

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
October 29, 2010

Minutes of Meeting

The October 29, 2010 regular meeting of the Arkansas Higher Education Coordinating Board was held at Arkansas State University in Jonesboro. Chairman Burns called the meeting to order at 8:30 a.m. with a quorum present.

Coordinating Board present:

David Leech, Vice Chair
Dr. Charles Allen
Sarah Argue
Dr. Joe Bennett
Jodie Carter
Dr. Olin Cook
Bob Crafton
Steve Luelf

Coordinating Board absent:

Dr. Bob Burns, Chairman

Department staff present:

Dr. Jim Purcell, Director
Dr. Karen Wheeler, Associate Director
Rick Jenkins, Associate Director for Planning and Accountability
Cynthia Moten, Associate Director for Academic Programs
Jackie Holloway, Senior Associate Director for Finance
Zanette Douglas, Coordinator of Institutional Certification
Harold Criswell, Associate Director of Finance and Personnel
Ashley Pettingill, Financial Manager
Brandi Hinkle, Communications Officer
Nichole Abernathy, Administrative Support

Presidents, chancellors, institutional representatives, members of the press, numerous ADHE staff, and guests were also present.

David Leech introduced Dr. Dan Howard, Interim Chancellor for Arkansas State University – Jonesboro (ASUJ). Dr. Howard welcomed everyone to the meeting and commended Dr. Purcell and ADHE staff for their efforts to supply data and information to the institutions on a regular basis. He then introduced ASU Board of Trustees members Dan Pierce and Chairman Florine Milligan. He also introduced Dr. Robert Potts, Interim President of the ASU System, Dr. Ed Coulter, Chancellor at ASU – Mountain Home and Dr. Eugene McKay, Chancellor at ASU – Beebe.

David Leech thanked Dr. Howard and the ASUJ staff for their hospitality and introduced Jennifer Flinn, Deputy Policy Advisor for Higher Education in the Governor's Office.

Agenda Item No. 1
Approval of Minutes

Dr. Joe Bennett moved to approve Agenda Item No. 1. Jodie Carter seconded the motion and the Board unanimously approved.

Agenda Item No. 2
2011 Coordinating Board
Meeting Schedule

The Arkansas Higher Education Coordinating Board meets quarterly to act upon Board initiatives and to respond to campus proposals. The proposed 2011 schedule for these regular quarterly meetings follows:

RESOLVED, That the Arkansas Higher Education Coordinating Board agrees to the following dates for regular quarterly meetings during 2011: February 4, April 15, July 29, and October 28.

FURTHER RESOLVED, That the Board expresses its appreciation and accepts the invitations to meet in February at the Cooperative Extension Service Center in Little Rock, in April at Arkansas State University – Mountain Home, in July at Phillips Community College of the U of A (Stuttgart Campus), and in October at the University of Arkansas Community College at Batesville.

Kaneaster Hodges moved to approve Agenda Item No. 2. Jodie Carter seconded the motion and the Board unanimously approved.

Agenda Item No. 3
Appointment of Nominating Committee

Vice Chairman David Leech appointed members of the Arkansas Higher Education Coordinating Board nominating committee. The nominating committee will recommend Board officers for 2011-12 at the February 4, 2011 meeting. The members included: Kaneaster Hodges (Chair), Sarah Argue and Dr. Olin Cook.

Dr. Joe Bennett moved to approve Agenda Item No. 3. Bob Crafton seconded the motion and the Board unanimously approved.

Agenda Item No. 4
Agency Updates

New Staff

Dr. Purcell began by announcing that the Department of Higher Education recently hired three new employees: Robert Crocket, Systems Analyst; Brandi Hinkle,

Communications Officer; and, Jake Eddington, Financial Aid Assistant Coordinator.

NASCIO Best Practices Award

At the 2010 Best Practices Conference in Florida, the YOUniversal Financial Aid Management System won in the Cross-Boundary Collaboration and Partnerships Category. This category addressed identifying, planning, coordinating, sharing, integrating or joining up formerly non-integrated IT-related organizational goals and strategies.

Complete College America (CCA)

Dr. Purcell reported on the status of Complete College America (CCA), a national initiative aimed at increasing college completions. The Arkansas team was selected as one of eight states to attend the CCA Completion Academy in Denver. The National Center for Higher Education Management Systems (NCHEMS) conducted regional visits with all senior-level institution administrators. Future visits include the Governor's staff, legislators, agency heads, AHECB members, and other key stakeholders. The CCA report is due to Governor Beebe and legislature no later than mid-December.

Higher Education Budget Request

The Higher Education Budget request comes at a time of rapid enrollment growth, said Dr. Purcell. However, state funding of colleges and universities for the 2010 fiscal year is 2% less than 2008 funding. Dr. Purcell explained that lottery revenues will change the cost of college for students and families; however, it will not impact higher education budgets. Increased student enrollment without increases in state financial support inhibits the ability of colleges to meet student demand.

The funding formula indicates that the higher education funding formula entities (college and universities, less UAMS) have a need of \$218 million more dollars. Understanding the current economic conditions, ADHE recommends a 3.1% increase over the current year and a 4.2% increase for 2012-13.

Dr. Purcell was commended for his hard work over the past few months by Kanester Hodges and David Leech.

Agenda Item No. 5 Report on Program Deletions

Rick Jenkins provided detailed information about program deletions during the 2009-10 academic year. He summarized the number of program deletions for the academic year by level of program and by level of institution. Two hundred and fifty-one (251) programs were deleted in 2009-10 as compared to 37 deletions in

AY2009, 42 deletions in AY2008, and 38 deletions in AY2007. Almost eighty-four percent (83.7%) of program deletions occurred at the undergraduate level whereas approximately sixteen percent (16.3%) occurred at the graduate level.

Agenda Item No. 6
Technical Certificate in Welding
Southern Arkansas University - Tech

The Technical Certificate (TC) in Welding is designed to provide intensive training for students in the areas of shielded metal arc welding (SMAW-stick), gas tungsten arc welding (GTAW-tig) and gas metal arc welding (GMAW-mig) processes. The curriculum follows the National Center for Construction Education Research model that will lead to welding certifications and employment. Students must demonstrate a basic knowledge of welding during the pre-admission process. Many students seeking admission will be nominated by a high school welding teacher or college instructor, or have competed in the Arkansas Skills USA Welding competition. The proposed 30-semester credit hour program will include nine months of instructional activity, four days per week (Monday through Thursday), for a minimum of 24 clock hours per week. The welding program will be housed at the Magnolia Business and Industry Training Center. The training center has been leased by SAU-Tech and SAU-Magnolia for economic development activity. The proposed TC in welding will be referred to as the SAU-Tech Welding Academy. *Six new courses* will be added to the curriculum.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves Southern Arkansas University-Tech to offer the Technical Certificate in Welding (CIP 48.0508) effective Fall 2011.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the President and Chair of the Board of Trustees of Southern Arkansas University, and the Chancellor of Southern Arkansas University-Tech of the approval.

Agenda Item No. 7
Bachelor of Science in Animation Technology
University of Arkansas – Fort Smith

The Bachelor of Science in Animation Technology will be a two-year completion degree for Computer Aided Drafting and Design (CADD). The bachelor's degree will enable students to gain skills necessary to be employed in the field of applied animation in a wide variety of computer graphics related jobs in education, entertainment, engineering, business, and geographical spatial application (3D Cartography). An example of applied animation technology in education is the technology used to produce computer-based training courses (CBT) and digital reference books. CBT lets the user go through a series of presentations about a particular topic and uses animation in various information formats. Students will

be required to complete 124 semester credit hours and a senior capstone project. *Eighteen new courses* will be added to the curriculum.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the University of Arkansas-Fort Smith to offer the Bachelor of Science in Animation Technology (CIP 10.0304) effective Spring 2011.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the President and Chair of the Board of Trustees of the University of Arkansas System, and the Chancellor of the University of Arkansas-Fort Smith of the approval.

Agenda Item No. 8
Associate of Arts and Associate
of Liberal Arts by Distance Technology
National Park Community College

The Associate of Arts (AA) is designed for transfer and meets the general education requirements of the bachelor's degree. Act 182 of 2009 designated the AA degree as a statewide transfer degree. The Associate of Liberal Studies (ALS) is designed to allow students to customize a degree program to meet their career and educational needs. Many of the courses included in the ALS degree may transfer to the bachelor's degree.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves National Park Community College to offer the Associate of Arts (DC 0050) and the Associate of Liberal Studies (DC 0910) by distance technology effective Fall 2010.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President and Chair of the Board of Trustees of National Park Community College of the approval.

Agenda Item No. 9
College Outreach Center at Murfreesboro
Cossatot Community College of the University of Arkansas

The administration and Board of Trustees of the University of Arkansas System request Coordinating Board approval to recognize an off-campus site for Cossatot Community College of the University of Arkansas (CCCUA) to be called CCCUA-Murfreesboro College Outreach Center, and to offer general education and academic support courses at this location.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the establishment of the CCCUA Murfreesboro College Outreach Center, and the offering of selected general education and academic support courses at this location, effective Fall 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the President and the Chair of the Board of Trustees of the University of Arkansas System, and the Chancellor of Cossatot Community College of the University of Arkansas of the approval.

The majority of proposed programs have been developed in response to area requests. Is there a minimum number of requests that are considered before a program is proposed, asked Jodie Carter. Ms. Moten explained that there is no minimum number of requests. Once a request or inquiry is made, the institution will then conduct surveys to determine the need for the program. On occasion, a program might be developed to meet the need of one employer with the understanding that once the need has been met, the program will be deleted.

Agenda Item No. 10
Request for Role and Scope Change
University of Arkansas at Pine Bluff

AHECB Policy 5.20.1a outlines the process and procedures institutions must follow in order to request a change in the program types and/or program levels approved by the AHECB, and the process to be followed during the review and consideration of that request. According to adopted policy, the process for AHECB consideration and action is as follows:

- a. After the role and scope review has been completed, ADHE staff will present the recommended role and scope statement to the AHECB for information only at its next regularly scheduled quarterly meeting.
- b. AHECB members will vote on the recommended role and scope statement at the following regularly scheduled meeting.
- c. If the role and scope change is approved, the proposed program that required the role and scope change will be reviewed and presented to the AHECB in keeping with program proposal guidelines.

In keeping with AHECB Policy 5.20.1a, if the AHECB approves the change of UAPB's role and scope at the February 2011 meeting, a review of the PhD in Aquaculture/Fisheries program will follow. The actual Ph.D. program proposal review will include an external review of the program, an ADHE recommendation and an AHECB vote.

Resolved, ADHE Executive Staff recommend approving UAPB's request for a change in role and scope.

Dr. Purcell recommended the change in the role and scope for University of Arkansas-Pine Bluff. The change would authorize UAPB to offer doctoral programs related to agricultural business.

Once authorized, UAPB will be allowed to request to the AHECB to offer a Ph.D. in aquaculture. The board heard discussion on the proposed change, but in accordance with board policy will not vote on the proposal until the next board meeting to be held in February. Each state higher education institution serves a specific role and works within a specific scope of higher education activities.

The Aquaculture/Fisheries (AQFI) Center of Excellence at UAPB is recognized as a leader in aquaculture/fisheries teaching, research and extension programs. The types of fish used in program research at UAPB vary from catfish and minnows to goldfish and include studies on ecology, pathology, production and marketing. Arkansas has a \$167 million aquaculture industry with an economic impact of over \$440 million a year in Arkansas.

Dr. Joe Bennett asked if the issues with the UAPB nursing program had been resolved. UAPB does have a well thought out plan. However, it will take time. The problems cannot be resolved overnight, said Dr. Purcell.

Steve Luelf questioned the broadness of the role and scope request asking if it could be limited to the aquaculture proposal. Dr. Purcell said that the request is fairly limited. The UA System requested that the role and scope be limited to the aquaculture proposal.

We're trying to serve an industry to which we are very critical, said Chancellor Lawrence Davis.

A number of representatives from the private industry were on hand to lend support to the request, as well as officers with the Catfish Farmers of America, Arkansas Game and Fish Commission, Arkansas Catfish Promotion Board, and Arkansas Bait and Ornamental Fish Growers Association.

The positive recommendation was made contingent upon UAPB conducting an extensive review in the coming months of institutional effectiveness with an out-of-state review team and to develop and implement an appropriate plan based on recommendations from the group. UAPB will also be required to report to ADHE any accreditation probations, notices, warning and related sanctions for any programs at the campus. Before implementing the doctoral program, UAPB must appoint a doctoral program dean and work with ADHE staff to create appropriate procedures for transitioning to a doctoral-granting institution, said Dr. Purcell. If the role and scope change at UAPB is approved in February by the AHECB, a review of the proposed Ph.D. program will follow and include an external review of the program, an ADHE recommendation and an AHECB vote for approval at a subsequent board meeting.

Agenda Item No. 11
Institutional Certification Advisory
Committee Resolutions

The Institutional Certification Advisory Committee (ICAC) met on September 28, 2010, for its regular quarterly meeting. ADHE Executive Staff recommend that the Arkansas Higher Education Coordinating Board approve the following resolutions:

Reappointment of Institutional Certification Advisory Committee Member

Arkansas Code Annotated §6-61-302 empowers the Arkansas Higher Education Coordinating Board to appoint individuals to the Institutional Certification Advisory Committee. The law designates several institutional categories that must have representation on the committee. Each member is appointed to a term of nine years with the term of one member expiring annually.

Mr. Kent Schroeder, Executive Director of the Arkansas Residential Assisted Living Association, has been recommended to fill one of the two positions designated for a chief administrator of a proprietary institution.

RESOLVED, That pursuant to ACA §6-61-302, the Arkansas Higher Education Coordinating Board reappoints Mr. Kent Schroeder as a member of the Institutional Certification Advisory Committee. This term expires December 31, 2019.

FURTHER RESOLVED, That the Coordinating Board expresses appreciation to Mr. Kent Schroeder for his willingness to serve as a member of the Institutional Certification Advisory Committee, and instructs the Director of the Arkansas Department of Higher Education to communicate this appreciation to Mr. Schroeder.

Program Certifications

American Public University – Charles Town, West Virginia

Initial Certification – Distance Technology

Bachelor of Arts in Emergency and Disaster Management

Bachelor of Arts in Homeland Security

Bachelor of Arts in Intelligence Studies

Bachelor of Science in Sports and Health Sciences

Master of Arts in Homeland Security

Master of Business Administration

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to American Public University, Charles Town, West Virginia, to offer the following degree programs to Arkansas residents through distance technology: Bachelor of Arts in Emergency and Disaster Management, Bachelor of Arts in Homeland Security, Bachelor of Arts in Intelligence Studies, Bachelor of Science in Sports and Health Sciences,

Master of Arts in Homeland Security, and the Master of Business Administration. The initial certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of American Public University, Charles Town, West Virginia, that certification and recertification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of American Public University, Charles Town, West Virginia, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

Bryan College – Springfield, Missouri

Initial Certification – Distance Technology and Campus in Rogers, Arkansas

Associate of Applied Science in Medical Administrative Specialist
Associate of Applied Science in Criminal Justice

Initial Certification – Distance Technology

Associate of Applied Science in Business Administration and Management
Associate of Applied Science in Computer Information Systems – Networking
Associate of Applied Science in Medical Assistant

Recertification – Rogers Campus

Associate of Applied Science in Business Administration and Management
Associate of Applied Science in Computer Information Systems – Networking
Associate of Applied Science in Medical Assistant
Associate of Applied Science in Exercise Specialist

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Bryan College, Springfield, Missouri, to offer the following degree programs to Arkansas residents by distance technology and at the campus in Rogers, Arkansas: Associate of Applied Science in Medical Administrative Specialist and the Associate of Applied Science in Criminal Justice. The initial certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Bryan College, Springfield, Missouri, to offer the following degree programs to Arkansas residents by distance technology: Associate of Applied Science in Business Administration and Management, Associate of Applied Science in Computer Information Systems – Networking, and the Associate of Applied Science in Medical Assistant. The initial certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants recertification to Bryan College, Springfield, Missouri, to offer the following degree programs to Arkansas residents at the campus in Rogers, Arkansas: Associate of Applied Science in Business Administration and Management, Associate of Applied Science in Computer Information Systems – Networking, Associate of Applied Science in Medical Assistant, and the Associate of Applied Science in Exercise Specialist. The recertification is for a period of five years and expires on October 29, 2015.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of Bryan College, Springfield, Missouri, that certification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Bryan College, Springfield, Missouri, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

DeVry University – Naperville, Illinois

Initial Certification – Distance Technology

Bachelor of Science in Biomedical Engineering Technology

Bachelor of Science in Computer Engineering Technology

Bachelor Science in Electronic Engineering Technology

Bachelor of Science in Liberal Studies

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to DeVry University, Naperville, Illinois, to offer the following degree programs to Arkansas residents by distance technology: Bachelor of Science in Biomedical Engineering Technology,

Bachelor of Science in Computer Engineering Technology, Bachelor Science in Electronic Engineering Technology, and the Bachelor of Science in Liberal Studies. The initial certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of DeVry University, Naperville, Illinois, that certification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of DeVry University, Naperville, Illinois, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

**Ecclesia College – Springdale, Arkansas
Recertification**

Associate of General Studies
Bachelor of Science in Sport Management
Bachelor of Science in Business Administration

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to Ecclesia College, Springdale, Arkansas, to offer the following degree programs to Arkansas residents: Associate of General Studies, Bachelor of Science in Sport Management, and the Bachelor of Science in Business Administration. The recertification is for a period of five years and expires on October 29, 2015.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of Ecclesia College, Springdale, Arkansas, that recertification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Ecclesia College, Springdale, Arkansas, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

Franklin University – Columbus, Ohio
Initial Certification – Distance Technology

Bachelor of Science in Business Economics
Bachelor of Science in Financial Planning
Bachelor of Science in Interactive Media Design

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Franklin University, Columbus, Ohio, to offer the following degree programs to Arkansas residents through distance technology: Bachelor of Science in Business Economics, Bachelor of Science in Financial Planning, and the Bachelor of Science in Interactive Media Design. The certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Franklin University, Columbus, Ohio, that the certification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Franklin University, Columbus, Ohio, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

Kaplan University – Davenport, Iowa
Initial Certification – Distance Technology

Master of Science in Legal Studies
Master of Health Care Administration
Master of Public Health

Recertification - Distance Technology

Associate of Applied Science in Business Administration
Master of Business Administration
Master of Science in Management

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Kaplan University, Davenport, Iowa, to offer the following degree programs to Arkansas residents by distance technology: Master of Science in Legal Studies, Master of Health Care Administration, and the Master of Public Health. The certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants recertification to Kaplan University, Davenport, Iowa, to offer the following degree programs to Arkansas residents by distance technology: Associate of Applied Science in Business Administration, Master of Business Administration, and the Master of Science in Management. The recertification is for a period of five years and expires on October 29, 2015.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Kaplan University, Davenport, Iowa, that the initial certification and recertification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Kaplan University, Davenport, Iowa, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

**University of Phoenix – Phoenix, Arizona
Initial Certification – Distance Technology, and Little Rock and Rogers
campuses**

Bachelor of Science in Accounting
Accounting Graduate Certificate
Marketing Graduate Certificate
Human Resource Management Certificate

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix, Phoenix, Arizona, to offer the following degree programs to Arkansas residents through distance technology and at the Little Rock and Rogers campuses: Bachelor of Science in Accounting, Accounting Graduate Certificate, Marketing Graduate Certificate, and the Human Resource Management Certificate. The certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of the University of Phoenix, Phoenix, Arizona, that the certification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of the University of Phoenix, Phoenix, Arizona, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

**Walden University – Minneapolis, Minnesota
Initial Certification – Distance Technology**

Bachelor of Science in Accounting
Bachelor of Science in Health Studies
Bachelor of Science in Information Technology
Master of Science in Forensic Psychology
Master of Science in Health Informatics
Doctor of Philosophy in Psychology

Recertification – Distance Technology

Master of Science in Software Engineering
Master of Science in Systems Engineering
Doctor of Philosophy in Public Policy and Administration
Doctor of Philosophy in Management

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Walden University, Minneapolis, Minnesota, to offer the following degree programs to Arkansas residents through distance technology: Bachelor of Science in Accounting, Bachelor of Science in Health Studies, Bachelor of Science in Information Technology, Master of Science in Forensic Psychology, Master of Science in Health Informatics, and the Doctor of Philosophy in Psychology. The certification is for a period of two years and expires on October 29, 2012.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants recertification to Walden University, Minneapolis, Minnesota, to offer the following degree programs to Arkansas residents through distance technology: Master of Science in Software Engineering, Master of Science in Systems Engineering, Doctor of Philosophy in Public Policy and Administration, and the Doctor of Philosophy in Management. The recertification is for a period of five years and expires on October 29, 2015.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Walden University, Minneapolis, Minnesota, that the initial certification and recertification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Walden University, Minneapolis, Minnesota, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

Agenda Items No. 12 and 13
Letters of Notification and Letters of Intent

The Department of Higher Education received notice from 17 institutions on programs not requiring Board action. Notification was received on 14 programs possibly requiring Board action. During this period, the Institutional Certification Advisory Committee received notice of requests from 15 out-of-state institutions to offer degree programs to Arkansas residents. The program notice list appears in the Letters of Notification on pages 19-1 through 19-60 and in the Letters of Intent on pages 20-1 through 20-5 of the agenda book.

Agenda Item No. 14
Intercollegiate Athletic Revenues
and Expenditures for 2009-10

Act 245 of 1989 (A.C.A. §6-62-106) directed the Coordinating Board to develop and establish uniform accounting standards and procedures for reporting revenues and expenditures. Based on these standard definitions and formats, the Coordinating Board is to collect the financial data and provide a uniform report of each institution's athletic revenues and expenditures for the previous fiscal year to the Legislative Joint Auditing Committee and the public by November of each year.

RESOLVED, That the Arkansas Higher Education Coordinating Board accepts the Report of 2009-10 Intercollegiate Athletic Revenues and Expenditures as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

FURTHER RESOLVED, That the Coordinating Board authorizes the Director to transmit the Report of 2009-10 Intercollegiate Athletic Revenues and Expenditures to the Legislative Joint Auditing Committee according to the provisions of Act 245 of 1989.

Dr. Olin Cook asked if the pattern (revenues and expenditures) remained the same over the past few years. Jackie Holloway explained that the previous year there was a 4% increase.

Dr. Joe Bennett asked if there was a shortfall in the budgeted amount and questioned what would happen if there was a deficit. Ms. Holloway explained that institutions have to budget before the actual year and code states they cannot operate with a deficit. Although institutions ended up with more revenues than expenses, they had budgeted below this because they weren't expecting the type of year they had.

Steve Luelf asked if there are any trends or concerns regarding student fees. Ms. Holloway explained that some of the institutions have no increase while most have an increase of 9%, with the highest being 21%.

Mr. Luelf questioned how institutions were able to budget for a zero fund balance at the end of the year. Ms. Holloway said that this is possible because institutions are able to transfer funds from other auxiliaries.

Bob Crafton moved to recommend Agenda Item No. 14 to the full Board for consideration. Dr. Joe Bennett seconded and the Committee approved. Kaneaster Hodges voted no.

Agenda Item No. 15
AHECB Policy for Maintenance of New Facilities

This policy is proposed to ensure that in the future all newly constructed or purchased facilities will have a source of funding for maintenance of the new facility. Institutions seeking approval of a loan or a bond issue for the construction or purchase of a new facility must provide for the maintenance of that facility by transferring annually to plant funds an amount as recommended by the Association of Physical Plant Administrators of Universities and Colleges (APPA). This is currently \$2.50 per gross square foot for an educational and general facility or \$1.25 per gross square foot for an auxiliary facility. A lower rate per gross square foot for a specific building/facility can be approved with appropriate justification.

RESOLVED, That the Arkansas Higher Education Coordinating Board revises the Economic Feasibility of Bond Issues policies as outlined above, effective October 29, 2010.

David Leech questioned whether the maintenance funds set aside could be used for critical maintenance on any building. Ms. Holloway said that is correct.

Mr. Luelf asked if using the maintenance funds for any building would defeat the purpose of setting aside funds for the future maintenance of newly constructed ones. Dr. Purcell said that deferred maintenance for institutions is \$1.6 billion. However, institutions need the ability to use funds that are available now to fix some of their critical problems on campus. Institutions will still have a commitment to ensure that their new facilities are taken care of.

After lengthy discussions, Kaneaster Hodges moved to recommend Agenda Item No. 15 to the full Board for consideration. Bob Crafton seconded and the Committee unanimously approved.

Agenda Item No. 16
Economic Feasibility of a Private Loan
Henderson State University

Henderson State University requests approval of the economic feasibility of obtaining a loan from private lenders for an amount not to exceed \$2,750,000 with a term of up to 30 years at an annual interest rate not to exceed 7.0 percent. Proceeds from the loan will be combined with \$2,500,000 from a private source for

the purpose of constructing a new dining facility on campus. The Henderson State University Board of Trustees approved the college's loan application on September 9, 2010.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the loan from private lenders to Henderson State University up to \$2,750,000 with a term up to 30 years at an annual interest rate not to exceed 7.0 percent to construct a dining facility on campus.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President and the Chair of the Board of the Trustees of Henderson State University of the Coordinating Board's resolution.

Mr. Bobby Jones, Vice President for Finance and Administration at Henderson State University (HSU), provided detailed information about the construction of the new dining facility.

David Leech asked why HSU was using a private lender instead of bonds. Mr. Jones explained that after checking with their bonding companies and based on the structure that they have with their managing contract, they are able to have more leeway by going with a loan. In addition, there are more costs associated with bonds.

Kaneaster Hodges moved to recommend Agenda Item No. 16 to the full Board for consideration. Bob Crafton seconded and the Committee unanimously approved.

Agenda Item No. 17
Economic Feasibility of Bond Issue
East Arkansas Community College

East Arkansas Community College requests approval of the economic feasibility of plans to issue bonds totaling approximately \$3.5 million with a term of up to thirty (30) years at an estimated annual interest rate not to exceed 4.85 percent. Proceeds from the bond issue will be used for educational and general purposes. The East Arkansas Community College Board of Trustees approved this financing at its meeting on August 12, 2010.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for East Arkansas Community College to issue bonds for approximately \$3.5 million with a term of up to 30 years at an estimated annual interest rate not to exceed 4.85 percent to retire existing debt, purchase facilities to house the Transportation Programs, and construct an Allied Health facility.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President and the Chair of the Board of the Trustees of East Arkansas Community College of the Coordinating Board's resolution.

Kaneaster Hodges asked how the local tax revenue worked. Dr. Coy Grace, President of East Arkansas Community College (EACC), explained that when EACC was founded in 1974 there was a 4 mills tax leverage approved by the voters. Over the years the 4 mills has descended to 1.3 mills.

Kaneaster Hodges moved to recommend Agenda Item No. 17 to the full Board for consideration. David Leech seconded and the Committee unanimously approved.

Agenda Item No. 18
Economic Feasibility of Loan
Cossatot Community College of the University of Arkansas

Cossatot Community College of the University of Arkansas requests approval to secure a loan from private lenders in the amount of \$300,000 with a term of 20 years at an annual interest rate not to exceed 5.25 percent. Proceeds will be used to purchase and renovate a building in order to offer classes at Murfreesboro. The University of Arkansas Board of Trustees approved the college's loan application on May 21, 2010.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the loan from private lenders to Cossatot Community College of the University of Arkansas up to \$300,000 with a term of 20 years at an annual interest rate not to exceed 5.25 percent to purchase and renovate a building in order to offer classes at Murfreesboro.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President and the Chair of the Board of Trustees of the University of Arkansas and the Chancellor of Cossatot Community College of the University of Arkansas of the Coordinating Board's resolution.

Report of the Committees

Dr. Olin Cook presented the report of the Academic Committee and moved approval of Agenda Items 6-9 and 11. Jodie Carter seconded the motion and the Board unanimously approved.

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 14-18. Bob Crafton seconded the motion and the Board unanimously approved.

Chairman Burns opened the floor for public comments.

Chairman Burns announced that the next Coordinating Board meeting would be held at the Cooperative Extension Service Center in Little Rock on February 4, 2011.

With no further comments, the meeting adjourned at 11:45 a.m.

Nichole Abernathy

APPROVED:

Dr. Charles Allen, Secretary