



Division of Higher Education

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Jacob Oliva
Secretary

Ken Warden, Ed.D.
Commissioner

July 28, 2026

The Honorable Ricky Hill, Chair
The Honorable Justin Gonzales, Chair
ALC - Lottery Oversight Committee
State Capitol Building
Little Rock, AR 72201

Dear Senator Hill and Representative Gonzales:

Pursuant to Arkansas Code Annotated 6-85-219 and 23-115-801, I am submitting for your review the enclosed report on the expenditures, deposits and balances of Higher Education Grants fund and the Net Proceeds Trust fund that supported financial aid programs for fiscal Year 2026. The Arkansas Division of Higher Education evaluation is that net proceeds from the state lottery did not supplant non-lottery state educational resources in fiscal 2026.

Please feel free to contact me if you require additional information.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Warden", with a stylized flourish at the end.

Dr. Ken Warden, Ed.D.
Commissioner

Arkansas Division of Higher Education
Lottery Net Proceeds Trust Account
July 1, 2024 - June 30, 2025
A.C.A. 6-85-219

	<u>FY2026</u>
General Revenue Deposits	20,000,000.00
Lottery Net Proceeds Deposits	95,000,000.00
Interest Deposits	297,070.74
Prior Year Refunds	140,816.10
Scholarship Expenditures	<u>(111,012,166.50)</u>
Reduction of PY Adjustment that was Returned in FY24	<u>-</u>
Balance as of June 30	<u>4,425,720.34</u>

Arkansas Division of Higher Education
Higher Education Grants Fund Expenditures
July 1, 2025 - June 30, 2026
A.C.A. 6-85-219

Program	FY2026 Expenditures	FY2027 Budget
Academic Challenge Scholarship	\$20,000,000	\$20,000,000
AR Geographical Critical Needs	\$61,500	\$150,000
Arkansas Future Grant	\$11,992,005	\$5,000,000
Governor's Scholars Program	\$18,411,059	\$22,000,000
National Guard Tuition Assistance	\$4,547,541	\$4,400,000
AR Heroes*	\$8,859,772	\$5,500,000
Osteopathic Rural Medical Scholars	\$12,000	\$400,000
Single Parent Scholarship	\$175,000	\$175,000
SREB Minority Doctoral Scholars	\$0	\$175,000
State Teacher Education Program	\$2,588,638	\$3,000,000
SURF Program	\$149,886	\$150,000
Teacher Opportunity Program	\$1,427,253	\$1,500,000
Tuition Adjustment	\$350,000	\$350,000
Transition Scholarships	\$80,000	\$1,000,000
Washington Center Scholarships	\$141,720	\$150,000
Arkansas Health Education Grants:		
Dental Aid	\$2,790,827	\$2,950,000
Dental Loans	\$935,550	\$987,370
Optometry Grants	\$593,152	\$650,000
Optometry Loans	\$115,000	\$140,000
Veterinary Aid	\$1,473,054	\$1,750,000
Veterinary Loan Forgiveness	\$36,962	\$250,000
Chiropractic	\$243,328	\$200,000
Podiatry	\$5,000	\$50,000
Total	<u>\$74,989,247</u>	<u>\$70,927,370</u>

Arkansas Division of Higher Education
Higher Education Grants Fund
July 1, 2025 - June 30, 2026
A.C.A. 6-85-219

	FY2026
General Revenue Deposits	<u>\$64,736,756</u>
Expenditures	<u>\$74,989,247</u>
Net	<u><u>(\$10,252,491)</u></u>
Balance June 30	\$5,338,340