

Stricken language will be deleted and underlined language will be added.  
Act 247 of the Fiscal Session

1 State of Arkansas  
2 88th General Assembly  
3 Fiscal Session, 2012  
4

As Engrossed: S2/27/12  
**A Bill**

SENATE BILL 67

5 By: Joint Budget Committee  
6

7 **For An Act To Be Entitled**

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF HIGHER  
10 EDUCATION FOR THE FISCAL YEAR ENDING JUNE 30, 2013;  
11 AND FOR OTHER PURPOSES.  
12  
13

14 **Subtitle**

15 AN ACT FOR THE DEPARTMENT OF HIGHER  
16 EDUCATION APPROPRIATION FOR THE 2012-2013  
17 FISCAL YEAR.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. REGULAR SALARIES - GENERAL OPERATIONS. There is hereby  
23 established for the Department of Higher Education for the 2012-2013 fiscal  
24 year, the following maximum number of regular employees.  
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Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2012-2013
30	(1) U024U	DHE DIRECTOR	1	\$197,363
31	(2) U089U	DHE DEPUTY DIRECTOR	1	\$142,006
32	(3) N002N	DHE SENIOR ASSOC DIRECTOR	1	GRADE N913
33	(4) N041N	DHE ASSOC DIR FOR ACADEMIC AFFAIRS	1	GRADE N909
34	(5) N055N	DHE ASSOCIATE DIRECTOR	3	GRADE N908
35	(6) N054N	DHE CAREER PATHWAYS DIRECTOR	1	GRADE N908
36	(7) G019C	GENERAL COUNSEL	1	GRADE C127



1	(8)	G043C	DHE FINANCIAL AID MANAGER	1	GRADE C126
2	(9)	G058C	DHE FEDERAL PROGRAM MANAGER	3	GRADE C125
3	(10)	G071C	DHE PROGRAM COORDINATOR	4	GRADE C124
4	(11)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
5	(12)	P005C	DHE COMMUNICATIONS COORDINATOR	1	GRADE C123
6	(13)	D039C	NETWORK SUPPORT SPECIALIST	1	GRADE C123
7	(14)	G102C	DHE PROGRAM SPECIALIST	21	GRADE C122
8	(15)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
9	(16)	D052C	SOFTWARE SUPPORT ANALYST	2	GRADE C121
10	(17)	C010C	EXECUTIVE ASSISTANT TO THE DIRECTOR	1	GRADE C118
11	(18)	A089C	ACCOUNTANT I	1	GRADE C116
12	(19)	C056C	ADMINISTRATIVE SPECIALIST III	5	GRADE C112
13	(20)	C073C	ADMINISTRATIVE SPECIALIST II	<u>1</u>	GRADE C109
14			MAX. NO. OF EMPLOYEES	52	

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16 SECTION 2. EXTRA HELP - GENERAL OPERATIONS. There is hereby  
 17 authorized, for the Department of Higher Education for the 2012-2013 fiscal  
 18 year, the following maximum number of part-time or temporary employees, to be  
 19 known as "Extra Help", payable from funds appropriated herein for such  
 20 purposes: seventeen (17) temporary or part-time employees, when needed, at  
 21 rates of pay not to exceed those provided in the Uniform Classification and  
 22 Compensation Act, or its successor, or this act for the appropriate  
 23 classification.

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25 SECTION 3. APPROPRIATION - GENERAL OPERATIONS. There is hereby  
 26 appropriated, to the Department of Higher Education, to be payable from the  
 27 Department of Higher Education Fund Account, for personal services and  
 28 operating expenses of the Department of Higher Education for the fiscal year  
 29 ending June 30, 2013, the following:

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31	ITEM	FISCAL YEAR
32	<u>NO.</u>	<u>2012-2013</u>
33	(01) REGULAR SALARIES	\$2,495,956
34	(02) EXTRA HELP	3,000
35	(03) PERSONAL SERVICES MATCHING	664,017
36	(04) MAINT. & GEN. OPERATION	

1	(A) OPER. EXPENSE	765,755
2	(B) CONF. & TRAVEL	20,270
3	(C) PROF. FEES	10,000
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	<u>0</u>
6	TOTAL AMOUNT APPROPRIATED	<u><u>\$3,958,998</u></u>

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8 SECTION 4. APPROPRIATION - STUDENT ASSISTANCE GRANTS AND VARIOUS  
 9 SCHOLARSHIPS. There is hereby appropriated, to the Department of Higher  
 10 Education, to be payable from the Higher Education Grants Fund Account, for  
 11 providing student assistance grants and various scholarships as provided by  
 12 law by the Department of Higher Education for the fiscal year ending June 30,  
 13 2013, the following:

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15	ITEM	FISCAL YEAR
16	<u>NO.</u>	<u>2012-2013</u>
17	(01) HIGHER EDUCATION OPPORTUNITIES GRANTS	\$11,000,000
18	(02) JR/SR MINORITY TEACHER SCHOLARSHIPS	300,000
19	(03) MINORITY MASTERS FELLOWS	280,000
20	(04) SECOND EFFORT SCHOLARSHIPS	20,000
21	(05) SREB MINORITY DOCTORAL SCHOLARS	200,000
22	(06) WASHINGTON CENTER SCHOLARSHIPS	120,000
23	(07) TUITION ADJUSTMENT	350,000
24	(08) STATE TEACHER ASSISTANCE RESOURCE	
25	PROGRAM	3,581,717
26	(09) AR ACADEMIC CHALLENGE SCHOLARSHIPS	28,000,000
27	(10) ARKANSAS GOVERNOR'S SCHOLARS	10,750,000
28	(11) STUDENT UNDERGRADUATE RESEARCH	
29	FELLOWSHIP PROGRAM (SURF)	307,974
30	(12) NATIONAL GUARD TUITION INCENTIVE	
31	PROGRAM	1,500,000
32	(13) SINGLE PARENT SCHOLARSHIP PROGRAM	175,000
33	(14) STATE TEACHER EDUCATION PROGRAM	5,000,000
34	(15) TEACHER OPPORTUNITY PROGRAM	2,000,000
35	(16) WORKFORCE IMPROVEMENT GRANTS	4,277,169
36	(17) AR GEOGRAPHICAL CRITICAL NEEDS	

1	MINORITY TEACHER SCHOLARSHIPS	200,000
2	(18) DEPENDENTS OF LAW ENFORCEMENT	
3	OFFICERS, ETC SCHOLARSHIPS	200,000
4	(19) DEPENDENTS OF POWS, MIAS,	
5	KIAS - TUITION WAIVER	
6	SCHOLARSHIPS	<u>250,000</u>
7	TOTAL AMOUNT APPROPRIATED	<u>\$68,511,860</u>

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9 SECTION 5. APPROPRIATION - STATE SCHOLARSHIP - FEDERAL. There is  
 10 hereby appropriated, to the Department of Higher Education, to be payable  
 11 from the federal funds as designated by the Chief Fiscal Officer of the  
 12 State, for grants-in-aid of the Department of Higher Education - State  
 13 Scholarship - Federal Program for the fiscal year ending June 30, 2013, the  
 14 following:

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16	ITEM	FISCAL YEAR
17	<u>NO.</u>	<u>2012-2013</u>
18	(01) GRANTS AND AID-STATE	
19	SCHOLARSHIPS-FEDERAL	<u>\$750,000</u>

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21 SECTION 6. APPROPRIATION - TECHNICAL EDUCATION - FEDERAL PROGRAMS.

22 There is hereby appropriated, to the Department of Higher Education, to be  
 23 payable from the federal funds as designated by the Chief Fiscal Officer of  
 24 the State, for personal services and operating expenses of the Department of  
 25 Higher Education - Technical Education - Federal Programs for the fiscal year  
 26 ending June 30, 2013, the following:

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28	ITEM	FISCAL YEAR
29	<u>NO.</u>	<u>2012-2013</u>
30	(01) REGULAR SALARIES	\$219,585
31	(02) PERSONAL SERVICES MATCHING	58,190
32	(03) MAINT. & GEN. OPERATION	
33	(A) OPER. EXPENSE	95,000
34	(B) CONF. & TRAVEL	69,000
35	(C) PROF. FEES	90,000
36	(D) CAP. OUTLAY	15,000

1	(E) DATA PROC.	<u>0</u>
2	TOTAL AMOUNT APPROPRIATED	<u><u>\$546,775</u></u>

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4 SECTION 7. APPROPRIATION - IMPROVING TEACHER QUALITY. There is hereby

5 appropriated, to the Department of Higher Education, to be payable from the

6 federal funds as designated by the Chief Fiscal Officer of the State, for

7 operating expenses and grants-in-aid of the Department of Higher Education -

8 Improving Teacher Quality Program for the fiscal year ending June 30, 2013,

9 the following:

11	ITEM	FISCAL YEAR
12	<u>NO.</u>	<u>2012-2013</u>
13	(01) MAINT. & GEN. OPERATION	
14	(A) OPER. EXPENSE	\$26,856
15	(B) CONF. & TRAVEL	13,000
16	(C) PROF. FEES	8,000
17	(D) CAP. OUTLAY	0
18	(E) DATA PROC.	0
19	(02) IMPROVING TEACHER QUALITY GRANTS/AID	<u>1,517,402</u>
20	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,565,258</u></u>

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22 SECTION 8. APPROPRIATION - RESEARCH DEVELOPMENT PROGRAM. There is

23 hereby appropriated, to the Department of Higher Education, to be payable

24 from the Higher Education Research Development Fund, for providing Arkansas

25 Research Development Program Grants to Institutions of Higher Education by

26 the Department of Higher Education for the fiscal year ending June 30, 2013,

27 the following:

29	ITEM	FISCAL YEAR
30	<u>NO.</u>	<u>2012-2013</u>
31	(01) RESEARCH AND DEVELOPMENT PROGRAM	
32	GRANTS	<u><u>\$5,000,000</u></u>

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34 SECTION 9. APPROPRIATION - HEALTH EDUCATION GRANTS AND LOANS. There is

35 hereby appropriated, to the Department of Higher Education, to be payable

36 from the Higher Education Grants Fund Account, for payments of the contracts

1 with participating out-of-state institutions of higher learning in the fields  
 2 of dentistry, optometry, osteopathy, veterinary medicine, chiropractic and  
 3 podiatry for the education of Arkansas citizens by the Department of Higher  
 4 Education for the fiscal year ending June 30, 2013, the following:

5	6	ITEM	FISCAL YEAR
7	8	<u>NO.</u>	<u>2012-2013</u>
8	(01)	CHIROPRACTIC AID	\$260,000
9	(02)	DENTAL AID - GRANTS	2,133,900
10	(03)	OPTOMETRY AID - GRANTS	410,000
11	(04)	OSTEOPATHY AID	230,000
12	(05)	PODIATRY AID	130,400
13	(06)	VETERINARY AID	1,100,000
14	(07)	DENTAL AID - LOANS	987,370
15	(08)	OPTOMETRY AID - LOANS	<u>140,000</u>
16		TOTAL AMOUNT APPROPRIATED	<u><u>\$5,391,670</u></u>

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 18 SECTION 10. APPROPRIATION - CASH. There is hereby appropriated, to the  
 19 Department of Higher Education, to be payable from the cash fund deposited in  
 20 the State Treasury as determined by the Chief Fiscal Officer of the State,  
 21 for operating expenses of the Department of Higher Education for the fiscal  
 22 year ending June 30, 2013, the following:

23	24	ITEM	FISCAL YEAR
25	26	<u>NO.</u>	<u>2012-2013</u>
26	(01)	MAINT. & GEN. OPERATION	
27	(A)	OPER. EXPENSE	\$378,070
28	(B)	CONF. & TRAVEL	60,620
29	(C)	PROF. FEES	401,310
30	(D)	CAP. OUTLAY	0
31	(E)	DATA PROC.	0
32	(02)	SCHOLARSHIPS	100,000
33	(03)	REFUNDS/REIMBURSEMENTS	<u>5,000</u>
34		TOTAL AMOUNT APPROPRIATED	<u><u>\$945,000</u></u>

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 36 SECTION 11. APPROPRIATION - TANF PROGRAM - FEDERAL. There is hereby

1 appropriated, to the Department of Higher Education, to be payable from the  
 2 federal funds as designated by the Chief Fiscal Officer of the State, for  
 3 personal services and operating expenses of the Department of Higher  
 4 Education - TANF Program - Federal for the fiscal year ending June 30, 2013,  
 5 the following:

7 ITEM	FISCAL YEAR
8 <u>NO.</u>	<u>2012-2013</u>
9 (01) REGULAR SALARIES	\$413,562
10 (02) EXTRA HELP	25,000
11 (03) PERSONAL SERVICES MATCHING	112,939
12 (04) MAINT. & GEN. OPERATION	
13 (A) OPER. EXPENSE	160,000
14 (B) CONF. & TRAVEL	75,000
15 (C) PROF. FEES	130,000
16 (D) CAP. OUTLAY	15,000
17 (E) DATA PROC.	0
18 (05) SELF SUFFICIENCY/JOB TRAINING GRANTS	<u>14,100,000</u>
19 TOTAL AMOUNT APPROPRIATED	<u><u>\$15,031,501</u></u>

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 21 SECTION 12. APPROPRIATION - COLLEGE ACCESS CHALLENGE GRANT. There is  
 22 hereby appropriated, to the Department of Higher Education, to be payable  
 23 from the federal funds as designated by the Chief Fiscal Officer of the  
 24 State, for operating expenses of the Department of Higher Education - College  
 25 Access Challenge Grant Program - Federal for the fiscal year ending June 30,  
 26 2013, the following:

28 ITEM	FISCAL YEAR
29 <u>NO.</u>	<u>2012-2013</u>
30 (01) MAINT. & GEN. OPERATION	
31 (A) OPER. EXPENSE	\$595,000
32 (B) CONF. & TRAVEL	25,000
33 (C) PROF. FEES	880,000
34 (D) CAP. OUTLAY	0
35 (E) DATA PROC.	<u>0</u>
36 TOTAL AMOUNT APPROPRIATED	<u><u>\$1,500,000</u></u>

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SECTION 13. APPROPRIATION - ARKANSAS GOVERNMENT WORKER LOAN REPAYMENT PROGRAM. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for costs associated with the reimbursement/repayment of federal student loans made to qualifying state government workers as determined by the Department of Higher Education for the fiscal year ending June 30, 2013, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2012-2013</u>
(01) AR GOVERNMENT WORKER LOAN REPAYMENT PROGRAM	<u>\$5,000,000</u>

SECTION 14. APPROPRIATION - WEB BASED APPLICATIONS. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for personal services and operating expenses associated with web based applications of the Department of Higher Education for the fiscal year ending June 30, 2013, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2012-2013</u>
(01) WEB BASED APPLICATIONS PERSONAL SERVICES AND OPERATING EXPENSES	<u>\$1,300,000</u>

SECTION 15. APPROPRIATION - SCHOLARSHIP ADMINISTRATION. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for personal services and operating expenses of the Department of Higher Education - Scholarship Administration for the fiscal year ending June 30, 2013, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2012-2013</u>
(01) REGULAR SALARIES	\$287,857
(02) EXTRA HELP	30,000
(03) PERSONAL SERVICES MATCHING	88,272
(04) MAINT. & GEN. OPERATION	



1	(A) OPER. EXPENSE	165,000
2	(B) CONF. & TRAVEL	0
3	(C) PROF. FEES	400,000
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	<u>0</u>
6	TOTAL AMOUNT APPROPRIATED	<u><u>\$971,129</u></u>

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8 SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 9 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EMERGENCY  
 10 GRANTS & EXTRA HELP POOL. An Institution of higher education that suffers an  
 11 emergency/disaster event resulting in all or a significant portion of campus  
 12 operations being interrupted, may request disaster assistance through the  
 13 Arkansas Department of Higher Education. Upon the declaration of an  
 14 emergency by the Governor, the institution may request, subject to the  
 15 recommendation of the Director of the Department of Higher Education and  
 16 approval of the Governor, a grant from the Disaster Relief Fund to assist in  
 17 returning that campus to operation and/or to a sister campus providing  
 18 services to the students from the affected campus. Certified law enforcement  
 19 officers employed by an institution of higher education may be granted  
 20 jurisdiction at the sister institution, upon agreement of both institutions.  
 21 The Department of Higher Education is authorized a pool of 500 extra help  
 22 positions for use in such emergency situations. These positions may be  
 23 assigned to the campus suffering the disaster event or to a sister campus  
 24 providing services to the students from the affected campus. The Governor  
 25 may waive the 1,500 hour limit of ACA 6-63-314 on these assigned extra help  
 26 pool positions.

27 The provisions of this section shall be in effect only from July 1,  
 28 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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30 SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 31 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
 32 REALLOCATION OF RESOURCES FOR INSTITUTIONS OF HIGHER EDUCATION. Upon  
 33 determination by the president or chancellor of an institution of higher  
 34 education that a reallocation of resources for purposes of reorganization or  
 35 consolidation of administrative functions within the institution is necessary  
 36 for efficient and effective operations of the institution, the president or

1 chancellor, with approval of the institution's board of trustees, may have  
2 the authority to transfer positions, appropriations and related funds between  
3 campuses, divisions, branches, and other budgetary units of the institution,  
4 after receiving prior approval of the Legislative Council or Joint Budget  
5 Committee. The transfers of positions, programs, or activities shall be used  
6 for those purposes for which the appropriations were approved by the General  
7 Assembly. The transfers, consolidations, or reorganizations which involve  
8 academic programs shall be reviewed by the Department of Higher Education  
9 prior to submission to the Legislative Council or Joint Budget Committee.  
10 Provided, however, that the institution shall be limited to submitting no  
11 more than two (2) individual transaction transfer requests during any fiscal  
12 year and shall be further limited to no more than five percent (5%) of the  
13 total General Revenue and Special Revenue appropriation, funding, positions  
14 specific to each institution, and no Tobacco Settlement funds or  
15 appropriations may be reallocated pursuant to this section.

16 Determining the maximum number of employees and the maximum amount of  
17 appropriation and general revenue funding for institutions of higher  
18 education each fiscal year is the prerogative of the General Assembly. This  
19 is usually accomplished by delineating such maximums in the appropriation  
20 act(s) for institutions of higher education and the general revenue  
21 allocations authorized for each fund and fund account by amendment to the  
22 Revenue Stabilization law. Further, the General Assembly has determined that  
23 institutions of higher education may operate more efficiently if some  
24 flexibility is provided to institutions of higher education authorizing broad  
25 powers under this Section. Therefore, it is both necessary and appropriate  
26 that the General Assembly maintain oversight by requiring prior approval of  
27 the Legislative Council or Joint Budget Committee as provided by this  
28 section. The requirement of approval by the Legislative Council or Joint  
29 Budget Committee is not a severable part of this section. If the requirement  
30 of approval by the Legislative Council or Joint Budget Committee is ruled  
31 unconstitutional by a court of competent jurisdiction, this entire section is  
32 void.

33 The provisions of this section shall be in effect only from July 1,  
34 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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36 SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

1 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS. In  
2 order to provide timely payments under financial aid appropriations made in  
3 this Act, the Chief Fiscal Officer of the State is authorized to provide  
4 loans from the Budget Stabilization Trust Fund to make available all funds  
5 attributable to the financial aid programs under the then current official  
6 revenue estimates. In the event of an unanticipated state revenue shortfall,  
7 any such loans remaining at the end of a fiscal year shall be repaid from  
8 revenues distributed in the first two months of the next fiscal year. Funds  
9 for appropriations made in this Act for purposes other than financial aid  
10 shall not be affected by the application of this provision.

11 The provisions of this section shall be in effect only from July 1,  
12 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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14 SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. WORK  
16 FORCE 2000 DEVELOPMENT FUND PROCEDURES. After the amounts to be made  
17 available to the various technical colleges have been determined as set out  
18 in Arkansas Code 26-51-205(d)(2), such documents as may be necessary shall be  
19 processed so that funds may be transferred from the Work Force 2000  
20 Development Fund to the State Treasury fund or fund account from which the  
21 technical college draws its general revenue support. Such funds as may be  
22 transferred shall not exceed 93.691% of the total funds available from the  
23 Work Force 2000 Development Fund during the fiscal year.

24 In the event that a technical institute or comprehensive lifelong learning  
25 center which receives support from the Work Force 2000 Development Fund as  
26 determined by law transfers or merges into the Arkansas Technical College and  
27 Community College System for which Work Force 2000 Development Fund monies  
28 are determined by law, then the actual amount of support from the Work Force  
29 2000 Development Fund in the preceding fiscal year for such educational  
30 institution shall be made available irrespective of any other provision of  
31 law which sets out maximum levels of support from such fund.

32 The provisions of this section shall be in effect only from July 1,  
33 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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35 SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
36 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. BUILDING

1 MAINTENANCE FUND. After the sum of \$13,200,000 has been deposited into the  
2 Higher Education Building Maintenance Fund, the next \$10,000,000 or so much  
3 as is collected, is to be transferred to the Research Development Fund there  
4 to be used as provided by law.

5 The provisions of this section shall be in effect only from July 1,  
6 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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8 SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
9 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REFUND TO  
10 EXPENDITURES. Proceeds derived from the repayment of loans as authorized in  
11 Items (02), (03) and (08) of Section 4 of this Act for the JR/SR Minority  
12 Teacher Scholars, the Minority Masters Fellows and the State Teacher  
13 Assistance Resource Program shall be deposited into the State Treasury fund  
14 from which it originated.

15 The provisions of this section shall be in effect only from July 1,  
16 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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18 SECTION 22. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. NATIONAL  
20 GUARD TUITION INCENTIVE PROGRAM. In addition to any other provisions of law,  
21 any student who receives assistance from the appropriation made for the  
22 "National Guard Tuition Incentive Program" in this Act shall repay any loans  
23 and/or assistance if the student receives a discharge that is a less than  
24 Honorable Discharge. Priority for funding shall be given to students already  
25 receiving assistance from the National Guard Tuition Incentive Program.

26 The provisions of this section shall be in effect only from July 1,  
27 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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29 SECTION 23. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE  
31 SAVINGS BONDS. The Department of Higher Education shall adopt rules and  
32 regulations for the allocation of the funds reappropriated for the  
33 development of projects at State Institutions of Higher Education and the  
34 payment of project costs and expenses of the issuance of the bonds of the  
35 Arkansas College Savings General Obligation Bonds Program to ensure that  
36 funds are allocated and expended in a manner consistent with the provisions

1 of the Internal Revenue Code applicable to the Arkansas College Savings  
2 General Obligation Bond Program (Program). The funds reappropriated for the  
3 development of projects at State Institutions of Higher Education and the  
4 payment of project costs and expenses of the issuance of the bonds of the  
5 Arkansas College Savings General Obligation Bonds Program shall be allocated  
6 and expended pursuant to the provisions of Arkansas Code 6-62-701 et seq. and  
7 other laws of this State. The expenditure and allocation of funds shall be  
8 exempt from any other provisions of state law which conflicts with any  
9 provision of the rules and regulations which rules and regulations are  
10 required to ensure the compliance of the Program with the applicable  
11 provisions of the Internal Revenue Code.

12 The provisions of this section shall be in effect only from July 1,  
13 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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15 SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
16 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE  
17 SAVINGS BONDS LIMITATIONS. The total principal amount of bonds to be issued  
18 during any fiscal biennium shall not exceed three-hundred million dollars  
19 (\$300,000,000), nor shall the principal amount of bonds outstanding at any  
20 time have debt service requirements in excess of twenty-four million dollars  
21 (\$24,000,000) in any one fiscal year from all state revenue sources.

22 The provisions of this section shall be in effect only from July 1,  
23 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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25 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH  
27 EDUCATION GRANTS AND LOANS - PRIORITIES. The Arkansas Higher Education  
28 Coordinating Board, after consulting with the recognized associations of each  
29 of the applicable medical professions and other interested persons, shall  
30 determine the priorities for the applicable programs enumerated in the  
31 appropriation made for "Health Education Grants and Loans" in this Act. The  
32 Arkansas Department of Higher Education, if necessary, shall re-adjust the  
33 number of positions for entering students to be funded for each applicable  
34 program based upon the priorities determined by the board.

35 The provisions of this section shall be in effect only from July 1,  
36 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FINANCIAL AID PROGRAMS REPORTING. The Arkansas Department of Higher Education shall report by May 30 to the House and Senate Interim Committees on Education the budgeted allocation for each financial aid program funded through the Higher Education Grants Fund Account for the upcoming fiscal year and projections for the following year.

The provisions of this section shall be in effect only from July 1, ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AUDIT/REVIEW OF STATE SCHOLARSHIP FUNDS. Any post-secondary institution that receives state scholarship funds administered by the Arkansas Department of Higher Education shall be subject to audit/review of such funds by the Division of Legislative Audit, upon approval of the Legislative Joint Audit Committee.

The provisions of this section shall be in effect only from July 1, ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

SECTION 28. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AUDIT DATA. All post-secondary institutions shall provide to the Arkansas Department of Higher Education a copy of the Integrated Post-Secondary Education Data System (IPEDS) data within three weeks following the IPEDS due date, which shall be subject to audit by the Arkansas Department of Higher Education.

The provisions of this section shall be in effect only from July 1, ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

SECTION 29. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING FOR SALARY INCREASES. New funding through the Revenue Stabilization Act determined by the Arkansas Department of Higher Education to have been for salary increases for the fiscal year for Institutions of Higher Education

1 shall be used exclusively for salary increases. New funding actually received  
2 for salary increases shall be spent exclusively for salary increases based  
3 upon the state general revenue portion of total unrestricted educational and  
4 general revenue. Funding received under this provision shall be used for no  
5 purpose other than to provide such salary increases. Any designated funds not  
6 used for salary increases shall be recouped at the end of each fiscal year  
7 and transferred to the General Revenue Allotment Reserve Fund.

8 The provisions of this section shall be in effect only from July 1,  
9 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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11 SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DHE  
13 PROGRAM COORDINATOR FUNDING. The Chief Fiscal Officer of the State shall  
14 transfer sufficient funding for the fiscal year from the Higher Education  
15 Grants Fund Account to the Department of Higher Education Fund Account in  
16 order to finance the personal services costs of a DHE Program Coordinator.

17 The provisions of this section shall be in effect only from July 1,  
18 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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20 SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
21 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER  
22 PROVISION. Upon certification by the Director of the Department of Higher  
23 Education that transfers are needed to make maximum utilization of funds and  
24 appropriations provided for financial aid programs, and with the approval of  
25 the Chief Fiscal Officer of the State and a review by the Arkansas  
26 Legislative Council, funds and appropriations may be transferred between  
27 financial aid programs, except that funds and appropriations may not be  
28 transferred for such purposes from either the Governor's Scholars Program or  
29 the Academic Challenge Scholarships Program in excess of \$1,000,000 in the  
30 aggregate in a fiscal year. Any transfer restrictions contained in  
31 appropriation acts for the Department of Higher Education relating to  
32 appropriation transfers from Governor's Scholars Program and Academic  
33 Challenge Scholarships shall not be applicable to transfers between  
34 Governor's Scholars and Academic Challenge Scholarship appropriations.

35 The provisions of this section shall be in effect only from July 1,  
36 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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2 SECTION 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
3 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER  
4 OF HIGHER EDUCATION GRANTS FUND APPROPRIATIONS - HEALTH EDUCATION GRANTS AND  
5 LOANS. Upon certification to and with the approval of the Chief Fiscal  
6 Officer of the State, surplus funds and appropriations may be transferred  
7 between the appropriations provided for "Health Education Grants and Loans"  
8 by this Act by the General Assembly for Dental Aid Grants and Loans,  
9 Optometry Aid, Veterinary Aid, Podiatry Aid, Chiropractic Aid and Osteopathy  
10 Aid.

11 The provisions of this section shall be in effect only from July 1,  
12 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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14 SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
16 CONTINGENCY APPROPRIATIONS - TRANSFERS AND REPORTS. (a) Upon approval by  
17 the Department of Higher Education and the Chief Fiscal Officer of the State,  
18 institutions of higher education may transfer appropriation from the cash  
19 contingency appropriation to any other appropriation made to the institution  
20 from cash funds including the establishment of commitment items, and may  
21 transfer appropriation from the contingency appropriation made payable from  
22 each institution's State Treasury Fund to the state operations appropriation  
23 made payable from each institution's State Treasury Fund including the  
24 establishment of commitment items, and may transfer appropriation from the  
25 contingency appropriation made payable from the Tobacco Settlement Program  
26 Fund Accounts to any other appropriation made to the institution from Tobacco  
27 Settlement Program Fund Accounts including the establishment of commitment  
28 items.

29 (b) Contingency appropriation transfers shall only establish and  
30 supplement commitment items that were recommended by the Higher Education  
31 Coordinating Board in the budget manuals presented to the Legislative Council  
32 and Joint Budget Committee.

33 (c) The Department of Higher Education shall report contingency  
34 appropriation transfers and the establishment of any commitment items  
35 authorized by this Section to the Legislative Council or Joint Budget  
36 Committee for review during its July meeting. The report shall include, by



1 institution, the establishment of, and the amounts transferred to, each  
2 commitment item, the reasons therefor and the source of funds. Institutions  
3 shall submit contingency appropriation transfer and commitment item  
4 establishment requests authorized by this Section to the Department of Higher  
5 Education no later than July 1. Upon the failure of an institution to submit  
6 the required information by the July 1 deadline, the Department of Higher  
7 Education shall immediately notify by written notification the chairpersons  
8 of the Legislative Council or Joint Budget Committee.

9  
10 SECTION 34. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
11 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STUDENT  
12 UNDERGRADUATE RESEARCH FELLOWSHIP (SURF) PROGRAM. The focus of the Student  
13 Undergraduate Research Fellowship (SURF) Program is the continued development  
14 of undergraduate academic research efforts at Arkansas colleges and  
15 universities. The Arkansas Department of Higher Education shall adopt rules  
16 and regulations necessary for the proper administration of the Student  
17 Undergraduate Research Fellowship Program. Administrative functions and  
18 responsibilities may include, but not necessarily be limited to, the  
19 development of eligibility criteria, collection of applications, coordination  
20 of student evaluations, distribution of public notices, and funding of grants  
21 for academic research purposes. Staff of the Arkansas Department of Higher  
22 Education shall administer this program. The Arkansas Department of Higher  
23 Education shall be authorized to expense costs associated with the  
24 administration of the program, from funds made payable from the Higher  
25 Education Grants Fund Account for the Student Undergraduate Research  
26 Fellowship Program as authorized in Section 4 of this Act.

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28 SECTION 35. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
29 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
30 COOPERATION AGREEMENTS. Any two-year institution of Higher Education that has  
31 its main or a satellite campus located within a twenty five mile radius of  
32 any four-year institution of higher education shall enter into a written  
33 agreement with that four-year institution which must address duplication of  
34 services between the institutions.

35 The provisions of this section shall be in effect only from July 1,  
36 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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SECTION 36. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COST ALLOCATION. The Department of Higher Education may refund to the Higher Education Fund Account or the Higher Education Grants Fund Account such amounts determined by the Department to be reimbursements received from the Arkansas Lottery Commission for costs related to the administration of the Arkansas Academic Challenge Scholarship Program.

SECTION 37. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. APPROPRIATION TRANSFER PROCEDURES - AR GEOGRAPHICAL CRITICAL NEEDS MINORITY TEACHER SCHOLARSHIP PROGRAM. The Director of the Arkansas Department of Higher Education shall determine the amount available, up to \$200,000 per fiscal year, to fund the Arkansas Geographical Critical Needs Minority Teacher Scholarships and shall certify to the Chief Fiscal Officer of the State and the State Treasurer such amount as is required to be transferred from the Higher Education Grants Fund Account. Upon receiving such certification, the Chief Fiscal Officer of the State and the State Treasurer shall cause to be transferred the necessary funds and appropriation to the fund account of the University of Arkansas at Pine Bluff for implementation of this program. The University of Arkansas at Pine Bluff may use up to twenty percent (20%) of the funds and appropriation for administration of the program.

The provisions of this section shall be in effect only from July 1, ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

SECTION 38. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HIGHER EDUCATION CENTRAL POOL POSITIONS. a) Universities - (1) The Department of Higher Education shall establish and maintain a central pool of three hundred (300) positions to be used to establish additional positions when an institution does not have sufficient positions available to meet unanticipated enrollment growth, industry training demands, and its mandated responsibilities. (2) Central pool positions are to be used by the institutions if the

1 personnel service needs exceed the number of positions authorized by the  
2 General Assembly and that were not anticipated at the time of the passage of  
3 the institution's operating appropriation act.

4 (3) No position established under this section may exceed the salary rate of  
5 the highest maximum annual salary rate or the highest grade level position  
6 authorized by the General Assembly in the requesting institution's operating  
7 appropriation act.

8 (4) The institution shall provide justification to the Department of Higher  
9 Education for the need to allocate positions from the central pool.

10 (5) Titles shall not be assigned to the institution from the central pool  
11 until specific positions are requested by the institution, recommended by the  
12 Department of Higher Education and approved by the Arkansas Legislative  
13 Council or the Joint Budget Committee.

14 (6) If an institution requests any central pool position to be continued  
15 during the subsequent fiscal year, the position must be requested as a new  
16 position in the institution's subsequent fiscal year budget request.

17 (b) Colleges - (1) The Department of Higher Education shall establish and  
18 maintain a central pool of two hundred fifty (250) positions to be used to  
19 establish additional positions when an institution does not have sufficient  
20 positions available to meet unanticipated enrollment growth, industry  
21 training demands, and its mandated responsibilities.

22 (2) Central pool positions are to be used by the institutions if the  
23 personnel service needs exceed the number of positions authorized by the  
24 General Assembly and that were not anticipated at the time of the passage of  
25 the institution's operating appropriation act.

26 (3) No position established under this section may exceed the salary rate of  
27 the highest maximum annual salary rate or the highest grade level position  
28 authorized by the General Assembly in the requesting institution's operating  
29 appropriation act.

30 (4) The institution shall provide justification to the Department of Higher  
31 Education for the need to allocate positions from the central pool.

32 (5) Titles shall not be assigned to the institution from the central pool  
33 until specific positions are requested by the institution, recommended by the  
34 Department of Higher Education and approved by the Arkansas Legislative  
35 Council or the Joint Budget Committee.

36 (6) If an institution requests any central pool position to be continued

1 during the subsequent fiscal year, the position must be requested as a new  
2 position in the institution's subsequent fiscal year budget request.

3 (c) Determining the maximum number of employees and the maximum amount  
4 of appropriation and general revenue funding for institutions of higher  
5 education each fiscal year is the prerogative of the General Assembly. This  
6 is usually accomplished by delineating such maximums in the appropriation  
7 act(s) for institutions of higher education and the general revenue  
8 allocations authorized for each fund and fund account by amendment to the  
9 Revenue Stabilization law. Further, the General Assembly has determined that  
10 institutions of higher education may operate more efficiently if some  
11 flexibility is provided to institutions of higher education authorizing broad  
12 powers under this Section. Therefore, it is both necessary and appropriate  
13 that the General Assembly maintain oversight by requiring prior approval of  
14 the Legislative Council or Joint Budget Committee as provided by this  
15 section. The requirement of approval by the Legislative Council or Joint  
16 Budget Committee is not a severable part of this section. If the requirement  
17 of approval by the Legislative Council or Joint Budget Committee is ruled  
18 unconstitutional by a court of competent jurisdiction, this entire section is  
19 void.

20 The provisions of this section shall be in effect only from July 1,  
21 ~~2011~~ 2012 through June 30, ~~2012~~ 2013.

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23 *SECTION 39. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS*  
24 *CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SREB*  
25 *MINORITY DOCTORAL SCHOLARS PROGRAM REGULATIONS. The Department of Higher*  
26 *Education is authorized to promulgate rules and regulations for the*  
27 *administration of the Southern Regional Education Board (SREB) Minority*  
28 *Doctoral Scholars program.*

29  
30 *SECTION 40. COMPLIANCE WITH OTHER LAWS.* Disbursement of funds  
31 authorized by this act shall be limited to the appropriation for such agency  
32 and funds made available by law for the support of such appropriations; and  
33 the restrictions of the State Procurement Law, the General Accounting and  
34 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
35 Procedures and Restrictions Act, or their successors, and other fiscal  
36 control laws of this State, where applicable, and regulations promulgated by

1 the Department of Finance and Administration, as authorized by law, shall be  
2 strictly complied with in disbursement of said funds.

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4 SECTION 41. LEGISLATIVE INTENT. It is the intent of the General  
5 Assembly that any funds disbursed under the authority of the appropriations  
6 contained in this act shall be in compliance with the stated reasons for  
7 which this act was adopted, as evidenced by the Agency Requests, Executive  
8 Recommendations and Legislative Recommendations contained in the budget  
9 manuals prepared by the Department of Finance and Administration, letters, or  
10 summarized oral testimony in the official minutes of the Arkansas Legislative  
11 Council or Joint Budget Committee which relate to its passage and adoption.  
12

13 SECTION 42. EMERGENCY CLAUSE. It is found and determined by the  
14 General Assembly, that the Constitution of the State of Arkansas prohibits  
15 the appropriation of funds for more than a one (1) year period; that the  
16 effectiveness of this Act on July 1, 2012 is essential to the operation of  
17 the agency for which the appropriations in this Act are provided, and that in  
18 the event of an extension of the legislative session, the delay in the  
19 effective date of this Act beyond July 1, 2012 could work irreparable harm  
20 upon the proper administration and provision of essential governmental  
21 programs. Therefore, an emergency is hereby declared to exist and this Act  
22 being necessary for the immediate preservation of the public peace, health  
23 and safety shall be in full force and effect from and after July 1, 2012.  
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25 */s/ Joint Budget Committee*  
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28 **APPROVED: 03/02/2012**  
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