

AR CORN & GRAIN SORGHUM PROMOTION BOARD

Enabling Laws

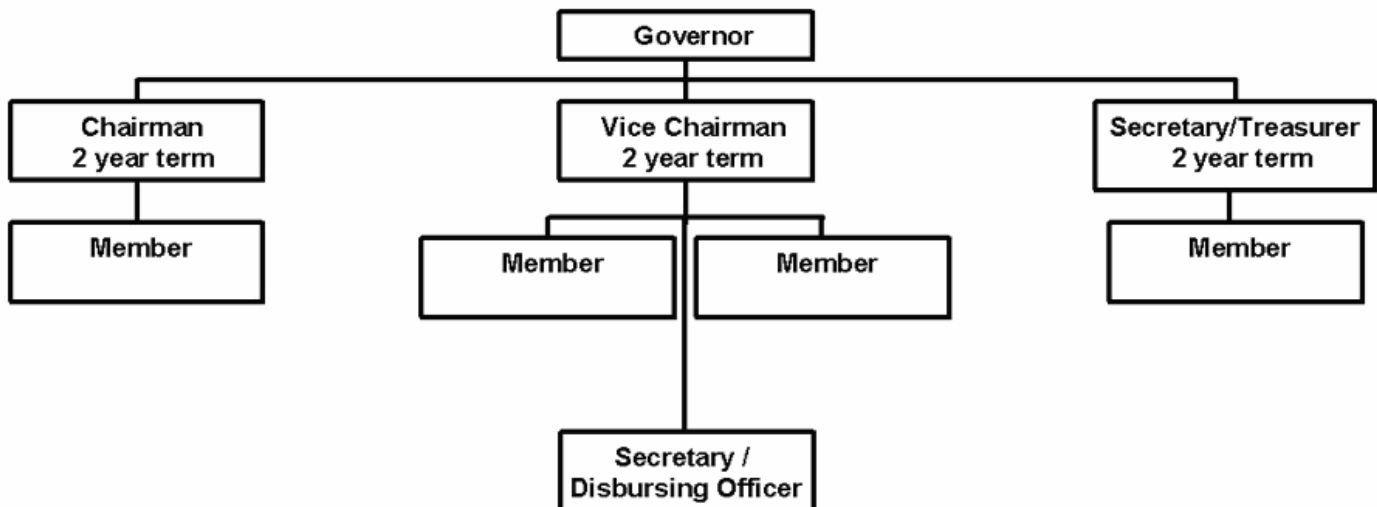
Act 34 of 2005
A.C.A. §2-20-804

History and Organization

The Arkansas Corn and Grain Sorghum Board was created by Act 271 of 1997. Its mission is to promote the growth and development of the corn and grain sorghum industries in Arkansas by research, extension, promotion and market development, thereby promoting the general welfare of the people of Arkansas.

The Board is made up of seven members appointed by the Governor. Three are nominated by and represent Arkansas Farm Bureau Federation, and two each are nominated by and represent Riceland Foods, Inc. and The Agriculture Council of Arkansas. The Board is administered by the Executive Vice President of Arkansas Farm Bureau Federation or his designee.

The Board administers a one cent per bushel assessment on all corn and grain sorghum grown in Arkansas for market. The funds enter the State Treasury, and are disbursed by the Board to fund corn and grain sorghum research and promotion efforts.



Agency Commentary

The Arkansas Corn and Grain Sorghum Board is requesting a continuation of the Base Level of \$627,200 each year of the 2007-2009 biennium, with a reallocation of resources from Operating Expenses (\$30,000 each year) to Research/Development (\$30,000 each year) to better reflect program spending.

Base Level is funded entirely by special revenues collected from a one cent per bushel check off on all corn and grain sorghum produced in Arkansas for market.

An allocation of these special revenue funds will be used to fund corn and grain sorghum related research projects through the University of Arkansas and private research companies as the Board sees fit. Projects will be individually approved and monitored by the Board. The Board welcomes project proposals at their first quarter meeting.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS CORN AND GRAIN SORGHUM PROMOTION BOARD
 FOR THE YEAR ENDED JUNE 30, 2004

Findings	Recommendations
None	None

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Agency Position Usage Report

FY2004-2005						FY2005-2006						FY2006-2007					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
0	0	0	0	0	0.00%	0	0	0	0	0	0.00%	0	0	0	0	0	0.00%

Analysis of Budget Request

Appropriation: 686 - Corn and Grain Sorghum

Funding Sources: SGS - Corn and Grain Sorghum Promotion Board Fund

The purpose of the Corn and Grain Sorghum Promotion Board is to promote the growth and development of the corn and grain sorghum industries in the State of Arkansas.

The Board is funded entirely by special revenue collected from a one cent per bushel assessment at the first point of sale on all corn and grain sorghum produced in Arkansas for market. The Board utilizes these funds to finance operating expenses and to conduct a program of research, market development, and promotion.

The Agency is requesting Base Level appropriation of \$627,200 each year of the 2007-2009 biennium, with a reallocation of resources from Operating Expenses (\$30,000 each year) to Research/Development (\$30,000 each year). This will allow the agency to expense less funds in administration and more on research, promotion, and market development programs that are directly related to the objectives of the Board.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 686 Corn and Grain Sorghum
Funding Sources: SGS - Corn and Grain Sorghum Promotion Board Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	18,681	40,000	40,000	40,000	10,000	10,000	40,000	10,000	10,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Research/Development 5900031	259,292	587,200	587,200	587,200	617,200	617,200	587,200	617,200	617,200
Total	277,973	627,200	627,200	627,200	627,200	627,200	627,200	627,200	627,200
Funding Sources									
Fund Balance 4000005	183,550	155,807		78,607	78,607	78,607	78,607	78,607	78,607
Special Revenue 4000030	250,230	550,000		627,200	627,200	627,200	627,200	627,200	627,200
Total Funding	433,780	705,807		705,807	705,807	705,807	705,807	705,807	705,807
Excess Appropriation/(Funding)	(155,807)	(78,607)		(78,607)	(78,607)	(78,607)	(78,607)	(78,607)	(78,607)
Grand Total	277,973	627,200		627,200	627,200	627,200	627,200	627,200	627,200

Change Level by Appropriation

Appropriation: 686-Corn and Grain Sorghum

Funding Sources: SGS - Corn and Grain Sorghum Promotion Board Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	627,200	0	627,200	100.0	627,200	0	627,200	100.0
C01	Existing Program	30,000	0	657,200	104.7	30,000	0	657,200	104.7
C03	Discontinue Program	(30,000)	0	627,200	100.0	(30,000)	0	627,200	100.0

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	627,200	0	627,200	100.0	627,200	0	627,200	100.0
C01	Existing Program	30,000	0	657,200	104.7	30,000	0	657,200	104.7
C03	Discontinue Program	(30,000)	0	627,200	100.0	(30,000)	0	627,200	100.0

Justification

C01	This change level reallocates appropriation in the amount of \$30,000 from Operating Expenses to the Research/Development line item. This will allow us to expense less funds on administration and more on programs directly related to the objectives of the Board.
C03	This change level reallocates appropriation in the amount of \$30,000 from Operating Expenses to the Research/Development line item. This will allow us to expense less funds on administration and more on programs directly related to the objectives of the Board.