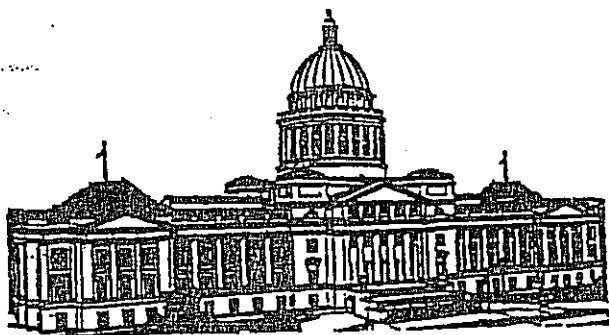


# ARKANSAS REGISTER

## Transmittal Sheet



Sharon Priest  
Secretary of State  
State Capitol Rm. 01  
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date \_\_\_\_\_ Code Number 012.02.01--002

Name of Agency DEPARTMENT OF ARKANSAS HERITAGE

Department ARKANSAS HISTORIC PRESERVATION PROGRAM

Contact Person PATRICK RALSTON, ASST DIRECTOR Phone 324-9880

Statutory Authority for Promulgating Rules ACA 13-7-106

<input checked="" type="checkbox"/> Extended Effective Date	Legal Notice Published . . . . .	<u>5/1/01</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment . . . . .	<u>6/1/01</u>
<input checked="" type="checkbox"/> 10 Days After Filing	Filed With Legislative Council . . . . .	<u>5/2/01</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . .	<u>6/5/01</u>
	Adopted by State Agency . . . . .	<u>6/11/01</u>

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with Act 434 of 1967 As Amended.

Patrick L. Ralston  
Signature

501-324-9880  
Phone Number

ASSISTANT DIRECTOR, AHPP  
Title

7/10/01  
Date

FILED  
AR. REGISTER DIV.  
01 JUN 15 AM 8:46  
BY SHARON PRIEST  
SECRETARY OF STATE  
STATE OF ARKANSAS



DEPARTMENT: Department of Arkansas Heritage  
 DIVISION: Arkansas Historic Preservation Program  
 PERSON COMPLETING THIS STATEMENT: Patrick Ralston, AHPP Asst. Director  
 PHONE NO. 501-324-9880  
 FAX: 501-324-9184

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Revisions to the Manual for the Arkansas Preservation Education Grant (APEG) Program.

1. Does this proposed, amended or repealed rule or regulation have a financial impact? NO
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibitive, please explain. NA
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. NA

<u>2001-2002 Fiscal Year</u>	<u>2002-2003 Fiscal Year</u>
General Revenue	General Revenue
Federal Funds	Federal Funds
Cash Funds	Cash Funds
Special Revenue	Special Revenue
Other	Other
Total	Total

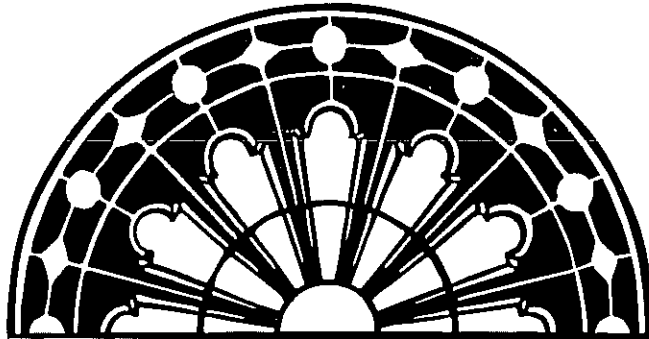
4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? NA

<u>2001-2002 Fiscal Year</u>	<u>2002-2003 Fiscal Year</u>
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5. What is the total estimated cost by fiscal year to the agency to implement this regulation? NA

FILED  
 AR. REGISTER DIV.  
 JUN 15 AM 8:45  
 SHARON L. FINEST  
 SECRETARY OF STATE  
 STATE OF ARKANSAS





**ARKANSAS HISTORIC PRESERVATION PROGRAM**  
An agency of the Department of Arkansas Heritage

Preservation Education  
Grant Guidelines

June 11, 2001

**FILED**  
ARK. REGISTER DIV.  
01 JUN 15 AM 8:46  
STATE OF ARKANSAS  
BY \_\_\_\_\_



# Arkansas Preservation Education Grants

Arkansas Historic Preservation Program  
Department of Arkansas Heritage

This booklet is part of the series "Grant Programs of the Arkansas Historic Preservation Program."

The other titles in the series are:

- Certified Local Government Grants
- Historic Preservation Restoration Grants
- County Courthouse Restoration Grants
- Main Street Model Business Grants
- Main Street Arkansas Downtown Revitalization Grants

To request more information or a grant application packet, contact:

Arkansas Historic Preservation Program  
1500 Tower Building  
323 Center St.  
Little Rock, AR 72201

501-324-9880 (tel.)  
501-324-9811 (TDD)  
501-324-9184 (fax)  
[info@arkansaspreservation.org](mailto:info@arkansaspreservation.org)





**TABLE OF CONTENTS**

---

**I. GENERAL INFORMATION.....4**

Purpose .....4

Funding Source .....4

State and Federal Regulations .....4

**II. GRANTS AND ELIGIBLE PROJECTS.....4**

**III. PREPARING THE GRANT APPLICATION.....5**

Planning the Project.....5

Application Packet Format .....5

**IV. AHPP GRANT REVIEW PROCESS.....5**

Staff Review .....5

Selection Criteria .....6

**V. ADMINISTERING THE GRANT .....6**

Notification.....6

Required Workshop .....6

Matching Requirement.....7

Grant.....7

Contract.....7

Project Time Limits .....7

Project Review/Approval.....7

Allowable Expenses .....7

Non-allowable Expenses .....	8
Grant Payments .....	8
Financial Records.....	9
Reporting.....	9
In-kind Documentation.....	9
Acknowledgement of AHPP Assistance .....	9
Reassignment of Funds .....	10
Executive Order 98-04.....	10
<b>VI. PROJECT CONTRACTING PROCEDURES .....</b>	<b>10</b>
Invitation to Bid.....	10
Competitive Negotiation .....	11
Noncompetitive Negotiation .....	11
Bid Documentation.....	12
Bid Acceptance and Award .....	12
<b>EXHIBIT 1 – Executive Order 98-4 .....</b>	<b>13</b>

## **I. GENERAL INFORMATION**

### ***Purpose***

The Arkansas Preservation Education Grant is designed to support the research, interpretation and documentation of Arkansas's historic resources and culture through scholarly research and professional development.

### ***Funding Source***

Grants awarded by the Arkansas Historic Preservation Program (AHPP) are funded by General Revenues of the State of Arkansas and Special Revenues under the Real Estate Transfer Tax passed as Acts 729 and 818 of 1987, the Arkansas Conservation Tax established by Amendment 75, or by the National Park Service, United States Department of the Interior. All grant recipients must follow the policies and procedures of the Arkansas Historic Preservation Program, as well as regulations governing the expenditure of all state and federal funds. The regulations set forth in this manual must be strictly adhered to by both the Arkansas Historic Preservation Program and by all grant recipients.

### ***State and Federal Regulations***

All grant recipients must agree to abide by and comply with applicable state and federal regulations and policies, including Fair Labor Standards, Title VI of the Civil Rights Act of 1964 [42 USC 2000 (d)] and Section 504 of the Rehabilitation Act of 1973 [29 USC Section 794], Title IX of the Education Amendment of 1973, and the Americans with Disabilities Act of 1991, as well as all other applicable state and federal laws, regulations, and executive orders.

## **II. GRANTS AND ELIGIBLE PROJECTS**

The Arkansas Preservation Education Grant is an annual grant program that is available for scholarly research, publication, public programming, and other activities that further public awareness of the importance of Arkansas's historic resources and culture. County or municipal governments, non-profit organizations, and individuals may submit proposals for grants.

Arkansas Preservation Education Grants of up to \$25,000 may be used for, but are not limited to, the following types of projects:

1. Statewide or regional surveys of historic resources.
2. Speakers' fees and materials for symposia, conferences and workshops.
3. Scholarly research on Arkansas preservation issues, built environment, and archeology leading to publication.

4. Development of printed materials, educational software, films, or videos interpreting Arkansas historic resources.

### **III. PREPARING THE GRANT APPLICATION**

#### ***Planning the Project***

An applicant for any Arkansas Preservation Education Grant must first determine the scope of the project to be funded. Contact AHPP for information on past projects, or for general assistance in designing your own project.

#### ***Application Packet Format***

The application packet for an Arkansas Preservation Education Grant should be organized using the following format, with sections numbered accordingly:

1. **Application:** Two-page document available from AHPP, containing basic information on applicant and proposed project. Includes space for a brief (2-3 sentence) summary of the project.
2. **Detailed Project Description:** Drawings and narrative explaining how the project is to be accomplished, what materials will be used, and timeline for the project. Narrative should include specific explanation of what project components will be funded by the grant, and what applicant's match will fund.
3. **Detailed Project Budget:** A line-item project budget, including material and research costs, labor, and consultant fees. Budget should also specify which items are to be grant-funded.
4. **Letters of Commitment and Support:** Letters from project stakeholders (clients, local government officials, donors) demonstrating community and/or financial support for the project.

### **IV. AHPP GRANT REVIEW PROCESS**

#### ***Staff Review***

Grants are awarded annually. The technical staff of the AHPP reviews applications for completeness and project eligibility. The staff scores technical aspects of a project on a scale of 1 to 100. The staff forwards its recommendations to the Historic Preservation Grants Selection Committee, consisting of the following members: 1) Director of the Arkansas Historic Preservation Program; 2) the Chairman of the State Historic Preservation Review Board, or another Board member designated by the Chairman; and 3) a Constituent at Large designated by the State Historic Preservation Officer.

### ***Selection Criteria***

The staff and Grants Selection Committee use the following primary criteria to evaluate proposals. Each is worth a possible 10 points.

- Relevance of the project to a significant aspect or need of statewide historic preservation or archeology.
- Size of project audience.
- Evidence that the objectives of the project can be achieved within the framework set forth by the applicant.
- Qualifications and experience of the applicant and others participating in the project.
- Interest of the applicant in undertaking the project and acquired benefits to the applicant and to AHPP.
- Appropriateness of the budget.
- Timeliness and the need and significance of the project.
- Evidenced ability of applicant to administer the project (reporting history, compliance, etc.) in accordance with the grant agreement.
- Adequacy of facilities, equipment, and personnel.
- Completeness of application (**Incomplete applications will not be considered**).

## **V. ADMINISTERING THE GRANT**

### ***Notification***

A notification letter from the Governor of Arkansas will be sent to all Arkansas Preservation Education Grant recipients.

### ***Required Workshop***

Grantees must attend a grant administration workshop in Little Rock at a time and location specified by the AHPP. Attendance is MANDATORY for the grant recipient or project manager. **FAILURE TO ATTEND THE GRANT ADMINISTRATION WORKSHOP WILL RESULT IN CANCELLATION OF THE GRANT AWARD AND REALLOCATION OF THE FUNDS TO OTHER PROJECTS.**

### ***Matching Requirement***

Each applicant must provide a 100-percent match of the grant amount, with at least half of that match in cash.

### ***Grant Contract***

Each grantee must sign a contract with AHPP and comply with all of its terms. The contract is included in the grant award packet.

### ***Project Time Limits***

Unless otherwise authorized, all projects must be completed within the time period specified in the grant contract. Extensions are granted only in very special cases, and are strongly discouraged. A grantee that is unable to meet a project deadline is required to submit a written request for an extension of time at least 14 days prior to the deadline. This request will be reviewed by the AHPP, and the grantee will be notified as soon as possible of the action taken. A request for an extension does not guarantee it will be granted. **If the grantee does not meet the established deadline and/or does not request and receive an extension, the grant will be terminated on the contract end date and funds will be reallocated.** A grantee who encounters serious financial problems after accepting a grant, or who is for some other reason unable to proceed with the project, should immediately inform the AHPP. The funds will then be reassigned or returned to the AHPP according to the procedures specified in this manual.

### ***Project Review/Approval***

All Arkansas Preservation Education Grant projects will be required to undergo project evaluation at a mid-point in the development of the project as well as when the project is completed. **The AHPP must review the final draft of any printed materials associated with the project BEFORE publication, production, printing, or distribution of these materials to the public.** The AHPP will develop an evaluation plan and select a review committee pertinent to each project. Comments, suggestions, approvals, etc. will be returned to the grantee in a timely manner following the review so that the project may be completed by its designated end date. **No changes in the project may be made without prior approval by the AHPP.** Grantees must submit a request in writing for approval of changes in the project.

### ***Allowable Expenses***

The following is a list of some of the more frequently used allowable costs. To be considered allowable, all costs must appear in the approved work-cost breakdown.

- Historical, architectural, or archeological research necessary to implement and carry out project work.
- Salaries and wages of project personnel.
- Expendable supplies and materials.
- Rental or lease of project equipment.

- Travel directly related to the project.

### ***Non-allowable Expenses***

The following costs are not reimbursed by Preservation Education Grants:

- Any item not listed in the approved work-cost breakdown.
- Deficits.
- Contingency funds.
- Contributions or donations to other organizations or individuals.
- Capital expenditures defined as tangible property costing \$100 or more and having a life span of two or more years.
- Entertainment expenses, including refreshments, flowers, reception costs, etc.
- Interest and other financial costs.
- Lobbying expenses.
- New construction.
- Work done prior to grant award and after approved grant end date.

### ***Grant Payments***

Since grants are based on anticipated federal funds or state revenues and not on existing funds, **grant amounts could be reduced at any time during the grant period.**

The schedule of grant payments will depend upon the nature of the project. Grant payments will be made directly to the grantee. No payment will be made to the grantee unless payment requests are accompanied by progress or final reports as applicable. The grantee should use the following procedures:

1. No payment shall be made under this grant agreement until recipient has made a cash match expenditure at least equal to the payment requested.
2. One of the following payment options can be used:
  - a. Partial reimbursement payments upon completion of portions of the project (no more than four requests during grant period); or
  - b. One full payment upon completion of the total project.
3. Requests for partial reimbursement payments **must** include:
  - a. AHPP progress report/invoice form.
  - b. Vendor invoice(s).
4. Final payment will be processed upon approval of completed work. Request for final payment must include:
  - a. AHPP final report/invoice.
  - b. Vendor invoice(s).
  - c. Clippings or other publicity pertaining to the project.

A blank AHPP invoice form, progress report form, and final project report form are included in the grant award packet. Please make copies as needed.

### ***Financial Records***

Grantee is subject to make all finance records available for audit. Records should be kept on file by the grantee for at least three years after completion of project.

### ***Reporting***

Grantees are required to submit reports during the grant period according to the grant agreement. Progress reports are required at least quarterly and must accompany any partial payment request. A final project report is required no later than 30 days after completion of the project. This report must include certification/documentation of cash match and total project costs. Full or final payment requests must be accompanied by the final project report.

### ***In-kind Documentation***

Labor and/or material that is donated to the grant-funded project may be designated an in-kind match. The grantee must document such match.

The grantee should keep time sheets for all donated labor, identifying the work, dates and hours worked, and the value of the work performed. Rates used must be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved. If a volunteer performs services outside his or her profession or trade, this volunteer time must be valued at the federal minimum wage rates. Time sheets for donated labor should be submitted to the Arkansas Historic Preservation Program along with required status reports.

A statement of donated materials should be submitted to the Arkansas Historic Preservation Program when such materials are to be used as part of the grantee's match. The written statement should include a description of the materials, their value, and the name and signature of the donor. **Information on donated materials must be filed with the Arkansas Historic Preservation Program before the final grant payment can be made.**

### ***Acknowledgement of AHPP Assistance***

Acknowledgement of AHPP assistance must be made in any publication, public event, audio or video production, or other activity based on, or developed under, any activity supported by Preservation Education Grants. Statements should be worded substantially as follows:

*"This publication has been financed (in part/entirely) with Tax Funds from the State of Arkansas. However, the contents and opinions do not necessarily reflect the views or policies of the Arkansas Historic Preservation Program, nor does the*



*mention of trade names or commercial products constitute endorsement or recommendation by the Arkansas Historic Preservation Program."*

News releases, publications, and other public dissemination of information generated by a grant-supported activity must acknowledge the Arkansas Historic Preservation Program, an agency of the Department of Arkansas Heritage, or the National Park Service, as applicable, as a source of financial support.

### ***Reassignment of Funds***

Occasionally during the course of the grant cycle AHPP identifies additional funds available for grants. These funds usually result from a grantee's decision to decline a grant award. When additional funds are identified, the Historic Preservation Grant Selection Committee will meet to determine the reassignment of any unused grant funds previously awarded. The funds may only be awarded to another qualified applicant with a current grant proposal on file. The Grant Selection Committee will use the same criteria to reassign these midterm funds that are used to award the initial grants.

### ***Executive Order 98-04***

All work performed with AHPP grant funds must comply with the terms of EO-98-04 (see Exhibit 1).

## **VI. PROJECT CONTRACTING PROCEDURES**

Most grantees funded by this grant program must use competitive bidding to purchase goods, services, materials, and labor. Competitive sealed bidding is required for the purchase of any construction-related goods and services of \$10,000.01 or more. All procurement of construction-related products and services between \$1,000.01 - \$10,000.00 shall be done by soliciting competitive quote bids by telephone or in writing from at least three qualified vendors.

### ***Invitation to Bid***

For projects costing more than \$10,000.00, the grantee must seek bids by placing an advertisement once each week for at least two consecutive weeks in a publication that has general circulation in the county where the work is to be performed. Bid date must be at least one week following last advertisement. The grantee may also use additional advertising sources.

If a bid bond is required, the amount may be stated as a percentage. The bid invitation shall include a general description of the goods or services to be procured; shall state where bid documents may be obtained; shall state the date, time, and place of bid opening; and shall inform bidders that state funds are being used, and that relevant regulations, restrictions and applicable laws apply.

If, having advertised for bids, no bids are received by the date of the bid opening, the grantee must advertise for the goods and/or services to be procured a second time, with a second bid opening date established in accordance with these regulations.

Bids shall be opened at the time and place designated in the public notices and the invitation for bid. When practical, the names of the bidders and the amounts of their bids may be read aloud. Except where it may be deemed impractical, due to the nature or complexity of any invitation for bids, an abstract of bids that contains the amount of each bid and the name of the bidder shall be prepared for each invitation for bids. An abstract of bids shall be retained in the bid file and shall be available for public inspection.

### ***Competitive Negotiation***

Competitive negotiation may be used if conditions are not appropriate for the use of formal advertising. In competitive negotiation, proposals are requested from a number of sources and the Request for Proposals is publicized, negotiations are normally conducted with more than one of the sources submitting offers, and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. If competitive negotiation is used for procurement under a grant, the following requirements shall apply:

1. Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirement of the procurement. The Request for Proposals shall be advertised a minimum of five days statewide, and reasonable requests by other sources to compete shall be honored to the maximum extent practical.
2. The Request for Proposals shall identify all significant evaluation factors. This identification must include the price or cost, where required, and the relative importance attached to price or cost.
3. The grantee shall provide mechanisms to evaluate proposals received, identify responsible offers for the purpose of written or oral discussions, and select proposals for contract award.
4. Award may be made to the responsible offer whose proposal will be most advantageous to the procuring party, price and other factors considered. Unsuccessful offers should be notified promptly.
5. Grantees may utilize competitive negotiation procedures for procurement of architectural, engineering, archeological, and other professional services, whereby competitor's qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.

### ***Noncompetitive Negotiation***

Noncompetitive negotiation may be used when the award of a contract is not feasible

under competitive bidding (formal advertising) or competitive negotiation procedures. Noncompetitive negotiation is procurement by soliciting a proposal from only one source, or after soliciting a number of sources, it becomes apparent the competition is not adequate. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

1. The item is available only from a single source.
2. Public exigency or emergency when the urgency for the requirement will not permit a delay incident to competitive solicitation.
3. After solicitation of a number of sources, competition is determined inadequate.

Single source contracts must be approved by the AHPP.

### ***Bid Documentation***

The following bid documentation is required and a copy must be provided to the AHPP:

1. Dated copies of all required advertisements
2. Dated copies of all sealed bids received
3. Names and addresses of all vendors contacted for quote bids
4. Quotes from all bids
5. Documentation of negotiations for negotiated contracts
6. Justification for why the lowest bid was not accepted, if such was the case.

### ***Bid Acceptance and Award***

An award may be made to the lowest aggregate bidder for all items, group of items, or an individual item basis, whichever is deemed to be in the best interest of the project.

The right to reject any and all bids and to waive technicalities and minor irregularities in bids should be allowed.

After a reasonable evaluation period, the contract shall be awarded to the responsive and responsible bidder who submitted the lowest bid that meets the requirements and criteria set forth in the Invitation for Bids. If after evaluation of the bids, including consideration of any clarifying or explanatory information submitted by the bidders, it is determined that no satisfactory bid has been received, all bids may be rejected. If all bids are rejected, the grantee must re-advertise for the goods and/or services to be provided in accordance with these regulations.



**STATE OF ARKANSAS**  
**EXECUTIVE DEPARTMENT**

**PROCLAMATION**

TO ALL TO WHOM THESE PRESENTS COME — GREETINGS:

EO-98-04

AN EXECUTIVE ORDER ESTABLISHING MANDATORY GUIDELINES AND PROCEDURES TO BE FOLLOWED BY THE EXECUTIVE DEPARTMENT IN AREAS OF EMPLOYMENT, GRANTS, CONTRACTS AND PURCHASING TO PREVENT WASTE, ABUSE OR THE APPEARANCE OF IMPROPRIETY AND TO CREATE A CLEARINGHOUSE FOR GRANTS AND CONTRACTS.

WHEREAS, the acts of a few have created an unfortunate but predictable deterioration of public confidence in public officials, the majority of whom serve loyally and at great personal sacrifice; and

WHEREAS, the taxpaying citizens of Arkansas annually entrust their state government with more than \$4.3 billion paid by them in the form of taxes; and

WHEREAS, the Arkansas Constitution provides, "All political power is inherent in the people and government is instituted for their protection, security and benefit;" and

WHEREAS, recent events have brought to light abuses in state government that have resulted in misappropriation and waste of the hard-earned money of the citizens of this great State; and

WHEREAS, the practice of hiring public officials or their family members has at times created an appearance of impropriety; and

WHEREAS, the letting of personal service or purchasing contracts and grants to businesses that benefit public officials or their family members has occurred without disclosure or scrutiny; and

WHEREAS, no clearinghouse exists for disclosure of whether individuals or entities are simultaneously obtaining duplicative grants from separate agencies for the same intended purpose; and

WHEREAS, appropriate executive action is necessary to ensure that the executive department of this State acts responsibly in its administration of the citizens' money, protecting the people from waste and abuse so that the government is truly acting for "their protection, security and benefit;"

NOW, THEREFORE, I, Mike Huckabee, acting under the authority vested in me as Governor of the State of Arkansas, do hereby order:

**I. DISCLOSURE REQUIREMENTS**

Agencies shall require, as a condition of obtaining or renewing a contract, lease, purchase agreement, employment, or grant with any state agency, that any individual desiring to contract with, be employed by, or receive grant benefits from, any state agency shall disclose whether that person is a current or former member of the general assembly, constitutional officer, board or

## II. APPROVAL OF CONTRACTS AND GRANTS

Agencies shall be prohibited from entering into or renewing any contract, lease, purchase agreement, or grant with any current or former: member of the general assembly, constitutional officer, board or commission member, state employee, or the spouse or immediate family member of any of the persons described in this sentence, or with any entity in which any such person holds (i) any position of control, or (ii) any ownership interest of 10% or greater.

The prohibition provided in the previous sentence shall not apply to:

- (i) contracts, leases, or purchase agreements that are the result of competitive sealed bidding, or a request for proposal, which requires public notice and public opening of bids or proposals; provided, however, agencies shall be required to disclose any such contract, lease, or purchase agreement entered into with any of the persons described in the previous paragraph, notice of which is given to the Governor and the Legislative Council; or
- (ii) contracts or purchase agreements subject to competitive bidding, for which the total consideration is less than \$10,000; provided, however, agencies shall be required to disclose any such contract, lease, or purchase agreement entered into with any of the persons described in the previous paragraph, notice of which is given to the Governor and the Legislative Council; or
- (iii) any contract, lease, purchase agreement, or grant not subject to competitive sealed bidding or a request for proposal, for which the total consideration is \$10,000 or greater, and the prior written approval of the Chief Fiscal Officer of the State is obtained, notice of which approval is given to the Governor and the Legislative Council.

## III. DISCLOSURE OF SUBCONTRACTORS

Agencies shall require, as a condition of obtaining or renewing a contract, lease, purchase agreement, or grant with any state agency, that any individual or entity desiring to contract with any state agency shall require that any subcontractor, sub-lessor, or other assignee (hereinafter "Third Party"), shall disclose whether such Third Party is a current or former: member of the general assembly, constitutional officer, board or commission member, state employee, or the spouse or immediate family member of any of the persons described in this sentence, or if any of the persons described in this sentence hold any position of control or any ownership interest of 10% or greater in the Third Party, and shall report any such disclosure by the Third Party to the agency. The disclosure requirements of this paragraph shall apply during the entire term of the contract, lease, purchase agreement, or grant, without regard to whether the subcontract, sublease, or other assignment is entered into prior or subsequent to the contract date.

Agencies shall require, as a further condition of obtaining or renewing any contract or agreement with any state agency, that the individual or entity desiring to contract shall incorporate into any agreement with a Third Party, previously defined, the language of Paragraph XI of this order, and any other necessary language as provided by rules and regulations promulgated to enforce this order, which provides that failure of the Third Party to disclose the identity of any person or entity described in the previous paragraph shall be considered a material breach of the agreement.

#### IV. REPORT OF BENEFITS RECEIVED

Department of Finance and Administration shall promulgate regulations to implement the requirements of Ark. Code Ann. § 19-11-706, which requires an individual drawing a salary from or performing personal services for an agency to report to the Director of Department of Finance and Administration any benefit from any State contract with a business in which the individual has a financial interest, and provides that failure to report as required may subject the individual to criminal sanctions, as provided in Ark. Code Ann. § 19-11-702.

#### V. DISCLOSURE OF CONTRACTS AND GRANTS

Agencies shall disclose all (i) grants awarded to, and (ii) all goods and services sold or leased to them by, current or former members of the following: the general assembly, constitutional officers, board and commission members, state employees, the spouse and immediate family members of any of the persons described in this sentence, or business entities in which persons described in this sentence hold (i) any position of control, or (ii) any ownership interest of 10% or greater.

Department of Finance and Administration shall serve as a central clearinghouse for agency disclosure forms that shall be maintained in accordance with this executive order.

All such disclosure shall be compiled periodically from clearinghouse information and reported to the Governor, with notice to the Legislative Council.

#### VI. SOLE SOURCE CONTRACTS

Agencies shall review all "sole source" contract procedures to ensure compliance with the purpose and intent of this order.

#### VII. RESTRICTIONS ON EMPLOYMENT OF LEGISLATORS AND CONSTITUTIONAL OFFICERS

Agencies shall be prohibited from hiring any member of the general assembly or any constitutional officer while the member or officer is serving in his or her elected office. Agencies shall further be prohibited from hiring former members of the general assembly or former constitutional officers in any job created or enhanced by legislation in the two-year period immediately preceding the conclusion of that person's term of office. Agencies shall provide notice of the hiring of any former legislator or former constitutional officer to the Chief Fiscal Officer of the State, the Governor, and the Legislative Council.

#### VIII. RESTRICTIONS ON EMPLOYMENT OF CERTAIN FAMILY MEMBERS

Agencies shall be prohibited from hiring spouses and immediate family members of members of the general assembly, constitutional officers, and state employees without the prior written approval of the Chief Fiscal Officer of the State, notice of which approval is given to the Governor and the Legislative Council.

#### IX. RESTRICTIONS ON EMPLOYMENT OF PRESENT AND FORMER EMPLOYEES

... shall immediately proceed to promulgate and implement any necessary rules, regulations or policies to insure compliance with the purpose and intent of this executive order.

#### XI. FAILURE TO DISCLOSE AND VIOLATIONS

Every agreement executed by an Agency, whether a contract, lease, purchase agreement, or grant, shall be required to contain the following condition as a term of the agreement and shall be further required to provide that this condition shall be contained in any subcontract, sublease, or other assignment of the terms of the agreement to any Third Party, as defined in Paragraph V:

The failure of any person or entity to disclose as required under any term of Executive Order 98-04, or the violation of any rule, regulation or policy promulgated by the Department of Finance and Administration pursuant to this Order, shall be considered a material breach of the terms of the contract, lease, purchase agreement, or grant and shall subject the party failing to disclose or in violation to all legal remedies available to the Agency under the provisions of existing law.

#### XII. AGENCIES AFFECTED

The provisions of this Order shall apply to entities that are within the control of the governor.

Members of the Legislature, any employees of, or positions in the Legislative branch of Arkansas State Government; the Justices of the Supreme Court, Judges of the Court of Appeals, Judges of the Circuit, Chancery or Circuit/Chancery Courts, Judges of the Inferior Courts, or any employee of, or position in the Judicial branch of Arkansas State government; elective officers of the State and any employee of the offices of Lieutenant Governor, Attorney General, Secretary of State, State Auditor, Land Commissioner, and State Treasurer; members and staff of multi-member boards, commissions, or committees that are exempt by law from the provisions of the "Arkansas Purchasing Law", Ark. Code Ann. § 19-11-201 et seq.; and employees of the Arkansas Highway and Transportation Department and the Arkansas Game and Fish Commission are encouraged to voluntarily agree to be covered by the provisions of this Executive Order.

#### XIII. DEFINITIONS

For purposes of the foregoing Executive Order, the following definitions shall apply:

MEMBERS OF THE GENERAL ASSEMBLY shall mean member(s) of the Arkansas House of Representatives or of the Arkansas Senate.

FORMER MEMBER OF THE GENERAL ASSEMBLY shall mean any person who was a member of the General Assembly within two years prior to entering into any contract with or receiving any grant awarded by a state agency.

CONSTITUTIONAL OFFICER shall mean Governor, Lieutenant Governor, Secretary of State, Treasurer of State, Attorney General, Commissioner of State Lands, and Auditor of State.

FORMER CONSTITUTIONAL OFFICER shall mean any person who was a Constitutional Officer within two years prior to entering into any contract with or receiving any grant awarded by a state agency.



STATE AGENCY shall mean every agency, board, commission, department, division, institution, and other office of state government located within the executive branch of government and under the control of the governor, including state supported colleges and universities.

STATE EMPLOYEE shall mean any employee of any state agency.

FORMER STATE EMPLOYEE shall mean any person who was a state employee of any state agency within two years prior to entering into any contract with or receiving any grant awarded by a state agency.

FORMER BOARD OR COMMISSION MEMBER shall mean any person who was a board or commission member within two years prior to entering into any contract with or receiving any grant awarded by a state agency.

IMMEDIATE FAMILY MEMBER shall mean an individual's spouse, children of that individual or his or her spouse, or brothers, sisters, or parents of the individual or his or her spouse.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the Capitol in Little Rock on this 27<sup>th</sup> day of February, in the year of our Lord nineteen hundred ninety-eight.

*Mike Huckabee*

MIKE HUCKABEE, GOVERNOR

*Sharon Priest*

SHARON PRIEST, SECRETARY OF STATE



