

**STATE GENERAL REVENUE  
2011 - 2013 BIENNIUM**

| FUND ACCOUNTS                          | CURRENT<br>FY12<br>FORECAST | Governor's             |                         | Republican Caucus      |  | Difference<br>from Governor's<br>Proposed Budget | Impact of<br>Republican Caucus<br>Proposed Budget   |
|--|-----------------------------|------------------------|-------------------------|------------------------|--|--|---|
|  |                             | Proposed<br>Budget     | Difference<br>from FY12 | Proposed<br>Budget     |  |  |   |
| General Education                      | \$1,904,970,389             | \$1,961,576,841        | \$56,606,452            | \$1,961,576,841        |  | \$0  |   |
| State Library                          | 5,672,143                   | 5,672,143              | 0                       | 5,672,143              |  | 0  |   |
| Workforce Education                    | 32,284,224                  | 32,284,224             | 0                       | 32,284,224             |  | 0  |   |
| <b>PUBLIC SCHOOL FUND</b>              | <b>\$1,942,926,756</b>      | <b>\$1,999,533,208</b> | <b>\$56,606,452</b>     | <b>\$1,999,533,208</b> |  | <b>\$0</b>                                       |   |
| <b>GENERAL EDUCATION FUND</b>          |                             |                        |                         |                        |  |  |   |
| Dept. of Education                     | \$15,471,687                | \$15,471,687           | \$0                     | \$15,007,536           |  | (\$464,151)                                      | Reduction would be absorbed through not filling 12 vacant positions that would otherwise be used to implement the Common core Standards roll-out and the new teacher evaluation system.   |
| Educational Facilities Partnership     | 34,828,951                  | 34,828,951             | 0                       | 34,828,951             |  | 0  |   |
| Academic Facilities & Transportation   | 2,492,317                   | 2,492,317              | 0                       | 2,492,317              |  | 0  |   |
| Educational Television                 | 5,075,556                   | 5,075,556              | 0                       | 5,075,556              |  | 0  |   |
| School for the Blind                   | 6,110,288                   | 6,110,288              | 0                       | 6,110,288              |  | 0  |   |
| School for the Deaf                    | 10,457,470                  | 10,457,470             | 0                       | 10,457,470             |  | 0  |   |
| State Library                          | 3,345,374                   | 3,345,374              | 0                       | 3,345,374              |  | 0  |   |
| Dept. of Career Education              | 3,341,028                   | 3,341,028              | 0                       | 3,341,028              |  | 0  |   |
| Rehabilitation Services                | 12,953,772                  | 12,953,772             | 0                       | 12,953,772             |  | 0  |   |
| <b>Subtotal - General Education</b>    | <b>\$94,076,443</b>         | <b>\$94,076,443</b>    | <b>\$0</b>              | <b>\$93,612,292</b>    |  | <b>(\$464,151)</b>                               |   |
| <b>Technical Institutes:</b>           |                             |                        |                         |                        |  |  |   |
| Crowley's Ridge TI                     | \$2,498,384                 | \$2,498,384            | \$0                     | \$2,498,384            |  | \$0  |   |
| Northwest TI                           | 2,908,129                   | 2,908,129              | 0                       | 2,908,129              |  | 0  |   |
| Riverside VTS                          | 2,226,907                   | 2,226,907              | 0                       | 2,226,907              |  | 0  |   |
| <b>Subtotal - Technical Institutes</b> | <b>\$7,633,420</b>          | <b>\$7,633,420</b>     | <b>\$0</b>              | <b>\$7,633,420</b>     |  | <b>\$0</b>                                       |   |
| <b>TOTAL GENERAL ED. FUND</b>          | <b>\$101,709,864</b>        | <b>\$101,709,863</b>   | <b>\$0</b>              | <b>\$101,245,712</b>   |  | <b>(\$464,151)</b>                               |   |
| <b>HUMAN SERVICES FUND</b>             |                             |                        |                         |                        |  |  |   |
| DHS-Administration                     | \$15,637,721                | \$15,637,721           | \$0                     | 15,168,589             |  | (\$469,132)                                      | Possible RIF of 39 employees, elimination of Department Security software, reduced travel.  |
| Aging and Adult Services               | 17,391,126                  | 17,391,126             | 0                       | 17,391,126             |  | 0  |   |
| Children & Family Services             | 49,511,800                  | 49,511,800             | 0                       | 49,511,800             |  | 0  |   |
| Child Care/Early Childhood Ed.         | 563,454                     | 563,454                | 0                       | 563,454                |  | 0  |   |
| Youth Services                         | 48,255,346                  | 48,255,346             | 0                       | 48,255,346             |  | 0  |   |
| Devel. Disab. Services                 | 61,773,664                  | 61,773,664             | 0                       | 61,773,664             |  | 0  |   |
| Medical Services                       | 4,958,217                   | 4,958,217              | 0                       | 4,958,217              |  | 0  |   |
| DHS-Grants                             | 691,627,767                 | 805,960,522            | 114,332,755             | 791,627,767            |  | (14,332,755)                                     | Option 1: across the board rate cuts of 2.5% for a total saving estimated at \$86.6 million. Option 2: eliminate Non-Mandatory (optional) programs for a total saving estimated at \$71 million.  |
| Behavioral Health                      | 75,577,870                  | 78,502,870             | 2,925,000               | 78,502,870             |  | 0  |   |
| Services for the Blind                 | 1,880,943                   | 1,880,943              | 0                       | 1,880,943              |  | 0  |   |
| County Operations                      | 47,191,028                  | 47,191,028             | 0                       | 47,191,028             |  | 0  |   |
| <b>TOTAL HUMAN SERVICES</b>            | <b>\$1,014,368,936</b>      | <b>\$1,131,626,691</b> | <b>\$117,257,755</b>    | <b>\$1,116,824,804</b> |  | <b>(\$14,801,887)</b>                            |   |
| <b>STATE GENERAL GOV'T FUND</b>        |                             |                        |                         |                        |  |  |   |
| Dept. of Ark. Heritage                 | \$6,203,610                 | \$6,203,610            | \$0                     | 6,017,502              |  | (\$186,108)                                      | Each DAH agency identified that they would take different measures to the potential 3% budget reductions. While DAH will continue to offer quality programs and services each agency will make adjustments in their budgets in different ways. DAH agencies will continue to remain open and provide services; however there still remains the potential of decreased grant funding, furloughs, RIFS, position eliminations (through staff turnover), limited or delayed hiring, reconsideration of office space needs and limited access to publically accessible agency properties. |
| Department of Agriculture              | 15,851,863                  | \$15,851,863           | 0                       | 15,376,307             |  | (475,556)  | In addition to the potential need for general revenue operating funds within all Department of Agriculture agencies due to the recent Federal budget reductions, the 3% GR reduction will directly impact the number of the 15 firefighters that AFC could retain resulting in a RIF.   |
| Dept. of Labor                         | 3,005,407                   | 3,005,407              | 0                       | 2,915,245              |  | (90,162)   | The reduction can be handled by the combination of not filling one vacant GR position and moving one position to a federally funded appropriation, salary savings and absorbing the remaining in M&O items.   |

|   |                      |                      |                       |                      |                      |   |
|---|----------------------|----------------------|-----------------------|----------------------|----------------------|---|
| Dept. of Higher Education   | 3,100,000            | 3,291,808            | 191,808               | 3,007,000            | (284,808)            | Current & previously advertised positions will be unable to be filled due to the reduction; the new Student Information System will be delayed or suspended until funding can be found; sponsorship and staffing for all student workshops, professional development and college and university reviews would be further reduced; janitorial service reduced from 5 days to 3 days. |
| Dept. of H.E.-Grants  | 34,491,806           | 34,491,806           | 0                     | 34,491,806           | 0                    |   |
| Dept. of Economic Development                                     | 10,311,798           | 10,311,798           | 0                     | 10,002,444           | (309,354)            | Reduction would be reached by not filling 4 recently vacated positions representing 16% of the Community Development Staff, 25% of the Business Development Staff, and 9% of Business Retention and Expansion Staff. Also needed would be a 58% cut in operational costs for Business Retention, Expansion, and Business Development.   |
| Dept. of Correction   | 296,737,360          | 298,842,000          | 2,104,640             | 298,842,000          | 0                    |   |
| Dept. of Community Correction                                     | 70,484,604           | 69,975,623           | (508,981)             | 70,484,604           | 508,981              | Increase of \$508,981 would be used towards increased cost for utilities, food and fuel costs at facilities.  |
| State Military Department   | 9,278,101            | 9,466,483            | 188,382               | 9,466,483            | 0                    |   |
| Dept. of Parks & Tourism  | 22,607,437           | 22,607,437           | 0                     | 21,929,214           | (678,223)            | The tourism share of the reduction would come from advertising budget which is a crucial portion of the tourism operation. Parks would take the reduction in the form of adjusted operating hours at state parks or RIF's of current employees.   |
| Dept. of Environmental Quality                                    | 4,210,633            | 4,210,633            | 0                     | 4,084,314            | (126,319)            | Operating expenses in various programs would be reduced; however the reduction would not jeopardize the program's ability to meet its statutory and regulatory obligations.   |
| Miscellaneous Agencies  | 57,905,113           | 56,788,049           | (1,117,064)           | 55,084,408           | (1,703,641)          |   |
| <b>TOTAL STATE GENERAL GOV'T</b>                                  | <b>\$534,187,732</b> | <b>\$535,046,517</b> | <b>\$858,785</b>      | <b>\$531,701,327</b> | <b>(\$3,345,190)</b> |   |
| <b>OTHER FUNDS</b>  |                      |                      |                       |                      |                      |   |
| County Aid  | \$19,645,067         | \$19,645,067         | \$0                   | 19,645,067           | \$0                  |   |
| County Jail Reimbursement   | 9,453,607            | 9,453,607            | 0                     | 9,453,607            | 0                    |   |
| Crime Information Center  | 3,806,833            | 3,681,833            | (125,000)             | 3,681,833            | 0                    |   |
| Child Support Enforcement   | 12,951,328           | 12,951,328           | 0                     | 12,951,328           | 0                    |   |
| Dept. of Health   | 90,975,276           | 90,838,467           | (136,809)             | 88,113,313           | (2,725,154)          | 88% of ADH's general revenue is expended for personnel costs and a decrease in general revenue will require a reduction in force in personnel across the state, including the county local health units.  |
| Merit Adjustment Fund   | 15,000,000           | 0                    | (15,000,000)          | 0                    | 0                    |   |
| Motor Vehicle Acquisition   | 0                    | 0                    | 0                     | 0                    | 0                    |   |
| Municipal Aid   | 27,372,099           | 27,372,099           | 0                     | 27,372,099           | 0                    |   |
| State Police  | 61,905,577           | 62,293,971           | 388,394               | 62,293,971           | 0                    |   |
| Dept. of Workforce Services-TANF                                  | 3,775,642            | 3,775,642            | 0                     | 3,775,642            | 0                    |   |
| <b>TOTAL OTHER FUNDS</b>  | <b>\$244,885,429</b> | <b>\$230,012,014</b> | <b>(\$14,873,415)</b> | <b>\$227,286,860</b> | <b>(\$2,725,154)</b> |   |
| <b>INSTITUTIONS OF HIGHER EDUCATION - Four Year Institutions:</b> |                      |                      |                       |                      |                      |   |
| Arkansas State University   | \$56,158,938         | \$56,856,765         | \$697,827             | 56,856,766           | \$0                  |   |
| Arkansas Tech University  | 31,361,139           | 31,535,222           | 174,083               | 31,535,223           | 0                    |   |
| Henderson State University  | 18,713,847           | 18,713,847           | 0                     | 18,713,847           | 0                    |   |
| Southern Arkansas University                                      | 15,449,575           | 15,449,575           | 0                     | 15,449,575           | 0                    |   |
| UA-Fayetteville   | 115,924,500          | 116,761,613          | 837,113               | 116,761,613          | 0                    |   |
| UA - Archeological Survey   | 2,327,380            | 2,327,380            | 0                     | 2,327,380            | 0                    |   |
| UA - Agriculture  | 62,800,138           | 62,800,138           | 0                     | 62,800,138           | 0                    |   |
| UA - Clinton School   | 2,295,575            | 2,295,575            | 0                     | 2,295,575            | 0                    |   |
| UA - Criminal Justice Institute                                   | 1,825,769            | 1,825,769            | 0                     | 1,825,769            | 0                    |   |
| UA - AR Sch. Math, Science, & Arts                                | 1,113,015            | 1,113,015            | 0                     | 1,113,015            | (0)                  |   |
| U of A - Ft. Smith  | 20,115,961           | 20,245,166           | 129,205               | 20,245,166           | (0)                  |   |
| UA-Little Rock  | 59,758,439           | 59,841,915           | 83,476                | 59,841,915           | 0                    |   |
| UA-Medical Sciences   | 97,716,239           | 98,341,661           | 625,422               | 98,341,661           | 0                    |   |
| UAMS - Child Safety Center  | 720,588              | 720,588              | 0                     | 720,588              | (0)                  |   |
| UAMS - Indigent Care  | 5,342,181            | 5,342,181            | 0                     | 5,342,181            | (0)                  |   |
| UA-Monticello   | 15,832,510           | 15,832,510           | 0                     | 15,832,510           | 0                    |   |
| UA-Pine Bluff   | 25,229,737           | 25,229,737           | 0                     | 25,229,737           | 0                    |   |
| University of Central Arkansas                                    | 51,972,375           | 52,284,021           | 311,646               | 52,284,021           | 0                    |   |
| <b>Subtotal - 4 Year Institutions</b>                             | <b>\$584,657,907</b> | <b>\$587,516,680</b> | <b>\$2,858,773</b>    | <b>\$587,516,680</b> | <b>\$0</b>           |   |
| <b>INSTITUTIONS OF HIGHER EDUCATION - Two Year Institutions:</b>  |                      |                      |                       |                      |                      |   |
| Arkansas Northeastern College                                     | \$8,577,052          | \$8,577,052          | \$0                   | 8,577,052            | \$0                  |   |
| Arkansas State University - Beebe                                 | 12,044,916           | 12,044,916           | 0                     | 12,044,916           | 0                    |   |
| Arkansas State Univ.- Mt. Home                                    | 3,555,592            | 3,582,223            | 26,631                | 3,582,223            | 0                    |   |
| Arkansas State Univ. - Newport                                    | 5,992,293            | 5,992,293            | 0                     | 5,992,293            | 0                    |   |

|  |                        |                        |                      |                        |                       |
|--|------------------------|------------------------|----------------------|------------------------|-----------------------|
| Cossatot C C of the UA                                       | 3,327,570              | 3,351,626              | 24,056               | 3,351,626              | 0                     |
| East Arkansas Cmty. College                                  | 5,788,058              | 5,788,058              | 0                    | 5,788,058              | 0                     |
| Mid-South Cmty. College                                      | 3,791,766              | 3,818,117              | 26,351               | 3,818,117              | 0                     |
| National Park Cmty. College                                  | 8,900,298              | 8,943,803              | 43,505               | 8,943,803              | 0                     |
| North Arkansas College                                       | 7,966,091              | 7,966,091              | 0                    | 7,966,091              | 0                     |
| Northwest Arkansas Cmty. College                             | 9,784,051              | 10,084,563             | 300,512              | 10,084,563             | 0                     |
| Phillips Cmty. College of the UA                             | 9,063,088              | 9,063,088              | 0                    | 9,063,088              | 0                     |
| Rich Mountain Cmty. College                                  | 3,201,250              | 3,201,250              | 0                    | 3,201,250              | 0                     |
| Southern Ark. University - Tech                              | 5,611,615              | 5,639,168              | 27,553               | 5,639,168              | 0                     |
| SAU-Tech-Envir. Control Center                               | 368,404                | 368,404                | 0                    | 368,404                | 0                     |
| SAU-Tech-Fire Training Academy                               | 1,651,221              | 1,651,221              | 0                    | 1,651,221              | 0                     |
| South Arkansas Cmty. College                                 | 5,994,316              | 5,994,316              | 0                    | 5,994,316              | 0                     |
| U of A - Cmty. College at Batesville                         | 4,020,646              | 4,050,586              | 29,940               | 4,050,586              | 0                     |
| U of A - Cmty. College at Hope                               | 4,491,997              | 4,491,997              | 0                    | 4,491,997              | (0)                   |
| U of A - Cmty. College at Morrilton                          | 4,735,870              | 4,787,010              | 51,140               | 4,787,010              | (0)                   |
| <b>Subtotal - 2 Year Institutions</b>                        | <b>\$108,866,095</b>   | <b>\$109,395,783</b>   | <b>\$529,688</b>     | <b>\$109,395,782</b>   | <b>\$0</b>            |
| <b>INSTITUTIONS OF HIGHER EDUCATION - Technical Colleges</b> |                        |                        |                      |                        |                       |
| Black River  | \$6,011,126            | \$6,049,404            | \$38,278             | 6,049,404              | \$0                   |
| College of the Ouachitas                                     | 3,506,108              | 3,527,261              | 21,153               | 3,527,261              | 0                     |
| Ozarka College   | 2,959,592              | 2,988,694              | 29,102               | 2,988,694              | 0                     |
| Pulaski  | 14,308,659             | 14,457,088             | 148,429              | 14,457,088             | 0                     |
| Southeast Arkansas College                                   | 5,636,798              | 5,636,798              | 0                    | 5,636,798              | (0)                   |
| <b>Subtotal - Technical Colleges</b>                         | <b>\$32,422,283</b>    | <b>\$32,659,245</b>    | <b>\$236,962</b>     | <b>\$32,659,245</b>    | <b>(\$0)</b>          |
| <b>TOTAL INST'S OF H. E.</b>                                 | <b>\$725,946,284</b>   | <b>\$729,571,707</b>   | <b>3,625,423</b>     | <b>\$729,571,707</b>   | <b>0</b>              |
| <b>Total Request</b>   | <b>\$4,564,025,000</b> | <b>\$4,727,500,000</b> | <b>\$163,475,000</b> | <b>\$4,706,163,618</b> | <b>(\$21,336,382)</b> |

FORECAST  
Act 1115 (17) of 2011

AVAILABLE REVENUE  
Surplus/(Deficit)

prepared by DFA-Office of Budget 1.11.12