

# DAH - MOSAIC TEMPLARS CULTURAL CENTER

## **Enabling Laws**

Act 2019 of 2005.

A.C.A. § 13-5-901 et seq.

## **History and Organization**

### **Agency Mission Statement**

The mission of the Mosaic Templars Cultural Center is to collect, preserve, interpret, and celebrate Arkansas's African-American history, culture, and community from 1870 to the present, and to educate the public about black achievement - especially in business, politics, and the arts.

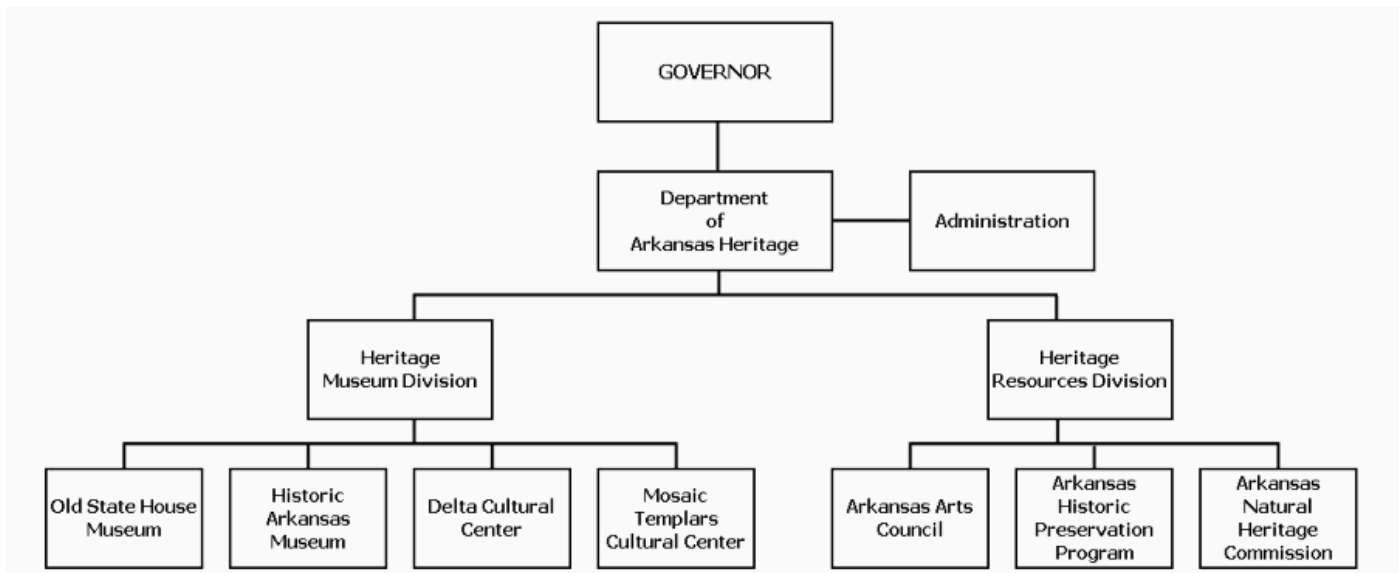
### **Brief Discussion of Statutory Responsibilities and Primary Activities**

The Cultural Center will be operated housing temporary and permanent exhibits, a library and resource center, and will provide educational programming and live performances. The Center is to be housed in a new facility which is currently under construction located at Ninth and Broadway Streets in Little Rock, Arkansas. A major exhibit will focus on the Mosaic Templar's organization and Arkansas's African-American history.

The Mosaic Templars of America was a black fraternal organization founded in Little Rock in 1875 by John E. Bush and Chester W. Keatts primarily to provide insurance and other services to its members. This organization is recognized as one of the great endeavors in the history of the State. For forty years the Mosaic Templars of America Headquarters Building was the anchor of the thriving black social and economic district that stretched for blocks along West Ninth in Little Rock. The economic effect and example set by the Mosaic Templars was felt throughout the State, the Nation, and beyond.

### **Advisory Board or Commission**

The Mosaic Templars Cultural Center Advisory Board advises the director and staff on the development of permanent and temporary exhibits, a plan for acquisition of resource materials, and development of educational and other programming. The Board is a nine member board representing all congressional districts. Three members are appointed by the Governor, three appointed by the President Pro-Tempore of the Senate, and three by the Speaker of the House of Representatives. Members shall serve four-year terms. No member shall serve more than two four-year terms.



## Agency Commentary

See Agency Commentary in DAH - Central Administration.

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

DEPARTMENT OF ARKANSAS HERITAGE – MOSAIC TEMPLARS CULTURAL CENTER

FOR THE YEAR ENDED JUNE 30, 2004

Findings	Recommendations
None	None

## Employment Summary

	Male	Female	Total	%
White Employees	1	2	3	50 %
Black Employees	0	3	3	50 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	50 %
Total Employees			6	100 %

## 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

## Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2005-2006		2006-2007		2006-2007		2007-2008				2008-2009			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1MT Mosaic Templars-St Operations	300,985	6	362,022	6	869,250	11	1,082,533	11	812,683	11	945,833	11	809,883	11
1XX Mosaic Templars-Cash in Treas	284	0	1,569,785	0	110,000	0	1,569,785	0	1,597,285	0	1,569,785	0	1,569,785	0
C17 Bank Charges Fund	0	0	0	0	5,060	0	5,060	0	5,060	0	5,060	0	5,060	0
<b>Total</b>	<b>301,269</b>	<b>6</b>	<b>1,931,807</b>	<b>6</b>	<b>984,310</b>	<b>11</b>	<b>2,657,378</b>	<b>11</b>	<b>2,415,028</b>	<b>11</b>	<b>2,520,678</b>	<b>11</b>	<b>2,384,728</b>	<b>11</b>

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	1,470,033	79.7	1,542,755	79.9	0	0.0	0	0.0	0	0.0	0	0.0
General Revenue	4000010	300,985	16.3	360,402	18.7	1,082,533	96.4	812,683	95.3	945,833	95.9	809,883	95.3
Cash Fund	4000045	73,006	4.0	27,030	1.4	40,060	3.6	40,060	4.7	40,060	4.1	40,060	4.7
Merit Adjustment Fund	4000055	0	0.0	1,620	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Funds</b>		<b>1,844,024</b>	<b>100.0</b>	<b>1,931,807</b>	<b>100.0</b>	<b>1,122,593</b>	<b>100.0</b>	<b>852,743</b>	<b>100.0</b>	<b>985,893</b>	<b>100.0</b>	<b>849,943</b>	<b>100.0</b>
Excess Appropriation/(Funding)		(1,542,755)		0		1,534,785		1,562,285		1,534,785		1,534,785	
<b>Grand Total</b>		<b>301,269</b>		<b>1,931,807</b>		<b>2,657,378</b>		<b>2,415,028</b>		<b>2,520,678</b>		<b>2,384,728</b>	

Budget exceeds Authorized Appropriation in Construction for the Mosaic Templars Cash in Treasury appropriation (1XX) due to a transfer from the Cash Fund Holding Account to provide for insurance settlement proceeds.

The Executive Recommendation exceeds the Agency Request for Resale to purchase items for resale in the Agency's gift shop. This appropriation was originally requested from the Agency's general revenue appropriation (Appropriation 1MT).

**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	
3	3	0	3	0	0.00%	11	5	1	6	5	54.55%	11	6	0	6	5	45.45%

## **Analysis of Budget Request**

**Appropriation:** 1MT - Mosaic Templars-St Operations

**Funding Sources:** HRA Arkansas Heritage Fund

This appropriation provides general revenue funding for the Mosaic Templars Cultural Center. Act 1176 of 2001 created the Mosaic Templars of America Center for African-American Culture and Business Enterprise. Further, Act 1176 established the Mosaic Templars of America Center for African-American Culture and Business Enterprise as a division of the Department of Arkansas Heritage. The Mosaic Templars Cultural Center will operate a program of temporary and permanent exhibits, a library and resource center, and live performances. The Agency projects to open the museum in Late FY07/Early FY08.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency's Change Level requests total \$718,290 in FY08 and \$581,590 in FY09 and reflect the following:

Regular Salaries & Personal Services Matching totaling \$167,679 in each year for restoration of five (5) positions, including: a property manager; a program specialist; a program assistant; and two repairmen. These positions were approved during the last biennium but were not funded due to the loss of the building. The Agency will require these positions in order to operate the facility.

Additional Extra Help and Personal Services Matching in the amount of \$73,337 each year to fund the Agency's existing extra help positions, as well as to fund the Agency's request for two (2) additional Extra Help positions to support the museum's day-to-day operations once the museum is operational.

Operating Expenses increase of \$344,524 in FY08 and \$281,824 in FY09 for basic needs such as utilities, insurance, supplies and administrative costs.

Additional Conference & Travel Expenses totaling \$9,000 in FY08 and \$11,000 in FY09 to allow the new staff to participate in training and professional development conferences.

Professional Fees in the sum of \$20,000 in FY08 and \$25,000 in FY09 for continued research, interpretation and exhibit development.

Items for Resale in the amount of \$27,500 in FY08 for the museum gift shop.

Capital Outlay totaling \$76,250 in FY08 and \$22,750 in FY09 for office equipment,

networking expenses, computers, software, and phones, all in accordance with the Department's IT plan.

The Executive Recommendation provides for the following:

**General revenue** - In summary, the recommendation for new general revenue above the Base Level totaling \$448,440 in FY08 and \$445,640 in FY09 is:

- \$167,679 each year in Regular Salaries and Personal Services Matching for restoration of 5 full-time positions to open the facility
- \$73,337 each year in Extra Help and Matching for two additional positions and to provide additional funding for the existing six positions required to operate this new facility
- \$187,424 in FY08 and \$179,624 in FY09 in Operating Expenses for basic operations
- \$20,000 in FY08 and \$25,000 in FY09 for Professional Fees

**Conservation Tax** - The recommendation further provides for \$157,100 in FY08 and \$102,200 in FY09 in Operating Expenses for one-time costs associated with miscellaneous technical services (exhibit design), office supplies, data processing supplies and food purchases, and \$76,250 in FY08 and \$22,750 in FY09 in Capital Outlay for one-time equipment expenses to be funded from the Department's Conservation Tax appropriation (Appropriation 476).

**Cash Fund** - Finally, the Executive Recommendation provides that the Agency's request for \$27,500 in Resale be funded from the Agency's Cash appropriation (Appropriation 1XX).

## Appropriation Summary

**Appropriation:** 1MT Mosaic Templars-St Operations  
**Funding Sources:** HRA Arkansas Heritage 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
Regular Salaries 5010000	164,353	184,891	301,225	184,891	303,604	303,604	184,891	303,604	303,604
<b>#Positions</b>	<b>6</b>	<b>6</b>	<b>11</b>	<b>6</b>	<b>11</b>	<b>11</b>	<b>6</b>	<b>11</b>	<b>11</b>
Extra Help 5010001	6,559	18,025	47,000	18,025	86,150	86,150	18,025	86,150	86,150
<b>#Extra Help</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>6</b>	<b>8</b>	<b>8</b>
Personal Services Matching 5010003	56,808	66,030	102,507	68,251	122,429	122,429	68,251	122,429	122,429
Operating Expenses 5020002	69,435	86,576	256,018	86,576	431,100	274,000	86,576	368,400	266,200
Conference & Travel Expenses 5050009	3,330	5,000	5,000	5,000	14,000	5,000	5,000	16,000	5,000
Professional Fees 5060010	500	1,500	130,000	1,500	21,500	21,500	1,500	26,500	26,500
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	0	0	0	0	27,500	0	0	0	0
Capital Outlay 5120011	0	0	27,500	0	76,250	0	0	22,750	0
<b>Total</b>	<b>300,985</b>	<b>362,022</b>	<b>869,250</b>	<b>364,243</b>	<b>1,082,533</b>	<b>812,683</b>	<b>364,243</b>	<b>945,833</b>	<b>809,883</b>
<b>Funding Sources</b>									
General Revenue 4000010	300,985	360,402		364,243	1,082,533	812,683	364,243	945,833	809,883
Merit Adjustment Fund 4000055	0	1,620		0	0	0	0	0	0
<b>Total Funding</b>	<b>300,985</b>	<b>362,022</b>		<b>364,243</b>	<b>1,082,533</b>	<b>812,683</b>	<b>364,243</b>	<b>945,833</b>	<b>809,883</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>300,985</b>	<b>362,022</b>		<b>364,243</b>	<b>1,082,533</b>	<b>812,683</b>	<b>364,243</b>	<b>945,833</b>	<b>809,883</b>



## Change Level by Appropriation

**Appropriation:** 1MT-Mosaic Templars-St Operations

**Funding Sources:** HRA Arkansas Heritage Fund

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>364,243</b>	<b>6</b>	<b>364,243</b>	<b>100.0</b>	<b>364,243</b>	<b>6</b>	<b>364,243</b>	<b>100.0</b>
C01	Existing Program	546,490	5	910,733	250.0	484,390	5	848,633	232.9
C08	Technology	171,800	0	1,082,533	297.2	97,200	0	945,833	259.6

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>364,243</b>	<b>6</b>	<b>364,243</b>	<b>100.0</b>	<b>364,243</b>	<b>6</b>	<b>364,243</b>	<b>100.0</b>
C01	Existing Program	428,440	5	792,683	217.6	420,640	5	784,883	215.4
C08	Technology	20,000	0	812,683	223.1	25,000	0	809,883	222.3

### Justification

C01	<p>This request is to increase the general revenue budget for the Mosaic Templars Cultural Center. The Agency is requesting the restoration of five (5) positions that are needed to operate the facility including: a property manager; a program specialist; a program assistant; and two repairmen. The Agency is also requesting the addition of two (2) Extra Help positions and salary and matching costs. These positions will be used throughout the museum as needed to operate and be open to the public 6 and 1/2 days each week. The request includes increased Operating Expenses for this new museum including basic needs such as utilities, insurance, office supplies, and other associated administrative costs. The request also includes appropriation and funding for staff to participate in training and professional conferences. The Professional Fees line item is to continue the research, interpretation, and exhibit development. The equipment expenses are for basic office needs. The purchase for Resale line item is a request for "one-time" seed money to provide for the purchase of inventory to be sold in the museum's store (gift shop). The proceeds from the sales will be deposited to the Agency's cash account to provide for future purchases of inventory for resale.</p>
C08	<p>These are costs associated with the Department's IT plan for FY08 &amp; FY09. This will provide the initial cabling, server, network switch, and wireless access point installation for this new museum site. This will also provide the computer and software necessary for this newly expanded operation and a phone system.</p>

## **Analysis of Budget Request**

**Appropriation:** 1XX - Mosaic Templars-Cash in Treas

**Funding Sources:** NNH Mosaic Templars

Act 1176 of 2001 created the Mosaic Templars of America Center for African-American Culture and Business Enterprise. Further, Act 1176 established the Mosaic Templars of America Center for African-American Culture and Business Enterprise as a division of the Department of Arkansas Heritage. This cash fund is used for Museum Gift Shop operations.

On March 16th, 2005, the Mosaic Templars Cultural Center Museum building was tragically destroyed by fire. In FY06, the Agency received an insurance settlement check to reconstruct the facility.

The Agency's Change Level request of \$1,534,785 in Construction will allow the Agency to spend insurance proceeds to reconstruct this facility. The Agency is currently using funds from grants and private sources to fund Construction. These insurance proceeds will only be used once all other sources of funding have been exhausted; therefore, the Agency will require this appropriation to be available in both years of the biennium.

The Executive Recommendation provides for the Agency Request, as well as \$27,500 for Resale to purchase items for sale for the Agency's gift shop. This appropriation was originally requested from the Agency's general revenue appropriation (Appropriation 1MT).

## Appropriation Summary

**Appropriation:** 1XX Mosaic Templars-Cash in Treas  
**Funding Sources:** NNH Mosaic Templars

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	284	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	75,000	0	0	0	0	0	0
Construction 5090005	0	1,534,785	0	0	1,534,785	1,534,785	0	1,534,785	1,534,785
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	0	25,000	25,000	25,000	25,000	52,500	25,000	25,000	25,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>284</b>	<b>1,569,785</b>	<b>110,000</b>	<b>35,000</b>	<b>1,569,785</b>	<b>1,597,285</b>	<b>35,000</b>	<b>1,569,785</b>	<b>1,569,785</b>
<b>Funding Sources</b>									
Fund Balance 4000005	1,470,033	1,542,755		0	0	0	0	0	0
Cash Fund 4000045	73,006	27,030		35,000	35,000	35,000	35,000	35,000	35,000
<b>Total Funding</b>	<b>1,543,039</b>	<b>1,569,785</b>		<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
Excess Appropriation/(Funding)	(1,542,755)	0		0	1,534,785	1,562,285	0	1,534,785	1,534,785
<b>Grand Total</b>	<b>284</b>	<b>1,569,785</b>		<b>35,000</b>	<b>1,569,785</b>	<b>1,597,285</b>	<b>35,000</b>	<b>1,569,785</b>	<b>1,569,785</b>

Actual exceeds Authorized Appropriation in Construction due to a transfer from the Cash Fund Holding Account.

The Executive Recommendation exceeds the Agency Request for Resale to purchase items for resale in the Agency's gift shop. This appropriation was originally requested from the Agency's general revenue appropriation (Appropriation 1MT).

## Change Level by Appropriation

**Appropriation:** 1XX-Mosaic Templars-Cash in Treas

**Funding Sources:** NNH Mosaic Templars

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>100.0</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>100.0</b>
C01	Existing Program	1,534,785	0	1,569,785	4,485.1	1,534,785	0	1,569,785	4,485.1

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>100.0</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>100.0</b>
C01	Existing Program	1,534,785	0	1,569,785	4,485.1	1,534,785	0	1,569,785	4,485.1
C19	Executive Changes	27,500	0	1,597,285	4,563.6	0	0	1,569,785	4,485.1

### Justification

C01	This request is for anticipated cost- related to the Agency's cash fund which will be used for the museum store operations. There is also a line item for construction related to the funding provided from the insurance proceeds from the loss of property due to the fire in March 2005.
C19	The Executive Recommendation provides for the purchase of Resale items totaling \$27,500 in FY08.

## **Analysis of Budget Request**

**Appropriation:** C17 - Bank Charges Fund

**Funding Sources:** 122 Mosaic Templars Bank Charges

This appropriation provides a private bank account, removed from the State Treasury, for the payment of Bank Charges, Credit Card Charges and Fees from revenues collected by the Mosaic Templars Cultural Center Museum.

The Agency's Change Level request of \$5,060 each year in Operating Expenses provides for associated bank charges resulting from gift shop sales.

The Executive Recommendation provides for the Agency Request.

**Appropriation Summary**

**Appropriation:** C17 Bank Charges Fund  
**Funding Sources:** 122 Mosaic Templars Bank Charges

**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	0	0	5,060	0	5,060	5,060	0	5,060	5,060
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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,060</b>	<b>0</b>	<b>5,060</b>	<b>5,060</b>	<b>0</b>	<b>5,060</b>	<b>5,060</b>
<b>Funding Sources</b>									
Cash Fund 4000045	0	0		0	5,060	5,060	0	5,060	5,060
<b>Total Funding</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>5,060</b>	<b>5,060</b>	<b>0</b>	<b>5,060</b>	<b>5,060</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>5,060</b>	<b>5,060</b>	<b>0</b>	<b>5,060</b>	<b>5,060</b>

## Change Level by Appropriation

**Appropriation:** C17-Bank Charges Fund

**Funding Sources:** 122 Mosaic Templars Bank Charges

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
C01	Existing Program	5,060	0	5,060	100.0	5,060	0	5,060	100.0

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
C01	Existing Program	5,060	0	5,060	100.0	5,060	0	5,060	100.0

### Justification

C01	This request is to restore appropriation in regard to the Agency's cash in bank. The cash will be certified from activity of sales from the museum's store. The cash will be in a non-AASIS bank account due to the issues with credit card sales. This appropriation is needed to record expenses related to bank fees, credit card fees, and sales tax.
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