

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005

A Bill

SENATE BILL 453

4
5 By: Joint Budget Committee
6
7

For An Act To Be Entitled

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL
10 SERVICES AND OPERATING EXPENSES FOR THE
11 DEPARTMENT OF HIGHER EDUCATION FOR THE BIENNIAL
12 PERIOD ENDING JUNE 30, 2007; AND FOR OTHER
13 PURPOSES.
14

Subtitle

15
16 AN ACT FOR THE DEPARTMENT OF HIGHER
17 EDUCATION APPROPRIATION FOR THE
18 2005-2007 BIENNIUM.
19
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. REGULAR SALARIES - GENERAL OPERATIONS. There is hereby
25 established for the Department of Higher Education for the 2005-2007
26 biennium, the following maximum number of regular employees whose salaries
27 shall be governed by the provisions of the Uniform Classification and
28 Compensation Act (Arkansas Code §§21-5-201 et seq.), or its successor, and
29 all laws amendatory thereto. Provided, however, that any position to which a
30 specific maximum annual salary is set out herein in dollars, shall be exempt
31 from the provisions of said Uniform Classification and Compensation Act. All
32 persons occupying positions authorized herein are hereby governed by the
33 provisions of the Regular Salaries Procedures and Restrictions Act (Arkansas
34 Code §21-5-101), or its successor.
35

36 Maximum Annual



1				Maximum	Salary Rate	
2	Item	Class		No. of	Fiscal Years	
3	No.	Code	Title	Employees	2005-2006	2006-2007
4	(1)	9960	HIGHER ED DIRECTOR	1	\$128,474	\$131,311
5	(2)	7243	HIGHER EDUCATION DEPUTY DIRECTOR	1	\$119,155	\$121,852
6	(3)	9773	HIGHER ED SENIOR ASSOC DIR	1	\$109,295	\$111,844
7	(4)	9922	DHE ASSOC DIR FOR ACADEMIC AFFAIRS	1	\$94,806	\$97,138
8	(5)	9774	HIGHER ED ASSOC DIR FOR FISCAL AFF	1	\$94,806	\$97,138
9	(6)	9978	ASST DIR FOR PLNG & ACCOUNTABILITY	1	\$80,875	\$82,961
10	(7)	9090	HE ASST DIR OF INFO SERVICES	1	\$80,875	\$82,961
11	(8)	9983	HIGHER ED COORDINATOR OF Y.O.U. PGM	1	\$72,721	\$74,652
12	(9)	9966	HIGHER ED STUDENT FIN AID MANAGER	1	\$72,721	\$74,652
13	(10)	9965	HIGHER ED COORD OF ACADEMIC PROGRAM	1	\$72,721	\$74,652
14	(11)	9623	H E COORD OF INSTITUTIONAL FINANCE	1	\$72,721	\$74,652
15	(12)	9288	HIGHER ED COORD. OF RECRUITMENT	1	\$72,721	\$74,652
16	(13)	9242	HE COORD OF FINANCIAL AID	1	\$72,721	\$74,652
17	(14)	9093	HE COORD 2-YR INST FINANCE	1	\$72,721	\$74,652
18	(15)	9092	HE COORD OF GENERAL ADMIN	1	\$72,721	\$74,652
19	(16)	9059	HIGHER ED COORD OF HEALTH EDUCATION	1	\$72,721	\$74,652
20	(17)	9022	HE COORD ACADEMIC CERTIFICATION	1	\$72,721	\$74,652
21	(18)	7091	DHE COORD OF FEDERAL PROGRAMS	2	\$72,721	\$74,652
22	(19)	9716	HE COORDINATOR OF COMMUNICATIONS	1	\$72,225	\$74,147
23	(20)	D064	SR SYSTEMS PROGRAMMER	1	GRADE 24	
24	(21)	A252	DHE FINANCIAL MANAGER	3	GRADE 24	
25	(22)	A032	AGENCY FISCAL MANAGER	1	GRADE 22	
26	(23)	R088	HIGHER ED FINANCIAL OFFICER	1	GRADE 22	
27	(24)	R096	HIGHER ED ASST COORD STUD FIN AID	4	GRADE 22	
28	(25)	D036	SR PROGRAMMER/ANALYST	1	GRADE 21	
29	(26)	R240	DHE DATA COLLECTION ANALYST	2	GRADE 20	
30	(27)	R264	MANAGEMENT PROJECT ANALYST I	2	GRADE 18	
31	(28)	R444	BUSINESS CONTROLLER I	1	GRADE 15	
32	(29)	K011	ADMINISTRATIVE OFFICE SUPERVISOR	1	GRADE 15	
33	(30)	K153	SECRETARY II	4	GRADE 13	
34			MAX. NO. OF EMPLOYEES	41		

35

36 SECTION 2. EXTRA HELP - GENERAL OPERATIONS. There is hereby authorized,

1 for the Department of Higher Education for the 2005-2007 biennium, the
2 following maximum number of part-time or temporary employees, to be known as
3 "Extra Help", payable from funds appropriated herein for such purposes:
4 seven (7) temporary or part-time employees, when needed, at rates of pay not
5 to exceed those provided in the Uniform Classification and Compensation Act,
6 or its successor, or this act for the appropriate classification.

7

8 SECTION 3. APPROPRIATION - HIGHER EDUCATION COORDINATION. There is hereby
9 appropriated, to be payable from the funds and fund accounts as set out
10 herein, to the Department of Higher Education for the biennial period ending
11 June 30, 2007, the following:

12 (a) For the Higher Education Coordination Program, the sum of \$7,122,664 for
13 the 2005-2006 fiscal year and \$3,381,432 for the 2006-2007 fiscal year.

14 (1) Program Description. The Higher Education Coordination program
15 provides the resources needed for the day-to-day operations of the agency and
16 most state-level, public higher education functions.

17	(2) Appropriation payable from:	FISCAL YEARS	
18		<u>2005-2006</u>	<u>2006-2007</u>
19	(A) General Revenue:		
20	Higher Education Grants Fund		
21	Account	\$ 350,000	\$ 350,000
22	Department of Higher Education		
23	Fund Account	\$ <u>2,588,852</u>	\$ <u>2,641,746</u>
24	TOTAL General Revenue	\$ 2,938,852	\$ 2,991,746
25	(B) Trust Funds	\$ 3,800,000	\$ 0
26	(C) Other Funds	\$ 64,380	\$ 64,380

27 (3) Performance Targets:
28 (A) A biennial funding methodology
29 and recommendation for
30 operating/capital budgets that
31 considers higher education needs
32 and has been approved by the
33 Arkansas Higher Education
34 Coordinating Board (AHECB) no
35 later than August of even
36 numbered years.

1 1

1	(B) Number of annual reports		
2	presented to the Arkansas Higher		
3	Education Coordinating Board		
4	related to college enrollments,		
5	remediation rates, retention and		
6	graduation rates as a function of		
7	gender and ethnicity, and program		
8	productivity.	6	6
9	(C) Number of prior year audit		
10	findings repeated in subsequent		
11	audit.	0	0
12	(D) Number of university, community		
13	college, and technical college		
14	new program proposals,		
15	organizational structure changes,		
16	and proposals to establish new		
17	institutions reviewed.	110	110
18	(E) Produce and disseminate the		
19	annual report of the Arkansas		
20	Higher Education Performance		
21	Reporting System no later than		
22	May 15th.	1	1

23
 24 SECTION 4. APPROPRIATION - STUDENT FINANCIAL AID. There is hereby
 25 appropriated, to be payable from the funds and fund accounts as set out
 26 herein, to the Department of Higher Education for the biennial period ending
 27 June 30, 2007, the following:

28 (a) For the Student Financial Aid Program, the sum of \$43,329,302 for the
 29 2005-2006 fiscal year and \$43,343,769 for the 2006-2007 fiscal year.

30 (1) Program Description. The Student Financial Aid program is responsible
 31 for developing rules and regulations for student assistance programs
 32 administered by the Arkansas Department of Higher Education. The primary
 33 Student Financial Aid programs that are administered by the Department of
 34 Higher Education include the Governor's Distinguished Scholars Program,
 35 Governor's Scholars Program, Academic Challenge Scholarship, Minority
 36 Teachers Scholarship, Teacher and Administrator Grant Program, and the

1 Minority Masters Fellows Program. The Student Financial Aid cost center is
 2 responsible for managing daily operations and programmatic budget allocations
 3 as well as determining student award eligibility and student notification.

4 (2) Appropriation payable from:

FISCAL YEARS

5 2005-2006 2006-2007

6 (A) General Revenue:

7 Higher Education Grants Fund

8 Account \$ 31,303,388 \$ 31,305,325

9 Department of Higher Education

10 Fund Account \$ 366,650 \$ 376,665

11 TOTAL General Revenue \$ 31,670,038 \$ 31,681,990

12 (B) Federal Funds as designated by
 13 the Chief Fiscal Officer of the

14 State \$ 520,000 \$ 520,000

15 (C) Trust Funds \$ 11,017,510 \$ 11,017,510

16 (D) Other Funds \$ 12,796,576 \$ 12,150,912

17 (3) Performance Targets:

18 (A) A comprehensive report that
 19 provides the following: 1)
 20 10-year comparison of the
 21 number of Arkansas high school
 22 graduates who complete the
 23 college core curriculum; 2)
 24 10-year comparison of the
 25 college-going rate in Arkansas;
 26 3) 10-year comparison of the # of
 27 state students scoring 32 or higher
 28 on the ACT and attended college in
 29 Arkansas; 4) Retention and graduation
 30 rates of needs-based, merit-based, and
 31 special scholarships recipients;
 32 5) 10-year comparison of the # of
 33 college graduates attending Arkansas
 34 colleges who were licensed to teach
 35 in Arkansas; 6) 10-year comparison of the
 36 # of minority college graduates attending

1	Arkansas colleges licensed to teach in		
2	Arkansas; 7) 10-year comparison of the		
3	# of college graduates attending Arkansas		
4	colleges licensed to teach in Arkansas in		
5	critical need areas of science, foreign		
6	language, special education, and any other		
7	subject areas defined by ADE. 8) Retention and		
8	graduation rates of STAR recipients and		
9	Number and percentage of STAR completers		
10	teaching in critical shortage areas.	1	1
11	(B) First-Year Retention Rates for		
12	the Arkansas Academic Challenge		
13	Scholarship Program.	78%	79%
14	(C) First-Year Retention Rates for		
15	the Arkansas Governor's		
16	Distinguished Scholars Program.	91%	92%
17	(D) First-Year Retention Rates for		
18	the Arkansas Governor's Scholars		
19	Program.	91%	92%
20	(E) Number of scholarships, grants,		
21	and loans awarded to individual		
22	students by type of financial		
23	assistance: Merit-based.	820	820
24	(F) Number of scholarships, grants,		
25	and loans awarded to individual		
26	students by type of financial		
27	assistance: Needs-based.	16,800	16,800
28	(G) Six-Year Graduation Rates for		
29	the Arkansas Academic Challenge		
30	Scholarship Program.	56%	57%
31	(H) Six-Year Graduation Rates for		
32	the Arkansas Governor's		
33	Distinguished Scholars Program.	85%	86%
34	(I) Six-Year Graduation Rates for		
35	the Arkansas Governor's Scholars		
36	Program.	85%	86%

1 receive assistance through the
 2 SREB Contract Program and direct
 3 contracts between participating
 4 institutions and the Department
 5 of Higher Education. 260 260
 6

7 SECTION 6. APPROPRIATION - INSTITUTIONAL GRANTS. There is hereby
 8 appropriated, to be payable from the funds and fund accounts as set out
 9 herein, to the Department of Higher Education for the biennial period ending
 10 June 30, 2007, the following:

11 (a) For the Institutional Grants Program, the sum of \$1,999,632 for the
 12 2005-2006 fiscal year and \$2,004,232 for the 2006-2007 fiscal year.

13 (1) Program Description. The Institutional Grants Program is responsible
 14 for developing rules and regulations for federally and state-funded programs
 15 that are received by Arkansas colleges. The primary programs administered
 16 under this program include the Carl D. Perkins Vocational and Technical
 17 institutional grant program, the Youth Opportunities Unlimited (YOU)
 18 enrichment program, the Dwight D. Eisenhower Professional Development
 19 Program, and the Teacher Quality Enhancement Grant. When considered as a
 20 collective, these programs are designed to assist institutions in serving
 21 special populations or any other designated group, academic program, or
 22 institutional support initiative. The Institutional Grants cost center is
 23 also responsible for managing daily operations and programmatic budget
 24 allocations as well as determining student award eligibility and student
 25 notification.

26 (2) Appropriation payable from: FISCAL YEARS

		<u>2005-2006</u>	<u>2006-2007</u>
27			
28	(A) General Revenue:		
29	Department of Higher Education		
30	Fund Account	\$ <u>75,000</u>	\$ <u>75,000</u>
31			
32	TOTAL General Revenue	\$ 75,000	\$ 75,000
33	(B) Federal Funds as designated by		
34	the Chief Fiscal Officer of the		
35	State	\$ 1,924,632	\$ 1,929,232

36 (3) Performance Targets:

1	(A) Efficient management of		
2	institutional grants will be		
3	demonstrated by the		
4	administrative costs as a		
5	percentage of the total program		
6	budget.	14.5%	14%
7	(B) Number of students and teachers		
8	supported by federal financial		
9	assistance programs awarded to		
10	institutions.	22,740	22,745

11

12 SECTION 7. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
13 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS. In
14 order to provide timely payments under financial aid appropriations made in
15 this Act, the Chief Fiscal Officer of the State is authorized to provide
16 loans from the Budget Stabilization Trust Fund to make available all funds
17 attributable to the financial aid programs under the then current official
18 revenue estimates. In the event of an unanticipated state revenue shortfall,
19 any such loans remaining at the end of a fiscal year shall be repaid from
20 revenues distributed in the first two months of the next fiscal year. Funds
21 for appropriations made in this Act for purposes other than financial aid
22 shall not be affected by the application of this provision.

23 The provisions of this section shall be in effect only from July 1, ~~2003~~
24 2005 through June 30, ~~2005~~ 2007.

25

26 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
27 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. WORK
28 FORCE 2000 DEVELOPMENT FUND PROCEDURES. After the amounts to be made
29 available to the various technical colleges have been determined as set out
30 in Arkansas Code 26-51-205(d)(2), such documents as may be necessary shall be
31 processed so that funds may be transferred from the Work Force 2000
32 Development Fund to the State Treasury fund or fund account from which the
33 technical college draws its general revenue support. Such funds as may be
34 transferred shall not exceed ~~77.19%~~ 93.69% of the total funds available from
35 the Work Force 2000 Development Fund during each fiscal year of the biennial
36 period ending June 30, ~~2005~~ 2007.

1 In the event that a technical institute or comprehensive lifelong learning
 2 center which receives support from the Work Force 2000 Development Fund as
 3 determined by law transfers or merges into the Arkansas Technical College and
 4 Community College System for which Work Force 2000 Development Fund monies
 5 are determined by law, then the actual amount of support from the Work Force
 6 2000 Development Fund in the preceding fiscal year for such educational
 7 institution shall be made available irrespective of any other provision of
 8 law which sets out maximum levels of support from such fund.

9 The provisions of this section shall be in effect only from July 1, 2003
 10 2005 through June 30, ~~2005~~ 2007.

11
 12 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 13 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. BUILDING
 14 MAINTENANCE FUND. After the sum of \$13,200,000 has been deposited into the
 15 Higher Education Building Maintenance Fund, the next \$10,000,000 or so much
 16 as is collected, is to be transferred to the Research Development Fund there
 17 to be used as provided by law.

18 Of the total appropriations authorized for the Higher Education
 19 Coordination Program for the 2005-07 biennium, a total of \$3,800,000 is
 20 authorized for the Higher Education Building Maintenance Fund and the Higher
 21 Education Research Development Fund. The unexpended balances appropriated
 22 for these purposes that remain on June 30, 2006 shall be carried forward and
 23 made available for the same purposes for the fiscal year ending June 30,
 24 2007.

25 The provisions of this section shall be in effect only from July 1, 2003
 26 2005 through June 30, ~~2005~~ 2007.

27
 28 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 29 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REFUND TO
 30 EXPENDITURES. Proceeds derived from the repayment of loans as authorized ~~in~~
 31 ~~Items (03), (05) and (11) of Section 4 of this Act~~ for the Emergency
 32 Secondary Education Loans, the JR/SR Minority Teacher Scholars, ~~and~~ the
 33 Minority Masters Fellows and the Targeted Teacher Development Program shall
 34 be deposited into the State Treasury as "Refunds to Expenditures."

35 The provisions of this section shall be in effect only from July 1, 2003
 36 2005 through June 30, ~~2005~~ 2007.

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SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD. The balance of the funds and appropriations as determined by the Director of the Arkansas Department of Higher Education as provided in ~~Section 4~~ the student Financial Aid Program of this Act ~~for the Governor's Scholars Program and the Academic Challenge Scholarships Program~~ which remain on June 30, ~~2004~~ 2006, shall be carried forward and made available for the same purpose for the fiscal year ending June 30, ~~2005~~ 2007.

The provisions of this section shall be in effect only from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. NATIONAL GUARD TUITION ASSISTANCE PROGRAM. In addition to any other provisions of law, any student who receives assistance from the appropriation made for the "National Guard Tuition Assistance Program" in this Act shall repay any loans and/or assistance if the student receives a discharge that is a less than Honorable Discharge.

The provisions of this section shall be in effect only from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. GOVERNOR'S SCHOLARS PROGRAM. Should the funding of Governor's Scholars Program exceed the funding level of the previous fiscal year and the number of scholarships awarded increases to 200 or more, the Department of Higher Education shall make every effort to assure a geographic distribution of the awards without compromising the academic criteria established for such awards.

The provisions of this section shall be in effect only from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE SAVINGS BONDS. The Department of Higher Education shall adopt rules and

1 regulations for the allocation of the funds reappropriated for the
 2 development of projects at State Institutions of Higher Education and the
 3 payment of project costs and expenses of the issuance of the bonds of the
 4 Arkansas College Savings General Obligation Bonds Program to ensure that
 5 funds are allocated and expended in a manner consistent with the provisions
 6 of the Internal Revenue Code applicable to the Arkansas College Savings
 7 General Obligation Bond Program (Program). The funds reappropriated for the
 8 development of projects at State Institutions of Higher Education and the
 9 payment of project costs and expenses of the issuance of the bonds of the
 10 Arkansas College Savings General Obligation Bonds Program shall be allocated
 11 and expended pursuant to the provisions of Arkansas Code 6-62-701 et. seq.
 12 and other laws of this State. The expenditure and allocation of funds shall
 13 be exempt from any other provisions of state law which conflicts with any
 14 provision of the rules and regulations which rules and regulations are
 15 required to ensure the compliance of the Program with the applicable
 16 provisions of the Internal Revenue Code.

17 The provisions of this section shall be in effect only from July 1, ~~2003~~
 18 2005 through June 30, ~~2005~~ 2007.

19

20 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 21 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE
 22 SAVINGS BONDS LIMITATIONS. The total principal amount of bonds to be issued
 23 during any fiscal biennium shall not exceed three-hundred million dollars
 24 (\$300,000,000), nor shall the principal amount of bonds outstanding at any
 25 time have debt service requirements in excess of twenty-four million dollars
 26 (\$24,000,000) in any one fiscal year from all sources.

27 The provisions of this section shall be in effect only from July 1, ~~2003~~
 28 2005 through June 30, ~~2005~~ 2007.

29

30 SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 31 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY
 32 FORWARD - HEALTH EDUCATION GRANTS. The balance of the funds and
 33 appropriations, as determined by the Director of the Arkansas Department of
 34 Higher Education, as provided for "Health Education Grants" in the Health
 35 Professions Financial Assistance Program, in this Act which remain on June
 36 30, ~~2004~~ 2006, shall be carried forward and made available for the same

1 purposes for the fiscal year ending June 30, ~~2005~~ 2007.

2 The provisions of this section shall be in effect only from July 1, ~~2003~~
3 2005 through June 30, ~~2005~~ 2007.

4
5 SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
6 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH
7 EDUCATION GRANTS - PRIORITIES. The Arkansas Higher Education Coordinating
8 Board, after consulting with the recognized associations of each of the
9 applicable medical professions and other interested persons, shall determine
10 the priorities for the applicable programs enumerated in the appropriation
11 made for "Health Education Grants" in this Act. The Arkansas Department of
12 Higher Education, if necessary, shall re-adjust the number of positions for
13 entering students to be funded for each applicable program based upon the
14 priorities determined by the board.

15 The provisions of this section shall be in effect only from July 1, ~~2003~~
16 2005 through June 30, ~~2005~~ 2007.

17
18 SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH
20 EDUCATION GRANTS - STUDY. The Arkansas Higher Education Coordinating Board
21 shall conduct a study during the ~~2003-2005~~ 2005-2007 biennium as to the
22 future need for health care providers in dentistry, veterinary medicine,
23 chiropractic, optometry, osteopathy and podiatry in Arkansas and shall report
24 its findings to the Education Committee and Public Health Welfare and Labor
25 Committee of the Legislative Council or Joint Budget Committee on or before
26 October 1, ~~2004~~ 2006.

27 The provisions of this section shall be in effect only from July 1, ~~2003~~
28 2005 through June 30, ~~2005~~ 2007.

29
30 SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
31 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FINANCIAL
32 AID PROGRAMS REPORTING. The Arkansas Department of Higher Education shall
33 report by May 30 to the House and Senate Interim Committees on Education the
34 budgeted allocation for each financial aid program funded through the Higher
35 Education Grants Fund Account for the upcoming fiscal year and projections
36 for the following year.

1 The provisions of this section shall be in effect only from July 1, 2003
2 2005 through June 30, ~~2005~~ 2007.

3
4 SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
6 AUDIT/REVIEW OF STATE SCHOLARSHIP FUNDS. Any post-secondary institution that
7 receives state scholarship funds administered by the Arkansas Department of
8 Higher Education shall be subject to audit/review of such funds by the
9 Division of Legislative Audit, upon approval of the Legislative Joint Audit
10 Committee.

11 The provisions of this section shall be in effect only from July 1, 2003
12 2005 through June 30, ~~2005~~ 2007.

13
14 SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AUDIT
16 DATA. All post-secondary institutions shall provide to the Arkansas
17 Department of Higher Education a copy of the Integrated Post-Secondary
18 Education Data System (IPEDS) within three weeks following the IPEDS due
19 date, which shall be subject to audit by the Arkansas Department of Higher
20 Education.

21 The provisions of this section shall be in effect only from July 1, 2003
22 2005 through June 30, ~~2005~~ 2007.

23
24 SECTION 22. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
25 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
26 APPROPRIATION TRANSFER PROCEDURES - AR GEOGRAPHICAL CRITICAL NEEDS MINORITY
27 TEACHER SCHOLARSHIP PROGRAM. The Director of the Arkansas Department of
28 Higher Education shall determine the amount available, up to \$200,000 per
29 fiscal year, to fund the Arkansas Geographical Critical Needs Minority
30 Teacher Scholarships and shall certify to the Chief Fiscal Officer of the
31 State and the State Treasurer such amount as is required to be transferred
32 from the Higher Education Grants Fund Account. Upon receiving such
33 certification, the Chief Fiscal Officer of the State and the State Treasurer
34 shall cause to be transferred the necessary funds and appropriation to the
35 fund account of the University of Arkansas at Pine Bluff for implementation
36 of this program. The University of Arkansas at Pine Bluff may use up to

1 twenty percent (20%) of the funds and appropriation for administration of the
2 program.

3 The provisions of this section shall be in effect only from July 1, ~~2003~~
4 2005 through June 30, ~~2005~~ 2007.

5
6 SECTION 23. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
7 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING
8 FOR SALARY INCREASES. New funding through the Revenue Stabilization Act
9 determined by the Arkansas Department of Higher Education to have been for
10 salary increases for each year of the ~~2003-2005~~ 2005-2007 Biennium for
11 Institutions of Higher Education shall be used exclusively for salary
12 increases. New funding actually received for salary increases shall be spent
13 exclusively for salary increases based upon the state general revenue portion
14 of total unrestricted educational and general revenue. Funding received under
15 this provision shall be used for no purpose other than to provide such salary
16 increases. Any designated funds not used for salary increases shall be
17 recouped at the end of each fiscal year and transferred to the General
18 Revenue Allotment Reserve Fund.

19 The provisions of this section shall be in effect only from July 1, ~~2003~~
20 2005 through June 30, ~~2005~~ 2007.

21
22 SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
23 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STUDENT
24 FINANCIAL AID. In accordance with Arkansas Code § 6-82-201, the Department
25 of Higher Education (ADHE) administers a series of financial aid programs
26 designed to improve accessibility and provide able and deserving full-time
27 students the opportunity to continue their program of self-improvement in an
28 approved private or public institution of postsecondary education of their
29 choice in this state. In an effort to monitor the status of these financial
30 aid programs, ADHE tracks and maintains data on retention and graduation
31 rates of financial aid recipients. However, ADHE has limited influence on
32 the relative success of the student recipient due to the fact that ADHE does
33 not exercise any control over institutional policies or other programs and
34 activities that may influence retention and graduation rates on the
35 individual campuses.

36 The provisions of this section shall be in effect only from July 1, 2005

1 through June 30, 2007.

2
 3 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HIGHER
 5 EDUCATION COORDINATOR OF RECRUITMENT FUNDING: The Chief Fiscal Officer of the
 6 State shall transfer the sums of ninety thousand, four hundred seventy-four
 7 dollars (\$90,474) for fiscal year ending June 30, 2006 and ninety-two
 8 thousand, seven hundred seventy-six dollars (\$92,776) for fiscal year ending
 9 June 30, 2007 from the Higher Education Grants Fund Account to the Department
 10 of Higher Education Fund Account in order to finance the personal services
 11 costs of the Higher Education Coordinator of Recruitment.

12 The provisions of this section shall be in effect only from July 1, 2003
 13 2005 through June 30, ~~2005~~ 2007.

14
 15 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 16 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
 17 ALLOCATION RESTRICTIONS. There is hereby allocated to the Student Financial
 18 Aid Program of the Arkansas Department of Higher Education, as set out
 19 herein, the following allocations of funds appropriated for various financial
 20 aid programs of the Arkansas Department of Higher Education, there to be used
 21 as provided by law.

<u>Item No.</u>	<u>Maximum Allocation</u>	
	<u>Fiscal Years</u>	
	<u>2005-2006</u>	<u>2006-2007</u>
<u>(01) DEPENDENTS OF POWS, MIAS, KIAS -</u>		
<u>TUITION WAIVERS SCHOLARSHIPS</u>	<u>\$15,000</u>	<u>\$15,000</u>
<u>(02) TEACHER/ADMINISTRATOR GRANTS</u>	<u>179,544</u>	<u>179,544</u>
<u>(03) EMERGENCY SECONDARY EDUCATION LOANS</u>	<u>81,717</u>	<u>81,717</u>
<u>(04) AR GOVERNOR'S SCHOLARS</u>	<u>4,877,508</u>	<u>4,877,508</u>
<u>(05) JR/SR MINORITY TEACHER SCHOLARS</u>	<u>500,000</u>	<u>500,000</u>
<u>(06) AR GEOGRAPHICAL CRITICAL NEEDS</u>		
<u>MINORITY TEACHER SCHOLARSHIPS</u>	<u>200,000</u>	<u>200,000</u>
<u>(07) SECOND EFFORT SCHOLARSHIPS</u>	<u>20,000</u>	<u>20,000</u>
<u>(08) SREB MINORITY DOCTORAL SCHOLARS</u>	<u>200,000</u>	<u>200,000</u>
<u>(09) STUDENT ASST. GRANTS</u>	<u>3,730,345</u>	<u>3,730,345</u>
<u>(10) AR ACADEMIC CHALLENGE SCHOLARSHIPS</u>	<u>30,174,734</u>	<u>30,174,734</u>

1	<u>(11) MINORITY MASTERS FELLOWS</u>	80,000	80,000
2	<u>(12) DEPENDENTS OF LAW ENF. OFFICERS, ETC.</u>		
3	<u>SCHOLARSHIPS</u>	120,000	120,000
4	<u>(13) FACULTY/ADMINISTRATOR DEVELOPMENT</u>		
5	<u>FELLOWS MATCHING</u>	30,000	30,000
6	<u>(14) NATIONAL GUARD TUITION</u>		
7	<u>ASSISTANCE PROGRAM</u>	500,000	500,000
8	<u>(15) WORKFORCE IMPROVEMENT GRANTS</u>	500,000	500,000
9	<u>(16) TARGETED TEACHER DEVELOPMENT PROGRAM</u>	1,500,000	1,500,000
10	<u>(17) STUDENT UNDERGRADUATE</u>		
11	<u>RESEARCH PROGRAM</u>	152,050	153,987
12	TOTAL AMOUNT ALLOCATED	\$42,860,898	\$42,862,835

13
 14 The biennial budget request for the Department of Higher Education shall
 15 include a supplementary schedule showing actual and budgeted costs for each
 16 program that is allocated within this section as well as proposed allocations
 17 for the FY2007-2009 biennium.

18 The provisions of this section shall be in effect only from July 1, 2005
 19 through June 30, 2007.

20
 21 SECTION 27. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized
 22 by this act shall be limited to the appropriation for such agency and funds
 23 made available by law for the support of such appropriations; and the
 24 restrictions of the State Procurement Law, the General Accounting and
 25 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
 26 Procedures and Restrictions Act, or their successors, and other fiscal
 27 control laws of this State, where applicable, and regulations promulgated by
 28 the Department of Finance and Administration, as authorized by law, shall be
 29 strictly complied with in disbursement of said funds.

30
 31 SECTION 28. LEGISLATIVE INTENT. It is the intent of the General Assembly
 32 that any funds disbursed under the authority of the appropriations contained
 33 in this act shall be in compliance with the stated reasons for which this act
 34 was adopted, as evidenced by the Agency Requests, Executive Recommendations
 35 and Legislative Recommendations contained in the budget manuals prepared by
 36 the Department of Finance and Administration, letters, or summarized oral

1 testimony in the official minutes of the Arkansas Legislative Council or
2 Joint Budget Committee which relate to its passage and adoption.

3
4 SECTION 29. EMERGENCY CLAUSE. It is found and determined by the General
5 Assembly, that the Constitution of the State of Arkansas prohibits the
6 appropriation of funds for more than a two (2) year period; that the
7 effectiveness of this Act on July 1, 2005 is essential to the operation of
8 the agency for which the appropriations in this Act are provided, and that in
9 the event of an extension of the Regular Session, the delay in the effective
10 date of this Act beyond July 1, 2005 could work irreparable harm upon the
11 proper administration and provision of essential governmental programs.
12 Therefore, an emergency is hereby declared to exist and this Act being
13 necessary for the immediate preservation of the public peace, health and
14 safety shall be in full force and effect from and after July 1, 2005.