



Arkansas Department of Higher Education

114 East Capitol • Little Rock, Arkansas • 72201-3818 • (501) 371-2000 • Fax (501) 371-2001

Mike Beebe
Governor

Shane Broadway
Interim Director

November 22, 2011

The Honorable Mary Anne Salmon, Chair
The Honorable Tommy Lee Baker, Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Senator Salmon and Representative Baker:

According to the provisions of A.C.A. §19-5-1018, state institutions of higher education share in the distribution of monies received by the state from the United States government from the sale or lease of minerals, oil, and gas on federal property located in the state. Section 22 of Act 286 of 2010 states "After the sum of \$13,200,000 has been deposited into the Higher Education Building Maintenance Fund, the next \$10,000,000 or so much as is collected, is to be transferred to the Research Development Fund there to be used as provided by law."

According to A.C.A. §6-61-801 et. seq., the Arkansas Research Development Program is established for providing Arkansas Research Development Program Grants to publicly-supported universities in Arkansas by the Department of Higher Education. The statute requires that the funds be disbursed by the Director of the Department of Higher Education after review by the Legislative Council.

The Arkansas Higher Education Coordinating Board approved the distribution of \$1,000,000 from the Research Development Fund to the University of Arkansas at Fayetteville at its regular board meeting on October 28, 2011. Therefore, in accordance with A.C.A. §6-61-808, we submit this distribution of funds for review by the Legislative Council.

Sincerely,

Senator Shane Broadway
Interim Director

UofA
UNIVERSITY OF ARKANSAS SYSTEM

Office of the President

September 7, 2011

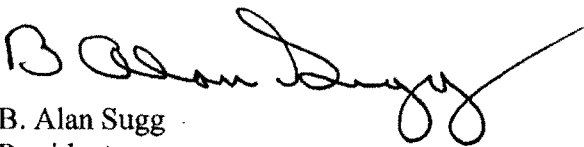
Senator Shane Broadway, Interim Director
Arkansas Department of Higher Education
114 East Capitol Avenue
Little Rock, Arkansas 72201

Dear Shane:

Please accept this letter as a request on behalf of the ARE-ON board of directors for a distribution of \$1 million from the Research Development Fund at the Arkansas Higher Education Coordinating Board meeting on October 28, 2011. This funding is necessary for continuing personal services and operating expenses.

The Department's continued support of ARE-ON is critical to the statewide expansion of higher education's research infrastructure and is very much appreciated.

Sincerely,



B. Alan Sugg
President

cc: Jackie Holloway
Mike Abbitti

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University of Arkansas, Fayetteville / University of Arkansas at Little Rock / University of Arkansas at Pine Bluff
University of Arkansas for Medical Sciences / University of Arkansas at Monticello / Division of Agriculture / Criminal Justice Institute
Arkansas Archeological Survey / Phillips Community College of the University of Arkansas / University of Arkansas Community College at Hope
University of Arkansas Community College at Batesville / Cossatot Community College of the University of Arkansas
University of Arkansas Community College at Morrilton / University of Arkansas at Fort Smith
Arkansas School for Mathematics, Sciences and the Arts / University of Arkansas Clinton School of Public Service

The University of Arkansas is an equal opportunity/affirmative action institution.

DISTRIBUTION OF MINERAL LEASE FUNDS

According to the provisions of A.C.A. §6-61-801 through §6-61-808, there is established the Arkansas Research Development Program for providing Arkansas Research Development Program Grants to publicly-supported universities in Arkansas by the Department of Higher Education. Act 1229 of 2007 provides that after the sum of \$13,200,000 has been deposited into the Higher Education Building Maintenance Fund, the next \$10,000,000, or as much as is collected, is to be transferred to the Higher Education Research Development Fund to be used as provided by law.

“The Arkansas Research Development Fund shall be administered by the Director of the Department of Higher Education...Funds may be made available for administration of the Arkansas Development Research Program, for purchasing state-of-the-art equipment, for minor renovations of laboratory space, for publication of findings, for employing scientist or research assistants, and for providing any other assistance to scientists in order to develop a continuing research capacity in this state which is recognized as exemplary.”

The floor for the Research Development Fund was reached in September 2006, and statute requires that the funds be disbursed by the Director of the Department of Higher Education in accordance with the recommendation of the Arkansas Higher Education Coordinating Board after review by Legislative Council.

Higher Education Research Development Fund:

The current balance in the Higher Education Research Development Fund is approximately \$2.8 million. The appropriation available for the current fiscal year is \$1.0 million and will allow for the distribution of these funds.

Recommendation: Since the Arkansas Research and Education Optical Network (ARE-ON) represents a very essential tool for research and development in the publicly supported universities of Arkansas, it is the recommendation of the Department of Higher Education that the Higher Education Research Development Fund be designated for maintenance and operation expenses of the ARE-ON projects for the universities.

It is recommended that \$1 million be allocated to the University of Arkansas, Fayetteville for expenses associated with the connection and expansion of ARE-ON to all public universities in the state.

ADHE Executive Staff recommend that the Arkansas Higher Education Coordinating Board approve the following resolution: