



STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

Dear Co-Chairs Rice and Wardlaw:

Arkansas' fiscal discipline is strong. While California and New York stare down billion-dollar budget shortfalls, I have been proud to work with our legislators to limit spending growth while still investing in our key priorities. My balanced budget this biennium is no different.

After cutting income taxes three times and still recording healthy surpluses during my first two years, this balanced budget proposes to raise spending by only 2.89%. This added funding is directed toward areas I've made clear are my priorities: education, maternal health, public safety, and government efficiency.

One of the headline policies of Arkansas LEARNS is Education Freedom Accounts. Next year – for the first time in state history – EFAs will allow any student in our state to attend the school that best fits their needs. Interest in the EFA program is high, so to accommodate new students next year, this budget proposes \$90 million in additional funding, plus an additional \$90 million in set aside funding to create a strong fiscal reserve for the program.

As a mom of three, I am also focused on addressing Arkansas' concerning maternal health statistics. This budget includes \$13 million in new Medicaid funding for proposals created by the Strategic Committee on Maternal Health I convened earlier this year. Additionally, this budget includes \$100 million in set-aside funding for Medicaid sustainability.

Last week, I announced a new state employee pay plan that will better align hardworking state employees' salaries with those of their peers in the private and public sectors – and the feedback we have received from our colleagues has been positive. While the vast majority of money for this plan's \$102 million commitment comes from existing funding streams, I am proposing \$3.15 million in new funding for pay raises for our state's dedicated frontline workers.

You will also find support for other critical needs in this budget: nearly \$50 million for Corrections, nearly \$6 million for higher education, over \$4 million for the Division of Youth Services, and \$1 million for foster placement.

This balanced budget fulfills our promises to the people of Arkansas – including our promise to keep government spending low. I look forward to working with the legislature to pass it and continue in our work to make Arkansas the best state in America to live, work, and raise a family.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Sanders".

Sarah Huckabee Sanders

State Capitol Building • Little Rock, AR 72201

Telephone: (501) 682-2345

www.governor.arkansas.gov

**STATE GENERAL REVENUES
2025 - 2027 Balanced Budget**

Fund Accounts	Fiscal Year 2026				Fiscal Year 2027			
	Base Level ₁	Executive Recommendation	Total	Over FY2025	Base Level ₁	Executive Recommendation	Total	Over FY2026
FY2025 Forecast								
Div. of Elementary and Secondary Education	2,443,582,431	0	2,443,582,431	0.00%	2,443,582,431	0	2,443,582,431	0.00%
State Library	5,641,919	0	5,641,919	0.00%	5,641,919	0	5,641,919	0.00%
Career and Technical Education	26,883,872	0	26,883,872	0.00%	26,883,872	0	26,883,872	0.00%
Career and Technical Education-Adult Ed	8,489,176	0	8,489,176	0.00%	8,489,176	0	8,489,176	0.00%
PUBLIC SCHOOL FUND	2,484,597,398	0	2,484,597,398	0.00%	2,484,597,398	0	2,484,597,398	0.00%
GENERAL EDUCATION FUND								
Div. of Elementary and Secondary Education	18,282,199	0	18,282,199	0.00%	18,282,199	0	18,282,199	0.00%
Educational Facilities Partnership	0	0	0	-	0	0	0	-
Div. of Academic Facilities & Transportation	2,857,204	0	3,052,280	6.83%	3,052,280	0	3,052,280	0.00%
Educational Television	5,825,736	0	5,986,636	2.76%	5,986,636	0	5,986,636	0.00%
School for the Blind	8,218,836	0	8,392,869	2.12%	8,392,869	0	8,392,869	0.00%
School for the Deaf	11,812,933	0	12,098,079	2.41%	12,098,079	0	12,098,079	0.00%
State Library	3,859,435	0	3,923,088	1.65%	3,923,088	0	3,923,088	0.00%
Div. of Career and Technical Education	0	0	0	-	0	0	0	-
Rehabilitation Services	11,942,101	0	11,942,101	0.00%	11,942,101	0	11,942,101	0.00%
Child Care Grant	7,056,193	0	7,056,193	0.00%	7,056,193	0	7,056,193	0.00%
Child Care/Early Childhood Ed.	2,589,553	0	2,589,553	0.00%	2,589,553	0	2,589,553	0.00%
Subtotal - General Education	73,322,998	0	73,322,998	1.21%	73,322,998	0	73,322,998	0.00%
Technical Institutes:								
Northwest TI	3,308,152	0	3,388,836	2.44%	3,388,836	0	3,388,836	0.00%
Subtotal - Technical Institutes	3,308,152	0	3,388,836	2.44%	3,388,836	0	3,388,836	0.00%
TOTAL GENERAL ED. FUND	75,752,342	0	76,711,834	1.27%	76,711,834	0	76,711,834	0.00%
HUMAN SERVICES FUND								
DHS-Administration	24,518,586	0	25,037,046	2.11%	25,037,046	0	25,037,046	0.00%
Children & Family Services ₂	139,333,393	400,000	139,733,393	0.29%	139,333,393	400,000	139,733,393	0.00%
Youth Services	48,980,104	4,329,165	53,431,260	9.09%	49,102,095	4,329,165	53,431,260	0.00%
Devel. Disab. Services	65,603,057	0	65,603,057	0.00%	65,603,057	0	65,603,057	0.00%
Medical Services	2,442,596	0	2,564,587	4.99%	2,564,587	0	2,564,587	0.00%
DHS-Grants	1,389,725,705	13,000,000	1,402,725,705	0.94%	1,389,725,705	13,000,000	1,402,725,705	0.00%
Behavioral Health	103,643,589	0	104,680,510	1.00%	104,680,510	0	104,680,510	0.00%
Provider Services and Quality Assurance	5,515,977	600,000	6,298,963	14.19%	5,698,963	600,000	6,298,963	0.00%
County Operations	57,419,886	0	58,700,789	2.23%	58,700,789	0	58,700,789	0.00%
TOTAL HUMAN SERVICES	1,837,182,893	18,329,165	1,858,775,310	1.18%	1,840,446,145	18,329,165	1,858,775,310	0.00%

STATE GENERAL REVENUES
2025 - 2027 Balanced Budget

Fund Accounts	Fiscal Year 2026			Fiscal Year 2027					
	FY2025 Forecast	Base Level ₁	Executive Recommendation	Total	Over FY2025	Base Level ₁	Executive Recommendation	Total	Over FY2026
STATE GENERAL GOV'T FUND									
Div. of Ark. Heritage	7,755,838	7,755,838	0	7,755,838	0.00%	7,755,838	0	7,755,838	0.00%
Department of Agriculture	19,870,371	19,870,371	0	19,870,371	2.01%	19,870,371	0	19,870,371	0.00%
Dept. of Labor and Licensing	3,909,567	4,019,479	0	4,019,479	2.81%	4,019,479	0	4,019,479	0.00%
Div. of Higher Education	11,989,758	12,066,588	0	12,066,588	0.64%	12,066,588	0	12,066,588	0.00%
Institution Productivity Fundings	0	0	0	0	-	0	3,567,787	3,567,787	-
Higher Education Grants	40,619,625	40,619,625	3,000,000	43,619,625	7.39%	40,619,625	3,000,000	43,619,625	0.00%
Economic Development Commission	21,339,734	21,339,734	0	21,339,734	0.00%	21,339,734	0	21,339,734	0.00%
Div. of Correction	434,873,587	441,898,407	(98,223,915)	343,674,492	-20.97%	441,898,407	(98,223,915)	343,674,492	0.00%
Div. of Correction - Medical Contract	0	0	139,398,915	139,398,915	-	0	139,398,915	139,398,915	0.00%
Div. of Community Correction	105,311,074	107,773,354	0	107,773,354	2.34%	107,773,354	0	107,773,354	0.00%
Dept. of the Military ⁴	10,109,327	10,109,327	(1,177,983)	8,931,344	-11.65%	10,109,327	(1,177,983)	8,931,344	0.00%
Parks & Tourism	22,082,257	22,082,257	0	22,082,257	0.00%	22,082,257	0	22,082,257	0.00%
Div. of Environmental Quality	4,202,841	4,297,361	0	4,297,361	2.25%	4,297,361	0	4,297,361	0.00%
Miscellaneous Agencies	78,026,413	82,971,952	308,780	83,280,732	6.73%	78,834,952	308,780	79,143,732	-4.97%
TOTAL STATE GENERAL GOV'T	759,699,208	774,804,293	43,305,797	818,110,090	7.69%	770,567,293	46,873,584	817,540,877	-0.07%
OTHER FUNDS									
County Aid	21,428,616	21,428,616	0	21,428,616	0.00%	21,428,616	0	21,428,616	0.00%
County Jail Reimbursement	25,765,944	25,765,944	9,034,056	34,800,000	35.06%	25,765,944	9,034,056	34,800,000	0.00%
Crime Information System	2,186,443	2,204,581	0	2,204,581	0.83%	2,204,581	0	2,204,581	0.00%
Child Support Enforcement	13,288,801	13,288,801	0	13,288,801	0.00%	13,288,801	0	13,288,801	0.00%
Dept. of Health	81,954,072	82,752,300	0	82,752,300	0.97%	82,752,300	0	82,752,300	0.00%
Performance Fund	0	0	3,150,000	3,150,000	-	0	3,150,000	3,150,000	-
Motor Vehicle Acquisition	0	0	0	0	-	0	0	0	0
Municipal Aid	29,372,099	29,372,099	0	29,372,099	0.00%	29,372,099	0	29,372,099	0.00%
Div. of Arkansas State Police	92,596,808	94,140,872	0	94,140,872	1.67%	94,140,872	0	94,140,872	0.00%
Div. of Workforce Services-New Hire Registry	150,000	150,000	0	150,000	0.00%	150,000	0	150,000	0.00%
Div. of Workforce Services-Adult Education	1,026,253	1,057,391	0	1,057,391	3.03%	1,057,391	0	1,057,391	0.00%
Services for the Blind	1,972,456	1,972,456	0	1,972,456	0.00%	1,972,456	0	1,972,456	0.00%
Skills Development Fund	3,608,348	3,608,348	0	3,608,348	0.00%	3,608,348	0	3,608,348	0.00%
Children's Educational Freedom Account	97,487,318	97,487,318	90,000,000	187,487,318	92.32%	97,487,318	90,000,000	187,487,318	0.00%
Sustainable Bldg Main't Prog for Instit of Higher Ed Revolv L	4,555,985	0	2,881,420	2,881,420	-36.76%	0	0	0	-100.00%
TOTAL OTHER FUNDS	375,393,143	373,228,726	105,065,476	478,294,202	27.41%	373,228,726	102,184,056	475,412,782	-0.60%
INSTITUTIONS OF HIGHER EDUCATION - Four Year Institutions:									
Arkansas State University	62,150,956	62,150,956	712,001	62,862,957	1.15%	62,150,956	0	62,150,956	-1.13%
Arkansas Tech University	36,356,050	36,356,050	(727,121)	35,628,929	-2.00%	36,356,050	0	36,356,050	2.04%
Henderson State University	18,832,354	18,832,354	(375,055)	18,457,299	-1.99%	18,832,354	0	18,832,354	2.03%
Southern Arkansas University	16,861,877	16,861,877	871,484	17,733,361	5.17%	16,861,877	0	16,861,877	-4.91%

STATE GENERAL REVENUES
2025 - 2027 Balanced Budget

Fund Accounts	Fiscal Year 2026				Fiscal Year 2027			
	Base	Executive	Total	Over	Base	Executive	Total	Over
	Level ₁	Recommendation		FY2025	Level ₁	Recommendation		FY2026
UA-Fayetteville	132,954,121	3,078,606	136,032,727	1.08%	134,584,010	0	134,584,010	-1.06%
UA - System	3,479,474	0	3,479,474	0.00%	3,479,474	0	3,479,474	0.00%
UA - Archeological Survey	2,369,274	0	2,369,274	0.00%	2,369,274	0	2,369,274	0.00%
UA - Agriculture	65,800,138	0	65,800,138	0.00%	65,800,138	0	65,800,138	0.00%
UA - Clinton School	2,336,896	0	2,336,896	0.00%	2,336,896	0	2,336,896	0.00%
UA - Criminal Justice Institute	2,458,634	0	2,458,634	0.00%	2,458,634	0	2,458,634	0.00%
UA - AR Sch.Math, Science, & Arts	1,133,048	0	1,133,048	0.00%	1,133,048	0	1,133,048	0.00%
U of A - Ft. Smith	21,045,824	(159,038)	20,886,786	-0.76%	21,045,824	0	21,045,824	0.76%
UA-Little Rock	60,049,349	(1,120,180)	58,929,169	-1.87%	60,049,349	0	60,049,349	1.90%
UA-Medical Sciences	93,012,881	0	93,012,881	0.00%	93,012,881	0	93,012,881	0.00%
UAMS - Child Abuse/Rape/Domestic Violence	350,000	0	350,000	0.00%	350,000	0	350,000	0.00%
UAMS - Pediatrics/Psychiatric Research	1,985,100	0	1,985,100	0.00%	1,985,100	0	1,985,100	0.00%
UAMS - Indigent Care	5,438,340	0	5,438,340	0.00%	5,438,340	0	5,438,340	0.00%
UA-Monticello	16,696,750	(333,935)	16,362,815	-2.00%	16,696,750	0	16,696,750	2.04%
UA-Pine Bluff	21,902,693	(438,054)	21,464,639	-2.00%	21,902,693	0	21,902,693	2.04%
UA-Pine Bluff - 1890 Grant State Match	5,800,000	0	5,800,000	0.00%	5,800,000	0	5,800,000	0.00%
University of Central Arkansas	56,013,219	(994,654)	55,018,565	-1.78%	56,013,219	0	56,013,219	1.81%
Subtotal - 4 Year Institutions	627,026,978	514,054	627,541,032	-0.18%	628,656,867	0	628,656,867	0.18%
INSTITUTIONS OF HIGHER EDUCATION - Two Year Institutions:								
Arkansas Northeastern College	8,765,839	80,094	8,845,933	0.91%	8,765,839	0	8,765,839	-0.91%
Arkansas State University - Beebe	11,356,380	(23,084)	11,333,296	-0.20%	11,356,380	0	11,356,380	0.20%
Arkansas State Univ.-Mt. Home	3,695,854	(58,430)	3,571,700	-3.36%	3,695,854	0	3,695,854	3.48%
Arkansas State Univ. - Newport	6,559,812	(108,142)	6,451,670	-1.65%	6,559,812	0	6,559,812	1.68%
Cossatot C C of the UA	3,757,578	(7,245)	3,750,333	-0.19%	3,757,578	0	3,757,578	0.19%
East Arkansas Cmty. College	8,749,489	(40,991)	8,708,498	-0.47%	8,749,489	0	8,749,489	0.47%
Arkansas State Univ. - Mid-South	4,013,696	44,323	4,058,019	1.10%	4,013,696	0	4,013,696	-1.09%
ASU - Mid-South - ADTEC	1,527,000	0	1,527,000	0.00%	1,527,000	0	1,527,000	0.00%
National Park College	9,040,569	(45,487)	8,995,082	-0.50%	9,040,569	0	9,040,569	0.51%
North Arkansas College	7,605,726	(76,057)	7,529,669	-1.00%	7,605,726	0	7,605,726	1.01%
NorthWest Arkansas Cmty. College	11,649,679	(170,466)	11,479,213	-1.46%	11,649,679	0	11,649,679	1.48%
Phillips Cmty. College of the UA	8,923,812	(167,502)	8,756,310	-1.88%	8,923,812	0	8,923,812	1.91%
U of A - Rich Mountain	3,509,602	147,328	3,656,930	3.10%	3,546,964	0	3,546,964	-3.01%
Southern Ark. University - Tech	5,530,868	(5,338)	5,525,530	-0.10%	5,530,868	0	5,530,868	0.10%
SAU-Tech-Envir. Training Academy	375,036	0	375,036	0.00%	375,036	0	375,036	0.00%
SAU-Tech-Fire Training Academy	1,780,943	0	1,780,943	0.00%	1,780,943	0	1,780,943	0.00%
South Arkansas College	6,084,362	(121,687)	5,962,675	-2.00%	6,084,362	0	6,084,362	2.04%
U of A - Cmty. College at Batesville	4,406,596	(88,132)	4,318,464	-2.00%	4,406,596	0	4,406,596	2.04%
U of A - Cmty. College at Hope-Texarkana	4,647,636	(92,953)	4,554,683	-2.00%	4,647,636	0	4,647,636	2.04%
U of A - Cmty. College at Morrilton	5,089,458	(15,579)	5,073,879	-0.31%	5,089,458	0	5,089,458	0.31%
Subtotal - 2 Year Institutions	117,004,211	(749,348)	116,254,863	-0.73%	117,107,297	0	117,107,297	0.73%

**STATE GENERAL REVENUES
2025 - 2027 Balanced Budget**

Fund Accounts	Fiscal Year 2026			Fiscal Year 2027					
	FY2025 Forecast	Base Level ₁	Executive Recommendation	Total	Over FY2025	Base Level ₁	Executive Recommendation	Total	Over FY2026
INSTITUTIONS OF HIGHER EDUCATION - Technical Colleges									
Black River	6,321,306	6,042,478	1,145,170	7,187,648	13.71%	6,321,306	0	6,321,306	-12.05%
ASU - Three Rivers	3,381,360	3,381,360	(33,814)	3,347,546	-1.00%	3,381,360	0	3,381,360	1.01%
Ozarka	3,248,284	3,248,284	(64,966)	3,183,318	-2.00%	3,248,284	0	3,248,284	2.04%
U of A - Pulaski Tech	14,765,510	14,765,510	(71,178)	14,694,332	-0.48%	14,765,510	0	14,765,510	0.48%
Southeast Arkansas College	5,354,958	5,354,958	(53,550)	5,301,408	-1.00%	5,354,958	0	5,354,958	1.01%
Subtotal - Technical Colleges	33,071,418	32,792,590	921,662	33,714,252	1.94%	33,071,418	0	33,071,418	-1.91%
TOTAL INST'S OF H. E.	778,835,582	776,823,779	686,368	777,510,147	-0.17%	778,835,582	0	778,835,582	0.17%
Total Request	6,311,460,566	6,326,612,175	167,386,806	6,493,998,981	2.89%	6,324,486,978	167,386,805	6,491,873,783	-0.03%
OFFICIAL FORECAST 1.1.14.24									
	\$6,591,700,000			\$6,793,500,000				\$6,997,400,000	
Surplus	280,239,434			299,501,019				505,526,217	
PROPOSED DISTRIBUTION OF SURPLUS FUNDS									
Medicaid Sustainability Fund Set-Aside				100,000,000					
Children's Educational Freedom Account Set-Aside				90,000,000					

1. Base Level includes adjustments for the 2023-2025 Biennium performance pay and increases in EBD contribution amounts.
2. The Executive Recommendation for DHS – Children and Family Services includes \$1,000,000 in each year for expanded use of Private Licensed Placement Agencies (PLPA). The Executive Recommendation reflects a lesser amount due to agency reallocations.
3. The Executive Recommendation for formula institutions includes the Productivity funding distribution for Fiscal Year 2026. Fiscal Year 2027 Productivity funding is undistributed and reflected in the "Institution Productivity Funding" line.
4. The Executive Recommendation for the Department of the Military includes a reduction due to the closure of the Arkansas Youth Challenge program.

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	Level ₁	Recommendation		FY2025	Level ₁	Recommendation		FY2026
UA-Fayetteville	132,954,121	3,078,606	136,032,727	1.08%	134,584,010	0	134,584,010	-1.06%
UA - System	3,479,474	0	3,479,474	0.00%	3,479,474	0	3,479,474	0.00%
UA - Archeological Survey	2,369,274	0	2,369,274	0.00%	2,369,274	0	2,369,274	0.00%
UA - Agriculture	65,800,138	0	65,800,138	0.00%	65,800,138	0	65,800,138	0.00%
UA - Clinton School	2,336,896	0	2,336,896	0.00%	2,336,896	0	2,336,896	0.00%
UA - Criminal Justice Institute	2,458,634	0	2,458,634	0.00%	2,458,634	0	2,458,634	0.00%
UA - AR Sch.Math, Science, & Arts	1,133,048	0	1,133,048	0.00%	1,133,048	0	1,133,048	0.00%
U of A - Ft. Smith	21,045,824	(159,038)	20,886,786	-0.76%	21,045,824	0	21,045,824	0.76%
UA-Little Rock	60,049,349	(1,120,180)	58,929,169	-1.87%	60,049,349	0	60,049,349	1.90%
UA-Medical Sciences	93,012,881	0	93,012,881	0.00%	93,012,881	0	93,012,881	0.00%
UAMS - Child Abuse/Rape/Domestic Violence	350,000	0	350,000	0.00%	350,000	0	350,000	0.00%
UAMS - Pediatrics/Psychiatric Research	1,985,100	0	1,985,100	0.00%	1,985,100	0	1,985,100	0.00%
UAMS - Indigent Care	5,438,340	0	5,438,340	0.00%	5,438,340	0	5,438,340	0.00%
UA-Monticello	16,696,750	(333,935)	16,362,815	-2.00%	16,696,750	0	16,696,750	2.04%
UA-Pine Bluff	21,902,693	(438,054)	21,464,639	-2.00%	21,902,693	0	21,902,693	2.04%
UA-Pine Bluff - 1890 Grant State Match	5,800,000	0	5,800,000	0.00%	5,800,000	0	5,800,000	0.00%
University of Central Arkansas	56,013,219	(994,654)	55,018,565	-1.78%	56,013,219	0	56,013,219	1.81%
Subtotal - 4 Year Institutions	627,026,978	514,054	627,541,032	-0.18%	628,656,867	0	628,656,867	0.18%
INSTITUTIONS OF HIGHER EDUCATION - Two Year Institutions:								
Arkansas Northeastern College	8,765,839	80,094	8,845,933	0.91%	8,765,839	0	8,765,839	-0.91%
Arkansas State University - Beebe	11,356,380	(23,084)	11,333,296	-0.20%	11,356,380	0	11,356,380	0.20%
Arkansas State Univ.-Mt. Home	3,695,854	(58,430)	3,571,700	-3.36%	3,695,854	0	3,695,854	3.48%
Arkansas State Univ. - Newport	6,559,812	(108,142)	6,451,670	-1.65%	6,559,812	0	6,559,812	1.68%
Cossatot C C of the UA	3,757,578	(7,245)	3,750,333	-0.19%	3,757,578	0	3,757,578	0.19%
East Arkansas Cmty. College	8,749,489	(40,991)	8,708,498	-0.47%	8,749,489	0	8,749,489	0.47%
Arkansas State Univ. - Mid-South	4,013,696	44,323	4,058,019	1.10%	4,013,696	0	4,013,696	-1.09%
ASU - Mid-South - ADTEC	1,527,000	0	1,527,000	0.00%	1,527,000	0	1,527,000	0.00%
National Park College	9,040,569	(45,487)	8,995,082	-0.50%	9,040,569	0	9,040,569	0.51%
North Arkansas College	7,605,726	(76,057)	7,529,669	-1.00%	7,605,726	0	7,605,726	1.01%
NorthWest Arkansas Cmty. College	11,649,679	(170,466)	11,479,213	-1.46%	11,649,679	0	11,649,679	1.48%
Phillips Cmty. College of the UA	8,923,812	(167,502)	8,756,310	-1.88%	8,923,812	0	8,923,812	1.91%
U of A - Rich Mountain	3,509,602	147,328	3,656,930	3.10%	3,546,964	0	3,546,964	-3.01%
Southern Ark. University - Tech	5,530,868	(5,338)	5,525,530	-0.10%	5,530,868	0	5,530,868	0.10%
SAU-Tech-Envir. Training Academy	375,036	0	375,036	0.00%	375,036	0	375,036	0.00%
SAU-Tech-Fire Training Academy	1,780,943	0	1,780,943	0.00%	1,780,943	0	1,780,943	0.00%
South Arkansas College	6,084,362	(121,687)	5,962,675	-2.00%	6,084,362	0	6,084,362	2.04%
U of A - Cmty. College at Batesville	4,406,596	(88,132)	4,318,464	-2.00%	4,406,596	0	4,406,596	2.04%
U of A - Cmty. College at Hope-Texarkana	4,647,636	(92,953)	4,554,683	-2.00%	4,647,636	0	4,647,636	2.04%
U of A - Cmty. College at Morrilton	5,089,458	(15,579)	5,073,879	-0.31%	5,089,458	0	5,089,458	0.31%
Subtotal - 2 Year Institutions	117,004,211	(749,348)	116,254,863	-0.73%	117,107,297	0	117,107,297	0.73%

STATE GENERAL REVENUES
2025 - 2027 Balanced Budget

Fund Accounts	Fiscal Year 2026			Fiscal Year 2027					
	FY2025 Forecast	Base Level ₁	Executive Recommendation	Total	Over FY2025	Base Level ₁	Executive Recommendation	Total	Over FY2026
INSTITUTIONS OF HIGHER EDUCATION - Technical Colleges									
Black River	6,321,306	6,042,478	1,145,170	7,187,648	13.71%	6,321,306	0	6,321,306	-12.05%
ASU - Three Rivers	3,381,360	3,381,360	(33,814)	3,347,546	-1.00%	3,381,360	0	3,381,360	1.01%
Ozarka	3,248,284	3,248,284	(64,966)	3,183,318	-2.00%	3,248,284	0	3,248,284	2.04%
U of A - Pulaski Tech	14,765,510	14,765,510	(71,178)	14,694,332	-0.48%	14,765,510	0	14,765,510	0.48%
Southeast Arkansas College	5,354,958	5,354,958	(53,550)	5,301,408	-1.00%	5,354,958	0	5,354,958	1.01%
Subtotal - Technical Colleges	33,071,418	32,792,590	921,662	33,714,252	1.94%	33,071,418	0	33,071,418	-1.91%
TOTAL INST'S OF H. E.	778,835,582	776,823,779	686,368	777,510,147	-0.17%	778,835,582	0	778,835,582	0.17%
Total Request	6,311,460,566	6,326,612,175	167,386,806	6,493,998,981	2.89%	6,324,486,978	167,386,805	6,491,873,783	-0.03%
OFFICIAL FORECAST 11.14.24	\$6,591,700,000			\$6,793,500,000				\$6,997,400,000	
Surplus	280,239,434			299,501,019				505,526,217	
PROPOSED DISTRIBUTION OF SURPLUS FUNDS									
Medicaid Sustainability Fund Set-Aside				100,000,000					
Children's Educational Freedom Account Set-Aside				90,000,000					

1. Base Level includes adjustments for the 2023-2025 Biennium performance pay and increases in EBD contribution amounts.
2. The Executive Recommendation for DHS – Children and Family Services includes \$1,000,000 in each year for expanded use of Private Licensed Placement Agencies (PLPA). The Executive Recommendation reflects a lesser amount due to agency reallocations.
3. The Executive Recommendation for formula institutions includes the Productivity funding distribution for Fiscal Year 2026. Fiscal Year 2027 Productivity funding is undistributed and reflected in the "Institution Productivity Funding" line.
4. The Executive Recommendation for the Department of the Military includes a reduction due to the closure of the Arkansas Youth Challenge program.