

0395 – DEPARTMENT OF COMMERCE - DEVELOPMENT FINANCE AUTHORITY
FISCAL YEAR 2022
ALC/JBC RECOMMENDATION

The Department of Commerce - Arkansas Development Finance Authority (ADFA) is a body public and politic as corporate, with corporate succession. It is authorized and empowered to issue revenue bonds and various other debt instruments for the purpose of financing qualified agricultural business and industrial enterprises, capital improvement, educational and health care facilities, and housing developments. Bonds and other debt instruments issued are special obligations payable solely from and secured by a first lien on proceeds, moneys, revenues, rights, interests and collections' pledged therefore under the resolutions authorizing the particular issues. Per Act 824 of 2017, the Student Loan Authority was transferred to ADFA by a type 2 transfer. The Authority originates and acquires student loans, and provides financial assistance by purchasing loans made by local lenders to higher education students. This process provides liquidity to banks so additional loans may be made to students in need. It is funded with federal funds, cash funds from bond proceeds and funds generated by ADFA programs

TOTAL APPROPRIATION

Appropriation		2019-2020	2020-2021	2021-2022
		Actual	Authorized	Legislative
A57	ADFA - Cash Operations	\$20,061,569	\$32,427,356	\$31,713,210
C57	AR Housing Trust Advisory Commission	\$7,000	\$15,475	\$7,825
C91	Student Loan Authority Division of ADFA - Operations	\$1,816,521	\$2,392,333	\$2,403,171
D34	DIS IT	\$159,579	\$15,000,000	\$15,000,000
X15	National Housing Trust Fund Grant	\$1,498,227	\$6,000,000	\$15,000,000
Total		\$23,542,896	\$55,835,164	\$64,124,206

FUNDING SOURCES

Funding Sources		2019-2020 Actual	%
Fund Balance	4000005	\$4,063,431	13.90
Federal Revenue	4000020	\$16,780,596	57.39
Cash Fund	4000045	\$8,395,922	28.71
Shared Services Transfer	4000760	\$0	0.00
Total Funds		\$29,239,949	100.00
Excess Appropriation/(Funding)		(\$5,697,053)	
Grand Total		\$23,542,896	

CHANGE LEVEL REQUESTS

ADFA-Cash Operations (Appropriation A57)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$3,735,242	\$3,224,271	(\$510,971)
5010003	Personal Services Matching	\$1,164,119	\$1,024,944	(\$139,175)
5020002	Operating Expenses	\$675,458	\$611,458	(\$64,000)
Total		\$5,574,819	\$4,860,673	(\$714,146)

- Decrease in Regular Salaries and Personal Services Matching due to reallocation of 8 positions to Department of Commerce – Administration and Shared Services.

AR Housing Trust Advisory Commission (Appropriation C57)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5900046	Arkansas Housing Trust Fund	\$15,475	\$7,825	(\$7,650)
Total		\$15,475	\$7,825	(\$7,650)

- Decrease in appropriation to better reflect current cash balances.

National Housing Trust Fund Grant (Appropriation X15)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5900046	Federal Housing Program	\$6,000,000	\$15,000,000	\$9,000,000
Total		\$6,000,000	\$15,000,000	\$9,000,000

- Increase in appropriation to reflect receipt of additional federal funds (Miscellaneous Federal Grant) approved by Legislative Council in FY2020.

Student Loan Authority Division of ADFA-Operations (Appropriation C91)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$348,621	\$356,403	\$7,782
5010003	Personal Services Matching	\$100,553	\$103,609	\$3,056
Total		\$449,174	\$460,012	\$10,838

Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

POSITIONS

Total Authorized Positions FY2022: 56

Total Authorized Positions FY2021: 64

Increase / (Decrease): (8)

Extra Help Positions FY2022: 5

SPECIAL LANGUAGE REVISIONS

None.