



Division of Higher Education

4 Capitol Mall, Box 21 • Little Rock, Arkansas • 72201-3827 • (501) 371-2000 • Fax (501) 371-2001

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 6-85-205(g)(2), I am submitting for your review the enclosed financial report on the administration of the Arkansas Academic Challenge Scholarship Program from the 2025-2026 fiscal year.

Thank you in advance for your consideration of this request. Please call me at (501) 371-2030 or Nick Fuller at (501) 371-2026 if you need additional information.

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 Department of Higher Education
Academic Challenge Scholarship Administrative Expense
Fiscal 2026 Expenses**

Regular Salaries	\$	315,953.27
Extra Help	\$	-
Personal Services Matching	\$	74,767.58
Operating Expense	\$	276,625.72
Professional Fees	\$	-
Capital Outlay	\$	-
Total		<u>\$667,346.57</u>

FY26 Expense Detail

Ledger Code	Description	Expense
	501:00:00 Regular Salaries	\$ 315,953.27
5010001000	00 Regular Salaries	\$ 315,953.27
	501:00:01 Extra Help	\$ -
5010002000	01 Extra Help Sal	\$ -
	501:00:03 Personal Services Matching	\$ 74,767.58
5010005000	03 FICA & Medic Exp	\$ 22,870.64
5010007000	03 Retirement Exp	\$ 48,356.81
5010008000	03 Unemploy Comp Exp	\$ 1,364.29
5010010000	03 Work Comp Prem Tx	\$ 84.71
5010009000	03 Worker Comp Exp	\$ 793.87
5010006500	Agency Cost of ARCAP	\$ 1,297.26
	502:00:02 Operating Expenses	\$ 276,625.72
5030017000	Software Maintenance	\$ 276,484.00
5060001400	02 WC ADMIN FEE EXP	\$ 6.22
5020002000	Telecomm Wired	\$ 135.50
	506:00:10 Professional Fees	\$ -
5060001000	Professional Adm Fee	\$ -
	512:00:11 Capital Outlay	\$ -