1	State of Arkansas As Engrossed:	<u>S2/14/13 S3/28/13</u>	
2	89th General Assembly A	Bill	
3	Regular Session, 2013		SENATE BILL 122
4			
5	By: Joint Budget Committee		
6			
7	For An Ac	t To Be Entitled	
8	AN ACT TO MAKE AN APPROP	RIATION FOR PERSONAL SE	RVICES
9	AND OPERATING EXPENSES FO	OR THE DEPARTMENT OF HI	GHER
10	EDUCATION FOR THE FISCAL	YEAR ENDING JUNE 30, 2	014;
11	AND FOR OTHER PURPOSES.		
12			
13			
14	S	ubtitle	
15	AN ACT FOR THE DEPA	RTMENT OF HIGHER	
16	EDUCATION APPROPRIA	TION FOR THE 2013-2014	
17	FISCAL YEAR.		
18			
19			
20	BE IT ENACTED BY THE GENERAL ASSEMBL	Y OF THE STATE OF ARKAN	SAS:
21			
22	SECTION 1. REGULAR SALARIES -	GENERAL OPERATIONS. Th	ere is hereby
23	established for the Department of Hi	gher Education for the	2013-2014 fiscal
24	year, the following maximum number o	f regular employees.	
25			
26			Maximum Annual
27		Maximum	Salary Rate
28	Item Class	No. of	Fiscal Year
29	No. Code Title	Employees	2013-2014
30	(1) U024U DHE DIRECTOR	1	\$201,310
31	(2) U089U DHE DEPUTY DIRECTOR	1	\$144,846
32	(3) NOO2N DHE SENIOR ASSOC DIREC	TOR 2	GRADE N913
33	(4) NO41N DHE ASSOC DIR FOR ACAD	EMIC AFFAIRS 1	GRADE N909
34	(5) NO55N DHE ASSOCIATE DIRECTOR	2	GRADE N908
35	(6) NO54N DHE CAREER PATHWAYS DI	RECTOR 1	GRADE N908
36	(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> </u>	GRADE C109
14		MAX. N	O. OF EMPLOYEES	53	

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

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

31	ITEM		FISCAL YEAR
32	NO.		2013-2014
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.	0
6		TOTAL AMOUNT APPROPRIATED	\$4,084,531
7			
8		SECTION 4. APPROPRIATION - STUDENT ASSISTANCE GRANTS A	ND VARIOUS
9	SCHOI	ARSHIPS. There is hereby appropriated, to the Departme	nt of Higher
10	Educa	tion, to be payable from the Higher Education Grants Fu	nd Account, for
11	provi	ding student assistance grants and various scholarships	as provided by
12	law,	of the Department of Higher Education for the fiscal ye	ar ending June
13	30, 2	2014, the following:	
14			
15	ITEM		FISCAL YEAR
16	NO.		2013-2014
17	(01)	HIGHER EDUCATION OPPORTUNITIES GRANT	\$8,000,000
18	(02)	SREB MINORITY DOCTORAL SCHOLARS	200,000
19	(03)	AR ACADEMIC CHALLANGE 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	250,000
36		TOTAL AMOUNT APPROPRIATED	\$54,375,000

1	
2	SECTION 5. APPROPRIATION - STATE SCHOLARSHIP - FEDERAL. There is
3	hereby appropriated, to the Department of Higher Education, to be payable
4	from the federal funds as designated by the Chief Fiscal Officer of the
5	State, for grants-in-aid of the Department of Higher Education - State
6	Scholarship - Federal Program for the fiscal year ending June 30, 2014, the
7	following:
8	
9	ITEM FISCAL YEAR
10	NO. 2013-2014
11	(01) GRANTS IN AID-STATE
12	SCHOLARSHIPS-FEDERAL \$750,000
13	
14	SECTION 6. APPROPRIATION - TECHNICAL EDUCATION - FEDERAL PROGRAMS.
15	There is hereby appropriated, to the Department of Higher Education, to be
16	payable from the federal funds as designated by the Chief Fiscal Officer of
17	the State, for personal services and operating expenses of the Department of
18	Higher Education - Technical Education - Federal Programs for the fiscal year
19 20	ending June 30, 2014, the following:
19 20 21	ending June 30, 2014, the following:  ITEM  FISCAL YEAR
20	
20 21	ITEM FISCAL YEAR
20 21 22	ITEM       FISCAL YEAR         NO.       2013-2014
20 21 22 23	ITEM       FISCAL YEAR         NO.       2013-2014         (01) REGULAR SALARIES       \$140,477
20 21 22 23 24	ITEM         FISCAL YEAR           NO.         2013-2014           (01) REGULAR SALARIES         \$140,477           (02) PERSONAL SERVICES MATCHING         40,674
<ul><li>20</li><li>21</li><li>22</li><li>23</li><li>24</li><li>25</li></ul>	ITEM       FISCAL YEAR         NO.       2013-2014         (01) REGULAR SALARIES       \$140,477         (02) PERSONAL SERVICES MATCHING       40,674         (03) MAINT. & GEN. OPERATION
20 21 22 23 24 25 26	TIEM
20 21 22 23 24 25 26 27	TIEM
20 21 22 23 24 25 26 27 28	ITEM
20 21 22 23 24 25 26 27 28 29	TIEM
20 21 22 23 24 25 26 27 28 29 30	TIEM
20 21 22 23 24 25 26 27 28 29 30 31	TIEM
20 21 22 23 24 25 26 27 28 29 30 31 32	ITEM       FISCAL YEAR         NO.       2013-2014         (01)       REGULAR SALARIES       \$140,477         (02)       PERSONAL SERVICES MATCHING       40,674         (03)       MAINT. & GEN. OPERATION       120,000         (A)       OPER. EXPENSE       120,000         (B)       CONF. & TRAVEL       20,000         (C)       PROF. FEES       120,000         (D)       CAP. OUTLAY       0         (E)       DATA PROC.       0         TOTAL AMOUNT APPROPRIATED       \$441,151
20 21 22 23 24 25 26 27 28 29 30 31 32 33	TITEM

1	Improving Teacher Quality Program for the fiscal year ending June 30, 2014,	
2	the following:	
3		
4	ITEM FISCAL YEAR	
5	NO. 2013-2014	
6	(01) MAINT. & GEN. OPERATION	
7	(A) OPER. EXPENSE \$26,856	
8	(B) CONF. & TRAVEL 13,000	
9	(C) PROF. FEES 8,000	
10	(D) CAP. OUTLAY	
11	(E) DATA PROC.	
12	(02) IMPROVING TEACHER QUALITY GRANTS/AID 1,517,402	
13	TOTAL AMOUNT APPROPRIATED \$1,565,258	
14		
15	SECTION 8. APPROPRIATION - RESEARCH DEVELOPMENT PROGRAM. There is	
16	hereby appropriated, to the Department of Higher Education, to be payable	
17	from the Higher Education Research Development Fund, for providing Arkansas	
18	Research Development Program Grants to Institutions of Higher Education by	
19	the Department of Higher Education for the fiscal year ending June 30, 2014,	
20	the following:	
20 21	the following:	
	ITEM FISCAL YEAR	
21		
21 22	ITEM FISCAL YEAR	
21 22 23	ITEM       FISCAL YEAR         NO.       2013-2014	
21 22 23 24	ITEM FISCAL YEAR NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM	
<ul><li>21</li><li>22</li><li>23</li><li>24</li><li>25</li></ul>	ITEM FISCAL YEAR NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM	3
<ul><li>21</li><li>22</li><li>23</li><li>24</li><li>25</li><li>26</li></ul>	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000	3
21 22 23 24 25 26 27	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000  SECTION 9. APPROPRIATION - HEALTH EDUCATION GRANTS AND LOANS. There is	3
21 22 23 24 25 26 27 28	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000  SECTION 9. APPROPRIATION - HEALTH EDUCATION GRANTS AND LOANS. There is hereby appropriated, to the Department of Higher Education, to be payable	5
21 22 23 24 25 26 27 28 29	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000  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	75
21 22 23 24 25 26 27 28 29 30	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000  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	5
21 22 23 24 25 26 27 28 29 30 31	TITEM  NO.  2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS  SECTION 9. APPROPRIATION - HEALTH EDUCATION GRANTS AND LOANS. There is thereby 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,	3
21 22 23 24 25 26 27 28 29 30 31 32	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS \$5,000,000  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	3
21 22 23 24 25 26 27 28 29 30 31 32 33	ITEM FISCAL YEAR  NO. 2013-2014  (01) RESEARCH AND DEVELOPMENT PROGRAM  GRANTS\$5,000,000  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	5

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	(80)	OPTOMETRY AID - LOANS	140,000
10	(09)	VETERINARY MED. LOAN FORGIVENESS	
11		PROGRAM	120,000
12		TOTAL AMOUNT APPROPRIATED	<u>\$5,511,670</u>
13			

1: 14

15

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17

SECTION 10. APPROPRIATION - CASH. 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 for the fiscal year ending June 30, 2014, the following:

18 19 20

ITEM

-		
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	5,000
30	TOTAL AMOUNT APPROPRIATED	\$1,695,000

31 32

33

34

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36

SECTION 11. APPROPRIATION - TANF PROGRAM - 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 personal services and operating expenses of the Department of Higher Education - TANF Program - Federal for the fiscal year ending June 30, 2014,

FISCAL YEAR

1	the following:	
2		
3	ITEM	FISCAL YEAR
4	NO.	2013-2014
5	(01) REGULAR SALARIES	\$346,958
6	(02) EXTRA HELP	15,000
7	(03) PERSONAL SERVICES MATCHING	101,915
8	(04) MAINT. & GEN. OPERATION	
9	(A) OPER. EXPENSE	90,000
10	(B) CONF. & TRAVEL	25,000
11	(C) PROF. FEES	30,000
12	(D) CAP. OUTLAY	0
13	(E) DATA PROC.	0
14	(05) SELF SUFFICIENCY/JOB TRAINING GRANTS	10,375,000
15	TOTAL AMOUNT APPROPRIATED	\$10,983,873
16		
17	SECTION 12. APPROPRIATION - COLLEGE ACCESS CHALLENG	E GRANT. There is
18	hereby appropriated, to the Department of Higher Education	n, to be payable
19	from the federal funds as designated by the Chief Fiscal	Officer of the
20	State, for operating expenses of the Department of Higher	Education - College
21	Access Challenge Grant Program - Federal for the fiscal y	ear ending June 30,
22	2014, the following:	
23		
24	ITEM	FISCAL YEAR
25	NO.	2013-2014
26	(01) MAINT. & GEN. OPERATION	
27	(A) OPER. EXPENSE	\$1,215,000
28	(B) CONF. & TRAVEL	55,000
29	(C) PROF. FEES	1,700,000
30	(D) CAP. OUTLAY	30,000
31	(E) DATA PROC.	0
32	TOTAL AMOUNT APPROPRIATED	\$3,000,000
33		
34	SECTION 13. APPROPRIATION - WEB BASED APPLICATIONS.	There is hereby
35	appropriated, to the Department of Higher Education, to b	e payable from the
36	Higher Education Grants Fund Account, for personal service	es and operating

1	expenses associated with web based applications of the Depa	rtment of Higher
2	Education for the fiscal year ending June 30, 2014, the fol	lowing:
3		
4	ITEM	FISCAL YEAR
5	NO.	2013-2014
6	(01) WEB BASED APPLICATIONS PERSONAL	
7	SERVICES AND OPERATING EXPENSES	\$1,300,000
8 9	SECTION 14. APPROPRIATION - SCHOLARSHIP ADMINISTRATIO	N. There is
10	hereby appropriated, to the Department of Higher Education,	to be payable
11	from the Higher Education Grants Fund Account, for personal	
12	operating expenses of the Department of Higher Education -	
13	Administration for the fiscal year ending June 30, 2014, th	<del>-</del>
14		_
15	ITEM	FISCAL YEAR
16	NO.	2013-2014
17	(01) REGULAR SALARIES	\$328,864
18	(02) EXTRA HELP	30,000
19	(03) PERSONAL SERVICES MATCHING	108,940
20	(04) MAINT. & GEN. OPERATION	
21	(A) OPER. EXPENSE	165,000
22	(B) CONF. & TRAVEL	0
23	(C) PROF. FEES	400,000
24	(D) CAP. OUTLAY	35,000
25	(E) DATA PROC.	0
26	TOTAL AMOUNT APPROPRIATED	<u>\$1,067,804</u>
27		
28	SECTION 15. APPROPRIATION - COMPLETE COLLEGE AMERICA	GRANT PROGRAM.
29	There is hereby appropriated, to the Department of Higher E	ducation, to be
30	payable from the cash fund deposited in the State Treasury	as determined by
31	the Chief Fiscal Officer of the State, for operating expens	es of the
32	Department of Higher Education - Complete College America G	rant Program for
33	the fiscal year ending June 30, 2014, the following:	
34		
35	ITEM	FISCAL YEAR
36	NO.	2013-2014

1	(01) MAINT. & GEN. OPERATION
2	(A) OPER. EXPENSE \$100,000
3	(B) CONF. & TRAVEL 0
4	(C) PROF. FEES 100,000
5	(D) CAP. OUTLAY
6	(E) DATA PROC.
7	(02) COMPLETE COLLEGE AMERICA GRANTS800,000
8	TOTAL AMOUNT APPROPRIATED \$1,000,000
9	
10	SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
11	CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EMERGENCY
12	GRANTS & EXTRA HELP POOL. An Institution of higher education that suffers an
13	emergency/disaster event resulting in all or a significant portion of campus
14	operations being interrupted, may request disaster assistance through the
15	Arkansas Department of Higher Education. Upon the declaration of an
16	emergency by the Governor, the institution may request, subject to the
17	recommendation of the Director of the Department of Higher Education and
18	approval of the Governor, a grant from the Disaster Relief Fund to assist in
19	returning that campus to operation and/or to a sister campus providing
20	services to the students from the affected campus. Certified law enforcement
21	officers employed by an institution of higher education may be granted
22	jurisdiction at the sister institution, upon agreement of both institutions.
23	The Department of Higher Education is authorized a pool of 500 extra help
24	positions for use in such emergency situations. These positions may be
25	assigned to the campus suffering the disaster event or to a sister campus
26	providing services to the students from the affected campus. The Governor
27	may waive the $1,500$ hour limit of ACA $6-63-314$ on these assigned extra help
28	pool positions.
29	The provisions of this section shall be in effect only from July $1, -2012$
30	<u>2013</u> through June 30, <u>2013</u> <u>2014</u> .
31	
32	SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
33	CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
34	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

- l 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
- ll 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 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

2013 through June 30, 2013 2014.

1

SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS. In 3 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 15

SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 16 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 are determined by law, then the actual amount of support from the Work Force 30 31 2000 Development Fund in the preceding fiscal year for such educational institution shall be made available irrespective of any other provision of 32 law which sets out maximum levels of support from such fund. 33 34 The provisions of this section shall be in effect only from July 1,  $\frac{2012}{1}$ 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 MAINTENANCE FUND. After the sum of \$13,200,000 has been deposited into the 3 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 scholarships funded by the Higher Education Grants Fund Account as authorized 13 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,-201219 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

development of projects at State Institutions of Higher Education and the

- l 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  $1, \frac{2012}{}$
- 16 2013 through June 30, 2013 2014.

- 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 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

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

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

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- 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.
- The provisions of this section shall be in effect only from July 1, 2012
- 23 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

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- 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,  $\frac{2012}{1}$
- 33 2013 through June 30, 2013 2014.

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

- 1 FOR SALARY INCREASES. New funding through the Revenue Stabilization Act
- 2 determined by the Arkansas Department of Higher Education to have been for
- 3 salary increases for the fiscal year for Institutions of Higher Education
- 4 shall be used exclusively for salary increases. New funding actually received
- 5 for salary increases shall be spent exclusively for salary increases based
- 6 upon the state general revenue portion of total unrestricted educational and
- 7 general revenue. Funding received under this provision shall be used for no
- 8 purpose other than to provide such salary increases. Any designated funds not
- 9 used for salary increases shall be recouped at the end of each fiscal year
- 10 and transferred to the General Revenue Allotment Reserve Fund.
- 11 The provisions of this section shall be in effect only from July 1,  $\frac{2012}{}$
- 12 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

- 14 SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DHE
- 16 PROGRAM COORDINATOR FUNDING. The Chief Fiscal Officer of the State shall
- 17 transfer sufficient funding for the fiscal year from the Higher Education
- 18 Grants Fund Account to the Department of Higher Education Fund Account in
- 19 order to finance the personal services costs of a DHE Program Coordinator.
- 20 The provisions of this section shall be in effect only from July  $1, \frac{2012}{}$
- 21 2013 through June 30, 2013 2014.

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

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items.

- 1 Challenge Scholarships shall not be applicable to transfers between 2 Governor's Scholars and Academic Challenge Scholarship appropriations. 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 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 7 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER OF HIGHER EDUCATION GRANTS FUND APPROPRIATIONS - HEALTH EDUCATION GRANTS AND 8 9 LOANS. Upon certification to and with the approval of the Chief Fiscal 10 Officer of the State, surplus funds and appropriations may be transferred 11 between the appropriations provided for "Health Education Grants and Loans" 12 by this Act by the General Assembly for Dental Aid Grants and Loans, 13 Optometry Aid, Veterinary Aid, Podiatry Aid, Chiropractic Aid and Osteopathy 14 Aid. 15 The provisions of this section shall be in effect only from July 1,-201216 2013 through June 30, 2013 2014. 17 SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 18 19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CONTINGENCY APPROPRIATIONS - TRANSFERS AND REPORTS. (a) Upon approval by 20 21 the Department of Higher Education and the Chief Fiscal Officer of the State, 22 institutions of higher education may transfer appropriation from the cash 23 contingency appropriation to any other appropriation made to the institution 24 from cash funds including the establishment of commitment items, and may 25 transfer appropriation from the contingency appropriation made payable from 26 each institution's State Treasury Fund to the state operations appropriation 27 made payable from each institution's State Treasury Fund including the 28 establishment of commitment items, and may transfer appropriation from the 29 contingency appropriation made payable from the Tobacco Settlement Program 30 Fund Accounts to any other appropriation made to the institution from Tobacco
  - (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.

Settlement Program Fund Accounts including the establishment of commitment

1 (c) The Department of Higher Education shall report contingency 2 appropriation transfers and the establishment of any commitment items authorized by this Section to the Legislative Council or Joint Budget 3 4 Committee for review during its July meeting. The report shall include, by 5 institution, the establishment of, and the amounts transferred to, each 6 commitment item, the reasons therefor and the source of funds. Institutions 7 shall submit contingency appropriation transfer and commitment item 8 establishment requests authorized by this Section to the Department of Higher 9 Education no later than July 1. Upon the failure of an institution to submit 10 the required information by the July 1 deadline, the Department of Higher 11 Education shall immediately notify by written notification the chairpersons 12 of the Legislative Council or Joint Budget Committee. 13 14 SECTION 34. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. 16 UNDERGRADUATE RESEARCH FELLOWSHIP (SURF) PROGRAM. The focus of the Student 17 Undergraduate Research Fellowship (SURF) Program is the continued development 18 of undergraduate academic research efforts at Arkansas colleges and 19 universities. The Arkansas Department of Higher Education shall adopt rules 20 and regulations necessary for the proper administration of the Student 21 Undergraduate Research Fellowship Program. Administrative functions and 22 responsibilities may include, but not necessarily be limited to, the 23 development of eligibility criteria, collection of applications, coordination 24 of student evaluations, distribution of public notices, and funding of grants 25 for academic research purposes. Staff of the Arkansas Department of Higher 26 Education shall administer this program. The Arkansas Department of Higher 27 Education shall be authorized to expense costs associated with the 28 administration of the program, from funds made payable from the Higher 29 Education Grants Fund Account for the Student Undergraduate Research 30 Fellowship Program as authorized in Section 4 of this Act. 31 32 SECTION 35. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. 34

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COOPERATION AGREEMENTS. Any two year institution of Higher Education that has its main <u>campus</u>, <del>or a</del> satellite campus, <u>or center</u> located within a twenty five mile radius of any four year other main campus of an institution of

- 1 higher education shall enter into a written agreement with that four year
- 2 institution which must address duplication of services between the
- 3 institutions.
- 4 The provisions of this section shall be in effect only from July 1, 2012
- 5 2013 through June 30, 2013 2014.

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

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- 15 SECTION 37. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 16 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
- 17 APPROPRIATION TRANSFER PROCEDURES AR GEOGRAPHICAL CRITICAL NEEDS MINORITY
- 18 TEACHER SCHOLARSHIP PROGRAM. The Director of the Arkansas Department of
- 19 Higher Education shall determine the amount available, up to \$200,000 per
- 20 fiscal year, to fund the Arkansas Geographical Critical Needs Minority
- 21 Teacher Scholarships and shall certify to the Chief Fiscal Officer of the
- 22 State and the State Treasurer such amount as is required to be transferred
- 23 from the Higher Education Grants Fund Account. Upon receiving such
- 24 certification, the Chief Fiscal Officer of the State and the State Treasurer
- 25 shall cause to be transferred the necessary funds and appropriation to the
- 26 fund account of the University of Arkansas at Pine Bluff for implementation
- 27 of this program. The University of Arkansas at Pine Bluff may use up to
- 28 twenty percent (20%) of the funds and appropriation for administration of the
- 29 program.
- The provisions of this section shall be in effect only from July 1, 2012
- 31 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

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

- 1 (300) positions to be used to establish additional positions when an
- 2 institution does not have sufficient positions available to meet
- 3 unanticipated enrollment growth, industry training demands, and its mandated
- 4 responsibilities.
- 5 (2) Central pool positions are to be used by the institutions if the
- 6 personnel service needs exceed the number of positions authorized by the
- 7 General Assembly and that were not anticipated at the time of the passage of
- 8 the institution's operating appropriation act.
- 9 (3) No position established under this section may exceed the salary rate of
- 10 the highest maximum annual salary rate or the highest grade level position
- 11 authorized by the General Assembly in the requesting institution's operating
- 12 appropriation act.
- 13 (4) The institution shall provide justification to the Department of Higher
- 14 Education for the need to allocate positions from the central pool.
- 15 (5) Titles shall not be assigned to the institution from the central pool
- 16 until specific positions are requested by the institution, recommended by the
- 17 Department of Higher Education and approved by the Arkansas Legislative
- 18 Council or the Joint Budget Committee.
- 19 (6) If an institution requests any central pool position to be continued
- 20 during the subsequent fiscal year, the position must be requested as a new
- 21 position in the institution's subsequent fiscal year budget request.
- 22 (b) Colleges - (1) The Department of Higher Education shall establish and
- 23 maintain a central pool of two hundred fifty (250) positions to be used to
- 24 establish additional positions when an institution does not have sufficient
- 25 positions available to meet unanticipated enrollment growth, industry
- 26 training demands, and its mandated responsibilities.
- 27 (2) Central pool positions are to be used by the institutions if the
- 28 personnel service needs exceed the number of positions authorized by the
- 29 General Assembly and that were not anticipated at the time of the passage of
- 30 the institution's operating appropriation act.
- 31 (3) No position established under this section may exceed the salary rate of
- 32 the highest maximum annual salary rate or the highest grade level position
- 33 authorized by the General Assembly in the requesting institution's operating
- 34 appropriation act.
- (4) The institution shall provide justification to the Department of Higher 35

36 Education for the need to allocate positions from the central pool.

- 1 (5) Titles shall not be assigned to the institution from the central pool
- 2 until specific positions are requested by the institution, recommended by the
- 3 Department of Higher Education and approved by the Arkansas Legislative
- 4 Council or the Joint Budget Committee.
- 5 (6) If an institution requests any central pool position to be continued
- 6 during the subsequent fiscal year, the position must be requested as a new
- 7 position in the institution's subsequent fiscal year budget request.
- 8 (c) Determining the maximum number of employees and the maximum amount of
- 9 appropriation and general revenue funding for institutions of higher
- 10 education each fiscal year is the prerogative of the General Assembly. This
- 11 is usually accomplished by delineating such maximums in the appropriation
- 12 act(s) for institutions of higher education and the general revenue
- 13 allocations authorized for each fund and fund account by amendment to the
- 14 Revenue Stabilization law. Further, the General Assembly has determined that
- 15 institutions of higher education may operate more efficiently if some
- 16 flexibility is provided to institutions of higher education authorizing broad
- 17 powers under this Section. Therefore, it is both necessary and appropriate
- 18 that the General Assembly maintain oversight by requiring prior approval of
- 19 the Legislative Council or Joint Budget Committee as provided by this
- 20 section. The requirement of approval by the Legislative Council or Joint
- 21 Budget Committee is not a severable part of this section. If the requirement
- 22 of approval by the Legislative Council or Joint Budget Committee is ruled
- 23 unconstitutional by a court of competent jurisdiction, this entire section is
- 24 void.
- 25 The provisions of this section shall be in effect only from July 1, 2012
- 26 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

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

- 35 SECTION 40. SPECIAL LANGUAGE. Arkansas Code Title 6, Chapter 62,
- 36 Section 803, concerning limits on funding of athletic programs, is amended to

- 1 read as follows:
- 2 6-62-803. Limits on funding.
- 3 (a) Beginning in fiscal year 1991-1992, the amount of unrestricted
- 4 educational and general funds for intercollegiate athletic programs at state-
- 5 supported institutions of higher education shall be limited to four hundred
- 6 fifty thousand dollars (\$450,000) at four-year institutions and to fifty-one
- 7 dollars (\$51.00) per full-time equivalent student per year at two-year
- 8 branches of four year institutions and at other two year institutions of
- 9 higher education.
- 10 (b)(1) Beginning in fiscal year 1997-1998, state-supported four-year
- 11 institutions of higher education may use an additional three hundred thousand
- 12 dollars (\$300,000) per fiscal year of unrestricted educational and general
- 13 funds to provide gender equity in intercollegiate athletic programs.
- 14 (2) Two-year branches of the four-year institutions and other two-year
- 15 institutions of higher education may use an additional amount of unrestricted
- 16 educational and general funds for providing gender equity in intercollegiate
- 17 athletic programs in the amount of thirty-four dollars (\$34.00) per full-
- 18 time-equivalent student per year.
- 19 (c)(1) Beginning in fiscal year 2005-2006, the limits on the amount of
- 20 unrestricted educational and general funds for intercollegiate athletic
- 21 programs at state-supported institutions of higher education set forth in
- 22 subsections (a) and (b) of this section shall be adjusted as determined by
- 23 the Department of Higher Education based on the consumer price index.
- 24 (2)(A) For fiscal year 2005-2006, the adjustments shall take into
- 25 account the inflation increases since the figures set forth in subsections
- 26 (a) and (b) of this section were established or last adjusted.
- 27 (B) In subsequent years, the adjustment shall be for the period
- 28 from the last adjustment to the beginning of the relevant fiscal year.
- 29 (a) For the certification required under 6-62-805, the amount allowed to be
- 30 <u>budgeted of unrestricted educational and general funds for intercollegiate</u>
- 31 athletic programs at state-supported institutions of higher education shall
- 32 be limited to an amount established by the Department of Higher Education for
- 33 the fiscal year 2012-2013 or an amount of not more than two and one half
- 34 percent (2.5%) of the actual total unrestricted educational and general
- 35 revenues of the previous fiscal year at institutions of higher education.
- 36 (b) The Department of Higher Education shall annually adjust the allowable

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     transfer based upon the consumer price index.
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           SECTION 41. SPECIAL LANGUAGE. Arkansas Code Title 6, Chapter 62,
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     Subchapter 3 is amended to read as follows:
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     6-62-314. Construction Project Exemption.
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     The following state-supported institutions of higher education shall be
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     exempt as allowed by $19-4-1415(b)(5) for construction projects exceeding
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     five million dollars ($5,000,000) if they have adopted policies and
     procedures in compliance with state law involving the awarding and oversight
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11
     of the contracts for design and construction services:
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           (1) Henderson State University;
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           (2) Southern Arkansas University - Magnolia;
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           (3) University of Central Arkansas;
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           (4) Mid-South Community College;
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           (5) National Park Community College; and
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           (6) Northwest Arkansas Community College; and
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           (7) Rich Mountain Community College.
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           SECTION 42. SPECIAL LANGUAGE. Arkansas Code Title 6, Chapter 61,
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     regarding the Arkansas Higher Education Coordinating Board, is amended by
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     adding a new section:
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     6-61-233. Funding formula implementation - Department of Higher Education.
     The implementation of the funding component of the outcome-centered formula
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     <u>defined in §6-61-224, §6-61-228, and §6-61-229 shall not progress beyond the</u>
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     2014-2015 school year until such time as the Arkansas Department of Higher
     Education determines that all institutions are funded at the minimum standard
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     of equity defined as seventy-five percent (75%) of needed state funding, as
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- determined by the needs-based component of the funding formula models. In any fiscal year that the aggregate general revenue funding forecasted to be available for higher education institutions is less than the amount in the 2012-13 fiscal year, the Arkansas Department of Higher Education will not further implement the funding component until such time as the aggregate general revenue for higher institutions is restored to the 2012-13 fiscal year level. The Arkansas Department of Higher Education shall continue to execute and publish the results of the outcome-centered component to measure the progress of institutions in reaching the broad goals of satisfactory
- 10 progression and graduation of all students enrolled in state-supported

11 <u>institutions of higher education</u>.

SECTION 43. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

SECTION 44. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 45. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2013 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in

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     the event of an extension of the legislative session, the delay in the
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     effective date of this Act beyond July 1, 2013 could work irreparable harm
     upon the proper administration and provision of essential governmental
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     programs. Therefore, an emergency is hereby declared to exist and this Act
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     being necessary for the immediate preservation of the public peace, health
 6
     and safety shall be in full force and effect from and after July 1, 2013.
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 8
                                /s/Joint Budget Committee
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