



GL #1

**STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR**

March 7, 2024

Senator Jonathan Dismang, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

Attached you will find my recommendations for supplemental appropriations for Fiscal Year 2024. Each item includes a detailed justification of the request along with a line-item breakdown.

I respectfully request your approval of these requests and their introduction as Joint Budget Committee bills at the proper time during the 94th General Assembly.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Sanders".

Sarah Huckabee Sanders

Enclosure



SUPPLEMENTAL APPROPRIATION REQUESTS

Fiscal Year 2024

Sarah Huckabee Sanders
Governor, State of Arkansas

Robert Brech
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Department of Finance and Administration

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**SUPPLEMENTAL APPROPRIATION AND FUNDING
AGENCY REQUESTS AND EXECUTIVE RECOMMENDATIONS
2024 Fiscal Year**

AGENCY/PROGRAM	Agency Request			Executive Recommendation		
	POS.	APPRO.	GEN. REV. FUNDING	POS.	APPRO.	GEN. REV. FUNDING
REQUESTS REQUIRING AN EXECUTIVE RECOMMENDATION:						
<u>GENERAL REVENUE FUND ACCOUNTS</u>						
Corrections, Arkansas Department of						
County Jail Reimbursement		4,200,000	4,200,000		4,200,000	4,200,000
Inmate Care and Custody		3,000,000			3,000,000	
Education, Arkansas Department of						
98% URT Actual Collection Adjustment		6,000,000			6,000,000	
Assessment/End of Level Testing		3,000,000			3,000,000	
Declining Enrollment		5,000,000			5,000,000	
Distance Learning		8,000,000			8,000,000	
ESA Matching Grant Program		200,000			200,000	
Medicaid Reimbursement Program		4,000,000			4,000,000	
Professional Development Funding		1,000,000			1,000,000	
Special Education- Catastrophic		3,000,000			3,000,000	
Student Growth		3,000,000			3,000,000	
SUBTOTAL		\$ 40,400,000	\$ 4,200,000		\$ 40,400,000	\$ 4,200,000
REQUESTS REQUIRING AN EXECUTIVE RECOMMENDATION:						
<u>NON-GENERAL REVENUE FUND ACCOUNTS</u>						
Commerce, Arkansas Department of						
Economic Development Incentive Program		\$ 25,000,000			\$ 25,000,000	
Treasurer of State- County Aid						
Special Revenue to Cities		25,000,000			25,000,000	
Treasurer of State- Municipal Aid						
Special Revenue to Cities		25,000,000			25,000,000	
SUBTOTAL		\$ 75,000,000	\$ 0		\$ 75,000,000	\$ 0
TOTAL		\$ 115,400,000	\$ 4,200,000	\$-	\$ 115,400,000	\$ 4,200,000

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Arkansas Department of Corrections

Program Title: County Jail Reimbursement

Appropriation only: Yes X No

General Revenue Funding Amount Requested: \$4,200,000 None:

Other Funding Amount Requested: None: X

Source of Other Funding:

Accounting Information:

Business Area: 9903 Funds Center: E68 Fund: MCJ9903 Functional Area: SFTY

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Refunds/Reimbursements	26,853,607	4,200,000	4,200,000
Total	26,853,607	4,200,000	4,200,000

IGS Approval (if applicable) Date Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
3	890

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Additional appropriation and funding is needed to cover county jail reimbursement invoices for the remainder of FY24.

Impact if Not Approved:

If not approved, counties will not be reimbursed for housing Division of Correction and Division of Community Correction inmates.

Alternatives:

If not approved, county jail reimbursement invoices will be held until FY25. Doing this will cause the Department to use FY25 appropriation and funding to cover FY24 invoices which could potentially create another funding/appropriation need.

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

Revised 11/29/2023

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Arkansas Department of Corrections- Division of Correction

Program Title: Inmate Care and Custody

Appropriation only: X Yes No

General Revenue Funding Amount Requested: None: X

Other Funding Amount Requested: None: X

Source of Other Funding:

Accounting Information:

Business Area: 0480 Funds Center: 509 Fund: HCA0100 Functional Area: SFTY

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries	189,638,950		
Number of Positions	4,527		
Extra Help	100,000		
Number of Positions	170		
Personal Services Matching	82,746,694		
Overtime	7,050,000	3,000,000	3,000,000
Operating Expenses	55,825,403		
Conference & Travel Expenses	155,398		
Professional Fees	655,724		
Capital Outlay	1,275,186		
Jail Contracts	1,533,000		
Energy Savings & Efficiencies	1,431,465		
Total	340,411,820	3,000,000	3,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
10	890

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Additional overtime appropriation is necessary due to staff shortages and an increased need for overtime.

Impact if Not Approved:

Due to staffing levels, if overtime is not available it could affect the safety and security of the Division of Correction facilities.

Alternatives:

There are no known alternatives.

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: 98% URT Actual Collection Adjustment

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: 34N Fund: JAA1013 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
98% URT Actual Collection Adjustment	34,500,000	6,000,000	6,000,000
Total	34,500,000	6,000,000	6,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (9)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Due to the 10% increase cap on individual property taxes coupled with disabled and over 65 households being held harmless, a decrease in collections is anticipated. The agency will need this additional appropriation to make whole the districts that collect less than 98% of the Uniform Rate of Tax (URT).

Impact if Not Approved:

The agency will not be able to provide districts with the funding necessary to fund each Average Daily Membership (ADM) at the 2023-2024 foundation funding amount of \$7,618 as required by law.

Alternatives:

Various Temporary Appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: Assessment/End of Level Testing

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: 459 Fund: JAA1002 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
Assessment/End of Level Testing	20,309,189	3,000,000	3,000,000
Total	20,309,189	3,000,000	3,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (05)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Additional appropriation is needed to administer an increased number of ACT WorkKeys and K-3 Literacy Screener assessment.

Impact if Not Approved:

The agency will not have the appropriation necessary to disburse funds to districts that administer student assessments.

Alternatives:

Various Temporary Appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: Declining Enrollment

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: 4HN Fund: JAA1002 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
Declining Enrollment	13,963,389	5,000,000	5,000,000
Total	13,963,389	5,000,000	5,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (16)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Based on declining enrollment at school districts from the 2021-2022 to the 2022-2023 school year, additional appropriation is needed to support the districts as required by law. Some districts may qualify for both Declining Enrollment and Student Growth funding. The district will receive the larger of the two amounts they qualify for. Because Declining Enrollment is based on previous school year Average Daily Membership (ADM) and Student Growth is based on current school year ADM quarter over quarter, both requests are needed to account for the highest possible outcome.

Impact if Not Approved:

Districts would not receive the funding they are entitled by law.

Alternatives:

Various Temporary Appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: Distance Learning

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: 698 Fund: JAA1002 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Overtime			
Operating Expenses			
Conference & Travel Expenses			
Professional Fees			
Capital Outlay			
Distance Learning	4,760,000	8,000,000	8,000,000
Total	4,760,000	8,000,000	8,000,000

_____ IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (17)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Additional appropriation is needed to pay a grant from FY23 that was not dispursed before the end of the fiscal year.

Impact if Not Approved:

If the agency paid the previous year grant without receiving supplemental appropriation, they would not be able to fund their usual grants.

Alternatives:

Various Temporary Appropriation request submitted to the Performance Evaluation and Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: ESA Matching Grant Program

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: V33 Fund: JAA1002 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
ESA Matching Grant Program	5,300,000	200,000	200,000
Total	5,300,000	200,000	200,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (26)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

The Adequacy Recommendation approved by the 94th General Assembly during the 2023 Regular Seesion was not adopted into the appropriation act. This supplemental appropriation will allow the agency to fund Enhanced Student Achievement (ESA) programs across the state at teh recommended level.

Impact if Not Approved:

School districts would not receive the necessary funding to fully implement their ESA programs.

Alternatives:

Various Temporary Appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund

Program Title: Medicaid Reimbursement Program

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0500 Funds Center: 893 Fund: NED0006 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
Refunds/Reimbursements	13,659,017	4,000,000	4,000,000
Medicaid Admin	10,500		
Total	13,669,517	4,000,000	4,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
14	871 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

This supplemental appropriation would allow the agency pay an extra quarter payment so they can get on a same fiscal year payment schedule.

Impact if Not Approved:

The agency would continue to pay reimbursements a quarter behind the current fiscal year.

Alternatives:

Cash appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Education- Division of Elementary & Secondary Education- Public School Fund
 Program Title: Special Education- Catastrophic
 Appropriation only: X Yes No
 General Revenue Funding Amount Requested: None: X
 Other Funding Amount Requested: None: X
 Source of Other Funding:
 Accounting Information:
 Business Area: 0500 Funds Center: 091 Fund: JAA1002 Functional Area: EDUC

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid			
Professional Fees			
Capital Outlay			
Special Education- Catastrophic	13,998,150	3,000,000	3,000,000
Total	13,998,150	3,000,000	3,000,000

IGS Approval (if applicable) Date Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
1 (51)	572 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)
 The Adequacy Recommendation approved by the 94th General Assembly during the 2023 Regular Session was not adopted into the appropriation act. The additional appropriation is needed to fund high-cost occurrences districts face in providing Special Education to students.

Impact if Not Approved:
 The districts would not be reimbursed for high-cost Special Education services as provided by agency rules.

Alternatives:
 Various Temporary Appropriation request submitted to the Performance Evaluation & Expenditure Review (PEER) subcommittee of the Arkansas Legislative Council (ALC).

Executive Recommendation:
 The Executive Recommendation provides for the Agency Request.

Revised 11/29/2023

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Treasurer of State - Municipal Aid

Program Title: Special Revenue to Cities

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0076 Funds Center: 035 Fund: MLM0200 Functional Area: CNST

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid	190,000,000	25,000,000	25,000,000
Professional Fees			
Capital Outlay			
Total	190,000,000	25,000,000	25,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
2 (01)	62 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Approval of this request is needed to allow for special revenues collected by the Treasurer of State's Office on behalf of the cities to be disbursed back to the cities.

Impact if Not Approved:

There are no known alternatives.

Alternatives:

If appropriation is not available, cities will not receive some special revenues collected by the state on their behalf.

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Treasurer of State - County Aid

Program Title: Special Revenue to Counties

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0074 Funds Center: 074 Fund: MLC0200 Functional Area: CNST

	Authorized FY24	Supplemental Request FY24	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid	205,000,000	25,000,000	25,000,000
Professional Fees			
Capital Outlay			
Total	205,000,000	25,000,000	25,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
4 (01)	62 of 2023

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Approval of this request is needed to allow for special revenues collected by the Treasurer of State's Office on behalf of the counties to be disbursed back to the counties.

Impact if Not Approved:

There are no known alternatives.

Alternatives:

If appropriation is not available, counties will not receive some special revenues collected by the state on their behalf.

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

Revised 11/29/2023