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ACXIOM CORP
Form 11-K
June 25, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF

(Mark One)

Annual Report pursuant to Section 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2002.

OR

Transition Report pursuant to Section 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number 0-16163

A. Full title of the plan and the address of the plan, if different from that of t
below:

Acxiom Corporation
Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of i
executive office:

Acxiom Corporation
1 Information Way
Little Rock, AR 72202

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Financial Statements and Supplemental Schedules

December 31, 2002 and 2001

(With Independent Auditors' Report Thereon)

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Table of Contents

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Independent Auditors' Report

Statements of Net Assets Available for Benefits
December 31, 2002 and 2001

Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2002

Notes to Financial Statements

Schedules

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2002

Schedule H, Line 4j - Schedule of Reportable Transactions
Year ended December 31, 2002

All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Employee Retirement Income Security Act of 1974 are omitted as they are inapplicable or not required.

Independent Auditors' Report

The Plan Administrator
Acxiom Corporation Retirement Savings Plan:

We have audited the accompanying statements of net assets available for benefits of Acxiom Corporation Retirement Savings Plan (the Plan) as of December 31, 2002 and 2001, and the related statement of changes in net assets available for benefits for the year ended December 31, 2002. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Acxiom Corporation Retirement Savings Plan as of December 31, 2002 and 2001, and the net assets available for benefits for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements and supplemental schedule of assets (held at end of year) and schedule of reportable transactions are not a required part of the basic financial statements, but are supplemental schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. These supplemental schedules have been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG LLP

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Dallas, Texas
 May 16, 2003

ACXIOM CORPORATION
 RETIREMENT SAVINGS PLAN
 Statements of Net Assets Available for Benefits
 December 31, 2002 and 2001

		2002

Assets:		
Investments, at fair value:		
Acxiom Corporation common stock (note 10)	\$	58,769
Other common stock		82,029
Mutual funds		15,188
Common collective trust fund		4,099
Participant notes receivable		-----
Total investments		160,177
Cash		3
Escrow receivable (note 7)		-----
Net assets available for benefits	\$	160,211
		=====

See accompanying notes to financial statements.

2

ACXIOM CORPORATION
 RETIREMENT SAVINGS PLAN
 Statement of Changes in Net Assets Available for Benefits
 Year ended December 31, 2002

Additions to net assets attributed to:	
Investment income:	
Dividends	\$
Interest	
Contributions:	
Participants	
Employer, net of \$462,197 of forfeitures	
Plan merger	
Total additions	
Deductions from net assets attributed to:	
Net depreciation in fair value of investments (note 3)	
Corrective distributions	
Plan expenses	
Distribution of benefits	
Total deductions	
Net decrease in net assets available for benefits	

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Net assets available for benefits, beginning of year

Net assets available for benefits, end of year

\$

See accompanying notes to financial statements.

3

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

(1) Plan Description

The following description of the Acxiom Corporation Retirement Savings Plan (the Plan) provides information. Participants should refer to the plan agreement (the Agreement) for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan covering substantially all employees of Acxiom Corporation and its domestic subsidiaries (Acxiom, the Company, or the Employer). The Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

(b) Contributions

The Plan includes a 401(k) provision whereby each non-highly compensated participant may contribute up to 22% of annual compensation (22% prior to May 1, 2001), not to exceed limits determined under Section 401(k) of the Internal Revenue Code (IRC). Deferrals for highly compensated participants are limited by the nondiscrimination requirements of the IRC and are currently limited to 6% of annual compensation.

The Plan requires the Company to make a matching contribution equal to 50% of the participant's deferred compensation up to 6% of total compensation as defined (maximum 3% of total compensation). The Plan also allows the Company to make a discretionary contribution as determined by the board of directors of Acxiom.

Participant contributions to the Plan are invested as directed by participants into various investment options. The Company's matching contributions are made with Acxiom common stock, and the fair value of the common stock at the date contributed. During the years ended December 31, 2002 and 2001, the Company contributed 285,097 and 338,789 shares, respectively, of Acxiom common stock.

Certain fees for attorneys, accountants, and plan administration have been paid by the Company for the year ended December 31, 2002. The Company may continue to pay these fees in the future. Otherwise, fees will be paid out of the trust of the Plan. For the year ended December 31, 2002, fees were paid out of the Plan's forfeiture account in addition to fees paid by the Company.

(c) Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution, and discretionary contributions, if any, and is adjusted for investment gains and losses. Allocations of income/losses are made according to formulas specified in the Agreement. The benefit to which a participant is entitled is based on the participant's compensation or account balances. The benefit to which a participant is entitled is provided from the participant's vested account.

4

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(d) Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. Loans are repayable through payroll deductions to five years unless the loan is for the purchase of a primary residence, in which case the loan is repaid over ten years. The loans are secured by the balance in the participant's account. The interest rate on the loan is at the prime rate in effect at the date of the loan plus 2% (6.25% and 6.75% at December 31, 2002 and 2001, respectively). The interest rates on outstanding participant loans at December 31, 2002 and 2001, were 11.5% and 11.5%, respectively.

(e) Vesting

Participants are immediately vested in their voluntary contributions and the earnings on those contributions. The remaining account balances are vested in the remainder of their accounts based on years of service, whereby participants receive 20% increments beginning after two years of service until participants become fully vested after ten years of service. If applicable, nonvested portions of company contributions are forfeited at the termination date and are used to reduce future company matching contributions or to reduce future employer contributions.

At December 31, 2002 and 2001, forfeited nonvested accounts totaled \$27,464 and \$19,464, respectively. These accounts will be used to reduce future employer contributions. During 2002, \$462,197 of nonvested accounts were forfeited and employer contributions were reduced by \$462,197 from future employer contributions. During 2002, the forfeiture account balance was also reduced by \$20,532 in connection with the fair market value of the investments held in the account of \$9,603 on the fair market value of the investments held in the account.

(f) Investment Options

Upon enrollment in the Plan, a participant may direct employee contributions in any one common collective trust fund currently offered by T. Rowe Price Investment Services, Inc. (T. Rowe Price) (see note 4). In addition, beginning in 2001, participants have the option to open a brokerage account with T. Rowe Price in order to invest in numerous other stocks, bonds, and mutual funds. Effective, May 1, 2001, the Plan was amended to make Acxiom common stock an investment option for employee contributions. For the years ended December 31, 2002 and 2001, employee contributions to the common stock fund were approximately \$0 and \$53,000, respectively.

The Plan's investment in the T. Rowe Price Stable Value Fund, a common trust fund, includes investments in Guaranteed Investment Contracts, Bank Investment Contracts, and Synthetic Guaranteed Investment Contracts. The value of the fund reflects the value of the underlying contracts, which includes principal value, reinvested dividends and capital gains distributions, and appropriate interest. The stated interest rates of the contracts vary and the average yield for the year ended December 31, 2002 was 5.16% after expenses.

5

(g) Withdrawals and Payment of Benefits

Benefits paid upon retirement, death, or disability are made in the form of a lump-sum payment of the common stock of the Company. If a participant receives benefits prior to retirement, the benefits paid from the participant's employer contribution account shall not exceed the vested balance therein.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

(b) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates.

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United States of America requires management to make estimates and assumptions that amounts of assets and liabilities and disclosure of contingent assets and liabilities in financial statements and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

(c) Investment Valuation and Income Recognition

The Plan's investments are stated at fair value, based upon quoted market prices, except for notes receivable, which are stated at unpaid principal balance, which approximates fair value. Purchases and sales of securities and related income are recorded on a trade-date basis.

The Plan provides for investment in investment securities that, in general, are exposed to market risk such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, changes can materially affect the amounts reported in the financial statements of assets available for benefits.

(d) Payment of Benefits

Benefits are recorded when paid.

6

(3) Investments

The fair value of the individual investments held by the Plan is as follows (investments that are not part of the Plan's net assets are separately identified):

	2002		Number of share units
	Number of shares or units	Fair value	
Acxiom common stock	3,821,088	\$ 58,768,334*	3,930
Other common stock		94,518	
Mutual funds:			
**T. Rowe Price Equity Income Fund	744,019	14,724,145	655
**T. Rowe Price Balanced Fund	898,489	13,935,565	902
**T. Rowe Price Growth Stock Fund	717,317	13,327,753	652
**T. Rowe Price Mid-Cap Growth Fund	315,679	9,798,677	295
**Other funds		30,243,859	
Total mutual funds		82,029,999	
Common collective trust:			
**T. Rowe Price Stable Value Fund	15,185,250	15,185,250	14,513
Participant notes receivable (6.25% - 11.5%)		4,098,114	
Total investments		\$160,176,215	

* The employer matching portion of this investment is nonparticipant directed for 2001 and the fair value is \$1,871,173.

** All T. Rowe Price Funds are a party in interest. Other Funds consist of various investments in the amount of \$30,104,221 for 2002 and \$31,638,192 for 2001.

During 2002, the Plan's investments (including investments bought, sold, and held during the year) had a net change in fair value as follows:

Acxiom common stock *	\$ (7,871,173)
Other common stock	(65,474)

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Mutual funds	(15,003,276)

	\$ (22,939,923)
	=====

7

(4) Plan Administration

The Plan is administered by the Company. During 2002 and 2001, participant records and assets were maintained by T. Rowe Price Trust Company as recordkeeper and trustee (see note 6).

(5) Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 2002 that the Plan is designed in accordance with applicable sections of the IRC. The Plan has been amended to reflect the determination letter, and the Company has requested an updated determination letter. The participants and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with applicable requirements of the IRC.

(6) Parties in Interest

All investment transactions were executed with T. Rowe Price Trust Company, the Plan's trustee. Accordingly, all investment transactions during the respective years were with a party in interest.

(7) Escrow Receivable

The purchase price of Computer Graphics of Arizona, Inc. (CGA), which was acquired by the Company, has not yet been finalized. The contingent portion of the purchase price was being held in escrow. As of December 31, 2002, 5,842 shares of Acxiom common stock related to the Plan were in the escrow account. Upon the occurrence of contingencies, these shares were released from escrow. These shares resulted in escrow receivables with market value of \$0 and \$102,060 at December 31, 2002 and 2001, respectively.

(8) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon the discontinuance of contributions, termination, or partial termination of the Plan, participants' vested interests in their accounts, in which event the value of such accounts shall be distributed as provided in the Plan document.

(9) Reconciliation to Form 5500

As discussed in note 7, at December 31, 2002 and 2001, there was an escrow receivable in the amount of \$0 and \$102,060, respectively, related to the 1999 acquisition of CGA. At December 31, 2001, this amount was included in the statement of net assets available for benefits but is not reflected in the 2001 Form 5500.

Participant-directed brokerage accounts are reported in the aggregate on Form 5500 but are not reported as an investment type in the statement of net assets available for benefits. As of December 31, 2002, participant-directed brokerage accounts included \$255,163 and \$293,255 of mutual fund investments and \$133,802 of common stock investments, respectively.

8

(10) Plan Amendments

Effective on and after June 1, 2002, plan participants may instruct the trustee to sell all Acxiom stock in their matching contribution account and to reinvest the proceeds in one or more investment options available under the Plan. The matching contribution will continue to be made on a dollar-for-dollar basis.

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Effective as of the first day of the plan year beginning after December 31, 2001, the Plan with certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001.

9

ACXIOM CORPORATION
 RETIREMENT SAVINGS PLAN
 Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
 December 31, 2002

Identity of issuer, borrower, lessor, or similar party	Description	Shares	Cost	Curre
* Acxiom Corporation	Common stock	3,821,088	\$ 65,912,120	\$ 58
Applied Micro	Other common stock		**	
Atmel Corp	Other common stock		**	
Cisco Systems Inc	Other common stock		**	
Citrix Systems Inc	Other common stock		**	
Coeur D Alene Mines	Other common stock		**	
Concurrent Computer	Other common stock		**	
Emc Corp (Mass) Com	Other common stock		**	
Engage Inc Com	Other common stock		**	
Ericsson L M Tel Cd	Other common stock		**	
Extreme Networks Inc	Other common stock		**	
Fair Isaac and Co	Other common stock		**	
Flextronics Intl Ltd	Other common stock		**	
General Electric Co	Other common stock		**	
Global Crossing Ltd	Other common stock		**	
Honeywell Intl Inc	Other common stock		**	
J P Morgan Chase	Other common stock		**	
Metromedia Fiber	Other common stock		**	
Mim Corp Com	Other common stock		**	
Nasdaq 100 shares	Other common stock		**	
Newmont Mining	Other common stock		**	
Nokia Corp	Other common stock		**	
PNC Sierra Inc Com	Other common stock		**	
Qlogic Corp	Other common stock		**	
Riverstone Networks	Other common stock		**	
SBC Communications	Other common stock		**	
Schering-Plough Corp	Other common stock		**	
Sun Microsystems	Other common stock		**	
Syscandre Networks	Other common stock		**	
Tycd Intl Ltd New	Other common stock		**	
	Total other common stock			
* T. Rowe Price	Mutual funds:			
	Franklin Small-Mid Cap Growth	925	**	
	American Growth Fund of America	19,598	**	
	Strong Common Stock Fund	5,552	**	
	BGI Lifepath Income	26,761	**	
	BGI Lifepath 2010	3,454	**	
	BGI Lifepath 2020	3,511	**	
	BGI Lifepath 2030	3,443	**	
	BGI Lifepath 2040	2,198	**	
	International Stock Fund	355,947	**	3

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	Growth Stock Fund	652,194	**	13
	New Horizons Fund	250,317	**	4
	Small-Cap Value Fund	315,836	**	7
	Equity Index 500 Fund	95,464	**	2
	Mid-Cap Growth Fund	295,690	**	9
	Balanced Fund	902,127	**	13
	Equity Income Fund	655,292	**	14
	Spectrum Income Fund	597,062	**	6
	Spectrum Growth Fund	324,902	**	3
	Open-end mutual funds		**	
	Open-end mutual funds		**	
	Open-end mutual funds		**	
Meridian Growth	Open-end mutual funds		**	
Dodge & Cox Stock	Open-end mutual funds		**	
U.S. Treasury Money	Open-end mutual funds		**	
	Total mutual funds			82
* T. Rowe Price	Common collective trust fund	15,185,250	**	15
* Participant notes receivable, loans to participants, interest rates range from 6.25% - 11.5%			**	4
	Total investments			\$ 160

* Indicates a party in interest.

** Not applicable - cost is excluded as investments are participant directed.

See accompanying independent auditors' report.

10

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN
Schedule H, Line 4j - Schedule of Reportable Transactions
Year ended December 31, 2002

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of party involved	Description of assets	Purchase price	Selling price	Cost of asset	Current value of asset	Net gain
Acxiom	Company stock	\$ 4,917,726	-	4,917,726	4,917,726	-
Acxiom	Company stock	-	(7,000,707)	(2,901,587)	(7,000,707)	4,099,120

See accompanying independent auditors' report.

11

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Acxiom Corporation has duly report to be signed on its behalf by the undersigned thereunto duly authorized.

Acxiom Corporation
As Sponsor and Administrator of the
Acxiom Corporation Retirement Savings Plan

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Date: June 25, 2003

By: /s/ Jefferson D. Stalnaker

Jefferson D. Stalnaker
Company Financial Operati

EXHIBIT INDEX

Exhibit 23.1 Consent of KPMG LLP