



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

EXHIBIT D3
OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2000
Fax: (501) 683-1878
<http://myarkansaslottery.com>

November 10, 2020

The Honorable Joyce Elliot, Co-Chair
The Honorable Laurie Rushing, Co-Chair
Arkansas Legislative Council Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Arkansas Division of Higher Education (ADHE) Request for Reimbursement of
Administrative Expenditures

Dear Senator Elliot and Representative Rushing:

In accordance with A.C.A. § 23-115-801(d)(3)(A), the enclosed invoice from ADHE to the
Department of Finance & Administration Office of the Arkansas Lottery is submitted for your
review.

Please call me if you have any questions or need additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Hagler', written over a horizontal line.

J. Eric Hagler
Director

Enclosure

cc: Mr. Larry Walther, Secretary of the Department of Finance and Administration
Dr. Maria Markham, Director of the Division of Higher Education



Eric
Hagler

Digitally signed
by Eric Hagler
Date: 2020.10.14
13:40:03 -05'00'

Division of Higher Education

423 Main Street, Suite 400 • Little Rock, Arkansas • 72201-3818 • (501) 371-2000 • Fax (501) 371-2001

Johnny Key
Secretary

Maria Markham, Ph.D.
Director

October 14, 2020

Mr. Eric Hagler, Director
Arkansas Scholarship Lottery
P.O. Box 3238
Little Rock, AR 72203-3238

Dear Mr. Hagler:

Pursuant A.C.A 23-115-801(d)(2)(B), I am requesting reimbursement in the amount of \$500,334.74 for the Arkansas Division of Higher Education FY 2020 reimbursable administrative direct costs associated with the scholarships awarded funded with the net proceeds of the Arkansas Scholarship Lottery. Please find attached a breakdown of these costs.

Upon receipt of the reimbursement, the funds will be deposited to the Higher Education Grants Fund. If you require additional information or have questions, please contact Nick Fuller at 501.371.2026.

Thanks you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Maria Markham".

Maria Markham, Ph.D.
Director

**Arkansas Department of Higher Education
Academic Challenge Scholarship Administrative Expense
Fiscal 2020 Expenses**

| | | |
|----------------------------|----|---------------------|
| Regular Salaries | \$ | 289,339.60 |
| Personal Services Matching | \$ | 67,368.28 |
| Operating Expense | \$ | 143,626.86 |
| Professional Fees | \$ | - |
| Capital Outlay | \$ | - |
| Total | | \$500,334.74 |

FY20 Expense Detail

| Ledger Code | Description | Expense |
|-------------|--------------------------------------|---------------|
| | 501:00:00 Regular Salaries | \$ 289,339.60 |
| 5010001000 | 00 Regular Salaries | \$ 289,339.60 |
| | 501:00:03 Personal Services Matching | \$ 67,358.28 |
| 5010005000 | 03 FICA & Medic Exp | \$ 20,527.51 |
| 5010007000 | 03 Retirement Exp | \$ 43,901.50 |
| 5010008000 | 03 Unemploy Comp Exp | \$ 1,247.51 |
| 5010010000 | 03 WORKERS COMPENSATION PREMIUM TAX | \$ 84.77 |
| 5010006500 | Agency Cost of ARCAP | \$ 1,606.99 |
| | 502:00:02 Operating Expenses | \$ 143,626.86 |
| 5050003100 | 02 Meals | \$ 50.00 |
| 5020004200 | Internet Serv-Tech | \$ 141,922.20 |
| 5080006000 | Assoc Member Dues | \$ 1,100.00 |
| 5050003200 | 02 Lodging | \$ 107.63 |
| 5090006000 | Office Supplies | \$ 216.72 |
| 5020002000 | Telecomm Wired | \$ 230.31 |
| | 506:00:10 Professional Fees | \$ - |
| | 512:00:11 Capital Outlay | \$ - |