June 5, 2020

Senator Bruce Maloch, Co-Chair  
Representative DeAnn Vaught, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: FY20 Appropriation Transfer Request(s)

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached Appropriation Transfer Request(s) that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

Larry W. Walther  
Cabinet Secretary

LWW

Attachment(s)
May 21, 2020

Mr. Larry W. Walther, Chief Fiscal Officer
Department of Finance and Administration
1509 West 7th Street Room 401
Little Rock, AR 72203

Dear Mr. Walther:

By authority granted in Section 13 of Act 877 of 2019, I am requesting approval of the following appropriation transfers for FY20:

APPROPRIATION TRANSFER - PUBLIC SCHOOL FUND (JAA)

FROM:
School Funding Contingency (2ZH) (1,200,000)

TO:
Enhanced Student Achievement Funding (2HR) 700,000
Teacher Retirement Matching (437) 500,000

The appropriation needed for the Enhanced Student Achievement program represents the amount needed to complete FY20 payments to school districts pursuant to ACA 6-20-2305(b)(4)(A). This program provides state categorical funding for those students from low socio-economic backgrounds, as indicated by the prior year eligibility for free or reduced-price meals under the National School Lunch (NSL) Act. NSL funding is divided into three tiers. Beginning with the 2007-2008 school year, for school districts that were to receive funding based on a higher or lower percentage tier than the preceding school year, the funding would be increased or reduced in three equal amounts over a three-year period. A school district that has experienced a significant growth shall receive funding for the expected increase in the number of NSL students based on the three year average growth in enrollment times the percentage of students eligible for NSL funding times the appropriate per student funding amount.

Section 15 of Act 877 of 2019 requires the ADE to pay teacher retirement employer matching for employees of the Education Service Cooperatives, Vocational Centers, Arkansas Easter Seals, and the Department of Correction school. The request for additional appropriation is to accommodate anticipated increases in employer contributions due to salary increases and growth in the number of participants.

I appreciate your consideration and approval of this request. If you have any questions, please call Greg Rogers at 682-4256.

Sincerely,

Johnny Key
Commissioner

cc: Jake Bleed, Administrator
DFA – Office of Budget

Four Capitol Mall
Little Rock, AR
72201-1019
(501) 682-4475
ArkansasEd.gov

An Equal Opportunity Employer