

Agenda Item No. 1
Higher Education Coordinating Board
August 3, 2007

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
April 27, 2007

Minutes of Meeting

The April 27, 2007 regular meeting of the Arkansas Higher Education Coordinating Board was held in the new Student Center on the campus of NorthWest Arkansas Community College in Bentonville. Chairman Kaneaster Hodges called the meeting to order at 9:30 a.m. with a quorum of Board members present.

Coordinating Board present:

Kaneaster Hodges, Chair
David Leech, Vice Chair
Dr. Lynda Johnson, Secretary
Jodie Carter
David Damron
Phil Ford
Dr. Dan Grant
Mark Smith
Dick Trammel

Coordinating Board absent:

Steve Luelf
Dr. Anne Trussell

Department staff present:

Dr. Linda Beene, Director
Dr. Steve Floyd, Deputy Director
Dr. Karen Wheeler, Associate Director of Academic Affairs
Dr. Stanley Williams, Senior Associate Director for Finance
Ron Harrell, Associate Director for Planning and Accountability
Tara Smith, Coordinator of Financial Aid
Cynthia Moten, Coordinator of Academic Affairs
Dr. Sandy Smith, Coordinator of Academic Affairs
Jeanne Jones, Coordinator of Institutional Certification
Alana Boles, Assistant Coordinator of Academic Programs
Monieca West, Coordinator of Federal Programs
John Davidson, Financial Manager
Dale Ellis, Communications Officer
Christina Miller, Assistant Director for Research and Planning
Nichole Abernathy, Administrative Support

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

Chairman Hodges introduced Dr. Becky Paneitz, President of NorthWest Arkansas Community College (NWACC), for a welcome. Dr. Paneitz welcomed everyone to NWACC's campus. She then acknowledged three NWACC students for their outstanding academic success. Next, Dr. Paneitz announced the institution's plans for a new center for nursing, which will allow NWACC to expand their nursing program which has over 100 students. She also mentioned the new Student Center and reminded everyone of the building dedication immediately following the Board meeting.

Chairman Hodges introduced Bob Cheyne, former AHECB member, Kathryn Hazelett, Director of Policy for Governor Mike Beebe, and Emily Jordan-Cox, Deputy Director of Policy in the Governor's Office.

Chairman Hodges announced that Bill Johnson has accepted a part-time position with UCA's athletic department and therefore resigned from the Higher Education Coordinating Board after ten years of dedicated service.

Chairman Hodges also announced that there would be a public hearing on the adoption and amendments to rules and regulations for five scholarship programs.

Agenda Item No. 1 Approval of Minutes

David Leech moved to approve the minutes of the February 2, 2007 Regular Meeting, February 20, 2007 Special Meeting and the March 29, 2007 Special Meeting. Dr. Lynda Johnson seconded the motion, and the Board unanimously approved.

Agenda Item No. 2 Report of the Director

Chairman Hodges recognized Dr. Linda Beene for her Director's Report. Dr. Beene began by announcing that Jodie Carter requested information on the baccalaureate degrees awarded in education fields at the February 2 Board meeting. She stated that Ron Harrell has prepared a spreadsheet which lists those education fields and the numbers of degrees awarded in each of those fields and would distribute it later in the meeting.

Next, Dr. Beene presented information about the new Student Information System (SIS). She explained that ADHE Institutional Data and Research staff, Paul Graziani and Bruce Bauer, developed a new web program which will allow institutions to submit student information system files by means of the Internet. The transition of the data to the web site is secured and provides institutional research representatives submitting data files immediate feedback on such issues as misnamed files, internal file errors and other details which can require

multiple resubmissions under the current system. Dr. Beene noted that plans are to initiate operation of the new system around July 1, 2007. She also noted that Paul Graziani, the lead person on this project, happens to be blind.

Dr. Beene confirmed that she would be assuming her dual position as Dean of Continuing Education and Academic Outreach and Associate Provost for Academic Outreach on July 1, 2007 at the University of Arkansas. One of her primary goals will be to increase the number of students that transfer with associate of arts (or equivalent) degrees from two-year colleges to baccalaureate programs at universities.

Dr. Beene described a few of ADHE's accomplishments during her tenure. These included the creation and agreement of a funding formula, the production of Arkansas's Brighter Future, the creation and implementation of the Career Pathways Initiative, creation of web-based Arkansas Course Transfer System, the Governor's Blue Ribbon Committee on Higher Education, the first annual Trustees Day, a longitudinal data base, legislative packages for two sessions, and several new scholarship programs, to name a few.

Dr. Beene thanked Dr. Barry Ballard for his support and Chairman Hodges, Phil Ford and ADHE staff members for diligently working with her over the years. She also thanked presidents and chancellors for their willingness to work together.

Chairman Hodges presented flowers to Dr. Beene and thanked her on behalf of the Coordinating Board and the many Arkansans who have benefited from her leadership and hard work over the years.

Report of the Committees

Dr. Dan Grant presented the report of the Academic Committee and moved to adopt Agenda Items 3-6 and 25. David Leech seconded the motion, and the Board unanimously approved.

David Damron presented the report of the Finance Committee and moved approval of Agenda Items 7-11. Dick Trammel seconded the motion, and the Board unanimously approved.

Agenda Item No. 3 Master of Geographic Information Systems Offered by Distance Technology at the University of Central Arkansas

The administration and Board of Trustees of the University of Central Arkansas (UCA) request approval to offer the Master of Geographic Information Systems (MGIS) by distance technology, effective spring 2008. UCA is accredited by the Higher Learning

Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The UCA Board of Trustees approved the program on December 8, 2006.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Master of Geographic Information Systems (CIP 45.0799) offered by distance technology at the University of Central Arkansas, effective spring 2008.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of the University of Central Arkansas of this approval.

David Leech questioned why UCA would request a Master of Geographic Information Systems program when, according to data, a certificate in Geographic Information Systems hasn't been awarded in five years.

Ron Harrell explained that due to a faulty data system, UCA has had problems reporting the accurate number of certificate completers. He stated that UCA is currently in the process of installing a new data system which will allow them to accurately report statistics in the future. Dr. Sandy Smith stated that although the data doesn't display it, UCA has had three certificate completers and five students who will complete the program this semester.

Dr. Grant asked what kind of thesis was required. Dr. Brooks Greene, Associate Professor and Chair of the Department of Geography at UCA, explained that a traditional thesis was required and students orally defend their thesis.

Chairman Hodges voiced concern over the lack of sufficient documentation of the certificate program completers. Dr. Beene asked Ron Harrell to contact UCA to acquire conclusive statistics regarding the certificate program which would be presented before the adjournment of the Board meeting.

Later in the meeting, Dr. Gabriel Esteban, UCA Provost, confirmed that UCA had 3 completers of the certificate program and 5 more will complete the certificate program this spring. He noted that there were a total of 39 students enrolled in last fall's programs.

Agenda Item No. 4
Associate of Science in Aviation
Pulaski Technical College

The administration and Board of Trustees of Pulaski Technical College (PTC) seek approval to offer the Associate of Science in Aviation effective August 2007. The institution is accredited by the Higher Learning Commission of the North

Central Association of Colleges and Schools. The PTC Board of Trustees approved the proposal on January 22, 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Science in Aviation (CIP 49.0102) at Pulaski Technical College effective August 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the Presidents and Chairs of the Board of Trustees of Pulaski Technical College and Henderson State University of this approval.

Dr. Grant commended PTC for coordinating with Henderson State University (HSU) on the four-year Aviation program.

David Leech asked who would pay for the 18 hours in this degree program that is contracted through Central Flying Service. Alana Boles explained that the students pay into a PTC fund which is then paid to Central Flying Service (\$7,300 aircraft rental fees).

Agenda Item No. 5
Department of Speech and Public Relations
University of Central Arkansas

The administration and the Board of Trustees of the University of Central Arkansas (UCA) request approval for a new Department of Speech and Public Relations effective July 2007. The institution is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The Board approved the proposed academic reorganization on February 9, 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the academic reorganization of the Department of Writing and Speech to create the Department of Writing and the Department of Speech and Public Relations at the University of Central Arkansas, effective July 2007.

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 Central Arkansas of this approval.

David Leech questioned the new department cost, stating the program description was vague. Dr. Gabriel Esteban, UCA Provost, said that \$147,500 is the new department cost. He noted that the allocation was made out of UCA's increase in funding for the upcoming academic year.

Agenda Item No. 6
Institutional Certification Advisory
Committee Resolutions

The Institutional Certification Advisory Committee (ICAC) met on April 10, 2007. The following resolutions are presented for Coordinating Board consideration.

**Recognition of Institutional Certification Advisory Committee Member
Dr. Shirlene Harris**

RESOLVED, That the Arkansas Higher Education Coordinating Board expresses appreciation to Dr. Shirlene Harris for her service as a member of the Institutional Certification Advisory Committee.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to communicate this appreciation to Dr. Harris.

**Recommendation for Appointment of New Committee Member
Mr. Kent Schroeder**

RESOLVED, That, pursuant to ACA §6-61-302, the Arkansas Higher Education Coordinating Board appoints Mr. Kent Schroeder, as a member of the Institutional Certification Advisory Committee. This term expires April 27, 2009.

FURTHER RESOLVED, That the Coordinating Board expresses appreciation to Mr. Schroeder for his willingness to serve as a member of the Institutional Certification Advisory Committee.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to communicate this appreciation to Mr. Schroeder.

Program Certification

**Graceland University, Independence, Missouri
Recertification**

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Graceland University of Independence, Missouri, to offer the following online degree programs: Bachelor of Arts in Health Care Management, RN-BSN, RN-MSN, Master of Science in Nursing, Post MSN Certificate, and Master of Education. The recertification is for a period of five years and expires on April 27, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Graceland University that the certification of these certificates and 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 program in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Graceland University 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 statements:

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.

Teacher education programs certified by the Arkansas Higher Education Coordinating Board are offered for professional growth purposes only. Additional courses and/or testing may be required to meet the Arkansas licensure requirements. For more information, contact the Arkansas Department of Education Office of Professional Licensure at www.arkansased.org or 501-682-4342.

Grand Canyon University, Phoenix, Arizona Initial Certification

RESOLVED: That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Grand Canyon University of Phoenix, Arizona, to offer the following degree programs: Master of Education in Elementary Education, Master of Education in Secondary Education, Master of Education in Curriculum and Instruction with an emphasis in Technology, and Master of Education in Educational Administration with emphases in Organizational Leadership and School Leadership. The certification is for a period of two years and expires on April 27, 2009.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Grand Canyon University that the initial certification of these 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 Grand Canyon University 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 statements:

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.

Teacher education programs certified by the Arkansas Higher Education Coordinating Board are offered for professional growth purposes only. Additional courses and/or testing may be required to meet the Arkansas licensure requirements. For more information, contact the Arkansas Department of Education Office of Professional Licensure at www.arkansased.org or 501-682-4342.

Missouri Southern State University, Joplin, Missouri Initial Certification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Missouri Southern State University of Joplin, Missouri, to offer the online Bachelor of Science in Business Administration degree program. The certification is for a period of two years and expires on April 27, 2009.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Missouri Southern State University that the certification of this degree program 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 program in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Missouri Southern State University 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.

**Regis University, Denver, Colorado
Initial Certification**

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Regis University of Denver, Colorado, to offer the online Master of Education degree program. The certification is for a period of two years and expires on April 27, 2009.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Regis University that the initial certification of this degree program 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 Regis University 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 statements:

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.

Teacher education programs certified by the Arkansas Higher Education Coordinating Board are offered for professional growth purposes only. Additional courses and/or testing may be required to

meet the Arkansas licensure requirements. For more information, contact the Arkansas Department of Education Office of Professional Licensure at www.arkansased.org or 501-682-4342.

University of Phoenix—Online, Phoenix, Arizona Initial Certification

RESOLVED: That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix-Online of Phoenix, Arizona, to offer the Post-Baccalaureate School Nurse Certificate program. The certification is for a period of two years and expires on April 27, 2009.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of the University of Phoenix—Online that the initial certification of the degree program 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-Online 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.

The Institutional Certification Advisory Committee (ICAC) Report begins on page 6-7 of the Agenda book.

Dr. Grant asked if Missouri Southern State University (MSSU) had an articulation agreement with NorthWest Arkansas Community College (NWACC). Jeanne Jones answered yes. He then asked if there was an articulation agreement between MSSU and the University of Arkansas at Fort Smith (UAFS). Ms. Jones stated that there are several articulation agreements between UAFS and MSSU; however, this is MSSU's only online degree completion agreement.

Dr. Grant questioned when Ouachita Hills College in Amity, Arkansas was issued a Certificate of Exemption. Jeanne Jones stated that the original exemption was issued in 2001. She added that Ouachita Hills College has an accreditation through the Seven Day Adventist Association, which is not recognized by the United States Department of Education.

Dr. Lynda Johnson asked if the Graduate Certificate in District-Level Administrator by the University of Arkansas at Little Rock would replace their existing program or if it would add to it. Cynthia Moten answered that it would be an addition to their existing program.

Agenda Item No. 25
New Program: Master of Engineering
Arkansas Tech University

The administration and Board of Trustees of Arkansas Tech University (ATU) request approval to offer the Master of Engineering degree. ATU is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed degree is within the role and scope of the institution. The ATU Board of Trustees approved the proposal on January 30, 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Master of Engineering (CIP 14.0101) at Arkansas Tech University, effective Fall 2007.

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 Arkansas Tech University of the approval.

David Leech asked if any component of the Master's program would be held onsite at Russellville. Jack Hamm, Vice President for Academic Affairs at Arkansas Tech, stated that presently, they anticipate all of the courses to be held at the ATU campus. However, there is a possibility that ATU might offer some of the courses in Russellville at the Training Center.

David Damron asked how many students were currently in the program for Nuclear Technology. Cynthia Moten stated that the Master of Engineering program would be building on the mechanical engineering program and the engineering physics program, which currently has 300 students.

Dr. Lynda Johnson moved to recommend Agenda Items No. 4-6 and 25 to the full Board for consideration, with future information on Agenda Item No. 3 to be provided later in the meeting. Jodie Carter seconded, and the Committee unanimously approved.

Agenda Item No. 7
Economic Feasibility of Bond Issue
University of Central Arkansas

The University of Central Arkansas (UCA) requests approval of the economic feasibility of plans for two bond issues. Series A will be up to \$16,000,000 for classroom renovation and an addition. Series B will be up to \$2,000,000 for renovation and construction of additional athletic facilities. The UCA Board of Trustees approved these bond issues at their meeting on February 9, 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Central Arkansas to issue bonds not to exceed \$16,000,000 for a term of 30 years at an average interest rate of approximately 4.2 percent as requested by the institution for educational and general purposes as described in this agenda item.

FURTHER RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Central Arkansas to issue bonds not to exceed \$2,000,000 for a term of 30 years at an average interest rate of approximately 4.2 percent as requested by the institution for the auxiliary purposes described in this agenda item.

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 Central Arkansas of this decision.

Chairman Hodges questioned the difference in the interest rates between the institutions for the 30 year bond issue. John Davidson stated that several factors could influence the interest rate, such as the institution could be giving a high interest rate assuming that it will be lower once the finance portion of their bond issue has been approved by their board. David Leech asked how often a statement showing additional debt service would be provided. John Davidson stated that a financial statement is provided each year which shows the remaining debt service balance.

Paul McClendon, Vice President for Finance at the University of Central Arkansas, briefly explained the renovations and classroom additions.

Dick Trammel moved to recommend Agenda Item No. 7 to the Full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Agenda Item No. 8
Economic Feasibility of Bond Issue
University of Arkansas, Fayetteville

The University of Arkansas, Fayetteville (UAF) requests approval of the economic feasibility of plans to issue bonds totaling approximately \$44 million with a term of up to 30 years at an estimated annual interest rate of 5 percent. Proceeds from the bond issue will be used for auxiliary purposes. The University of Arkansas Board of Trustees approved these projects at its meeting on February 17, 2007 and will consider the bond financing at its meeting on May 25, 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas, Fayetteville to issue bonds for approximately \$44 million with a term of up to 30 years at an estimated annual interest rate of 5% for the construction of Maple Hill Phase II and Duncan Avenue Apartments, as requested by the institution.

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 the University of Arkansas and the Chancellor of the University of Arkansas, Fayetteville of the Coordinating Board's resolution.

David Damron inquired about the projected occupancy for the residence projects. John Davidson stated that the university projected 93 percent occupancy once the construction is completed.

Chairman Hodges moved to recommend Agenda Item No. 8 to the Full Board for consideration. Dick Trammel seconded, and the Committee unanimously approved.

Agenda Item No. 9
Economic Feasibility of Loan
Ouachita Technical College

Ouachita Technical College requests approval of a loan of \$825,000 with a term of 15 years at an annual interest rate of 5.03 percent to construct an instructional technology building. The Ouachita Technical College Board of Trustees approved the university's loan application on November 28, 2006.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the loan from the College Savings Bond Revolving Loan Fund to Ouachita Technical College for \$825,000 with a term

of 15 years at an annual interest rate of 5.03 percent to construct an instructional technology building.

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 Ouachita Technical College.

David Leech asked if this was a loan instead of bonds. John Davidson answered that it is a loan and the funds will come from the College Savings Bond Revolving Loan fund which is managed by the Department of Higher Education and the Development Finance Authority. He noted that the loan is unsecured.

David Damron asked how many square feet the addition would add to the OTC campus. John Davidson stated 15,000 square feet.

Dick Trammel moved to recommend Agenda Item No. 9 to the Full Board for consideration. Chairman Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 10
Higher Education Bond Program Plan of Implementation
For Bonds Issued During the Fiscal Biennia Ending
June 30, 2007 and 2009 – Dated April 27, 2007

The Higher Education Bond program will offer the availability of approximately \$150 million to be expended for technology and facility improvement projects from the proceeds of bonds issued under Act 1282 of 2005 in the fiscal biennia ending June 30, 2007 and 2009, and investment earnings thereon. The actual amount available cannot be determined due to the uncertainty of the amount of investment earnings on the bond proceeds. The proceeds will be invested in a guaranteed investment contract that will be bid. The guaranteed investment contract will provide a maximum term and interest rate and will be based on anticipated draw schedules that have been provided by each institution. The principal amount of bonds to be issued will be based on the amount needed to generate, after investment, the sum of \$150,000,000.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves and endorses the Plan of Implementation for Bonds Issued in the Fiscal Biennia ending June 30, 2007 and 2009, dated April 27, 2007 (the "Plan of Implementation") and that the Director is instructed to transmit the Plan to the Governor. The Plan is for technology and facility improvement projects for state public institutions of higher education to be funded from the proceeds derived from the sale of Higher Education General Obligation Bonds issued under Act 1282 of 2005 in the fiscal biennia ending June 30, 2007 and 2009 and interest earnings thereon.

This resolution is adopted in recognition of the benefits to be derived by institutions of higher education including monetary and less tangible benefits which develop from the immediate availability of resources to construct or renovate facilities, perform critical maintenance facilities, and to upgrade technology, thereby enabling institutions to serve additional students, strengthen academic programs, improve both instructional and information technology, maintain accreditation, and to increase research and grant activities.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education (the "Director") is instructed to seek from the Governor one or more proclamations authorizing the issuance by the Arkansas Development Finance Authority of one or more series of Higher Education General Obligation Bonds to fund the technology and facility improvement projects described in the Plan of Implementation, subject to the limitations set forth herein, in the Plan of Implementation, and in Act 1282 of 2005, without further action by the Arkansas Higher Education Coordinating Board unless otherwise provided in the Plan of Implementation.

FURTHER RESOLVED, That the technology and facility improvement projects shall be educational and general in nature, and will not include projects relating to auxiliary services or programs such as residence halls or intercollegiate athletics.

FURTHER RESOLVED, That the Arkansas Higher Education Coordinating Board has not and shall not request the issuance of Higher Education General Obligation Bonds requiring more than \$24 million in combined debt service per annum for bonds outstanding under Act 1282 of 2005 and the Arkansas College Savings Bond Act of 1989.

FURTHER RESOLVED, That the Director and the Senior Associate Director for Institutional Finance of the Arkansas Department of Higher Education are authorized and directed to act as the duly authorized designees of the Chair of the Arkansas Higher Education Coordinating Board in requisitioning the proceeds of the Higher Education General Obligation Bond sales and investment earnings thereon held by the bond trustee and certifying that the funds disbursed thereby are for the payment of technology and facility improvement project costs of a higher education project duly approved by the Arkansas Higher Education Coordinating Board, as reflected in the Plan of Implementation.

FURTHER RESOLVED, That the Director is authorized and directed to execute and deliver for, and on behalf of, the Arkansas Higher Education Coordinating Board such certificates as may be necessary to effect the issuance of the Higher Education General Obligation Bonds.

David Leech asked where the 1 percent for the maintenance reserve fund would come from. Dr. Williams stated that it is recommended that each institution set aside 1 percent from their institutional funds for future maintenance needs, however it is not required.

Chairman Hodges commented that higher education has reached a milestone. He stated that the Higher Education Bonds prove that if we all work together, we can achieve great things for the students of Arkansas.

David Leech asked if an institution would have to come before the Coordinating Board to make any changes to their bond projects. Dr. Williams stated that Act 1282 of 2005 states that institutions do have to go before the Coordinating Board with any changes.

Dr. Williams stated that Higher Education would be remiss if they didn't thank Dr. Alan Sugg, Lu Hardin and Dr. Ed Franklin for their role in the Higher Education Bond process.

Dr. Linda Beene expressed her appreciation to Dr. Bob Zimmerman, the Associate Vice Chancellor for Computing and Network Services at the University of Arkansas, for his vision and help with the Lambda Rail connection.

Chairman Hodges moved to recommend Agenda Item No. 10 to the Full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Agenda Item No. 11 Distribution of Mineral Lease Funds

According to the provisions of A.C.A. §6-61-801 through §6-61-808, there is established the Arkansas Research Development Program for providing Arkansas Research Development Program Grants to publicly-supported universities in Arkansas by the Department of Higher Education. Act 2124 of 2005 provides that after the sum of \$13,200,000 has been deposited into the Higher Education Building Maintenance Fund, the next \$10,000,000, or as much as is collected, is to be transferred to the Higher Education Research Development Fund to be used as provided by law.

RESOLVED, That after review by the Legislative Council, the Director of the Arkansas Department of Higher Education is authorized to distribute the Higher Education Research Development Fund for universities' e-Corridor annual operating and maintenance costs at such time as the institutions begin to incur e-Corridor expenses.

FURTHER RESOLVED, That \$1,055,554 be allocated in Fiscal 2007 to the University of Arkansas, Fayetteville for expenses associated with the connection of all public universities to the e-corridor.

Dr. Beene commented that thanks to Dr. Sugg's leadership, all of the universities have agreed to this proposal.

David Leech asked if two-year institutions would be able to connect to the e-Corridor in the future. Dr. Williams said they may be able to connect; however, they can't participate in the Research Development Fund.

Dick Trammel moved to recommend Agenda Item No. 11 to the Full Board for consideration. Chairman Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 12 Concurrent Enrollment Policy

Arkansas law allows the enrollment of high school students in college-level courses under certain conditions. Concurrent enrollment allows students to obtain credit toward a high school diploma at the same time they earn college credit. Over the past eighteen years, large numbers of high school students have taken advantage of this opportunity at many public colleges and universities. The concept of concurrent enrollment and credit is common across the country. Concurrent enrollment first appeared in the United States in 1892 when William Harper, the president of the University of Chicago, restructured the university to allow high school students to get concurrent college credit. In 1901, Joliet Junior College expanded on the concept of high school concurrent enrollment.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the policy contained in this agenda item concerning concurrent enrollment, effective July 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to provide a copy of the policy to each president and chancellor.

Dr. Floyd explained that the new policy contains a few changes and briefly outlined them. He noted that reactions were received from 17 two-year colleges and 6 universities about this policy. Dr. Floyd stated that some of the changes in the Concurrent Enrollment policy are the result of the work of the Act by the 102 Committee (a panel for the purpose of making recommendations to the Department of Education and the Department of Higher Education regarding the rules for offering Advanced Placement courses or concurrent enrollment courses, or both), which tried to implement the changes in the agenda item.

Chairman Hodges stated that there has been a real conflict regarding concurrent courses and college credits. He said it is a work in progress and it is necessary to make sure that the courses students take in high school or college are useful and necessary.

David Leech asked how much the NAECEP certification cost for each institution. Dr. Floyd answered that it is \$450 for provisional membership.

Dr. Lynda Johnson and Dr. Dan Grant commended Dr. Floyd and everyone that has worked on the Concurrent Enrollment Policy for their efforts and gave their cautious approval of the policy.

David Leech moved to approve Agenda Item No. 12. Dr. Lynda Johnson seconded the motion, and the Board unanimously approved.

Agenda Item No. 13
Public Hearing: Adoption of Rules and Regulations
for the Higher Education Opportunities Grant

Act 1030 of 2007 establishes a need-based scholarship program that allows lower income students to qualify for up to \$1,000 annually in scholarship assistance to attend one of the states approved higher education institutions. The Higher Education Opportunities Grant Program is available to any recent Arkansas high school graduate or General Educational Development (GED) Test recipient who is accepted to a college or university in Arkansas, who pledges to remain drug-free and meets the financial requirements. The grant award amounts are \$1,000 a year for full-time students and \$500 a year for part-time students whose families make \$25,000 a year or less and have one child. For each additional student the income limit is raised by \$5,000 a year.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Higher Education Opportunities Grant Program, to be administered jointly by the Arkansas Department of Higher Education and approved Arkansas Institutions of Higher Education.

FURTHER RESOLVED, That by the adoption of the rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or her designee is authorized to promulgate these rules and regulations and to implement them for the 2007-08 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes

and corrections when necessary in the program rules for the Higher Education Opportunities Grant Program.

No public comments were received and no one asked to speak.

Agenda Item No. 14
Public Hearing: Amendments to Rules and Regulations
for the Academic Challenge Scholarship

This agenda item presents the revised rules and regulations for the Arkansas Academic Challenge Scholarship Program reflecting recent changes in state law under Acts 274 and 840 of 2007. The revised rules and regulations also include changes made to reflect the application distribution process and addition of an online application as well as deletion of outdated language.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Academic Challenge Scholarship Program administered by the Arkansas Department of Higher Education.

FURTHER RESOLVED, That by the adoption of these rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or her designee is authorized to promulgate these rules and regulations and to implement them for the 2007-08 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Academic Challenge Scholarship Program.

No public comments were received and no one asked to speak.

Dr. Lynda Johnson was pleased that the Academic Challenge Scholarship would not be requiring the Rising Junior exam.

Agenda Item No. 15
Public Hearing: Amendments to Rules and Regulations

For the Governor's Scholars Program

This agenda item presents the revised rules and regulations for the Arkansas Governor's Scholars Program that reflects recent changes in state law under Acts 274 and 1046 of 2007. The revised rules and regulations also include changes made to reflect the application distribution process and addition of an online application as well as deletion of all references to high school graduates before December 31, 2001 as those students have completed their eligibility for the program.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Governor's Scholars Program administered by the Arkansas Department of Higher Education.

FURTHER RESOLVED, That, by the adoption of these rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or his/her designee is authorized to promulgate these rules and regulations and to implement them for the 2007-08 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or his/her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Governor's Scholars Program.

No public comments were received and no one asked to speak.

Ms. Smith noted the number of awards increased from 325 to 375 and to date they had 322 students eligible for the scholarship.

Agenda Item No. 16

Public Hearing: Amendments to Rules and Regulations
for the Military Dependents' Scholarship Program

This agenda item presents revisions to the rules and regulations of the Military Dependents' Scholarship Program that are necessary to comply with Act 717 of 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Military Dependents' Scholarship Program, to be administered by the Arkansas Department of Higher Education.

FURTHER RESOLVED, That, by the adoption of these rules and regulations presented in this agenda item, the Director of the

Arkansas Department of Higher Education or her designee is authorized to promulgate these rules and regulations and to implement them for the 2007-08 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Military Dependents' Scholarship Program.

No public comments were received and no one asked to speak.

Agenda Item No. 17

Public Hearing: Amendments to Rules and Regulations
For the Law Enforcement Officers' Dependents Scholarship Program

The agenda item presents the revised rules and regulations for the Law Enforcement Officers' (LEO) Dependents Scholarship Program, which is necessary to comply with Act 172 of 2007.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Law Enforcement Officers' (LEO) Dependents Scholarship Program administered by the Arkansas Department of Higher Education.

RESOLVED, That by the adoption of these rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or his/her designee is authorized to promulgate these rules and regulations and to implement them for the 2007-08 academic year.

RESOLVED, That the Director of the Arkansas Department of Higher Education or his/her designee is authorized to make technical changes and corrections when necessary in the program rules and regulations for the Law Enforcement Officers' (LEO) Dependents Scholarship Program.

No public comments were received and no one asked to speak.

David Leech moved to approve Agenda Items No. 13-17. Dick Trammel seconded the motion, and the Board unanimously approved.

Agenda Item No. 18
Appointment of Nominating Committee

for 2007-08 Board Officers

Chairman Kaneaster Hodges appointed members of the Arkansas Higher Education Coordinating Board nominating committee. The nominating committee will recommend Board officers for 2007-08 at the August 3 meeting. The members included: Phil Ford (Chair), Jodie Carter and Dr. Dan Grant. Chairman Hodges named himself Chairman of a search committee to look for a new Director for the Department of Higher Education. He also named Dr. Alan Sugg and Dr. Robin Myers as members of the committee. Chairman Hodges noted that the Director is subject to the approval of the Governor.

Agenda Item No. 19
Annual Report of Student Retention
and Graduation

Ron Harrell presented a report on the Statewide retention and graduation information for students entering Arkansas public higher education in fall 1992 through 2005 for both the state and institutional levels. ADHE's Student Information System (SIS) enables multi-year student retention and graduation tracking in compliance with Student-Right-to-Know legislation as well as Act 267 of 1989. SIS tracks student enrollments and completions for multiple years at their originating or native campus, as well as in other public and independent institutions within the state.

Agenda Item No. 20
Annual Report on Retention and Graduation
of Intercollegiate Athletes

Ron Harrell presented the Annual Report on Retention and Graduation of Intercollegiate Athletes. This report complies with Act 267 of 1989 that requires reporting retention and graduation rates for entering freshmen who participate in Arkansas intercollegiate athletics. This information is produced from data submissions through the Arkansas Higher Education Information System for first-time, full-time, degree-seeking student athletes participating in football, basketball (men's and women's), cross country/track programs and others sports programs. Information related to initial athletic scholarship status also is included.

Agenda Item No. 21
Annual Report on Productivity of Recently

Approved Programs

Ron Harrell presented the Annual Report on Productivity of Recently Approved Programs. This agenda item summarizes degree productivity for associate and certificate programs approved between July 1, 2002 and June 30, 2003 and baccalaureate and graduate programs approved between July 1, 2000 and June 30, 2001. There are two methods for determining degree productivity: the number of graduates reported to ADHE for 2005-06 only or the average number of graduates over the most recent three years for baccalaureate and graduate degrees and two years for associate degrees and certificate programs. Because programs need time to develop and produce graduates, productivity for certificate and associate programs is measured after three years, while baccalaureate and higher programs are measured five years after approval.

Chairman Hodges commented that Arkansas is still at an embarrassingly low ranking and that a lot work is still needed to raise retention and graduation rates.

Dr. Lynda Johnson commended Dr. Alan Sugg for UALR's efforts in retaining students.

Agenda Item No. 22 Update on Reauthorization of Perkins Act

The Carl D. Perkins Career and Technical Education Improvement Act of 2006 (Perkins IV) was signed into law by President Bush in August 2006, and affects Arkansas colleges and universities. The purpose of the law is to develop the academic and career and technical skills of students who elect to enroll in secondary and postsecondary career and technical education programs. Ms. Moneica West provided an update on the program.

Dr. Grant commented that the Perkins program appears to be trying to put more academic emphasis in the technical education side. Ms. West responded yes, due to the skills needed for the jobs emerging out of the new economy.

Agenda Item No. 23 and 24 Letters of Notification and Letters of Intent

The Department of Higher Education received notice from institutions on programs not requiring Board approval, including 24 new certificate programs, 5 new degrees reconfigured from existing degrees, 2 new collaborative degrees, 3 new program options, 10 degree name changes, 2 existing degrees offered at off-campus locations, 3 existing degrees offered by distance technology, 1 degree completion program, 2 curricula modifications, 2 new organizational units, 3 unit name changes, 2 deleted program options, 4 deleted certificates, and 3 deleted degree programs.

Notification of items requiring Board approval included 10 certificate programs, 1 associate degree, 7 master's degrees, 1 doctoral degree, and 1 organizational unit.

During this period, the Institutional Certification Advisory Committee received notice of requests for initial certification for 50 degrees, recertification for 15 degrees, and a program level change for 1 degree. The complete list of these notices appear in the Letters of Notification on pages 23-1 through 23-9 and in the Letters of Intent on pages 24-1 through 24-5 of the agenda book. Chairman Hodges opened the floor for public comments.

Dr. Alan Sugg thanked Dr. Beene for all she's done for higher education.

Dick Trammel voiced appreciation to the Walton family for their support of higher education.

Dr. Paneitz invited everyone to stay for lunch and the Student Center building dedication at the conclusion of the meeting.

Chairman Hodges announced that Dr. John White and the University of Arkansas will host the next Coordinating Board meeting on August 3, 2007.

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

APPROVED:

Nichole Abernathy

Dr. Lynda Johnson, Secretary