



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2000
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<http://myarkansaslottery.com>

November 1, 2022

The Honorable Ronald Caldwell, Co-Chair
The Honorable Gary Deffenbaugh, Co-Chair
Arkansas Legislative Council – Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Annual Disclosure Report (A.C.A. §23-115-801(d)(3)).

Dear Senator Caldwell and Representative Deffenbaugh:

On behalf of the Office of the Arkansas Lottery, pursuant to Arkansas Code Annotated Section 23-115-801(d)(3), please accept the attached report for the current fiscal year, to date.

More specifically, the attached documents set forth the reimbursable expenses for the current fiscal year which the Office of the Arkansas Lottery has remitted to the Arkansas Department of Higher Education ("ADHE"). The request for reimbursement by ADHE is reported as costs associated with the administering of scholarships funded and awarded with net proceeds raised by the Arkansas Scholarship Lottery.

Please note that the total amount requested by ADHE, for fiscal year to date expenses, for reimbursement is: \$00.00. ADHE has provided OAL with an anticipated 'budget' for FY23 reimbursement of expenses in the amount of \$ 1,421,933.00. [Exhibit "A"]

Please further note that on July 28, 2022, ADHE requested reimbursement for expenses incurred in FY22 in the amount of \$ 1,723,995.31. Remittance has been paid. [Exhibit "B"]

I am available to answer any questions or requests for additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Eric Hagler'.

ERIC HAGLER
Executive Director

JEH:

Cc: Governor Asa Hutchinson
Cabinet Secretary Larry Walther



Division of Higher Education

423 Main Street, Suite 400 • Little Rock, Arkansas • 72201-3818 • (501) 371-2000 • Fax (501) 371-2001

Johnny Key
Secretary

Maria Markham, Ph.D.
Director

May 16, 2022

The Honorable Ronald Caldwell, Chair
The Honorable Gary Deffenbaugh, Chair
ALC - Lottery Oversight Committee
State Capitol Building
Little Rock, AR 72201

Dear Senator Caldwell and Representative Deffenbaugh:

Pursuant to Arkansas Code Annotated 23-115-801(d)(2)(A), I am submitting for your review the enclosed report on the department's budget for the administrative expenditures allowed under this subsection.

Thank you in advance for your consideration of this request. Please call me at (501) 371-2030 or Nick Fuller at (501) 371-2026 if you need additional information.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads 'Maria Markham'.

Dr. Maria Markham
Director

**Arkansas Department of Higher Education
Academic Challenge Scholarship Administrative Expense
Fiscal 2023 Budget**

Regular Salaries	\$	476,310.00
Personal Services Matching	\$	160,623.00
Operating Expense	\$	250,000.00
Professional Fees	\$	500,000.00
Capital Outlay	\$	35,000.00
Total		\$1,421,933



Division of Higher Education

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Johnny Key
Secretary

Maria Markham, Ph.D.
Director

July 28, 2022

Mr. Eric Hagler, Director
Arkansas Scholarship Lottery
P.O. Box 3238
Little Rock, AR 72203-3238

Dear Mr. Hagler:

Pursuant A.C.A 23-115-801(d)(2)(B), I am requesting reimbursement in the amount of \$1,723,995.31 for the Arkansas Division of Higher Education FY 2022 reimbursable administrative direct costs associated with the scholarships awarded funded with the net proceeds of the Arkansas Scholarship Lottery. Please find attached a breakdown of these costs.

Upon receipt of the reimbursement, the funds will be deposited to the Higher Education Grants Fund. If you require additional information or have questions, please contact Nick Fuller at 501.371.2026.

Thanks you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Maria Markham".

Maria Markham, Ph.D.
Director

**Arkansas Department of Higher Education
Academic Challenge Scholarship Administrative Expense
Fiscal 2022 Expenses**

Regular Salaries	\$	352,314.18
Personal Services Matching	\$	80,556.35
Operating Expense	\$	131,399.78
Professional Fees	\$	1,159,725.00
Capital Outlay	\$	-
Total		\$1,723,995.31

FY22 Expense Detail

Ledger Code	Description	Expense
	501:00:00 Regular Salaries	\$ 352,314.18
5010001000	00 Regular Salaries	\$ 352,314.18
	501:00:03 Personal Services Matching	\$ 80,556.35
5010005000	03 FICA & Medic Exp	\$ 24,610.58
5010007000	03 Retirement Exp	\$ 53,458.21
5010008000	03 Unemploy Comp Exp	\$ 32.51
5010010000	03 WORKERS COMPENSATION PREMIUM TAX	\$ 94.61
5010006500	Agency Cost of ARCAP	\$ 2,360.44
	502:00:02 Operating Expenses	\$ 131,399.78
5020004200	Internet Serv-Tech	\$ 467.00
5030017000	Software Maintenance	\$ 128,689.00
5050017000	02 Conf Seminar Fees	\$ 999.00
5050001000	02 Mileage	\$ 397.36
5050003100	02 - Meals	\$ 88.50
5050003200	02 - Lodging	\$ 123.99
5090006000	Office Supplies	\$ 295.59
5080006000	Assoc Member Dues	\$ 100.00
5020002000	Telecomm Wired	\$ 239.34
	506:00:10 Professional Fees	\$ 1,159,725.00
5060001000	Professional Adm Fee	\$ 1,159,725.00
	512:00:11 Capital Outlay	\$ -