

STATE OF ARKANSAS



Asa Hutchinson
Governor

Department of Career Education

Charisse Childers, Ph.D.
Director

October 1, 2015

Dear Senator Sample and Representative Branscum,

Pursuant to Act 892 of the 90th General Assembly of 2015, A.C.A. § 25-30-109 (c), please find enclosed the report for the newly created Office of Skills Development within the Arkansas Department of Career Education (ACE).

(c) On or before October 1 of each year, the office shall submit a report to the Governor and the cochairs of the Legislative Council providing an account of the activities and expenditures of the offices during the preceding calendar year.

For purposes of this report, the preceding calendar year is defined as the period from July 1, 2014 through June 30, 2015 (i.e. Fiscal Year 2015). There were no expenditures or activities during the preceding year.

This office became operational in the first quarter of Fiscal Year 2016 and we are in the process of promulgating rules and regulations. Thus, we are exceeding the requirements set forth in law by providing you with Exhibit A, which is the report for the first quarter of FY2016.

Through the continued support of Governor Asa Hutchinson, the Arkansas General Assembly, and the Governor's Workforce Cabinet, the Arkansas Department of Career Education and the Office of Skills Development are working diligently toward a statewide comprehensive workforce development system with the goal of economic development in the state of Arkansas. If you have any questions or need further information, please don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Charisse Childers".

Charisse Childers, Ph.D.
Director

Enclosure

cc: The Honorable Asa Hutchinson, Governor

EXHIBIT A

Summary of Act 892 of Regular Session 2015

Enabling Legislation: Act 892 of the 90th General Assembly, Regular Session

Purpose: Requires the Arkansas Department of Career Education, Office of Skills Development to submit a report on or before October 1 of each year to the Governor and the cochairs of the Legislative Council providing an account of the activities and expenditures of the offices during the preceding calendar year.

Reporting Period: Calendar Year January 1, 2014 - December 31, 2014: no activity or expenditure

Additional information provided for:

- Calendar Year January 1, 2015 - June 30, 2015: no activity or expenditure
- Fiscal Year 2016, 1st Quarter: activity and expenditures provided below

ACTIVITIES

1. Hiring the Deputy Director of the Office of Skills Development.
2. Drafting and initiating the process of promulgating rules and regulations for administration of the Office of Skills Development Fund: an initial draft is approved for submittal to receive public comment by the Arkansas Department of Career Education (ACE), Career Education and Workforce Development Board. Prior to submittal for public comment, the Office of Skills Development is additionally receiving inputs to the rules and regulations from the Arkansas Economic Development Commission (AEDC), Arkansas Department of Workforce Services (DWS), and Governor Hutchinson's office.
3. Additional Office of Skills Development activities include organizational and operational setup of the office, analytics related to Arkansas Labor Force dynamics, engaging with statewide stakeholders in Career and Technical Education and workforce development, and supporting the efforts of the Governor's Workforce Cabinet in administering grants under the AEDC Existing Worker Training Program (EWTP), Arkansas Department of Higher Education (ADHE) Regional Planning Grants, and DWS Training Trust Fund programs.

EXPENDITURES

As of July 1, 2015, the total budget for Fiscal Year 2016 is \$22,474,249. Following is a summary of the sources of funds comprising the \$22,474,249:

\$1,301,233	Stabilized General Revenue
\$2,500,000	DWS Training Trust Fund
\$13,810,146	Economic Development Commission Fund
\$4,862,870	Work Force Development Fund

As of September 28, 2015, of the budget funds identified above, the following are the amounts that have been transferred to the Skills Development Fund:

\$216,873	Stabilized General Revenue
\$2,500,000	DWS Training Trust Fund
\$13,160,608	Economic Development Commission Fund
\$810,478	Work Force Development Fund

As of September 28, 2015, the following are the expenditures from the Skills Development Fund:

\$ 7,290.07	Salaries and benefits
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