

**ARKANSAS HIGHER EDUCATION COORDINATING BOARD  
Special Meeting via Conference Call  
May 5, 2016**

**Minutes of Meeting**

The Arkansas Higher Education Coordinating Board held a special meeting via conference call on Thursday, May 5, 2016. The purpose of the meeting was to consider the economic feasibility of loan issue for North Arkansas College in Harrison. The meeting convened at 2:30 p.m. with a quorum present.

Coordinating Board present:

Bob Crafton, Chair  
Sherrel Johnson, Vice Chair  
Dr. Charles Allen  
Dr. Olin Cook  
Florine Milligan  
Greg Revels  
Sam Sicard  
Dr. Michael Stanton

Coordinating Board absent:

Chris Gilliam, Secretary  
Dr. Jim Carr  
Ben Pickard  
Jim von Grep

Department staff present:

Dr. Brett Powell, Director  
Harold Criswell, Senior Associate Director of Administration and Finance  
Tara Smith, Senior Associate Director for Institutional Finance  
Ann Clemmer, Senior Associate Director for Academic Affairs  
Dr. Marla Strecker, Senior Associate Director for Research and Technology  
Chandra Robinson, Program Specialist for Institutional Finance  
Lisa Smith, Communications/Outreach Coordinator  
Nichole Abernathy, Executive Assistant

Presidents, chancellors, other institutional representatives, and guests were also present.

Chairman Crafton thanked the Coordinating Board members and guests for participating on the call.

Nichole Abernathy conducted a roll call to confirm that there was a quorum.

Agenda Item No. 1  
Economic Feasibility of Loan Issue  
North Arkansas College

North Arkansas College requests approval of the economic feasibility of plans to obtain a loan not to exceed \$1.8 million with a term of up to fifteen (15) years at an annual interest rate not to exceed 2.7 percent. Proceeds from the loan will be

used for educational and general (E&G) purposes. North Arkansas College Board of Trustees approved this financing at its meeting on May 3, 2016.

Any proceeds from loans that require AHECB approval, are used for the purchase or construction of new facilities, and result in additional square footage are subject to the AHECB maintenance policy as adopted in October of 2010. The projects contemplated herein do not provide additional square footage to the campus.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for North Arkansas College to obtain a loan not to exceed \$1.8 million with a term of up to fifteen (15) years at an expected annual interest rate not to exceed 2.7 percent to finance an Energy Performance Project under the guidelines of the Arkansas Energy Performance Contracting (AEPC) Program overseen by the Arkansas Energy Office.

**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 North Arkansas College of the Coordinating Board's resolution.

Greg Revels asked for verification that the loan was guaranteed by the Energy Service Company and that the savings would exceed the loan costs. Chandra Robinson said that is correct.

Chairman Crafton asked what an Arkansas Energy Performance Contracting (AEPC) Program was. Don Sugg, the vice president of finance and administration for NAC, explained that AEPC is a statewide program allowing agencies to participate in energy savings performance contracts.

Dr. Charles Allen moved to approve Agenda Item No. 1. Sam Sicard seconded the motion and the Board unanimously approved.

#### Report of the Committee

Greg Revels presented the report of the Finance Committee and moved approval of Agenda Item 1. Dr. Charles Allen seconded the motion and the Board unanimously approved.

Chairman Crafton thanked everyone for participating in the special meeting and announced that there will be a Board Retreat at the Winthrop Rockefeller Institute on June 21 – 22, and the next regular board meeting would be July 29, 2016, at the Arkansas Department of Higher Education in Little Rock.

With no further comments, the meeting adjourned at 2:42 p.m.

APPROVED:

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Nichole Abernathy

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Chris Gilliam, Secretary