



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**OFFICE OF BUDGET**  
1509 West Seventh Street, Suite 402  
Post Office Box 3278  
Little Rock, Arkansas 72203-3278  
Phone: (501) 682-1941  
Fax: (501) 682-1086  
[www.arkansas.gov/dfa](http://www.arkansas.gov/dfa)

March 17, 2023

Senator Justin Boyd, Co-Chair  
Representative Roger Lynch, Co-Chair  
PEER Subcommittee  
Joint Budget Committee  
State Capitol Building  
Little Rock, AR 72201

RE: FY23 Appropriation and/or Fund Transfer Request(s)

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached Appropriation and/or Fund Transfer Request(s) that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

  
Larry W. Walther  
Secretary

Attachment(s)



# Division of Elementary and Secondary Education

*Transforming Arkansas to lead the nation in student-focused education*

**Jacob Oliva**  
Secretary

February 9, 2023

**Dr. Ivy Pfeffer**  
Deputy  
Commissioner

Mr. Larry W. Walther, Secretary  
Department of Finance and Administration  
1509 West 7th Street Room 401  
Little Rock, AR 72203

**Stacy Smith**  
Deputy  
Commissioner

**State Board of  
Education**

Dear Mr. Walther:

**Ouida Newton**  
*Poyen*  
Chair

By authority granted in Section 13 of Act 217 of 2022, I am requesting approval of the following appropriation transfers for Fiscal Year 23:

APPROPRIATION TRANSFER - PUBLIC SCHOOL FUND (JAA)

**Dr. Sarah Moore**  
*Stuttgart*  
Vice Chair

FROM:  
School Funding Contingency (2ZH) 24,712,856

**Dr. Fitz Hill**  
*Little Rock*

TO:  
98% URT Actual Collection Adjustment (34N) 10,500,000  
Student Growth (332) 10,309,856

**Kathy McFetridge**  
*Springdale*

Declining Enrollment (4HN) 3,000,000  
Teacher Retirement Match (437) 500,000  
Arkansas Easter Seals (445) 33,000

**Steve Sutton**  
*Marion*

Professional Development (2HS) 370,000

**Adrienne Woods**  
*Rogers*

To ensure every public school district receives the full amount of Foundation Funding, ACA §6-20-2305(a)(4)(A), states by the end of each school year, for a school district whose net revenues are less than the sum of 98% of the uniform rate of tax (URT) multiplied by the property tax assessment of the school district, the Department of Education shall distribute to the school district the difference between the net revenues of the school district and the sum of 98% of the URT multiplied by the property assessment of the school district. Assessment increased 5% statewide, however a cap on individual property taxes restricting a raise of more than 10% per year coupled with disabled and over 65 households being held harmless caused a decrease in collections. Therefore, a transfer is required to meet this obligation.

**Randy Henderson**  
*Blytheville*

**Lisa Hunter**  
*White Hall*

**Jeff Wood**  
*Little Rock*

Student Growth and Declining Enrollment appropriations provide supplemental funding to school districts that have significant changes in student membership. The requested transfer amounts are based on the revised projection of funds to be distributed to public school districts and open enrollment charter schools.

Pursuant to Arkansas §24-7-401, Section E(3), the Department of Education shall pay, from the Public School Fund, the Teacher Retirement employer contributions of any employee of the Cooperative Education Services Areas, Vocational Centers, Model Vocational – Technical Education Resource Center, Arkansas Easter Seals, and the school operated by the Department of Corrections. The request to transfer is required to fully fund the Teacher retirement employer contributions.

The Easter Seals program partially funds the cost of educational services provided by the Easter Seal Society to children who have orthopedic and/or communicative disorders. This funding reduces the amount local school districts must pay for these educational services. This transfer would allow the division to process two additional payments from the previous fiscal year.

Professional Development is a formula driven program that currently provides resources to school districts for professional development activities. Professional development is used to provide activities and materials to improve the knowledge of teachers and administrators to ensure all students demonstrate proficiency in the state academic standards.

Sincerely,



Greg Rogers  
Chief Fiscal Officer

GR:kh

cc: Aaron Black, Budget Director