

DAH - CENTRAL ADMINISTRATION

Enabling Laws

Act 793 of 2007
A.C.A. §25-3-101 et seq.

History and Organization

Agency Mission Statement

The mission of the Department of Arkansas Heritage (DAH) is to identify Arkansas's heritage and enhance the quality of life by the discovery, preservation, and presentation of the state's cultural, historic and natural resources.

Brief Discussion of Statutory Responsibilities and Primary Activities

The Department of Arkansas Heritage was created in 1975 to combine the state programs and agencies dealing most directly with the preservation of Arkansas's natural and cultural heritage. The Department's seven agencies are each assigned to one of two divisions. The Museums Division is comprised of the Delta Cultural Center, the Historic Arkansas Museum, the Old State House Museum, and the Mosaic Templars Cultural Center. The Heritage Resources Division is comprised of the Arkansas Arts Council, the Arkansas Historic Preservation Program, and the Arkansas Natural Heritage Commission. The operation of the DAH Collection Management Facility was added in 2005.

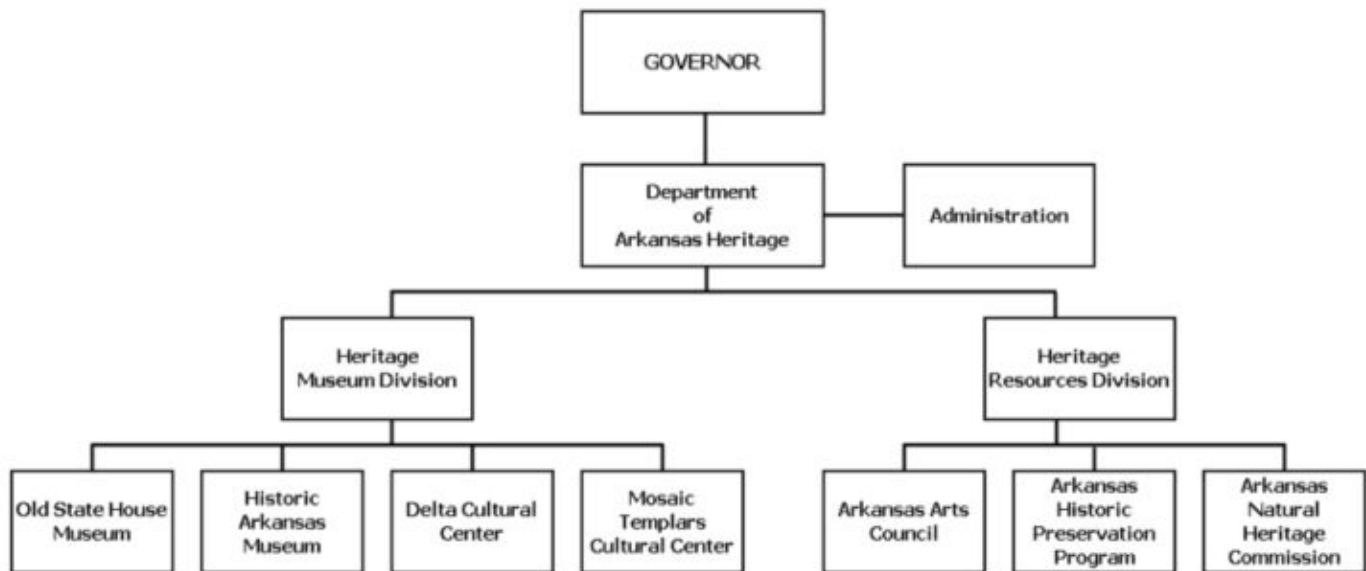
The Department aggressively and successfully seeks federal and private funding to augment its biennial state funding. The DAH director's office coordinates the activities of the Department's two divisions. It administers activities that span the Department, including fiscal and personnel operations, purchasing, public information, and development. In the realm of heritage education, the Department coordinates the education programs of its two divisions and collaborates with the regional educational service cooperatives. Arkansas Heritage Month is a department-wide effort to promote cultural, historic, and natural heritage in local communities around Arkansas.

The Museums Division agencies preserve, present, and interpret historic structures, objects, and cultural assets. They serve as partners in education with public and private schools throughout Arkansas. The Department's four museums are the Old State House Museum (which also manages Trapnall Hall), the Historic Arkansas Museum, the Delta Cultural Center, and the Mosaic Templars Cultural Center. The Historic Arkansas Museum and Old State House Museum are two of the seven museums in Arkansas accredited by the American Association of Museums. In 2005 DAH acquired a 49,000 sq. ft. building for use as a collections storage facility.

The Heritage Resources Division agencies are concerned with the State's natural and cultural resources. The Arkansas Natural Heritage Commission identifies, preserves, and promotes Arkansas's natural resources that are rare, unique, or endangered. The Arkansas Arts Council and the Arkansas Historic Preservation Program identify, preserve, and promote the State's cultural resources while serving as conduits for federal and state grant funds that conserve or develop these resources.

Advisory Board or Commission

Commissions govern or advise each of the seven DAH agencies. In the following pages each agency describes the nature of its commission or advisory board.



Agency Commentary

The Department's mission is to identify Arkansas's heritage and enhance the quality of life for citizens and visitors by the discovery, preservation, and presentation of the State's natural, cultural, and historic resources. The Department of Arkansas Heritage (DAH) was created to be responsive to the cultural needs of the people of Arkansas and sufficiently flexible to meet changing conditions.

The Department currently maintains: 22 historic structures, approximately 70,000 artifacts in the 4 museum collections, a collections storage facility, and over 33,000 acres (64 sites) of natural areas. Current General Revenue covers only part of basic operations such as utilities, office rent, telephones, and maintenance.

Nine percent of the annual proceeds from the Conservation Tax are dedicated to DAH to provide additional programs and to supplement - not replace - general revenue funding for basic operating expenses. With these additional funds, DAH historic sites, museums, arts programs, natural areas, public education programs, and public outreach initiatives are maintained and available to the public. DAH's commitment to the voters was to use these proceeds to fund improvements to and adequately care for historic structures, artifacts in museum collections, natural areas held in trust for Arkansas, to encourage the arts, to keep historical information, and to expand knowledge of Arkansas's unique heritage from prehistoric times to the present.

Proceeds from the Real Estate Transfer Tax granted by the Arkansas Natural and Cultural Resources Council, have been dedicated to preserve state-owned natural areas, historic sites, historical objects and parks. The Natural and Cultural Resources Council awards grants from these proceeds. DAH utilizes these grant awards to restore and maintain historic structures, purchase priceless pieces of Arkansas history to protect and preserve, conserve those pieces within the collections of the 4 DAH museums, preserve and protect natural areas, purchase additional natural areas in danger of being destroyed, and provide heritage programs across the State. As more state agencies compete for these grants, fewer dollars can be allocated to individual competitors, including DAH. In May of 2008, twenty-two state

applicants requested in excess of \$52 million in grants; the awards totaled \$24,709,000. The demand for money far exceeds the amount available for funding.

Each DAH agency accesses federal and private funding, where available, to maximize efforts to satisfy conservation and preservation needs and to meet specific program goals. Cash funds are generated by sales in gift shops, fees for participation in agency programs, such as research services by staff, and donations by private citizens and non-profit organizations.

As the foregoing paragraphs demonstrate, DAH works hard to supplement our state funding, as competition for state dollars increases. DAH appreciates the difficult position decision makers face in the allocation of limited state funds. Therefore, our requests for additional or replacement general revenue is limited to those items that are basic to the operations of the agencies and do not meet the criteria or mandates that created the special funding streams.

Basic Operations

The Department is requesting increases to address needs for increased rent (at the recommendation of Arkansas Building Authority), utilities including telephone charges, vehicle insurance, building and contents insurance, mechanical and security equipment maintenance, postage, office supplies, and travel costs for Council members, grant panelists, and staff.

These increases in operations are for the Department of Arkansas Heritage to continue to provide basic services to the citizens of Arkansas.

Mosaic Templars Cultural Center

Grant money has been used to rebuild the building to house the museum due to the loss of the property because of a tragic fire in March 2005. At present, there are 6 full-time positions and a small operations budget. The museum will open on September 20, 2008.

The Agency request is to restore five positions that are needed to operate the Mosaic Templars Cultural Center. These positions were authorized in the previous biennium but were not funded. These positions will be used as needed throughout the museum to operate and be open to the public 6 ½ days each week instead of the 5 days currently permitted with a reduced staff and budget. Basic operations, programming, collections management, and facility maintenance are essential to successful full time operations of this museum.

The Agency is also requesting an additional Administrative Specialist III position that will provide much needed staff support for administrative and program staff.

Increases in extra help salaries and basic operating expenses including conference fees and travel and equipment purchases are also necessary to fulfill the mission of this new museum.

Arkansas Arts Council Funding

The Arts Council is requesting an increase in appropriation and funding to restore grants to raise Arkansas's state arts funding from the FY08 level of \$0.55 per capita (47th in the nation) to the national average of \$1.26 per capita. This will allow the Arts Council to accomplish its objective of providing financial resources to individuals and organizations involved in the production of arts-

related programming. These grants fund arts education programs in schools, assist community organizations with operating and program costs, and assist in the provision of cultural programs in rural and underserved areas throughout the State and will increase the Arts Council's investment in local arts organizations and the statewide Folk Art program. The additional Arts in Education funding will expand artist residencies in schools and after school/summer programs.

Staffing: (New Positions):

The department is requesting 10 new positions: eight positions to be funded from General Revenue and two to be funded from Real Estate Transfer Tax proceeds. The requests are more specifically defined as follows:

Delta Cultural Center - Maintenance Assistant & Administrative Specialist III. The DCC's maintenance staff of 3.5 is stretched thin with 7 buildings and structures to take care of. It is the DCC's plan to increase the maintenance staff to relieve the strain on the current staff. It is part of its mission to be good stewards of state property and to be proactive in the approach to its maintenance. Adding an Administrative Specialist II would assist the agency in the accurate & efficient flow of paperwork and office management. It would allow the agency to separate duties of accounting and basic office operations as mentioned in the most recent legislative audit. We recognize the importance of segregation of duties, but this is not possible without adequate staffing.

Mosaic Templars Cultural Center - Administrative Specialist III. As mentioned above, additional staff support is needed for this museum. The MTCC is scheduled to open in September 2008 with exhibits, education programs, and special events. Additional staff support is needed to assist with rotating work schedules, providing clerical support, and back up support to fiscal operations.

Old State House Museum - DAH Program Manager. This new position will fulfill the agency's statewide educational and preservation mission. This staff person will coordinate the activities of the Arkansas Civil War Sesquicentennial Commission through the year 2014. It will provide much needed technical assistance statewide to museums, archives, historical societies, etc., regarding exhibit and conservation techniques, archival storage, policy development and fundraising. The position will manage the extensive OSH website, oversee original research for exhibits, brochures and programs, and make public presentations statewide on topics on Arkansas history.

Natural Heritage Commission - Biologist Specialist and DAH Program Coordinator. Recognized and respected for its scientific data on rare species, plant communities, and biodiversity, the ANHC Research Section is a major contributor toward protection of the environment in times of economic development. As more land is preserved, the need for inventory and data management will increase in order to maintain the public use facilities for Arkansans. The System encompasses 297 miles of exterior boundary lines (before adding Moro Big Pine Natural Area WMA)

that must be painted, posted, and sometimes fenced. We have 40 designated parking areas and a number of visitor-friendly trails to maintain. Stewardship activities also incorporate decisive conservation measures such as: prescribed fire application on a regular basis, invasive species (kudzu, honeysuckle, tallow tree, privet, etc) removal, and other site-specific on-the-grounds work.

Historic Arkansas Museum - Museum Curator and Administrative Specialist II. The Curator position will develop long range plans for the enhancement of the museum's priceless collection of Arkansas-related objects, recommending acquisition policies, contacting potential donors, collecting for the museum through gift and purchase, and directing related research. The position will supervise the management of the museum's collection by developing policy and procedures for the storage, care and research on the valuable museum collection, directing the care by managing staff, volunteers and contractors who work with the collection, planning exhibits, and directing the preparation and dissemination of information and publications on the Arkansas-made collection. The Administrative Specialist II will serve as a crucial part of the museum's education team. The position will serve as a receptionist for the schools, tourists and other visitors who come to visit the museum. The position will organize and maintain the system of deliveries from the museum, to the museum, and within the museum facility. The position will solicit, gather, screen, and organize educational and informational materials for distribution to school groups and other visitors. The position will solicit, gather, screen, and organize educational and informational materials for distribution to school groups and other visitors, and will create and maintain a schedule and calendar of activities, appointments, and deliveries for the museum's front desk.

Historic Preservation Program - Grants Coordinator and Administrative Specialist II (paid from RETT). The Grants Coordinator will coordinate all of our grant programs: Historic Preservation Restoration Grants, County Courthouse Grants, Documentary Media Grants, Main Street Model Business Grants, Slipcover Grants, Downtown Revitalization Grants and Certified Local Government Grants. This position is necessary as the volume of grants given by this agency has continued to increase in the past ten years and can no longer be coordinated by an extra-help position. This year, the AHPP will award 96 grants totaling more than \$2.3 million. The position will facilitate activities with grant review committees, coordinate all awards, monitor progress, evaluate progress, monitor invoices, authorize payments, coordinate with the various program areas on selection, serve as agency liaison with government officials and serve as agency spokesperson on all grant programs. The request for an Administrative Specialist II is for a position to serve as a full-time receptionist and administrative support for the agency. As the programs and services of the AHPP have continued to expand, we need to rely on this position to communicate and provide consistent information to government officials and to the general public.

New Grant Program

The Department of Arkansas Heritage is requesting a new \$250,000 statewide grant program to serve DAH's initiative for preserving and conserving and presenting Arkansas's history while providing a very needed service at the local level. The grants, funded by General Revenue would be available to organized and permanent small nonprofit history museums or historical societies in Arkansas whose primary mission is to research, preserve, present and conserve Arkansas history. The grants can be used for basic operations, research, exhibits, educational programs and conservation projects. A one-to-one match would be required, but it could be cash or in-kind not to exceed a maximum of the possible grant amount of \$10,000.

Other Change Level Requests:

Throughout the department there are various requests to increase budget line items for basic operating costs, professional fees & services, conference fees & travel, extra-help salaries and corresponding matching, purchase for resale (Museum Stores), and land acquisition and related

activities. These requests are from agency cash fund appropriations and/or federal fund appropriations. The needs are specific to each agency's program responsibilities. The requests can be supported with certifications of income.

Land Acquisition -Conservation Tax (Amendment 75):

The request is to increase the base level from \$245,000 to \$300,000. The Land Acquisition Line Item is necessary to secure protection of Arkansas's native plants, ecosystems, and natural communities. The \$300,000 authorization provides state matching funding that is necessary to secure federal grants and/or pays for additions to the System of Natural Areas that do not qualify for federal grant funds.

Information Technology

The department's IT requests will be addressed in the IT Plan submitted to DFA - Office of State Technology Planning. The requests include an increase in Extra-Help Salaries and corresponding Matching to provide staff support to the department's Systems Coordinator. Other increases include Professional Fees & Services for the contract for web services and Capital Outlay for anticipated replacement of data backup systems, software licenses, and other DP supplies.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF ARKANSAS HERITAGE
 FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
<p>The Central Administration of the Department of Arkansas Heritage (DAH) maintains control over and issues prenumbered receipt books with Agency name prominently located on each receipt. The central distribution of receipt books allows DAH to implement controls over revenue receipting. However, administration of the Delta Cultural Center, a department within DAH, purchased a generic receipt book and issued receipts to customers circumventing internal controls and increasing the risk of misappropriation of cash.</p>	<p>Management of the Delta Cultural Center improve internal control by discontinuing the use of the generic receipt book and reviewing proper procedures for the receipt of cash with Central Administration personnel.</p>

Employment Summary

	Male	Female	Total	%
White Employees	6	15	21	75 %
Black Employees	1	6	7	25 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			7	25 %
Total Employees			28	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
23E Publications	0	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0
476 Conservation Tax-Amendment 75	4,226,225	10	6,979,284	10	6,959,863	10	6,924,355	10	7,084,359	10	7,034,550	12	6,934,192	10	7,127,051	10	7,039,738	12
482 Director's Office-State Operations	1,165,899	20	1,174,993	20	1,183,493	20	1,270,610	20	1,583,162	20	1,270,610	20	1,295,255	20	1,619,775	20	1,295,255	20
Total	5,392,124	30	8,199,277	30	8,188,356	30	8,239,965	30	8,712,521	30	8,350,160	32	8,274,447	30	8,791,826	30	8,379,993	32

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	4,858,341	43.4	5,796,466	46.6	4,239,472	38.7	4,239,472	37.8	4,239,472	38.9	2,710,171	27.4	2,495,167	24.9	2,544,976	26.1
General Revenue	4000010	1,150,392	10.3	1,165,253	9.4	1,270,610	11.6	1,583,162	14.1	1,270,610	11.7	1,295,255	13.1	1,619,775	16.2	1,295,255	13.3
Non-Revenue Receipts	4000040	815	0.0	25,800	0.2	41,277	0.4	41,277	0.4	41,277	0.4	45,000	0.5	45,000	0.4	45,000	0.5
Merit Adjustment Fund	4000055	0	0.0	9,740	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	14,775	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	(250,000)	(2.2)	0	0.0	(245,000)	(2.2)	(300,000)	(2.7)	(300,000)	(2.8)	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	732	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	8,974	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Rental Income	4000430	112,500	1.0	90,000	0.7	90,000	0.8	90,000	0.8	90,000	0.8	90,000	0.9	90,000	0.9	90,000	0.9
Conservation Tax	4000453	5,292,061	47.3	5,351,490	43.0	5,553,777	50.7	5,553,777	49.6	5,553,777	51.0	5,763,710	58.2	5,763,710	57.6	5,763,710	59.2
Total Funds		11,188,590	100.0	12,438,749	100.0	10,950,136	100.0	11,207,688	100.0	10,895,136	100.0	9,904,136	100.0	10,013,652	100.0	9,738,941	100.0
Excess Appropriation/(Funding)		(5,796,466)		(4,239,472)		(2,710,171)		(2,495,167)		(2,544,976)		(1,629,689)		(1,221,826)		(1,358,948)	
Grand Total		5,392,124		8,199,277		8,239,965		8,712,521		8,350,160		8,274,447		8,791,826		8,379,993	

The FY09 Budget amount in the Conservation Tax – Amendment 75 appropriation exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The Inter-agency Fund Transfer represents a transfer of Conservation Tax Funds to DAH-Natural Heritage Commission (Business Area 0880) for the Biennial Land Acquisition Appropriation.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
30	30	0	30	0	0.00 %	30	30	0	30	0	0.00 %	30	28	2	30	0	6.67 %

Analysis of Budget Request

Appropriation: 2JE - Publications

Funding Sources: MPR - Publications Development and Resale Revolving

This appropriation authorizes the development and/or purchase of publications for resale to the public. Funding for this appropriation includes royalty payments from the sale of books and other printed items. As stated in A.C.A. §19-5-1001, proceeds from the sale of the publications provides income to be used to develop or purchase additional publications for resale to the public.

The Agency requests Base Level appropriation in the amount of \$45,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2JE - Publications

Funding Sources: MPR - Publications Development and Resale Revolving

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Publications for Resale 5900036	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Total	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Funding Sources									
Fund Balance 4000005	22,108	22,923		3,723	3,723	3,723	0	0	0
Non-Revenue Receipts 4000040	815	25,800		41,277	41,277	41,277	45,000	45,000	45,000
Total Funding	22,923	48,723		45,000	45,000	45,000	45,000	45,000	45,000
Excess Appropriation/(Funding)	(22,923)	(3,723)		0	0	0	0	0	0
Grand Total	0	45,000		45,000	45,000	45,000	45,000	45,000	45,000

Analysis of Budget Request

Appropriation: 476 - Conservation Tax-Amendment 75

Funding Sources: SHF - Department of Arkansas Heritage

This appropriation provides for the special revenue funding realized from the additional 1/8th Cent Sales Tax levied by Amendment 75 (A.C.A. §19-6-484). These funds are dedicated to DAH to provide for additional programs and to supplement general revenue funding for basic operating expenses. Other funds primarily include rental income, prior year refunds and Marketing & Redistribution (M&R) proceeds. The Department utilizes this appropriation to fund improvements to and adequately care for historic structures, artifacts in museum collections and natural areas held in trust for Arkansas; to encourage the arts; to keep historical information; and to expand knowledge of Arkansas' unique heritage from prehistoric times to the present.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries includes Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level includes appropriation in the amount of \$6,924,355 in FY10 and \$6,934,192 in FY11 with 10 Regular positions and 29 Extra Help positions.

The Agency requests additional appropriation of \$160,004 in FY10 and \$192,859 in FY11 for the following:

- Extra Help and related matching: Increase of \$13,529 in FY10 and \$14,284 in FY11 for the Director's Office. This technology related request is included in the Agency's IT Plan and will be used for part time staff assigned to the department's IT section that assist full time staff with the installation and maintenance of the department's IT equipment and software.
- Conference and Travel Expenses: Increase of \$13,400 in FY10 and \$15,500 in FY11. This amount includes \$8,400 in FY10 and \$10,500 in FY11 for the Arkansas Arts Council and \$5,000 each year for the Natural Resources Commission. This request will provide for staff professional development and for educational opportunities to maintain staff certifications.
- Professional Fees: Increase of \$83,000 in FY10 and \$113,000 in FY11. This amount includes \$20,000 in FY10 and \$25,000 in FY11 for the Historic Arkansas Museum and \$63,000 in FY10 and \$88,000 in FY11 for the Director's Office. The amount requested for the Director's Office includes a technology related request of \$12,000 in FY2010 and \$37,000 in FY2011 for planned increases in the Agency's contract for web related services. The remaining amount requested will provide for guest presenters and marketing services for the Mosaic Templars Cultural Center and professional services for the museum's educational programs.
- Capital Outlay: Increase of \$25,000 each year for the Director's Office. This amount includes a technology related request of \$10,000 each year of the biennium for the anticipated replacement of data backup systems. The remaining amount of \$15,000 each year will be used to replace and/or purchase new equipment at various DAH facilities including the Collections Management Facility.
- Special Maintenance: Increase of \$25,075 each year for the Natural Heritage Commission to provide for upkeep and stewardship activities within the System of Natural Areas, including prescribed burns, rare species work and the control of invasive species.

The Executive Recommendation provides for Base Level. In addition, the Executive Recommendation for the Natural Heritage Commission's change level request for additional general revenue funded positions and appropriation in the State Operations appropriation (Business Area 0880, Fund Center 493 - see page 243) is recommended to be funded from the Department of Heritage's Conservation Tax appropriation (Business Area 0865, Fund Center 476) under DAH-Central Administration. This provides additional Conservation Tax appropriation of \$110,195 in FY10 and \$105,546 in FY11 for the Natural Heritage Commission for the following:

- Regular Salaries and related matching: Increase of \$90,695 in FY10 and \$92,546 in FY11 for two new positions including one new grade C117 DAH Program Coordinator and one new grade C119 Biologist Specialist position.
- Operating Expenses: Increase of \$14,500 in FY10 and \$8,000 in FY11 to provide for fuel costs, office supplies, grounds maintenance supplies and equipment, board member travel expenses and rent increases.
- Conference & Travel: Increase of \$5,000 each year for conference and seminar fees to enhance staff expertise and maintain certifications.

Appropriation Summary

Appropriation: 476 - Conservation Tax-Amendment 75

Funding Sources: SHF - Department of Arkansas Heritage

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	341,860	365,213	344,762	365,728	365,728	433,531	374,008	374,008	443,369
#Positions		10	10	10	10	10	12	10	10	12
Extra Help	5010001	250,636	330,226	330,226	330,226	342,776	330,226	330,226	343,476	330,226
#Extra Help		29	29	29	29	29	29	29	29	29
Personal Services Matching	5010003	130,467	136,245	137,275	145,551	146,530	168,443	147,108	148,142	170,293
Operating Expenses	5020002	1,355,564	2,442,554	2,442,554	2,442,554	2,442,554	2,457,054	2,442,554	2,442,554	2,450,554
Conference & Travel Expenses	5050009	45,022	89,826	89,826	89,826	103,226	94,826	89,826	105,326	94,826
Professional Fees	5060010	779,339	1,049,741	1,049,741	1,049,741	1,132,741	1,049,741	1,049,741	1,162,741	1,049,741
Construction	5090005	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	831,878	900,729	900,729	900,729	900,729	900,729	900,729	900,729	900,729
Capital Outlay	5120011	90,138	64,750	64,750	0	25,000	0	0	25,000	0
Special Maintenance	5120032	401,321	600,000	600,000	600,000	625,075	600,000	600,000	625,075	600,000
Total		4,226,225	6,979,284	6,959,863	6,924,355	7,084,359	7,034,550	6,934,192	7,127,051	7,039,738

Funding Sources										
Fund Balance	4000005	4,836,233	5,773,543		4,235,749	4,235,749	4,235,749	2,710,171	2,495,167	2,544,976
Inter-agency Fund Transfer	4000316	(250,000)	0		(245,000)	(300,000)	(300,000)	0	0	0
Other	4000370	8,974	0		0	0	0	0	0	0
Rental Income	4000430	112,500	90,000		90,000	90,000	90,000	90,000	90,000	90,000
Conservation Tax	4000453	5,292,061	5,351,490		5,553,777	5,553,777	5,553,777	5,763,710	5,763,710	5,763,710
Total Funding		9,999,768	11,215,033		9,634,526	9,579,526	9,579,526	8,563,881	8,348,877	8,398,686
Excess Appropriation/(Funding)		(5,773,543)	(4,235,749)		(2,710,171)	(2,495,167)	(2,544,976)	(1,629,689)	(1,221,826)	(1,358,948)
Grand Total		4,226,225	6,979,284		6,924,355	7,084,359	7,034,550	6,934,192	7,127,051	7,039,738

The FY09 Budget in Regular Salaries exceeds the Authorized due to salary adjustments during the 2007-2009 biennium.

The FY08 Actual amount in Capital Outlay exceeds the Authorized amount due to a higher Authorized appropriation in FY08.

The Inter-agency Fund transfer represents a transfer of Conservation Tax Funds to DAH-Natural Heritage Commission (Business Area 0880) for the Biennial Land Acquisition Appropriation.

Special Language provides for the carryforward of the unexpended Construction and Special Maintenance appropriation from the first year of the biennium to the second year. The amount that carried forward from FY08 to FY09 for Construction was \$3,227,084 and the amount that carried forward for Special Maintenance was \$1,295,380.

Change Level by Appropriation

Appropriation: 476 - Conservation Tax-Amendment 75

Funding Sources: SHF - Department of Arkansas Heritage

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	6,924,355	10	6,924,355	100.0	6,934,192	10	6,934,192	100.0
C01	Existing Program	124,475	0	7,048,830	101.8	131,575	0	7,065,767	101.9
C08	Technology	35,529	0	7,084,359	102.3	61,284	0	7,127,051	102.8

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	6,924,355	10	6,924,355	100.0	6,934,192	10	6,934,192	100.0
C01	Existing Program	0	0	6,924,355	100.0	0	0	6,934,192	100.0
C07	Agency Transfer	110,195	2	7,034,550	101.6	105,546	2	7,039,738	101.5
C08	Technology	0	0	7,034,550	101.6	0	0	7,039,738	101.5

Justification

C01	This change level represents increased needs throughout the department. The request for capital outlay is to provide budget for the expenditure of replacement of and/or purchase of new equipment to be used at various DAH facilities, but primarily to be used at the Collections Management Facility. Some of the equipment was purchased in 1992 and desperately needs to be replaced. There is a need to increase the professional fees line item to provide for contracting with guest presenters who work with the department's education staff and regional educational service cooperatives; we anticipate an increase in our marketing contract due to the increased work for the Mosaic Templars Cultural Center (they will need additional marketing services after they open in September 2008); and professional services are needed to enhance the museum's education program. The interactive programs of the museum give Arkansas students and the visiting public educational and entertaining experiences. There are some increases for conference fees & travel to provide an opportunity for staff professional development and educational opportunities to maintain certifications for staff. The special maintenance appropriation will be used for outsourcing prescribed burning, rare species work, controlling invasive species, and other upkeep/stewardship activities within the System of Natural Areas.
C07	EXECUTIVE RECOMMENDATION: The Natural Heritage Commission's (Business Area 0880) change level request for additional general revenue funded positions and appropriation in the State Operations appropriation (Fund Center 493) is recommended to be funded from the Department of Heritage's Conservation Tax appropriation (Fund Center 476) under DAH-Central Administration (Business Area 0865).
C08	This change level request represents the agency's IT needs as addressed in the department's IT Plan. This request is to provide additional extra help salary budget and corresponding matching for part-time staff that are assigned to the department's IT section. The part-time staff is used to work with the department's Systems Coordinator Analyst and provide backup to the department's Computer Support Analyst. The IT staff is responsible for installation and trouble shooting for all of the department's IT equipment and software. The increase in the professional fees is for a planned increase in the contract for web services. The request for capital outlay is to provide budget for anticipated replacement of data backup systems. The requested items are found in the department's approved IT plan as follows: extra help salary & matching - IT Support Costs Tab (In House Labor); web services contract - IT Support Costs Tab (Contracted Services); and replace data backup system - IT Support Costs Tab (Hardware/Equipment).

CARRY FORWARD OF ANY UNEXPENDED BALANCE OF APPROPRIATION AND/OR FUNDING FROM FISCAL YEAR 2008 TO FISCAL YEAR 2009

Agency: Heritage Department - Administration

Program: Conservation Tax-Amendment 75

Act #: 793 of 2007

Section(s) #: 5 & 33

Estimated Carry Forward Amount \$ 3,957,963.00

Appropriation

Funds

Funding Source: Conservation Tax Proceeds

Accounting Information:

Business Area: 0865

Funds Center: 476

Fund: SHF

Functional Area: REC

Line Item	Commitment Item	Estimated Carry Forward Amount	Actual Carry Forward Amount
Construction	5090005	2,927,000.00	3,227,084.00
Special Maintenance	5120032	1,030,963.00	1,295,380.01
Total		\$ 3,957,963.00	\$ 4,522,464.01

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward appropriation and/or funding for a program or a specific line item within a program from the first fiscal year of the biennium to the second fiscal year of the biennium.

Justification for carry forward of unexpended balance of appropriation and/or funding:

The carryforward of Construction and Special Maintenance appropriation is necessary to ensure that the agency has sufficient appropriation available to assign to the agencies within DAH to provide for construction and maintenance needs at various DAH facilities.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward appropriation/funding:

The Actual Carry Forward amounts include blocked appropriation for both construction and special maintenance appropriation. The appropriation and funding for construction & special maintenance projects includes work in progress at the Old State House Museum, Delta Cultural Center, Historic Arkansas Museum, Natural Heritage Commission (stewardship activities), and the Collection Management Facility. The Delta Cultural Center has contracted for exhibit lighting replacement and various maintenance issues for the Center's six historic buildings. Historic Arkansas Museum has several projects including siding & roof repairs, fencing and landscaping, and major work on the Woodruff Printshop. The Old State House Museum & Trapnall Hall - both listed as National Historic Sites by the National Park Service have large annual maintenance contracts for security systems, fire suppression equipment, burglar alarms, and HVAC systems. Environmental control at all of the museums is crucial.

Cathie Matthews

Director

08-20-2008

Date

Analysis of Budget Request

Appropriation: 482 - Director's Office-State Operations

Funding Sources: HRA - Arkansas Heritage Fund

This appropriation provides for the personal services and operating expenses of the Department of Arkansas Heritage - Director's Office. The Director's Office coordinates and provides administrative support for the seven Agencies within the Department of Heritage. This appropriation consists entirely of general revenue funding.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries includes Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Base Level includes appropriation and general revenue funding of \$1,270,610 in FY10 and \$1,295,255 in FY11 with 20 budgeted positions.

The Agency requests additional appropriation and general revenue funding of \$312,552 in FY10 and \$324,520 in FY11 for the following:

- Operating Expenses: Increase of \$62,552 in FY10 and \$74,520 in FY11. The majority of this request includes \$60,000 in FY10 and \$64,150 in FY11 for basic operating costs including telephone expenses, vehicle insurance and building and contents insurance that the agency currently covers with Conservation Tax proceeds (Fund Center 476). The remaining portion of the change level request includes \$2,552 in FY2010 and \$10,370 in FY2011 to cover for anticipated rent increases as projected by the Arkansas Building Authority.
- Grants and Aid: Increase of \$250,000 each year for a new grant program to provide grant funding of up to \$10,000 per recipient to small nonprofit history museums or historical societies whose primary mission is to research, preserve, present and conserve Arkansas history.

The Executive Recommendation provides for Base Level.

Appropriation Summary

Appropriation: 482 - Director's Office-State Operations

Funding Sources: HRA - Arkansas Heritage Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	804,261	833,504	806,485	880,227	880,227	880,227	900,971	900,971	900,971
#Positions		20	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	221,828	218,677	247,315	267,571	267,571	267,571	271,472	271,472	271,472
Operating Expenses	5020002	125,035	122,812	129,693	122,812	185,364	122,812	122,812	197,332	122,812
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	250,000	0	0	250,000	0
Capital Outlay	5120011	14,775	0	0	0	0	0	0	0	0
Total		1,165,899	1,174,993	1,183,493	1,270,610	1,583,162	1,270,610	1,295,255	1,619,775	1,295,255

Funding Sources										
General Revenue	4000010	1,150,392	1,165,253		1,270,610	1,583,162	1,270,610	1,295,255	1,619,775	1,295,255
Merit Adjustment Fund	4000055	0	9,740		0	0	0	0	0	0
DFA Motor Vehicle Acquisition	4000184	14,775	0		0	0	0	0	0	0
M & R Sales	4000340	732	0		0	0	0	0	0	0
Total Funding		1,165,899	1,174,993		1,270,610	1,583,162	1,270,610	1,295,255	1,619,775	1,295,255
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,165,899	1,174,993		1,270,610	1,583,162	1,270,610	1,295,255	1,619,775	1,295,255

The FY09 Budget in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.
The FY08 Actual in Capital Outlay exceeds the authorized due to a transfer from the DFA Motor Vehicle Acquisition Fund.

Change Level by Appropriation

Appropriation: 482 - Director's Office-State Operations

Funding Sources: HRA - Arkansas Heritage Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,270,610	20	1,270,610	100.0	1,295,255	20	1,295,255	100.0
C01	Existing Program	62,552	0	1,333,162	104.9	74,520	0	1,369,775	105.8
C02	New Program	250,000	0	1,583,162	124.6	250,000	0	1,619,775	125.1

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,270,610	20	1,270,610	100.0	1,295,255	20	1,295,255	100.0
C01	Existing Program	0	0	1,270,610	100.0	0	0	1,295,255	100.0
C02	New Program	0	0	1,270,610	100.0	0	0	1,295,255	100.0

Justification

C01	The request for an increase in office rent is in anticipation of a 4% increase in office rent (recommended by ABA). The department's current lease is valid through December 2010. The other increases are for telephone charges, vehicle insurance, and building and contents insurance. These are very basic operating costs that are required of any business process (we cannot elect to cut these costs).
C02	There are numerous small history museums and historical societies throughout Arkansas dedicated to the preservation and conservation of Arkansas's history and heritage. Through associations such as the Arkansas Historical Association and the Arkansas Museums Association they strive to promote professional standards for their groups and to research, preserve, present and conserve Arkansas History. Since the mission of the Department of Arkansas Heritage incorporates these objectives, this grant program would serve DAH's statewide initiative for preserving and conserving and presenting Arkansas's history while providing a very needed service at the local level. The grants would be available to an organized and permanent small nonprofit history museum or historical society in Arkansas whose primary mission is to research, preserve, present and conserve Arkansas History. A one-to-one match would be required, but could be cash or in-kind. The grants would not exceed a maximum of \$10,000. This would provide assistance to these groups but would provide help to more of them if the amount is limited. If the grant program is established DAH will also provide a more structured technical assistance program for local history museums and historical societies.