

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 122

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
AND OPERATING EXPENSES FOR THE DEPARTMENT OF HIGHER
EDUCATION FOR THE FISCAL YEAR ENDING JUNE 30, 2014;
AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE DEPARTMENT OF HIGHER
EDUCATION APPROPRIATION FOR THE 2013-2014
FISCAL YEAR.

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

SECTION 1. REGULAR SALARIES - GENERAL OPERATIONS. There is hereby
established for the Department of Higher Education for the 2013-2014 fiscal
year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2013-2014
(1)	U024U	DHE DIRECTOR	1	\$201,310
(2)	U089U	DHE DEPUTY DIRECTOR	1	\$144,846
(3)	N002N	DHE SENIOR ASSOC DIRECTOR	2	GRADE N913
(4)	N041N	DHE ASSOC DIR FOR ACADEMIC AFFAIRS	1	GRADE N909
(5)	N055N	DHE ASSOCIATE DIRECTOR	2	GRADE N908
(6)	N054N	DHE CAREER PATHWAYS DIRECTOR	1	GRADE N908
(7)	G019C	GENERAL COUNSEL	1	GRADE C127



1	(8)	G043C	DHE FINANCIAL AID MANAGER	1	GRADE C126
2	(9)	G058C	DHE FEDERAL PROGRAM MANAGER	3	GRADE C125
3	(10)	G071C	DHE PROGRAM COORDINATOR	5	GRADE C124
4	(11)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
5	(12)	P005C	DHE COMMUNICATIONS COORDINATOR	1	GRADE C123
6	(13)	D039C	NETWORK SUPPORT SPECIALIST	1	GRADE C123
7	(14)	G102C	DHE PROGRAM SPECIALIST	21	GRADE C122
8	(15)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
9	(16)	D052C	SOFTWARE SUPPORT ANALYST	2	GRADE C121
10	(17)	C010C	EXECUTIVE ASSISTANT TO THE DIRECTOR	1	GRADE C118
11	(18)	A089C	ACCOUNTANT I	1	GRADE C116
12	(19)	C056C	ADMINISTRATIVE SPECIALIST III	5	GRADE C112
13	(20)	C073C	ADMINISTRATIVE SPECIALIST II	<u>1</u>	GRADE C109
14			MAX. NO. OF EMPLOYEES	53	

15

16 SECTION 2. EXTRA HELP - GENERAL OPERATIONS. There is hereby
 17 authorized, for the Department of Higher Education for the 2013-2014 fiscal
 18 year, the following maximum number of part-time or temporary employees, to be
 19 known as "Extra Help", payable from funds appropriated herein for such
 20 purposes: seventeen (17) temporary or part-time employees, when needed, at
 21 rates of pay not to exceed those provided in the Uniform Classification and
 22 Compensation Act, or its successor, or this act for the appropriate
 23 classification.

24

25 SECTION 3. APPROPRIATION - GENERAL OPERATIONS. There is hereby
 26 appropriated, to the Department of Higher Education, to be payable from the
 27 Department of Higher Education Fund Account, for personal services and
 28 operating expenses of the Department of Higher Education for the fiscal year
 29 ending June 30, 2014, the following:

30

31	ITEM	FISCAL YEAR
32	<u>NO.</u>	<u>2013-2014</u>
33	(01) REGULAR SALARIES	\$2,482,295
34	(02) EXTRA HELP	3,000
35	(03) PERSONAL SERVICES MATCHING	728,211
36	(04) MAINT. & GEN. OPERATION	

1	(A) OPER. EXPENSE	840,755
2	(B) CONF. & TRAVEL	20,270
3	(C) PROF. FEES	10,000
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	<u>0</u>
6	TOTAL AMOUNT APPROPRIATED	<u><u>\$4,084,531</u></u>

7

8 SECTION 4. APPROPRIATION - STUDENT ASSISTANCE GRANTS AND VARIOUS

9 SCHOLARSHIPS. There is hereby appropriated, to the Department of Higher

10 Education, to be payable from the Higher Education Grants Fund Account, for

11 providing student assistance grants and various scholarships as provided by

12 law, of the Department of Higher Education for the fiscal year ending June

13 30, 2014, the following:

15	ITEM	FISCAL YEAR
16	<u>NO.</u>	<u>2013-2014</u>
17	(01) HIGHER EDUCATION OPPORTUNITIES GRANT	\$8,000,000
18	(02) SREB MINORITY DOCTORAL SCHOLARS	200,000
19	(03) AR ACADEMIC CHALLENGE SCHOLARSHIPS	25,000,000
20	(04) ARKANSAS GOVERNOR'S SCHOLARS	10,750,000
21	(05) STUDENT UNDERGRADUATE RESEARCH	
22	FELLOWSHIP PROGRAM (SURF)	150,000
23	(06) NATIONAL GUARD TUITION INCENTIVE	
24	PROGRAM	1,500,000
25	(07) SINGLE PARENT SCHOLARSHIP PROGRAM	175,000
26	(08) STATE TEACHER EDUCATION PRGM.	4,000,000
27	(09) TEACHER OPPORTUNITY PROGRAM	1,500,000
28	(10) WORKFORCE IMPROVEMENT GRANTS	2,500,000
29	(11) AR GEOGRAPHICAL CRITICAL NEEDS	
30	MINORITY TEACHER SCHOLARSHIPS	150,000
31	(12) DEPENDENTS OF LAW ENFORCEMENT	
32	OFFICERS, ETC. SCHOLARSHIPS	200,000
33	(13) DEPENDENTS OF POWS, MIAS,	
34	KIAS-TUITION WAIVER	
35	SCHOLARSHIPS	<u>250,000</u>
36	TOTAL AMOUNT APPROPRIATED	<u><u>\$54,375,000</u></u>

SECTION 5. APPROPRIATION - STATE SCHOLARSHIP - FEDERAL. There is hereby appropriated, to the Department of Higher Education, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for grants-in-aid of the Department of Higher Education - State Scholarship - Federal Program for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
NO.	2013-2014
(01) GRANTS IN AID-STATE	
SCHOLARSHIPS-FEDERAL	<u>\$750,000</u>

SECTION 6. APPROPRIATION - TECHNICAL EDUCATION - FEDERAL PROGRAMS. There is hereby appropriated, to the Department of Higher Education, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for personal services and operating expenses of the Department of Higher Education - Technical Education - Federal Programs for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
NO.	2013-2014
(01) REGULAR SALARIES	\$140,477
(02) PERSONAL SERVICES MATCHING	40,674
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	120,000
(B) CONF. & TRAVEL	20,000
(C) PROF. FEES	120,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$441,151</u>

SECTION 7. APPROPRIATION - IMPROVING TEACHER QUALITY. There is hereby appropriated, to the Department of Higher Education, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for operating expenses and grants-in-aid of the Department of Higher Education -

Improving Teacher Quality Program for the fiscal year ending June 30, 2014,
the following:

ITEM	FISCAL YEAR
NO.	2013-2014
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$26,856
(B) CONF. & TRAVEL	13,000
(C) PROF. FEES	8,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) IMPROVING TEACHER QUALITY GRANTS/AID	<u>1,517,402</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$1,565,258</u></u>

SECTION 8. APPROPRIATION - RESEARCH DEVELOPMENT PROGRAM. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Research Development Fund, for providing Arkansas Research Development Program Grants to Institutions of Higher Education by the Department of Higher Education for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
NO.	2013-2014
(01) RESEARCH AND DEVELOPMENT PROGRAM	
GRANTS	<u><u>\$5,000,000</u></u>

SECTION 9. APPROPRIATION - HEALTH EDUCATION GRANTS AND LOANS. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for payments of the contracts and loans with participating out-of-state institutions of higher learning in the fields of dentistry, optometry, osteopathy, veterinary medicine, chiropractic, and podiatry for the education of Arkansas citizens, by the Department of Higher Education for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
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1	NO.	2013-2014
2	(01) CHIROPRACTIC AID	\$260,000
3	(02) DENTAL AID - GRANTS	2,133,900
4	(03) OPTOMETRY AID - GRANTS	410,000
5	(04) OSTEOPATHY AID	230,000
6	(05) PODIATRY AID	130,400
7	(06) VETERINARY AID	1,100,000
8	(07) DENTAL AID - LOANS	987,370
9	(08) OPTOMETRY AID - LOANS	140,000
10	(09) VETERINARY MED. LOAN FORGIVENESS	
11	PROGRAM	<u>120,000</u>
12	TOTAL AMOUNT APPROPRIATED	<u><u>\$5,511,670</u></u>

13
 14 SECTION 10. APPROPRIATION - CASH. There is hereby appropriated, to the
 15 Department of Higher Education, to be payable from the cash fund deposited in
 16 the State Treasury as determined by the Chief Fiscal Officer of the State,
 17 for operating expenses of the Department of Higher Education for the fiscal
 18 year ending June 30, 2014, the following:

20	ITEM	FISCAL YEAR
21	NO.	2013-2014
22	(01) MAINT. & GEN. OPERATION	
23	(A) OPER. EXPENSE	\$878,070
24	(B) CONF. & TRAVEL	60,620
25	(C) PROF. FEES	551,310
26	(D) CAP. OUTLAY	100,000
27	(E) DATA PROC.	0
28	(02) SCHOLARSHIPS	100,000
29	(03) REFUNDS/REIMBURSEMENTS	<u>5,000</u>
30	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,695,000</u></u>

31
 32 SECTION 11. APPROPRIATION - TANF PROGRAM - FEDERAL. There is hereby
 33 appropriated, to the Department of Higher Education, to be payable from the
 34 federal funds as designated by the Chief Fiscal Officer of the State, for
 35 personal services and operating expenses of the Department of Higher
 36 Education - TANF Program - Federal for the fiscal year ending June 30, 2014,

the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2013-2014</u>
(01) REGULAR SALARIES	\$346,958
(02) EXTRA HELP	15,000
(03) PERSONAL SERVICES MATCHING	101,915
(04) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	90,000
(B) CONF. & TRAVEL	25,000
(C) PROF. FEES	30,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(05) SELF SUFFICIENCY/JOB TRAINING GRANTS	<u>10,375,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$10,983,873</u></u>

SECTION 12. APPROPRIATION - COLLEGE ACCESS CHALLENGE GRANT. There is hereby appropriated, to the Department of Higher Education, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for operating expenses of the Department of Higher Education - College Access Challenge Grant Program - Federal for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2013-2014</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$1,215,000
(B) CONF. & TRAVEL	55,000
(C) PROF. FEES	1,700,000
(D) CAP. OUTLAY	30,000
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$3,000,000</u></u>

SECTION 13. APPROPRIATION - WEB BASED APPLICATIONS. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for personal services and operating

expenses associated with web based applications of the Department of Higher Education for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2013-2014</u>
(01) WEB BASED APPLICATIONS PERSONAL SERVICES AND OPERATING EXPENSES	<u>\$1,300,000</u>

SECTION 14. APPROPRIATION - SCHOLARSHIP ADMINISTRATION. There is hereby appropriated, to the Department of Higher Education, to be payable from the Higher Education Grants Fund Account, for personal services and operating expenses of the Department of Higher Education - Scholarship Administration for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2013-2014</u>
(01) REGULAR SALARIES	\$328,864
(02) EXTRA HELP	30,000
(03) PERSONAL SERVICES MATCHING	108,940
(04) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	165,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	400,000
(D) CAP. OUTLAY	35,000
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$1,067,804</u>

SECTION 15. APPROPRIATION - COMPLETE COLLEGE AMERICA GRANT PROGRAM. There is hereby appropriated, to the Department of Higher Education, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for operating expenses of the Department of Higher Education - Complete College America Grant Program for the fiscal year ending June 30, 2014, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2013-2014</u>

(01)	MAINT. & GEN. OPERATION	
(A)	OPER. EXPENSE	\$100,000
(B)	CONF. & TRAVEL	0
(C)	PROF. FEES	100,000
(D)	CAP. OUTLAY	0
(E)	DATA PROC.	0
(02)	COMPLETE COLLEGE AMERICA GRANTS	<u>800,000</u>
	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,000,000</u></u>

SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EMERGENCY GRANTS & EXTRA HELP POOL. An Institution of higher education that suffers an emergency/disaster event resulting in all or a significant portion of campus operations being interrupted, may request disaster assistance through the Arkansas Department of Higher Education. Upon the declaration of an emergency by the Governor, the institution may request, subject to the recommendation of the Director of the Department of Higher Education and approval of the Governor, a grant from the Disaster Relief Fund to assist in returning that campus to operation and/or to a sister campus providing services to the students from the affected campus. Certified law enforcement officers employed by an institution of higher education may be granted jurisdiction at the sister institution, upon agreement of both institutions. The Department of Higher Education is authorized a pool of 500 extra help positions for use in such emergency situations. These positions may be assigned to the campus suffering the disaster event or to a sister campus providing services to the students from the affected campus. The Governor may waive the 1,500 hour limit of ACA 6-63-314 on these assigned extra help pool positions.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REALLOCATION OF RESOURCES FOR INSTITUTIONS OF HIGHER EDUCATION. Upon determination by the president or chancellor of an institution of higher education that a reallocation of resources for purposes of reorganization or

1 consolidation of administrative functions within the institution is necessary
2 for efficient and effective operations of the institution, the president or
3 chancellor, with approval of the institution's board of trustees, may have
4 the authority to transfer positions, appropriations and related funds between
5 campuses, divisions, branches, and other budgetary units of the institution,
6 after receiving prior approval of the Legislative Council or Joint Budget
7 Committee. The transfers of positions, programs, or activities shall be used
8 for those purposes for which the appropriations were approved by the General
9 Assembly. The transfers, consolidations, or reorganizations which involve
10 academic programs shall be reviewed by the Department of Higher Education
11 prior to submission to the Legislative Council or Joint Budget Committee.
12 Provided, however, that the institution shall be limited to submitting no
13 more than two (2) individual transaction transfer requests during any fiscal
14 year and shall be further limited to no more than five percent (5%) of the
15 total General Revenue and Special Revenue appropriation, funding, positions
16 specific to each institution, and no Tobacco Settlement funds or
17 appropriations may be reallocated pursuant to this section.

18 Determining the maximum number of employees and the maximum amount of
19 appropriation and general revenue funding for institutions of higher
20 education each fiscal year is the prerogative of the General Assembly. This
21 is usually accomplished by delineating such maximums in the appropriation
22 act(s) for institutions of higher education and the general revenue
23 allocations authorized for each fund and fund account by amendment to the
24 Revenue Stabilization law. Further, the General Assembly has determined that
25 institutions of higher education may operate more efficiently if some
26 flexibility is provided to institutions of higher education authorizing broad
27 powers under this Section. Therefore, it is both necessary and appropriate
28 that the General Assembly maintain oversight by requiring prior approval of
29 the Legislative Council or Joint Budget Committee as provided by this
30 section. The requirement of approval by the Legislative Council or Joint
31 Budget Committee is not a severable part of this section. If the requirement
32 of approval by the Legislative Council or Joint Budget Committee is ruled
33 unconstitutional by a court of competent jurisdiction, this entire section is
34 void.

35 The provisions of this section shall be in effect only from July 1, ~~2012~~
36 2013 through June 30, ~~2013~~ 2014.

1
2 SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
3 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS. In
4 order to provide timely payments under financial aid appropriations made in
5 this Act, the Chief Fiscal Officer of the State is authorized to provide
6 loans from the Budget Stabilization Trust Fund to make available all funds
7 attributable to the financial aid programs under the then current official
8 revenue estimates. In the event of an unanticipated state revenue shortfall,
9 any such loans remaining at the end of a fiscal year shall be repaid from
10 revenues distributed in the first two months of the next fiscal year. Funds
11 for appropriations made in this Act for purposes other than financial aid
12 shall not be affected by the application of this provision.

13 The provisions of this section shall be in effect only from July 1, ~~2012~~
14 2013 through June 30, ~~2013~~ 2014.

15
16 SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
17 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. WORK
18 FORCE 2000 DEVELOPMENT FUND PROCEDURES. After the amounts to be made
19 available to the various technical colleges have been determined as set out
20 in Arkansas Code 26-51-205(d)(2), such documents as may be necessary shall be
21 processed so that funds may be transferred from the Work Force 2000
22 Development Fund to the State Treasury fund or fund account from which the
23 technical college draws its general revenue support. Such funds as may be
24 transferred shall not exceed 93.691% of the total funds available from the
25 Work Force 2000 Development Fund during the fiscal year.

26 In the event that a technical institute or comprehensive lifelong learning
27 center which receives support from the Work Force 2000 Development Fund as
28 determined by law transfers or merges into the Arkansas Technical College and
29 Community College System for which Work Force 2000 Development Fund monies
30 are determined by law, then the actual amount of support from the Work Force
31 2000 Development Fund in the preceding fiscal year for such educational
32 institution shall be made available irrespective of any other provision of
33 law which sets out maximum levels of support from such fund.

34 The provisions of this section shall be in effect only from July 1, ~~2012~~
35 2013 through June 30, ~~2013~~ 2014.

1 SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. BUILDING
3 MAINTENANCE FUND. After the sum of \$13,200,000 has been deposited into the
4 Higher Education Building Maintenance Fund, ~~the next \$10,000,000 or so much~~
5 ~~as is collected,~~ any additional deposits are ~~is~~ to be transferred to the
6 Research Development Fund there to be used as provided by law.

7 The provisions of this section shall be in effect only from July 1, ~~2012~~
8 2013 through June 30, ~~2013~~ 2014.

9
10 SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
11 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REFUND TO
12 EXPENDITURES. Proceeds derived from the repayment of loans, grants, or
13 scholarships funded by the Higher Education Grants Fund Account ~~as authorized~~
14 ~~in Items (02), (03) and (08) of Section 4 of this Act for the JR/SR Minority~~
15 ~~Teacher Scholars, the Minority Masters Fellows and the State Teacher~~
16 ~~Assistance Resource Program~~ shall be deposited into the State Treasury fund
17 from which it originated.

18 The provisions of this section shall be in effect only from July 1, ~~2012~~
19 2013 through June 30, ~~2013~~ 2014.

20
21 SECTION 22. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
22 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. NATIONAL
23 GUARD TUITION INCENTIVE PROGRAM. In addition to any other provisions of law,
24 any student who receives assistance from the appropriation made for the
25 "National Guard Tuition Incentive Program" in this Act shall repay any loans
26 and/or assistance if the student receives a discharge that is a less than
27 Honorable Discharge. Priority for funding shall be given to students already
28 receiving assistance from the National Guard Tuition Incentive Program.

29 The provisions of this section shall be in effect only from July 1, ~~2012~~
30 2013 through June 30, ~~2013~~ 2014.

31
32 SECTION 23. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE
34 SAVINGS BONDS. The Department of Higher Education shall adopt rules and
35 regulations for the allocation of the funds reappropriated for the
36 development of projects at State Institutions of Higher Education and the

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

15 The provisions of this section shall be in effect only from July 1, ~~2012~~
16 2013 through June 30, ~~2013~~ 2014.

17
18 SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COLLEGE
20 SAVINGS BONDS LIMITATIONS. The total principal amount of bonds to be issued
21 during any fiscal biennium shall not exceed three-hundred million dollars
22 (\$300,000,000), nor shall the principal amount of bonds outstanding at any
23 time have debt service requirements in excess of twenty-four million dollars
24 (\$24,000,000) in any one fiscal year from all state revenue sources.

25 The provisions of this section shall be in effect only from July 1, ~~2012~~
26 2013 through June 30, ~~2013~~ 2014.

27
28 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
29 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH
30 EDUCATION GRANTS AND LOANS - PRIORITIES. The Arkansas Higher Education
31 Coordinating Board, after consulting with the recognized associations of each
32 of the applicable medical professions and other interested persons, shall
33 determine the priorities for the applicable programs enumerated in the
34 appropriation made for "Health Education Grants and Loans" in this Act. The
35 Arkansas Department of Higher Education, if necessary, shall re-adjust the
36 number of positions for entering students to be funded for each applicable

1 program based upon the priorities determined by the board.

2 The provisions of this section shall be in effect only from July 1, ~~2012~~
3 2013 through June 30, ~~2013~~ 2014.

4
5 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
6 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FINANCIAL
7 AID PROGRAMS REPORTING. The Arkansas Department of Higher Education shall
8 report by May 30 to the House and Senate Interim Committees on Education the
9 budgeted allocation for each financial aid program funded through the Higher
10 Education Grants Fund Account for the upcoming fiscal year and projections
11 for the following year.

12 The provisions of this section shall be in effect only from July 1, ~~2012~~
13 2013 through June 30, ~~2013~~ 2014.

14
15 SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
16 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
17 AUDIT/REVIEW OF STATE SCHOLARSHIP FUNDS. Any post-secondary institution that
18 receives state scholarship funds administered by the Arkansas Department of
19 Higher Education shall be subject to audit/review of such funds by the
20 Division of Legislative Audit, upon approval of the Legislative Joint Audit
21 Committee.

22 The provisions of this section shall be in effect only from July 1, ~~2012~~
23 2013 through June 30, ~~2013~~ 2014.

24
25 SECTION 28. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AUDIT
27 DATA. All post-secondary institutions shall provide to the Arkansas
28 Department of Higher Education a copy of the Integrated Post-Secondary
29 Education Data System (IPEDS) data within three weeks following the IPEDS due
30 date, which shall be subject to audit by the Arkansas Department of Higher
31 Education.

32 The provisions of this section shall be in effect only from July 1, ~~2012~~
33 2013 through June 30, ~~2013~~ 2014.

34
35 SECTION 29. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
36 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING

FOR SALARY INCREASES. New funding through the Revenue Stabilization Act determined by the Arkansas Department of Higher Education to have been for salary increases for the fiscal year for Institutions of Higher Education shall be used exclusively for salary increases. New funding actually received for salary increases shall be spent exclusively for salary increases based upon the state general revenue portion of total unrestricted educational and general revenue. Funding received under this provision shall be used for no purpose other than to provide such salary increases. Any designated funds not used for salary increases shall be recouped at the end of each fiscal year and transferred to the General Revenue Allotment Reserve Fund.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DHE PROGRAM COORDINATOR FUNDING. The Chief Fiscal Officer of the State shall transfer sufficient funding for the fiscal year from the Higher Education Grants Fund Account to the Department of Higher Education Fund Account in order to finance the personal services costs of a DHE Program Coordinator.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER PROVISION. Upon certification by the Director of the Department of Higher Education that transfers are needed to make maximum utilization of funds and appropriations provided for financial aid programs, and with the approval of the Chief Fiscal Officer of the State and a review by the Arkansas Legislative Council, funds and appropriations may be transferred between financial aid programs to more adequately align the appropriation with the number of eligible students. ~~, except that funds and appropriations may not be transferred for such purposes from either the Governor's Scholars Program or the Academic Challenge Scholarships Program in excess of \$1,000,000 in the aggregate in a fiscal year. Any transfer restrictions contained in appropriation acts for the Department of Higher Education relating to appropriation transfers from Governor's Scholars Program and Academic~~

~~Challenge Scholarships shall not be applicable to transfers between Governor's Scholars and Academic Challenge Scholarship appropriations.~~

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER OF HIGHER EDUCATION GRANTS FUND APPROPRIATIONS - HEALTH EDUCATION GRANTS AND LOANS. Upon certification to and with the approval of the Chief Fiscal Officer of the State, surplus funds and appropriations may be transferred between the appropriations provided for "Health Education Grants and Loans" by this Act by the General Assembly for Dental Aid Grants and Loans, Optometry Aid, Veterinary Aid, Podiatry Aid, Chiropractic Aid and Osteopathy Aid.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CONTINGENCY APPROPRIATIONS - TRANSFERS AND REPORTS. (a) Upon approval by the Department of Higher Education and the Chief Fiscal Officer of the State, institutions of higher education may transfer appropriation from the cash contingency appropriation to any other appropriation made to the institution from cash funds including the establishment of commitment items, and may transfer appropriation from the contingency appropriation made payable from each institution's State Treasury Fund to the state operations appropriation made payable from each institution's State Treasury Fund including the establishment of commitment items, and may transfer appropriation from the contingency appropriation made payable from the Tobacco Settlement Program Fund Accounts to any other appropriation made to the institution from Tobacco Settlement Program Fund Accounts including the establishment of commitment items.

(b) Contingency appropriation transfers shall only establish and supplement commitment items that were recommended by the Higher Education Coordinating Board in the budget manuals presented to the Legislative Council and Joint Budget Committee.

(c) The Department of Higher Education shall report contingency appropriation transfers and the establishment of any commitment items authorized by this Section to the Legislative Council or Joint Budget Committee for review during its July meeting. The report shall include, by institution, the establishment of, and the amounts transferred to, each commitment item, the reasons therefor and the source of funds. Institutions shall submit contingency appropriation transfer and commitment item establishment requests authorized by this Section to the Department of Higher Education no later than July 1. Upon the failure of an institution to submit the required information by the July 1 deadline, the Department of Higher Education shall immediately notify by written notification the chairpersons of the Legislative Council or Joint Budget Committee.

SECTION 34. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STUDENT UNDERGRADUATE RESEARCH FELLOWSHIP (SURF) PROGRAM. The focus of the Student Undergraduate Research Fellowship (SURF) Program is the continued development of undergraduate academic research efforts at Arkansas colleges and universities. The Arkansas Department of Higher Education shall adopt rules and regulations necessary for the proper administration of the Student Undergraduate Research Fellowship Program. Administrative functions and responsibilities may include, but not necessarily be limited to, the development of eligibility criteria, collection of applications, coordination of student evaluations, distribution of public notices, and funding of grants for academic research purposes. Staff of the Arkansas Department of Higher Education shall administer this program. The Arkansas Department of Higher Education shall be authorized to expense costs associated with the administration of the program, from funds made payable from the Higher Education Grants Fund Account for the Student Undergraduate Research Fellowship Program as authorized in Section 4 of this Act.

SECTION 35. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COOPERATION AGREEMENTS. Any two-year institution of Higher Education that has its main campus, ~~or a~~ satellite campus, or center located within a twenty five mile radius of any four-year institution of higher education shall enter

1 into a written agreement with that four-year institution which must address
2 duplication of services between the institutions.

3 The provisions of this section shall be in effect only from July 1, ~~2012~~
4 2013 through June 30, ~~2013~~ 2014.

5
6 SECTION 36. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
7 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COST
8 ALLOCATION. The Department of Higher Education may refund to the Higher
9 Education Fund Account or the Higher Education Grants Fund Account such
10 amounts determined by the Department to be reimbursements received from the
11 Arkansas Lottery Commission for costs related to the administration of the
12 Arkansas Academic Challenge Scholarship Program.

13
14 SECTION 37. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
16 APPROPRIATION TRANSFER PROCEDURES - AR GEOGRAPHICAL CRITICAL NEEDS MINORITY
17 TEACHER SCHOLARSHIP PROGRAM. The Director of the Arkansas Department of
18 Higher Education shall determine the amount available, up to \$200,000 per
19 fiscal year, to fund the Arkansas Geographical Critical Needs Minority
20 Teacher Scholarships and shall certify to the Chief Fiscal Officer of the
21 State and the State Treasurer such amount as is required to be transferred
22 from the Higher Education Grants Fund Account. Upon receiving such
23 certification, the Chief Fiscal Officer of the State and the State Treasurer
24 shall cause to be transferred the necessary funds and appropriation to the
25 fund account of the University of Arkansas at Pine Bluff for implementation
26 of this program. The University of Arkansas at Pine Bluff may use up to
27 twenty percent (20%) of the funds and appropriation for administration of the
28 program.

29 The provisions of this section shall be in effect only from July 1, ~~2012~~
30 2013 through June 30, ~~2013~~ 2014.

31
32 SECTION 38. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HIGHER
34 EDUCATION CENTRAL POOL POSITIONS. a) Universities - (1) The Department of
35 Higher Education shall establish and maintain a central pool of three hundred
36 (300) positions to be used to establish additional positions when an

1 institution does not have sufficient positions available to meet
2 unanticipated enrollment growth, industry training demands, and its mandated
3 responsibilities.

4 (2) Central pool positions are to be used by the institutions if the
5 personnel service needs exceed the number of positions authorized by the
6 General Assembly and that were not anticipated at the time of the passage of
7 the institution's operating appropriation act.

8 (3) No position established under this section may exceed the salary rate of
9 the highest maximum annual salary rate or the highest grade level position
10 authorized by the General Assembly in the requesting institution's operating
11 appropriation act.

12 (4) The institution shall provide justification to the Department of Higher
13 Education for the need to allocate positions from the central pool.

14 (5) Titles shall not be assigned to the institution from the central pool
15 until specific positions are requested by the institution, recommended by the
16 Department of Higher Education and approved by the Arkansas Legislative
17 Council or the Joint Budget Committee.

18 (6) If an institution requests any central pool position to be continued
19 during the subsequent fiscal year, the position must be requested as a new
20 position in the institution's subsequent fiscal year budget request.

21 (b) Colleges - (1) The Department of Higher Education shall establish and
22 maintain a central pool of two hundred fifty (250) positions to be used to
23 establish additional positions when an institution does not have sufficient
24 positions available to meet unanticipated enrollment growth, industry
25 training demands, and its mandated responsibilities.

26 (2) Central pool positions are to be used by the institutions if the
27 personnel service needs exceed the number of positions authorized by the
28 General Assembly and that were not anticipated at the time of the passage of
29 the institution's operating appropriation act.

30 (3) No position established under this section may exceed the salary rate of
31 the highest maximum annual salary rate or the highest grade level position
32 authorized by the General Assembly in the requesting institution's operating
33 appropriation act.

34 (4) The institution shall provide justification to the Department of Higher
35 Education for the need to allocate positions from the central pool.

36 (5) Titles shall not be assigned to the institution from the central pool

1 until specific positions are requested by the institution, recommended by the
2 Department of Higher Education and approved by the Arkansas Legislative
3 Council or the Joint Budget Committee.

4 (6) If an institution requests any central pool position to be continued
5 during the subsequent fiscal year, the position must be requested as a new
6 position in the institution's subsequent fiscal year budget request.

7 (c) Determining the maximum number of employees and the maximum amount of
8 appropriation and general revenue funding for institutions of higher
9 education each fiscal year is the prerogative of the General Assembly. This
10 is usually accomplished by delineating such maximums in the appropriation
11 act(s) for institutions of higher education and the general revenue
12 allocations authorized for each fund and fund account by amendment to the
13 Revenue Stabilization law. Further, the General Assembly has determined that
14 institutions of higher education may operate more efficiently if some
15 flexibility is provided to institutions of higher education authorizing broad
16 powers under this Section. Therefore, it is both necessary and appropriate
17 that the General Assembly maintain oversight by requiring prior approval of
18 the Legislative Council or Joint Budget Committee as provided by this
19 section. The requirement of approval by the Legislative Council or Joint
20 Budget Committee is not a severable part of this section. If the requirement
21 of approval by the Legislative Council or Joint Budget Committee is ruled
22 unconstitutional by a court of competent jurisdiction, this entire section is
23 void.

24 The provisions of this section shall be in effect only from July 1, ~~2012~~
25 2013 through June 30, ~~2013~~ 2014.

26
27 SECTION 39. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
28 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SREB
29 MINORITY DOCTORAL SCHOLARS PROGRAM REGULATIONS. The Department of Higher
30 Education is authorized to promulgate rules and regulations for the
31 administration of the Southern Regional Education Board (SREB) Minority
32 Doctoral Scholars program.

33
34 SECTION 40. SPECIAL LANGUAGE. Arkansas Code Title 6, Chapter 62,
35 Section 803, concerning limits on funding of athletic programs, is amended to
36 read as follows:

6-62-803. Limits on funding.

~~(a) Beginning in fiscal year 1991-1992, the amount of unrestricted educational and general funds for intercollegiate athletic programs at state-supported institutions of higher education shall be limited to four hundred fifty thousand dollars (\$450,000) at four year institutions and to fifty one dollars (\$51.00) per full time equivalent student per year at two year branches of four year institutions and at other two year institutions of higher education.~~

~~(b)(1) Beginning in fiscal year 1997-1998, state supported four year institutions of higher education may use an additional three hundred thousand dollars (\$300,000) per fiscal year of unrestricted educational and general funds to provide gender equity in intercollegiate athletic programs.~~

~~(2) Two year branches of the four year institutions and other two year institutions of higher education may use an additional amount of unrestricted educational and general funds for providing gender equity in intercollegiate athletic programs in the amount of thirty four dollars (\$34.00) per full-time equivalent student per year.~~

~~(c)(1) Beginning in fiscal year 2005-2006, the limits on the amount of unrestricted educational and general funds for intercollegiate athletic programs at state-supported institutions of higher education set forth in subsections (a) and (b) of this section shall be adjusted as determined by the Department of Higher Education based on the consumer price index.~~

~~(2)(A) For fiscal year 2005-2006, the adjustments shall take into account the inflation increases since the figures set forth in subsections (a) and (b) of this section were established or last adjusted.~~

~~(B) In subsequent years, the adjustment shall be for the period from the last adjustment to the beginning of the relevant fiscal year.~~

(a) For the certification required under §6-62-805, the amount allowed to be budgeted of unrestricted educational and general funds for intercollegiate athletic programs at state-supported institutions of higher education shall be limited to an amount established by the Department of Higher Education for the fiscal year 2012-2013 or an amount of not more than two and one half percent (2.5%) of the actual total unrestricted educational and general revenues of the previous fiscal year at institutions of higher education.

(b) The Department of Higher Education shall annually adjust the allowable transfer based upon the consumer price index.

1
2 SECTION 41. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
3 authorized by this act shall be limited to the appropriation for such agency
4 and funds made available by law for the support of such appropriations; and
5 the restrictions of the State Procurement Law, the General Accounting and
6 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
7 Procedures and Restrictions Act, or their successors, and other fiscal
8 control laws of this State, where applicable, and regulations promulgated by
9 the Department of Finance and Administration, as authorized by law, shall be
10 strictly complied with in disbursement of said funds.

11
12 SECTION 42. LEGISLATIVE INTENT. It is the intent of the General
13 Assembly that any funds disbursed under the authority of the appropriations
14 contained in this act shall be in compliance with the stated reasons for
15 which this act was adopted, as evidenced by the Agency Requests, Executive
16 Recommendations and Legislative Recommendations contained in the budget
17 manuals prepared by the Department of Finance and Administration, letters, or
18 summarized oral testimony in the official minutes of the Arkansas Legislative
19 Council or Joint Budget Committee which relate to its passage and adoption.

20
21 SECTION 43. EMERGENCY CLAUSE. It is found and determined by the
22 General Assembly, that the Constitution of the State of Arkansas prohibits
23 the appropriation of funds for more than a one (1) year period; that the
24 effectiveness of this Act on July 1, 2013 is essential to the operation of
25 the agency for which the appropriations in this Act are provided, and that in
26 the event of an extension of the legislative session, the delay in the
27 effective date of this Act beyond July 1, 2013 could work irreparable harm
28 upon the proper administration and provision of essential governmental
29 programs. Therefore, an emergency is hereby declared to exist and this Act
30 being necessary for the immediate preservation of the public peace, health
31 and safety shall be in full force and effect from and after July 1, 2013.