ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
2001 - 2003

The budget of Forest Echoes Technical Institute (FETI) represents the financial resources necessary to provide a variety of educational opportunities for individuals in a seven-county service area. FETI provides vocational-technical training through ten well-established full and part-time occupational programs, numerous short-term training programs, and extension courses offered by the institution. Other types of training provided by FETI include adult education, workplace education, business and industry training, and apprenticeship training. The credentialing levels of educational services include certificates, diplomas, and articulated credit toward an Associate of Applied Science Degree (AASD). FETI has a Memorandum of Understanding (MOU) with the University of Arkansas at Monticello (UAM) that allows students completing a two-year program at FETI to transfer credit and receive 46-53 college hours toward an AASD. Collegiate courses are offered both on FETI's campus and through it's compressed interactive video lab. Three institutions of higher education currently provided college graduate and undergraduate courses.

To continue and expand the educational opportunities provided to its service area, FETI needs additional Regular Salaries and Extra Help positions. Continual efforts are made to provide flexible and non-traditional scheduling of credit- and clock-hour courses to accommodate the scheduling needs of "rotation shift workers" and other employed and non-traditional students. *This type of flexible scheduling has attracted the support of several large corporations and numerous smaller companies.* In Ashley County alone, there are several thousand rotation shift workers who previously did not have continuing education opportunities. FETI is fortunate to have the support of a large out-of-state industry that refers their rotation shift workers to FETI because it is the only institution with class schedules that accommodate their employees. For an institution of its size, FETI does a large volume of business and industry training. Additional Regular Salaries and Extra Help positions are needed to provide a Business and Industry Coordinator and instructors to better respond to the growing demands of businesses and industries.

All training programs at FETI are business and industry-driven, and each program enjoys a good job placement rate of its graduates. In the last five years, over 200 students of the Pulp and Paper Science Program have been employed in jobs with a beginning average salary of $11-12 per hour. The Pulp and Paper Science Program was started with industry assistance and Workforce 2000 funds. Establishing this program in 1993 as requested by a major Arkansas corporation, greatly assisted the corporation with securing a $150 million expansion in Arkansas during 1997. Through a partnership with FETI, the corporation was able to give evidence of established training programs that would create a skilled labor pool to fill the initial jobs created by the expansion and assist with maintaining the existing workforce. This program has had a great economical impact on Arkansas, yet the institution does not receive adequate base level funding to maintain this program and other successful programs that have proven to be beneficial to the economy of Arkansas.

The current level of maintenance and operation funds in FETI's base budget remains grossly inadequate. After salaries and benefits have been deducted from the total base budget, approximately eight percent (8%) remains for operating the institution. Raises in salaries, coupled with inflated operational costs, and little or no base budget increases over the last twenty years, has financially crippled the institution. A bond issue and several years of reserving and earmarking a modest distribution of Workforce 2000 funds has served as the only resources for expanding the campus by a mere 14,000 square feet. Additional facilities and new training programs are needed, but there is no funding mechanism utilized to provide and incorporate additional funding into the base budget for the operation of business and industry-driven programs and training facilities that have been started with Workforce 2000 funds. Therefore, Workforce 2000 funds must be used to continue the same projects which results in other workforce development needs not being met. Restoration of maintenance and operation costs (now supported by Workforce 2000) would allow FETI to utilize more of its Workforce 2000 funds to develop new and expand existing training for business and industry as originally intended.

FOREST ECHOES TECHNICAL INSTITUTE - CROSSETT, ARKANSAS
SUMMARY OF AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1999

Assets				Liabilities			
Cash and Equivalents	Fixed	Other	Total	Current	Long-Term	Total	Total Equity
$ 416,227	$ 3,318,000	$ 124,860	$ 3,859,087	$ 42,026	$ 0	$ 42,026	$ 3,817,061
11 %	86 %	3 %	100 %	1 %	* %	1 %	99 %

Revenues					Expenditures					
Student Fees	State Assistance	Federal Assistance	Other	Total	Administrative	Instructional	Student Services	Capital Outlay	Other	Total
$ 146,279	$ 1,746,138	$ 101,529	$ 68,976	$ 2,062,922	$ 412,348	$ 760,756	$ 97,416	$ 67,810	$ 230,053	$ 1,568,383
7 %	85 %	5 %	3 %	100 %	26 %	49 %	6 %	4 %	15 %	100%

*Less than 1/2 percent

Findings

We noted during our examination of capital improvement state appropriations that one (1) appropriation's state treasury balance was understated by $54,012.84 and another state appropriation's revenue and expenditures were overstated by $50,000.00.

Audited by Division of Legislative Audit
EDVT54399

( ) Noted in previous year's audit report.
___ This auditee has indicated the finding has been or will be corrected.

ARKANSAS BUDGET SYSTEM
EMPLOYMENT SUMMARY
AS REQUIRED BY ACT 358 OF 1993
(A.C.A 19-4-307)

AGENCY TITLE 543 - FOREST ECHOES VO-TECH

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	8	12	20	91%
BLACK EMPLOYEES	0	2	2	9%
EMPLOYEES OF OTHER RACIAL MINORITIES	0	0	0	0%

TOTAL EMPLOYED AS OF 08/05/00
DATE

2 TOTAL MINORITIES — 9%

22 TOTAL EMPLOYEES — 100%

Linda Rushing
AGENCY DIRECTOR

CASH FUND BALANCE DESCRIPTION
AS OF JUNE 30, 2000

AGENCY: Forest Echoes Technical Inst AGENCY #: 543

ACCOUNT INFORMATION

FUND ACCT.	BALANCE	TYPE	LOCATION
11300	147,510.43	Checking	First National Bank of Crossett

STATUTORY/OTHER RESTRICTIONS ON USE:
A.C.A.6-51-904 as amended. Local Board is authorized to acquire, hold, and transfer real and personal property, to enter into contracts...and to exercise such other rights & privileges as may be necessary for the management and administration of the Technical Institute.

STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
A.C.A.6-51-904 as amended. Local Board is authorized to exercise rights and privileges necessary for the management of the Technical Institute.

REVENUE RECEIPTS CYCLE:
Tuition and fees are collected throughout the year.

FUND BALANCE UTILIZATION:
These funds are used primarily for purchase of resale items, to fund additional extra help salaries, and maintenance and operating systems.

ACCOUNT INFORMATION

FUND ACCT.	BALANCE	TYPE	LOCATION
11600	32,877.11	Savings	First National Bank of Crossett

STATUTORY/OTHER RESTRICTIONS ON USE:
A.C.A.6-51-904 as amended. Local Board is authorized to acquire, hold, and transfer real and personal property, to enter into contracts...and to exercise such other rights & privileges as may be necessaary for the management and administration of the Technical Institute.

STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
A.C.A.6-51-904 as amended. Local Board is authorized to exercise rights and privileges necessary for the management of the Technical Institute

REVENUE RECEIPTS CYCLE:
Tuition and fees are collected throughout the year.

FUND BALANCE UTILIZATION:
These funds are used primarily for purchase of resale items, to fund additional extra help salaries, and maintenance and operating expenses.

CASH FUND BALANCE DESCRIPTION
AS OF JUNE 30, 2000

AGENCY: Forest Echoes Technical Inst AGENCY #: 543

ACCOUNT INFORMATION			
FUND ACCT.	BALANCE	TYPE	LOCATION
11300A	97,490.79	Checking	First State Bank of Crossett

STATUTORY/OTHER RESTRICTIONS ON USE:
A.C.A.6-51-904 as amended. Local Board is authorized to acquire, hold, and transfer real and personal property, to enter into contracts...and to exercise such other rights & privileges as may be necessary for the management and administration of the Technical Institute.

STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
A.C.A.6-51-904 as amended. Local Board is authorized to exercise rights and privileges necessary for the management of the Technical Institute.

REVENUE RECEIPTS CYCLE:
Tuition and fees are collected throughout the year.

FUND BALANCE UTILIZATION:
These funds are used primarily for purchase of resale items, to fund additional extra help salaries, and maintenance and operating systems.

ACCOUNT INFORMATION			
FUND ACCT.	BALANCE	TYPE	LOCATION
11600B	88,404.96	Savings	Community Bank of Crossett

STATUTORY/OTHER RESTRICTIONS ON USE:
A.C.A.6-51-904 as amended. Local Board is authorized to acquire, hold, and transfer real and personal property, to enter into contracts...and to exercise such other rights & privileges as may be necessaary for the management and administration of the Technical Institute.

STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
A.C.A.6-51-904 as amended. Local Board is authorized to exercise rights and privileges necessary for the management of the Technical Institute

REVENUE RECEIPTS CYCLE:
Tuition and fees are collected throughout the year.

FUND BALANCE UTILIZATION:
These funds are used primarily for purchase of resale items, to fund additional extra help salaries, and maintenance and operating expenses.

STATE AGENCY PUBLICATIONS

Fiscal Year 2001

Act 1276 of 1999

AGENCY: Forest Echoes **AGENCY :** 543

NAME OF PUBLICATION	STATUTORY AUTHORIZATION ACT # OR A.C.A.	REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED & DISTRIBUTED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
None				

ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY

AGENCY TITLE Forest Echoes Technical Institute	1999-01 Expenditures				2001-03 Biennium Request				2001-03 Executive Recommendation			
Appropriations Code Name	Actual 1999-00	No. of Pos.	Budgeted 2000-01	No. of Pos.	Year 1 2001-02	No. of Pos.	Year 2 2002-03	No. of Pos.	Year 1 2001-02	No. of Pos.	Year 2 2002-03	No. of Pos.
B57 Cash Operations	$180,991	0	$1,143,093	7	$1,482,391	6	$1,491,778	6	$1,232,391	6	$1,241,778	6
715 State Operations	1,327,897	23	1,179,372	23	2,386,082	25	2,439,425	25	1,710,032	21	1,752,250	21
909 Federal Operations	19,138	1	15,208	1	46,530	0	47,607	0	21,530	0	22,607	0
Appropriations Not Requested												
B83 Forest Echoes Contingency												
TOTALS	$1,528,026	24	$2,337,673	31	$3,915,003	31	$3,978,810	31	$2,963,953	27	$3,016,635	27
Funding Sources		% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances	$276,839	15.1%	$309,978	13.3%				0		0		0
General Revenues	1,031,977	56.1%	1,078,012	46.1%	1,835,603	49.4%	1,886,748	50.0%	1,108,276	45.0%	1,136,455	45.5%
Special Revenues												
Federal Funds	19,138	1.0%	15,208	0.7%	46,530	1.3%	47,607	1.3%	21,530	0.9%	22,607	0.9%
Contingency					500,000	13.5%	500,000	13.2%	0	0.0%	0	0.0%
Reimbursements	98,561	5.4%	98,561	4.2%	99,286	2.7%	98,567	2.6%	98,567	4.0%	98,567	3.9%
Workforce 2000	197,359	10.7%										
Cash Funds	214,130	11.7%	833,115	35.6%	1,232,391	33.1%	1,241,778	32.9%	1,232,391	50.1%	1,241,778	49.7%
Merit Adjustment Funds			2,799	0.1%								
Total Funding	1,838,004	100.0%	2,337,673	100.0%	3,713,810	100.0%	3,774,700	100.0%	2,460,764	100.0%	2,499,407	100.0%
Excess Appro./ (Funding)	(309,978)		0		201,193		204,110		503,189		517,228	
TOTAL	$1,528,026		$2,337,673		$3,915,003		$3,978,810		$2,963,953		$3,016,635	

DEPARTMENT

Forest Echoes Technical Institute (543)

DIRECTOR

Linda Rushing

DEPARTMENT APPROPRIATION SUMMARY

BR 40

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
2001 - 2003

Funding for this cash appropriation is received from tuition ($30 to approximately $35 per hour), resale from the bookstore, and reimbursement programs such as Apprenticeship. Cash funds are used to supplement the operation of the agency.

Base Level includes positions, Extra Help, and supporting operating expenses. The Base Level includes a pay plan increase of 2.6% each year over the FY01 salary levels, and related Personal Services Matching costs.

Change Level requests include additional positions and appropriation for Extra Help. During the 82nd General Assembly, the number of Extra Help positions were reduced and Part Time Faculty positions were authorized in their place. A change in the method of collecting the State's retirement contribution, which is based on the number of positions budgeted, made it fiscally impossible to budget many of these positions. As a result of the expense for insurance associated with regular positions, no Part Time Faculty positions were included in the request, and the reallocation of funds for Extra Help will allow the Institute to provide needed services. Capital Outlay is requested for new and replacement equipment as needed and Contingency appropriation is requested to allow the Institute to respond quickly to the needs of business and industry. Requests are also made for Resale for the bookstore and Debt Service.

The Executive Recommendation provides for the Agency Request, with the exception of Contingency. Operating income for this appropriation may not meet projected levels depending upon the number of requests by business and industry for training.

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	EXPENDITURES 99-00 ACTUAL	EXPENDITURES 00-01 BUDGETED	00-01 AUTHORIZED APPRO	01-02 FISCAL YEAR BASE	01-02 FISCAL YEAR CHANGE LEVEL	01-02 FISCAL YEAR TOTAL REQUEST	02-03 FISCAL YEAR BASE	02-03 FISCAL YEAR CHANGE LEVEL	02-03 FISCAL YEAR TOTAL REQUEST	RECOMMENDATIONS EXECUTIVE 01-02	RECOMMENDATIONS EXECUTIVE 02-03	RECOMMENDATIONS LEGISLATIVE 01-02	RECOMMENDATIONS LEGISLATIVE 02-03
REGULAR SALARIES	0	243,216	324,737	249,537	-16,929	232,608	256,023	-17,369	238,654	232,608	238,654		
NUMBER OF POSITIONS	0	7	7	7	-1	6	7	-1	6	6	6		
EXTRA HELP	43,511	163,700	297,693	163,700	50,000	213,700	163,700	52,000	215,700	213,700	215,700		
NUMBER OF POSITIONS	17	25	25	25	5	30	25	5	30	30	30		
PERSONAL SERV MATCHING	18,662	80,077	109,379	82,460	-2,477	79,983	83,735	-2,411	81,324	79,983	81,324		
OPERATING EXPENSES	11,659	190,500	190,500	190,500	0	190,500	190,500	0	190,500	190,500	190,500		
CONF FEES & TRAVEL	0	20,000	20,000	20,000	0	20,000	20,000	0	20,000	20,000	20,000		
PROF FEES & SERVICES	3,222	22,600	22,600	22,600	0	22,600	22,600	0	22,600	22,600	22,600		
CAPITAL OUTLAY	6,772	110,000	110,000	0	125,000	125,000	0	125,000	125,000	125,000	125,000		
DATA PROCESSING	0	0	0	0	0	0	0	0	0	0	0		
RESALE	51,505	75,000	75,000	75,000	25,000	100,000	75,000	25,000	100,000	100,000	100,000		
CONTINGENCY	0	0	250,000	0	250,000	250,000	0	250,000	250,000	0	0		
DEBT SERVICE	45,660	38,000	38,000	38,000	10,000	48,000	38,000	10,000	48,000	48,000	48,000		
DEFERRED MAINTENANCE	0	200,000	200,000	200,000	0	200,000	200,000	0	200,000	200,000	200,000		
TOTAL	180,991	1,143,093	1,637,909	1,041,797	440,594	1,482,391	1,049,558	442,220	1,491,778	1,232,391	1,241,778		
PROPOSED FUNDING SOURCES			##########										
FUND BALANCES	276,839	309,976	##########										
GENERAL REVENUES			##########										
SPECIAL REVENUES			##########										
FEDERAL FUNDS			##########										
STATE CENTRAL SERVICES FUND			##########										
NON-REVENUE RECEIPTS			##########										
CASH FUNDS	214,130	833,115	##########	1,041,797	190,594	1,232,391	1,049,558	192,220	1,241,778	1,232,391	1,241,778		
CONTINGENCY			##########		250,000	250,000		250,000	250,000				
TOTAL FUNDING	490,969	1,143,093	##########	1,041,797	440,594	1,482,391	1,049,558	442,220	1,491,778	1,232,391	1,241,778		
EXCESS APPRO/ (FUNDING)	(309,978)		##########										
TOTAL	180,991	1,143,093	##########	1,041,797	440,594	1,482,391	1,049,558	442,220	1,491,778	1,232,391	1,241,778		

DEPT 014 DEPARTMENT OF EDUCATION

AGY 543 FOREST ECHOES TECHNICAL INSTITUTE

APPRO B57 CASH OPERATIONS

FUND 196 FOREST ECHOES VOC TECH CASH(543)

APPROPRIATION SUMMARY

BR 215

Base Level Regular Salaries and Matching will significantly exceed the FY01 Budgeted Level due to non-classified positions being budgeted in the Base at the line item maximum plus 2.6%, while actually being budgeted at levels significantly below the maximum established in law for FY01.

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
							2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
				D	EXPENDITURES		FY 2001 - 02				FY 2002 - 03				EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST				REQUEST				2001-02	2002-03	2001-02	2002-03
000		196	543 B57	B	180,991	1,143,893 7	1,041,797 7				1,049,558 7				1,041,797 7	1,049,558 7		
001		196	543 B57 020 INSTRUCTION	C04			30,594 -1				32,220 -1				30,594 -1	32,220 -1		

Increased appropriation is needed for Extra Help salaries and matching to employ temporary instructors to provide reimbursed business and industry training. These positions will provide greater access to training and assist employers with receiving Existing Workforce Training Grants. (Note: FETI has requested the elimination of "Part-time Workforce Education Faculty" in exchange for additional Extra-Help positions. This would allow greater flexibility in the hiring of temporary employees and reduce the matching cost for the agency.)

002		196	543 B57 040 STUDENT SERVICES	C07			25,000 0				25,000 0				25,000	25,000		

Increased appropriation is needed for resale due to FETI's increased enrollment in continuing education courses and business and industry training. Increased enrollment generates more resale. Additionally, the amount of resale has increased due to the rising cost of textbooks and other items categorized as resale. FETI also purchases and sells textbooks for college courses offered on FETI's campus through a Memorandum of Understanding which has contributed to the institution's need for additional appropriation for resale.

EPT 014 DEPARTMENT OF EDUCATION

GY 543 FOREST ECHOES TECHNICAL INSTITUTE

PPRO B57 CASH OPERATIONS

JND 196 FOREST ECHOES VOC TECH CASH(543)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	DES	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
003		196	543 B57 TEC INFORMATION TECHNOLOGY	C08			125,000 0					125,000 0			125,000	125,000		

Appropriation is needed to allow for the purchasing of instructional equipment to meet the training demands of business and industry in the areas of industrial electricity, industrial mechanics, fluid power, programmable logic controllers, welding, and other related area. Additional appropriation would also be utilized to advance FETI's technology in accordance with the institution's approved technology plan.

005		196	543 B57 010 ADMINISTRATION	C07			260,000 0					260,000 0			10,000	10,000		

Additional appropriation is needed to provide for increased debt service due to fluctuating interest rates and to provide a cushion when a quarterly payment is carried over and processed in the next fiscal year.

DEPT 014 DEPARTMENT OF EDUCATION
AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO B57 CASH OPERATIONS
FUND 196 FOREST ECHOES VOC TECH CASH(543)

RANK BY APPROPRIATION
BR 264

Forest Echoes is attempting to address the pulp/paper industry training needs with an emphasis on process technology, as well as controlled systems.

The Base Level for this General Revenue funded appropriation includes Regular Salary positions, Extra Help, and supporting operating expenses. During the 82nd General Assembly, Extra Help positions were exchanged for Part Time Faculty positions. This resulted in a much higher cost than anticipated when the method of collecting the State's insurance contribution was calculated based on budgeted positions. For this reason, the Institute is requesting Extra Help positions in exchange for the Part Time Faculty positions in the Change Level request. No Part Time Faculty positions are requested for the biennium. Additional requests include Operating Expenses and Capital Outlay to respond to the rapidly changing technologies used in the diversified marketplace in which our workers must compete, Travel for staff development, and Professional Fees and Services for contracts with the University. Contingency appropriation is requested to allow the Institute to meet unforeseen needs from the business community. Various personnel requests are made, including four additional positions and position reclasses.

The Executive Recommendation provides for the reallocation of positions to Extra Help, the request for Capital Outlay, and a 5% increase over the Base Level each year for Operating Expenses. All recommendations above the Base Level are for appropriation only. Workforce 2000 funds are also made available to the Institute and will supplement the funds seen in this budget. Current law provides for appropriation and funding for Workforce 2000 to be transferred to the Institute on a monthly basis. The Institute is encouraged to engage the local communities and businesses it serves by developing a partnership to meet the local workforce education needs with emphasis on accountability and productivity. Local contributions along with state resources can provide a significant enhancement of the instructional programs.

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	-----EXPENDITURES------- 99-00 ACTUAL	00-01 BUDGETED	00-01 AUTHORIZED APPRO	----------01-02 FISCAL YEAR---------- BASE	CHANGE LEVEL	TOTAL REQUEST	----------02-03 FISCAL YEAR---------- BASE	CHANGE LEVEL	TOTAL REQUEST	----------RECOMMENDATIONS---------- EXECUTIVE 01-02	EXECUTIVE 02-03	LEGISLATIVE 01-02	LEGISLATIVE 02-03
REGULAR SALARIES	804,717	845,060	902,556	1,038,189	149,672	1,187,781	1,064,092	159,154	1,223,246	1,004,251	1,030,354		
NUMBER OF POSITIONS	23	23	84	23	2	25	23	2	25	21	21		
EXTRA HELP	74,485	8,199	37,892	8,199	70,000	78,199	8,199	80,000	88,199	78,199	88,199		
NUMBER OF POSITIONS	9	9	9	9	26	35	9	26	35	35	35		
PERSONAL SERV MATCHING	229,252	237,801	253,920	273,416	53,319	326,735	278,529	56,084	334,613	266,171	272,072		
OPERATING EXPENSES	165,415	85,912	167,724	85,912	158,652	244,564	85,912	158,652	244,564	90,208	90,422		
CONF FEES & TRAVEL	709	2,400	2,400	2,400	7,600	10,000	2,400	7,600	10,000	2,400	2,400		
PROF FEES & SERVICES	1,200	0	0	0	20,000	20,000	0	20,000	20,000	0	0		
CAPITAL OUTLAY	50,646	0	0	0	268,803	268,803	0	268,803	268,803	268,803	268,803		
DATA PROCESSING	0	0	0	0	0	0	0	0	0	0	0		
CONTINGENCY	0	0	205,389	0	250,000	250,000	0	250,000	250,000	0	0		
PROMOTIONAL ITEMS	1,473	0	0	0	0	0	0	0	0	0	0		
TOTAL	1,327,897	1,179,372	1,569,881	1,408,036	978,046	2,386,082	1,439,132	1,000,293	2,439,425	1,710,032	1,752,250		
PROPOSED FUNDING SOURCES			**********										
FUND BALANCES			**********										
GENERAL REVENUES	1,031,977	1,078,012	**********	1,108,276	727,327	1,835,603	1,136,455	750,293	1,886,748	1,108,276	1,136,455		
SPECIAL REVENUES			**********										
FEDERAL FUNDS			**********										
WORKFORCE 2000	197,359		**********										
CONTINGENCY			**********		250,000	250,000		250,000	250,000				
REIMBURSEMENTS	98,561	98,561	**********	98,567	719	99,286	98,567		98,567	98,567	98,567		
MERIT ADJUSTMENT		2,799	**********										
TOTAL FUNDING	1,327,897	1,179,372	**********	1,206,843	978,046	2,184,889	1,235,022	1,000,293	2,235,315	1,206,843	1,235,022		
EXCESS APPRO/ (FUNDING)			**********	201,193		201,193	204,110		204,110	503,189	517,228		
TOTAL	1,327,897	1,179,372	**********	1,408,036	978,046	2,386,082	1,439,132	1,000,293	2,439,425	1,710,032	1,752,250		

DEPT 014 DEPARTMENT OF EDUCATION
AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO 715 STATE OPERATIONS

FUND ETE FOREST ECHOES TECH INST-(543)

The number of positions recommended is less than the base due to the reclassification of regular positions to extra help.

Base Level Regular Salaries and Matching will significantly exceed the FY01 Budgeted Level due to non-classified positions being budgeted in the Base at the line item maximum plus 2.6%, while actually being budgeted at levels significantly below the maximum established in law for FY01.

APPROPRIATION SUMMARY

BR 215

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	DES	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
000		ETE	543 715	B	1,327,897 25	1,179,372 25	1,408,036 25					1,439,132 25			1,395,436 25	1,427,555 25		
001		ETE	543 715 010 ADMINISTRATION	C05			22,100 0					22,100 0						

Additional appropriation is needed to cover the maintenance and operation costs of FETI. Raises in salaries, coupled with inflated operational costs, and little or no base budget increases over the last twenty-five years, has resulted in less than 8% of FETI's base budget remaining for maintenance and operation of the institution. There has been no funding mechanism in place that provides and incorporates additional appropriation (or funding) into the institution's base budget to assist with maintaining business and industry-driven programs (or the accommodating facilities) that were started with Workforce 2000 funds. Without additional appropriation and a support funding mechanism, Workforce 2000 funds must be used to continue the same projects while other workforce development needs are not met.

001		ETE	543 715 020 INSTRUCTION	C04			168,458 1					181,484 1			41,497 -2	51,382 -2		

FETI requests additional appropriation to cover the salaries and matching of extra help positions to be utilized to provide instructional services through a Direct and Equitable Grant received by the Adult Education Program. (Note: FETI has requested the elimination of "Part-time Workforce Education Faculty" in exchange for additional extra help positions. This would allow greater flexibility in the hiring of temporary employees and reduce the matching cost for the agency.) Increased appropriation would also allow for contingencies that may arise related to grants such as Carl Perkins, Direct and Equitable, and other types of federal assistance.

DEPT 014 DEPARTMENT OF EDUCATION
AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO 715 STATE OPERATIONS
FUND ETE FOREST ECHOES TECH INST-(543)

RANK BY APPROPRIATION
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ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
001		ETE	543 715 020 INSTRUCTION	C05			343,803					343,803			275,099	275,313		
							0					0						

Additional appropriation is needed to cover the maintenance and operation costs of FETI. Raises in salaries, coupled with inflated operational costs, and little or no base budget increases over the last twenty-five years, has resulted in less than 8% of FETI's base budget remaining for maintenance and operation of the institution. Without additional appropriation and a support funding mechanism, Workforce 2000 funds must be used to continue the same projects while other workforce development needs are not met.

001		ETE	543 715 040 STUDENT SERVICES	C05			8,000					8,000						
							0					0						

Funding formula funds would be used for much needed maintenance on agency owned vehicles.

002		ETE	543 715 030 PLANT MAINTENANCE & OPERATION	C05			81,152					81,152						
							0					0						

FETI requests increased appropriation to cover the cost of professional service contracts initiated for faculty in-service training and a third party financial aid service. Additional appropriation is also necessary for professional consultant services that provide specialized instruction and/or certification training for business and industry that cannot be provided by a FETI faculty member.

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AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO 715 STATE OPERATIONS

FUND ETE FOREST ECHOES TECH INST-(543)

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ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
003		ETE	543 715 010 ADMINISTRATION	C04			35,673					36,523						
							1					1						

Appropriation is needed to employ a Director of Technical Support to oversee and maintain the institution's Compressed Interactive Video Lab, networking system, and computer labs. Technical guidance and support are also necessary for the development, implementation, and maintenance of the institution's technology plan. This position would provide the institution with the technical expertise necessary to stay abreast of the technological changes in the workplace and allow the development and delivery of more effective business and industry training.

005		ETE	543 715 010 ADMINISTRATION	C07			250,000					250,000						
							0					0						

Increased appropriation is needed for contingency purposes to assist with meeting the unexpected costs that arise with the day-to-day operations of FETI involving the delivery of services and building and equipment maintenance.

004		ETE	543 715 010 ADMINISTRATION	C10			36,258					41,638						
							0					0						

Reclassification of the President and Chief Fiscal Officer to Grade 99 positions is necessary to better align their job duties and responsibilities with classifications and qualifications. Reclassification of these positions would allow the local Board of Directors and administration to be competitive with other entities seeking individuals with the same qualifications and levels of accountability. During the last decade these positions have assumed greater accountability due to the restructuring within the system.

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AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
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ARKANSAS BUDGET SYSTEM
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01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
							2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
					EXPENDITURES		FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
004		ETE	543 715 020 INSTRUCTION	C10			29,692 0					52,561 0						

Reclassification of the Chief Academic Officer to a Grade 99 position is necessary to better align the job duties and responsibilities of the position. Reclassification of this position would allow the local Board of Directors and administration to be competitive with other entities seeking individuals with the same qualifications and level of accountability. The accountability for this position has greatly increased due to the increased demand by business and industry for quality and cost-efficient training. Reclassification will assist with maintaining and recruiting the higher caliper individual needed to progressively address the technological advances in the workforce.

004		ETE	543 715 040 STUDENT SERVICES	C10			2,918 0					3,112 0						

Reclassification of the Counselor position to a Grade 99 would allow FETI to be competitive with other institutions seeking counselors. The current level of pay allowed at technical institutes is much lower than at other institutions. Counselors at technical institutes must work 12-months; however, the public schools may offer counselors a 9 or 10-month contract with higher pay. A qualified counselor is critical to student services and mandatory to maintain the institution's accreditation with North Central.

Funding for this appropriation is received from the Carl D. Perkins Vocational and Applied Technology Education Act, P.L. 101-392 and reimbursement programs such as the Jobs Training Partnership Act.

The Institute is requesting appropriation for Extra Help and Personal Services Matching and Contingency appropriation to respond to the needs of business and industry. The program is currently authorized by a Miscellaneous Federal Grant.

The Executive Recommendation provides for the Agency Request for Extra Help and Personal Services Matching

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	EXPENDITURES 99-00 ACTUAL	EXPENDITURES 00-01 BUDGETED	00-01 AUTHORIZED APPRO	01-02 FISCAL YEAR BASE	01-02 FISCAL YEAR CHANGE LEVEL	01-02 FISCAL YEAR TOTAL REQUEST	02-03 FISCAL YEAR BASE	02-03 FISCAL YEAR CHANGE LEVEL	02-03 FISCAL YEAR TOTAL REQUEST	RECOMMENDATIONS EXECUTIVE 01-02	RECOMMENDATIONS EXECUTIVE 02-03	RECOMMENDATIONS LEGISLATIVE 01-02	RECOMMENDATIONS LEGISLATIVE 02-03
REGULAR SALARIES	15,989	15,208	0	0	0	0	0	0	0	0	0		
NUMBER OF POSITIONS	1	1	1	0	0	0	0	0	0	0	0		
EXTRA HELP	0	0	0	0	20,000	20,000	0	21,000	21,000	20,000	21,000		
NUMBER OF POSITIONS	0	0	0	0	5	5	0	5	5	5	5		
PERSONAL SERV MATCHING	3,149	0	0	0	1,530	1,530	0	1,607	1,607	1,530	1,607		
CONTINGENCY	0	0	0	0	25,000	25,000	0	25,000	25,000	0	0		
TOTAL	19,138	15,208	0	0	46,530	46,530	0	47,607	47,607	21,530	22,607		
PROPOSED FUNDING SOURCES			##########										
FUND BALANCES			##########										
GENERAL REVENUES			##########										
SPECIAL REVENUES			##########										
FEDERAL FUNDS	19,138	15,208	##########		46,530	46,530		47,607	47,607	21,530	22,607		
STATE CENTRAL SERVICES FUND			##########										
NON-REVENUE RECEIPTS			##########										
CASH FUNDS			##########										
OTHER			##########										
TOTAL FUNDING	19,138	15,208	##########		46,530	46,530		47,607	47,607	21,530	22,607		
EXCESS APPRO/ (FUNDING)			##########										
TOTAL	19,138	15,208	##########		46,530	46,530		47,607	47,607	21,530	22,607		

DEPT 014 DEPARTMENT OF EDUCATION

AGY 543 FOREST ECHOES TECHNICAL INSTITUTE

APPRO 909 FEDERAL OPERATIONS

FUND FTE FOREST ECHOES TECH INST-(543)

APPROPRIATION SUMMARY

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Appropriation was established through the authority of the MFG Holding Account

ARKANSAS BUDGET SYSTEM
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							2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
				D	EXPENDITURES		FY 2001 - 02					FY 2002 - 03			EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	E S	ACTUAL 99-00	BUDGETED 00-01	REQUEST					REQUEST			2001-02	2002-03	2001-02	2002-03
000		FTE	543 909	B	19,138 1	15,208 1	0 0					0 0						
001		FTE	543 909 020 INSTRUCTION	C04			21,530 0					22,607 0			21,530	22,607		

FETI requests additional appropriation to cover the salaries and matching of extra help positions to be utilized to provide instructional services through a Direct and Equitable Grant received by the Adult Education Program. (Note: FETI has requested the elimination of "Part-time Workforce Education Faculty" in exchange for additional extra help positions. This would allow greater flexibility in the hiring of temporary employees and reduce the matching cost for the agency.) Increased appropriation would also allow for contingencies that may arise related to grants such as Carl Perkins, Direct and Equitable, and other types of federal assistance.

001		FTE	543 909 020 INSTRUCTION	C07			25,000 0					25,000 0						

Contingency appropriation is requested for the federal adult education program in order to meet unforeseen needs that may be incurred by the program.

DEPT 014 DEPARTMENT OF EDUCATION
AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO 909 FEDERAL OPERATIONS

FUND FTE FOREST ECHOES TECH INST-(543)

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01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	EXPENDITURES 99-00 ACTUAL	EXPENDITURES 00-01 BUDGETED	00-01 AUTHORIZED APPRO	01-02 FISCAL YEAR BASE	01-02 FISCAL YEAR CHANGE LEVEL	01-02 FISCAL YEAR TOTAL REQUEST	02-03 FISCAL YEAR BASE	02-03 FISCAL YEAR CHANGE LEVEL	02-03 FISCAL YEAR TOTAL REQUEST	RECOMMENDATIONS EXECUTIVE 01-02	RECOMMENDATIONS EXECUTIVE 02-03	RECOMMENDATIONS LEGISLATIVE 01-02	RECOMMENDATIONS LEGISLATIVE 02-03
CONTINGENCY	0	0	250,537	0	0	0	0	0	0	0	0		
THIS APPROPRIATION IS NOT REQUESTED FOR THE NEW BIENNIUM													
TOTAL	0	0	250,537	0	0	0	0	0	0				
PROPOSED FUNDING SOURCES			##########										
FUND BALANCES			##########										
GENERAL REVENUES			##########										
SPECIAL REVENUES			##########										
FEDERAL FUNDS			##########										
STATE CENTRAL SERVICES FUND			##########										
NON-REVENUE RECEIPTS			##########										
CASH FUNDS			##########										
OTHER			##########										
TOTAL FUNDING			##########										
EXCESS APPRO/ (FUNDING)			##########										
TOTAL			##########										

DEPT 014 DEPARTMENT OF EDUCATION
AGY 543 FOREST ECHOES TECHNICAL INSTITUTE
APPRO B83 FOREST ECHOES CONTINGENCY

FUND 543 FOREST ECHOES CONTINGENCY-(543)

APPROPRIATION SUMMARY

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