



**STATE OF ARKANSAS**  
**MIKE BEEBE**  
**GOVERNOR**

**TO:** Directors of State Agencies Receiving Federal Revenue  
**FROM:** Governor Mike Beebe  
**DATE:** October 9, 2013  
**SUBJECT:** Notice of Discontinuance of State Funding for Federal Programs

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Agency directors were notified last Monday that employees could be retained during the federal government shutdown only if sufficient documentation had been provided by federal granting agencies that reimbursement funds would be provided at the conclusion of the shutdown. This was to provide for a smooth transition period with the expectation that any shutdown would likely be temporary.

It now appears that the shutdown could be prolonged indefinitely. The State of Arkansas simply does not have the resources to continue to cover the costs of federal programs, and cannot put state program matching funds in jeopardy. Therefore, I am notifying all agency directors that as of Friday, October 11, any programs or employees that are wholly or partially dependent on federal funding and cannot draw on those federal funds during the shutdown are to be suspended until its conclusion.

Agency directors should take steps to ensure that employees, vendors and program participants are notified as quickly as possible. The DFA – Office of Accounting will offer review of federal correspondence for exceptions for the protection of the public health, safety and welfare. Any federal employees or programs that continue beyond Friday must receive certification from the Chief Fiscal Officer of the State.

The DFA – Offices of Accounting, Budget, Personnel Management and Procurement will be available to assist agencies during this event. You may contact DFA for more information.

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