

# ARKANSAS BEEF COUNCIL

## Enabling Laws

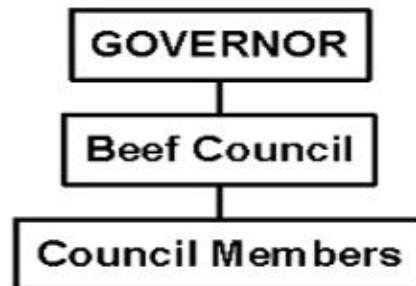
Act 133 of 2010  
A.C.A. §2-35-303 et seq.

## History and Organization

The Arkansas Beef Council was created by Act 160 of the 1983 General Assembly. Its mission is to promote the growth and development of the cattle industry in Arkansas through programs of research, promotion and market development activities.

The Council is made up of seven members appointed by the Governor. Three are nominated by the Arkansas Cattlemen's Association, three by the Arkansas Farm Bureau Federation, and one member must be an Arkansas auction market operator. The Council is administered through an agreement between the Arkansas Beef Council and the Arkansas Farm Bureau Federation.

The Council administers a \$1.00 per head assessment on all cattle sold in the State. The assessment is collected by the Miscellaneous Tax Section of the Department of Finance & Administration. Funds are deposited in a State Treasury account and are disbursed by the Council to fund beef research and promotion efforts.



## Agency Commentary

The budget request for the Arkansas Beef Council for the 2011-2013 Biennium is Base Level and will be funded entirely by special revenues collected from a \$1.00 per head assessment on cattle sold in the State.

Allocation of these funds will be made and approved by the Arkansas Beef Council. Distributions will be made to fund beef-related research at the University of Arkansas and transmitted to the national organization (Cattlemen's Beef Board) as required by the federal Beef Research and Promotion Act. Various promotion and information projects will be conducted within the State as approved and administered by the Council.

Projects are individually approved and monitored by the Council. Project proposals are addressed during the third quarter of the fiscal year and in the annual operating plan developed prior to the start of the next fiscal year.

## **Audit Findings**

### DIVISION OF LEGISLATIVE AUDIT

#### AUDIT OF :

#### ARKANSAS BEEF COUNCIL

FOR THE YEAR ENDED JUNE 30, 2009

#### Findings

The Arkansas Beef Council did not obtain financial data to document that entities receiving Agency payments expended funds in accordance with the Cattlemen's Beef Promotion and Research Board (a national organization) regulations or the Code of Federal Regulations. By not obtaining financial data to support payments, the Arkansas Beef Council could be subsidizing an activity prohibited by the Cattlemen's Beef Promotion and Research Board regulations or the Code of Federal Regulations.

#### Recommendations

The Council retain proper documentation in accordance with the Cattlemen's Beef Promotion and Research Board (a national organization) regulations and the Code of Federal Regulations.

## **Publications**

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

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

## Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

## **Analysis of Budget Request**

**Appropriation:** 675 - Beef Council-Operations

**Funding Sources:** SBC - Arkansas Beef Council Fund

The purpose of the Arkansas Beef Council is to coordinate and implement a program of promotion, research and market development to enhance the image of beef and to improve the potential of Arkansas' cattle industry.

This appropriation is funded entirely by Special Revenues consisting of a federally established assessment rate per head of cattle sold in the state. Half of the amount collected is forwarded to the national Beef Promotion and Research Board for consumer and industry information programs, advertising and research programs, and beef-related promotion. The remaining half of all fees received is retained by the Arkansas Beef Council to fund state-based programs which complement and extend the industry-wide effort.

The Agency Base Level Request includes appropriation of \$1.1 million each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 675 - Beef Council-Operations

**Funding Sources:** SBC - Arkansas Beef Council Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	15,525	50,000	87,000	50,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Research & Development	5900031	923,839	1,037,000	2,000,000	1,037,000	1,037,000	1,037,000	1,037,000	1,037,000	1,037,000
Total		939,364	1,100,000	2,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Funding Sources										
Fund Balance	4000005	119,485	188,227		188,227	188,227	188,227	188,227	188,227	188,227
Special Revenue	4000030	1,008,106	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Total Funding		1,127,591	1,288,227		1,288,227	1,288,227	1,288,227	1,288,227	1,288,227	1,288,227
Excess Appropriation/(Funding)		(188,227)	(188,227)		(188,227)	(188,227)	(188,227)	(188,227)	(188,227)	(188,227)
Grand Total		939,364	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000