

**DEPARTMENT OF ARKANSAS HERITAGE (DAH)
(AGENCY #865-887) - 2009-11 BIENNIUM**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Department of Arkansas Heritage's (DAH) mission is to identify Arkansas' heritage and enhance the quality of life by the discovery, preservation, and presentation of the state's cultural, historic, and natural resources. The Department of Arkansas Heritage is composed of the following agencies: Old Statehouse Museum, Historic Arkansas Museum, Delta Cultural Center, Mosaic Templars Cultural Center, Arkansas Arts Council, Arkansas Historic Preservation Program, and the Arkansas Natural Heritage Commission. In addition to these seven agencies, DAH also provides administrative support to the Natural and Cultural Resources Council (NCRC). The DAH Director is both a member of the NCRC and acts as the NCRC secretary and disbursing officer.

TOTAL BIENNIAL BUDGET

The total appropriation for the Department of Arkansas Heritage is \$53.1 million in FY2010 and \$52.4 million in FY2011, which is an increase of \$2.6 million in FY2010 and \$1.8 million in FY2011, and includes a total general revenue increase of \$196,255 for FY2010 and \$197,889 for FY2011.

FUNDING SOURCES

The Agency is funded through general revenue (10% in FY2010 - 12% in FY2011), federal funds (6% in FY2010 - 8% in FY2011), special revenues derived from the Conservation Tax and Real Estate Transfer Tax (42% in FY2010 - 51% in FY2011); fund balances (40% in FY2010 - 28% in FY2011), and cash and non-revenue receipts (approx. 2%).

II) SIGNIFICANT CHANGES

DAH - CENTRAL ADMINISTRATION

The total appropriation for DAH - Central Administration is \$8,359,860 for FY2010 and \$8,379,993 in FY2011, which is an increase of \$119,895 and \$105,546 for the Conservation Tax - Amendment 75 Appropriation.

CONSERVATION TAX - AMENDMENT 75 (APPROPRIATION 476)

This appropriation is funded by special revenues which are generated by the 1/8th cent Sales Tax enacted by Constitutional Amendment 75, and is used to support Department of Arkansas Heritage activities. The total appropriation is \$7,044,250 for FY2010 and \$7,039,738 for FY2011 with the following increases for the benefit of the Natural Heritage Commission:

Regular Salaries & Matching - Increase of \$90,695 for FY2010 and \$92,546 for FY2011 for 2 positions for the Natural Heritage Commission, one new Grade C117 DAH Program Coordinator for land management and stewardship activities and one new Grade C119 Biologist Specialist for inventory and data management activities.

Extra Help & Matching - Increase of \$9,700 for extra help positions to support the Department's Museum Division.

Operating Expenses - Increase of \$14,500 for FY2010 and \$8,000 for FY2011 for the Natural Heritage Commission for fuel costs, office supplies and equipment, board member travel expenses, and rent increases.

Conference Fees & Travel - Increase of \$5,000 each year for the Natural Heritage Commission for conference and seminar fees to enhance staff expertise and maintain certifications.

Land Acquisition - Provides for a \$300,000 inter-agency fund transfer for FY2010 from the Department of Arkansas Heritage Fund (Source: Special Revenue - Conservation Tax) to the Natural Heritage Commission for land acquisitions.

DAH - ARKANSAS ARTS COUNCIL

The Arkansas Arts Council's mission is to advance and empower the arts in Arkansas for the benefit of all Arkansans, by providing a

comprehensive statewide program for the support of arts in Arkansas, including services and grants that encourage and assist Arkansas artists.

The total appropriation is \$1,645,055 for FY2010 and \$1,657,913 for FY2011 with the following increases:

ARTS COUNCIL - FEDERAL PROGRAM (APPROPRIATION 486)

Recommends appropriation of \$671,134 for FY2010 and \$673,038 for FY2011 which is an increase of \$37,370 each year for Grants and Aid. This appropriation is funded by grants from the National Endowment for the Arts to provide art programs and grants to promote and assist Arkansas artists.

ARTS COUNCIL - CASH IN TREASURY (APPROPRIATION 943)

This appropriation is funded from cash receipts generated by registration fees, interest income, and the sales of items purchased for display and for workshop sessions. The total appropriation is \$204,041 each year with an increase of \$5,250 each year for professional fees and services to cover speaker costs for the annual Artlinks Conference.

DAH - DELTA CULTURAL CENTER (DCC)

It is the mission of the Delta Cultural Center to preserve, research, document, interpret, and present the heritage of the Arkansas Delta. The total appropriation for the Delta Cultural Center Agency is \$621,716 for FY2010 and \$631,433 for FY2011, which is an increase of \$2,300 each year to provide for increased bank charges associated with the DCC gift shop for the Agency's Bank Charges Fund Appropriation.

DAH - HISTORIC ARKANSAS MUSEUM COMMISSION (HAM)

The mission of this agency is to communicate the early history of Arkansas and its creative legacy through preserving, interpreting, and presenting stories and collections for the education and enjoyment of the people they serve. The total appropriation is \$1,455,164 for FY2010 and \$1,475,652 for FY2011, which is an increase of \$14,000 each year for the HAM Cash in Treasury appropriation for operating expenses related to HAM's point of sale system and to set up an additional sales station in the museum's store.

DAH - ARKANSAS HISTORIC PRESERVATION PROGRAM (AHPP)

Created to fulfill the objectives of the National Historic Preservation Act by identifying, preserving and protecting the cultural resources of Arkansas.

The total appropriation for AHPP is \$1,539,651 for FY2010 and \$1,391,806 for FY2011 which is an increase of \$168,000 and \$2,000, respectively.

Of the total increase, \$150,000 is required to continue a Miscellaneous Federal Grant for the Historic Preservation Federal appropriation's Grants line item to award sub-grants to city and county governments that hold both Certified Local Government and Preserve America designations to develop local heritage tourism and preservation plans.

The remainder of the increase is for the Main Street Cash in Treasury appropriation for the following purposes:

Professional Fees & Services - An increase of \$18,000 for FY2010 to host a tri-state conference and provide downtown revitalization technical assistance and \$6,000 for FY2011 for training and technical assistance for communities joining the Main Street Arkansas Network.

Reduction: The FY2011 overall increase is reduced by a \$4,000 reduction in Operating Expenses.

MOSAIC TEMPLARS CULTURAL CENTER

The mission of the Mosaic Templars Cultural Center is to collect, preserve, interpret, and celebrate Arkansas's African-American history, culture, and community from 1870 to the present, and to educate the public about Black achievement in business, politics and the arts.

The total appropriation is \$873,331 for FY2010 and \$881,336 for FY2011, which is an increase of \$201,255 and \$202,889, respectively, and includes a general revenue funding increase of \$146,255 for FY2010 and \$147,889 for FY2011. The increases for this agency are described below:

MOSAIC TEMPLARS - STATE OPERATIONS (Appropriation 1MT)

This appropriation provides general revenue funding for the Mosaic Templars Cultural Center. The total appropriation is \$788,271 for FY2010 and \$796,276 for FY2011 which includes the following increases:

Regular Salaries & Matching - Increase of \$81,356 for FY2010 and \$82,990 for FY2011 to restore 2 positions (1 Grade C119 Curator and 1 Grade C110 Museum Program Assistant II) to support the educational and outreach services and increase the number of days per week the museum is open to the public.

Operating Expenses - Increase of \$64,899 each year for data processing supplies and software licenses, utility costs, educational and cultural materials, travel reimbursement, kitchen/janitorial expenses, subscriptions/publications, printing and office supplies.

Capital Outlay - Increase of \$10,000 in appropriation **only** for equipment purchases.

MOSAIC TEMPLARS - CASH IN TREASURY (Appropriation 1XX)

This appropriation is primarily used for Museum Gift Shop Operations. The total appropriation is \$80,000 each year with an increase of \$10,000 each year for Operating Expenses, \$10,000 each year for Professional Fees & Services and \$25,000 each year for the Resale line item to be used to restock the museum store.

DAH - NATURAL AND CULTURAL RESOURCES COUNCIL (ANCRC)

The Natural and Cultural Resources Council was created to manage and supervise grants and a trust fund for use in the acquisition, management, and stewardship of state-owned lands or the preservation of state-owned historic sites, buildings, structures, or objects which the Council determines to be of value for recreation or conservation purposes.

The total appropriation for the ANCRC is \$33 million each year.

DAH - NATURAL HERITAGE COMMISSION

The mission of the Natural Heritage Commission is to preserve natural diversity, to promote choice among beneficial uses of the environment, and to promote a balance between the development and environmental protection of the State by establishing a system and a registry of natural areas, conducting research and publishing information on natural areas, and performing other duties relating to the use, management and preservation of natural features of Arkansas. The total appropriation for this agency is \$3.9 million for FY2010 and \$3.3 million for FY2011, which is an increase of \$1.9 million and \$1.3 million, respectively.

NATURAL AREA MANAGEMENT - CASH IN TREASURY (Appropriation 1AQ)

This appropriation provides management and stewardship funds for the Natural Area Management Program for natural areas located throughout the state. Funding is provided by donations and other income. The total appropriation is \$275,531 for FY2010 and \$287,040 for FY2011 with a total increase of \$185,256 and \$196,765, respectively. The increases include:

Extra Help - Increase of \$51,162 for FY2010 and \$52,671 for FY2011 for part-time land stewards.

Operating Expenses - Increase of \$46,594 for FY2010 and \$51,594 for FY2011 for mileage expenses and miscellaneous technical services for

land management.

Conference Fees & Travel - Increase of \$2,500 each year for staff training and certifications.

Capital Outlay - Increase of \$20,000 for FY2010 and \$25,000 for FY2011 for heavy equipment and a 4 wheel drive vehicle.

Special Maintenance - Increase of \$65,000 each year for maintenance and upkeep of natural areas.

NATURAL AREA RESEARCH - CASH IN TREASURY (Appropriation 1AR)

This appropriation is funded from cash receipts generated by environmental studies performed by the commission's staff. The total appropriation is \$64,312 each year of the biennium which includes an increase of \$5,387 each year for Extra Help and Matching.

NATURAL HERITAGE-STATE OPERATIONS (Appropriation 493)

This appropriation is funded by general revenue funding. The total appropriation is \$587,688 for FY2010 and \$599,592 for FY2011 and includes an increase of \$25,000 in **appropriation only** each year for Special Maintenance costs with no additional general revenue. See Central Administration Conservation Tax Appropriation described above for increases for the Natural Heritage Commission which are to be funded by the Conservation Tax.

NATURAL HERITAGE-FEDERAL PROGRAM (Appropriation 494)

This appropriation uses federal funds for personal services and operating expenses to perform the inventory and data management function of the Commission. The total appropriation is \$2,196,749 for FY2010 and \$2,202,463 for FY2011 which includes an increase of \$1 million each year for land acquisition and \$21,542 each year for Extra Help salaries and Matching.

NATURAL HERITAGE - LAND ACQUISITION (APPROPRIATION 693)

Authorized an appropriation of \$800,000 for FY10 and \$150,000 for FY2011. This appropriation provides for an increase of \$555,000 for FY2010 and the \$150,000 authorized for FY2011 is due to the splitting of a formerly biennial appropriation after the passage of Amendment 86 as a result of the passage of the Constitutional amendment requiring fiscal sessions and limiting appropriations to one year. The appropriation is to be used by the Agency to acquire land to deter rapid erosion of geographical landmarks, protect rare plants, and special animal species, and is funded by an inter-agency fund transfer of Conservation Tax proceeds.

DAH - OLD STATE HOUSE COMMISSION

The Old State House Museum provides a full complement of educational programs and interpretive exhibits on Arkansas's early statehood, 1836-1911. The total appropriation is \$1,650,152 for FY2010 and \$1,670,267 for FY2011 which is an increase of \$153,023 and \$151,523, respectively and includes an increase of \$50,000 each year in general revenue funding.

OLD STATE HOUSE - OPERATIONS (Appropriation 492)

This appropriation provides general revenue funding for the personal services and operating expenses of the Old State House and Trapnall Hall. The total appropriation amount is \$1,440,467 for FY2010 and \$1,460,582 for FY2011 with the following increases:

Operating Expenses - A total appropriation increase of \$151,523 each year and an increase of \$50,000 in general revenue funding each year to support the Agency's task of preserving and maintaining Arkansas' original statehouse and includes \$75,000 each year for routine building maintenance costs; \$49,000 each year for security services; and \$27,523

each year to provide for increased utility costs and to provide sufficient appropriation for building and contents insurance.
Capital Outlay - An increase of \$1,500 for FY2010 in appropriation only for sales tax on a replacement vehicle.

III) ADDITIONAL POSITIONS

Total positions for FY 2009-2011 Biennium: 146

Total positions for FY 2007-2009 Biennium: 140

Increase/ (Decrease): 6

1 Grade C117 DAH Program Coordinator - Natural Heritage Commission

2 Grade C119 Biologist Specialist - Natural Heritage Commission

1 Grade C119 Curator - Mosaic Templars

1 Grade C119 DAH Program Manager

1 Grade C110 Museum Program Assistant II - Mosaic Templars

IV) SPECIAL LANGUAGE

EXTRA HELP RESTRICTIONS: Limits DAH Extra Help employees to 3/4 of the maximum annual salary for comparable positions and an employment period of not more than nine months per fiscal year; limits Old State House Museum Extra Help employees to no more 75% of the maximum annual salary for comparable positions and an employment period of not more than 1500 hours per year.

DELETES THE FOLLOWING SECTION OF LANGUAGE DUE TO PASSAGE OF

CONSTITUTIONAL AMENDMENT 86 REQUIRING FISCAL SESSIONS AND LIMITING

APPROPRIATIONS TO ONE YEAR - CARRY FORWARD: Authorizes carry forward authority of unexpended appropriation from the first to the second year of the biennium for the appropriations provided for DAH-Museum/Facility Construction and Special Maintenance. These appropriations are payable out of the Arkansas Department of Heritage Fund Account and are funded by special revenue derived from the additional 1/8th cent sales tax levied by Amendment 75 to the Arkansas Constitution. Requires prior statement of need for the carry forward, report to ALC or Joint Budget Committee (JBC) of all carried forward amounts, report of status of funds carried forward to ALC/JBC, and finally include all of the above information in the biennial budget manuals or a statement of non-compliance.

PROMOTIONAL AND EDUCATIONAL MATERIALS: Allows DAH to purchase up to \$40,000 of promotional and educational merchandise as authorized by the Director of the Department from Maintenance & General Operation appropriations authorized for the Department.

PUBLICATION DEVELOPMENT AND RESALE: After prior review by Arkansas Legislative Council, DAH is permitted to transfer up to \$25,000 per fiscal year from the Natural & Cultural Resources Historic Preservation Fund or other funds established from federal or non-federal grants to the Publication Development and Resale Revolving Fund to develop and purchase additional publications for resale.

NATURAL & CULTURAL RESOURCES COUNCIL (NCRC): Establishes the Director of DAH as the disbursing officer for NCRC & Main Street Program appropriations. If grants are made to state agencies, from either of these appropriations the language allows DAH to transfer appropriation and funding for use in classifications of expenditures as determined by the conditions of the grant and the state agency.

DELETES THE FOLLOWING SECTION OF LANGUAGE DUE TO PASSAGE OF

CONSTITUTIONAL AMENDMENT 86 REQUIRING FISCAL SESSIONS AND LIMITING APPROPRIATIONS TO ONE YEAR - CARRY FORWARD:

Allows carry-forward of unexpended balances of appropriation from the first to the second fiscal year of the biennium for Natural & Cultural Resources Council (NCRC) grants made to state agencies for acquisition, management, stewardship, and preservation of state-owned lands or historic sites. Requires prior statement of need for the carry forward, report to ALC or Joint Budget Committee (JBC) of all carried forward amounts, report of status of funds carried forward to ALC/JBC, and finally include all of the above information in the biennial budget manuals or a statement of non-compliance.

DELETES SPECIAL FUNDING PROVISION LANGUAGE FOR THE REAL ESTATE TRANSFER TAX: Current language requires the first \$4.5 million of the 80% of the \$2.20 real estate transfer tax that is credited to the Natural And Cultural Resources Grant And Trust Fund, to be distributed as general revenue in FY08 and FY09.

Revised April 2009.