000	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: U22 - Fish and Wildlife Conservation Program

Funding Sources: NDR- Cash in Treasury

Established by §6-16-1101 et seq., this education program may include without limitation the study of general fish and wildlife conservation issues, hunter education training, fishing education training, boating education training, wildlife habitat development, Project WILD, and the Hooked on Fishing-Not on Drugs Program. Awarded and funded by the Arkansas Game and Fish Commission, AEDC acts as disbursing agent to communities for these grants.

The Agency is requesting \$800,000 in each year of the 2019-2021 Biennium.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Grants and Aids - The Agency needs the appropriation to continue fulfilling the program. The division shall distribute annually, in the form of direct grants, all grant moneys provided by the commission under 15-41-209(d) to the school districts or conservation districts, or both, located in the counties in which the offenses occurred.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U22 - Fish and Wildlife Conservation Program

Funding Sources: NDR- Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	417,691	800,000	800,000	800,000	800,000	800,000	800,000
Total		417,691	800,000	800,000	800,000	800,000	800,000	800,000
Funding Sources								
Fund Balance	4000005	193,406	316,417		316,417	316,417	316,417	316,417
Transfers from Agencies	4000690	540,702	800,000		800,000	800,000	800,000	800,000
Total Funding		734,108	1,116,417		1,116,417	1,116,417	1,116,417	1,116,417
Excess Appropriation/(Funding)		(316,417)	(316,417)		(316,417)	(316,417)	(316,417)	(316,417)
Grand Total		417,691	800,000		800,000	800,000	800,000	800,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U28 - Rural Services Conference Cash

Funding Sources: NDE - Cash in Treasury

This appropriation is used for Rural Services Conference Expenses for an annual conference and several one-day seminars for local governments. The annual conference attendance numbers range from 400-650 each year with topic of discussion including finance, community marketing strategies, infrastructure and crime. This appropriation is funded from cash.

The Agency is requesting \$100,000 in each year of the 2019-2021 Biennium.

The Agency is asking to keep the appropriation at requested level for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U28 - Rural Services Conference Cash

Funding Sources: NDE - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Conference Expenses	5900046	79,623	100,000	100,000	100,000	100,000	100,000	100,000
Total		79,623	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources								
Fund Balance	4000005	43,021	38,079		13,079	13,079	0	0
Cash Fund	4000045	74,681	75,000		60,000	60,000	60,000	60,000
Total Funding		117,702	113,079		73,079	73,079	60,000	60,000
Excess Appropriation/(Funding)		(38,079)	(13,079)		26,921	26,921	40,000	40,000
Grand Total		79,623	100,000		100,000	100,000	100,000	100,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U34 - EPSCOR Track III

Funding Sources: FST- ASTA Federal

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

The Agency is requesting an Authorized Appropriation of \$5,002,233 for FY20 and \$5,002,355 for FY21.

The Agency Request includes the following changes:

- Operating Expenses - The Agency requests a reduction of (\$930,173) for each year.
- Grants and Aids - The Agency requests a reduction of (\$12,979,528) for each year.
- Indirect Cost Allocation - The Agency requests a reduction of (\$30,000) for each year.

The Agency requests to maintain Authorized Appropriation which exceeds the FY18 Actual Expenditures by more than 10% for the following:

- Grants and Aids - The Agency is requesting this appropriation at authorized level for contingency purposes.
- External Evaluators - The Agency is requesting this appropriation at authorized level for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U34 - EPSCOR Track III

Funding Sources: FST- ASTA Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	214,022	225,480	1,054,921	225,184	225,184	225,284	225,284
#Positions		3	3	2	3	3	3	3
Personal Services Matching	5010003	63,568	66,913	295,378	67,049	67,049	67,071	67,071
Operating Expenses	5020002	105,135	1,050,173	1,050,173	120,000	120,000	120,000	120,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	3,644,040	3,169,528	17,169,528	4,190,000	4,190,000	4,190,000	4,190,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Indirect Cost Allocation	5900046	0	30,000	30,000	0	0	0	0
External Evaluators	5900047	0	400,000	400,000	400,000	400,000	400,000	400,000
Total		4,026,765	4,942,094	20,000,000	5,002,233	5,002,233	5,002,355	5,002,355
Funding Sources								
Fund Balance	4000005	48,038	27,360		27,360	27,360	57,360	57,360
Federal Revenue	4000020	4,006,087	4,942,094		5,032,233	5,032,233	5,032,355	5,032,355
Total Funding		4,054,125	4,969,454		5,059,593	5,059,593	5,089,715	5,089,715
Excess Appropriation/(Funding)		(27,360)	(27,360)		(57,360)	(57,360)	(87,360)	(87,360)
Grand Total		4,026,765	4,942,094		5,002,233	5,002,233	5,002,355	5,002,355

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

Analysis of Budget Request

Appropriation: U77 - 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.

The Agency is requesting \$75,000,000 in each year of the 2019-2021 Biennium.

Expenditures from this appropriation reflect zero in FY18. During FY18, all the expenditures related to the Quick Action Closing Fund were processed through the Agency's Capital Project appropriation. Going forward, the Agency would like to have this appropriation in their Operating Budget.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U77 - Quick Action Closing

Funding Sources: MQA Quick Action Closing Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	0	0	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
Total		0	0	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
Funding Sources								
Fund Balance	4000005	55,095,079	63,626,230		63,626,230	63,626,230	0	0
Interest	4000300	1,166,717	0		0	0	0	0
Transfers (to) / from Agencies	4000693	7,364,434	0		0	0	0	0
Total Funding		63,626,230	63,626,230		63,626,230	63,626,230	0	0
Excess Appropriation/(Funding)		(63,626,230)	(63,626,230)		11,373,770	11,373,770	75,000,000	75,000,000
Grand Total		0	0		75,000,000	75,000,000	75,000,000	75,000,000

Analysis of Budget Request

Appropriation: V39 - Internet Service Provider Grant Program

Funding Sources: MZZ Broadband Fund

This appropriation was established in FY2018 in conjunction with HB2099 of 2017 - To Amend the Telecommunications Regulatory Reform Act of 2013; and to Modernize the Arkansas High Cost Fund. Act HB2099 was not approved by Senate Committee of the 2017 Legislative Session. As such, there is no legal way to fund this appropriation.

The Agency is not requesting this appropriation for 2019-2021 Biennium.

The Agency Request includes the following changes:

- Personal services, maintenance, operating expenses - Discontinue (\$25,000,000) in each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V39 - Internet Service Provider Grant Program

Funding Sources: MZZ Broadband Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Personal services, maint., oper. 5900046	0	0	25,000,000	0	0	0	0
Total	0	0	25,000,000	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: X09 - Minority and Women-Owned Business Loan

Funding Sources: MSB Minority and woman-owned business

First established in Act 230 of 2018, this appropriation was added in conjunction with passage of the Minority and Women-Owned Business Economic Development Act (§15-4-301 et seq.)

The Agency is requesting \$500,000 in each year of the 2019-2021 Biennium.

The Agency is requesting to keep the funding in operating fund. Appropriation did not have any actual expenses in 2018, since it was funded from a Reappropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X09 - Minority and Women-Owned Business Loan

Funding Sources: MSB Minority and woman-owned business

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Minority and WO Bus. Loan Progi. 5900046	0	0	500,000	500,000	500,000	500,000	500,000
Total	0	0	500,000	500,000	500,000	500,000	500,000
Funding Sources							
Fund Balance 4000005	299,069	299,344		299,344	299,344	0	0
Other 4000370	275	0		0	0	0	0
Total Funding	299,344	299,344		299,344	299,344	0	0
Excess Appropriation/(Funding)	(299,344)	(299,344)		200,656	200,656	500,000	500,000
Grand Total	0	0		500,000	500,000	500,000	500,000