

**ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
July 25, 2008**

Minutes of Meeting

The July 25, 2008 regular meeting of the Arkansas Higher Education Coordinating Board was held on the campus of Arkansas State University-Beebe. Chairman Trammel called the meeting to order at 10:00 a.m. with all of the Coordinating Board members present.

Coordinating Board present:

Dick Trammel, Chair
David Leech, Vice Chair
Dr. Lynda Johnson, Secretary
Dr. Charles Allen
Dr. Joe Bennett
Bob L. Burns
Jodie Carter
Dr. Olin Cook
Phil Ford
Dr. Dan Grant
Kaneaster Hodges
Steve Luelf

Department staff present:

Dr. Jim Purcell, Director
Dr. Steve Floyd, Deputy Director
Dr. Karen Wheeler, Associate Director for Academic Affairs
Dr. Stanley Williams, Senior Associate Director for Finance
Cynthia Moten, Coordinator of Academic Affairs
Christina Miller, Assistant Director for Planning and Accountability
Zanette Douglas, Coordinator of Institutional Certification
John Davidson, Financial Manager
Ashley Pettingill, Financial Manager
Charlette Moore, Financial Officer
Dale Ellis, Communications Officer
Nichole Abernathy, Administrative Support
Diana Benson, ADHE Intern

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

Chairman Trammel introduced Dr. Eugene McKay, Arkansas State University-Beebe Chancellor, for a welcome. Dr. McKay began by welcoming the Coordinating Board and Presidents and Chancellors to the Beebe campus. After a

brief overview of the campus history, Dr. McKay stated that an institution can have quality programs, help a lot of people, and still have an open door policy like ASU-Beebe.

Next, Chairman Trammel introduced Jerald Barber, Interim Chancellor at the University of Arkansas Community College at Hope; Chris Thomason, Chancellor – Elect at the University of Arkansas Community College at Hope; Dr. Wayne Hatcher, new President at Rich Mountain Community College; Kathryn Hazelett, Policy Advisor for Higher Education in the Governor's Office; Emily Jordan-Cox, Deputy Policy Advisor for Higher Education in the Governor's office; Heather Gage, Department of Education Liaison for Higher Education; and, Michael Abbiatti, Executive Director for ARE-ON. He then congratulated Dr. Chuck Welch for his new position as the President of Henderson State University.

Agenda Item No. 1
Approval of Minutes

Dr. Dan Grant moved to approve the minutes of the April 24, 2008 Special Meeting, April 25, 2008 Regular Meeting, and May 16, 2008 Special Meeting. Dr. Lynda Johnson seconded the motion, and the Board unanimously approved.

Agenda Item No. 2
Report of Nominating Committee
for 2008-09 Board Officers

The Nominating Committee (Chair Bob Burns, Kaneaster Hodges, and Dr. Charles Allen) recommended that the slate of Board officers for 2008-09, remain the same; Steve Luelf as the Finance Committee Chair, Dr. Dan Grant as the Academic Committee Chair, Dr. Lynda Johnson as Secretary, David Leech as Vice Chair, and Dick Trammel as Chair.

Dr. Purcell said that Chairman Trammel is a tireless advocate for higher education in the state of Arkansas and he looks forward to another year under his leadership as we move toward the upcoming legislative session.

Agenda Item No. 3
State Board of Higher Education Foundation
Election of Supervisory Committee

The State Board of Higher Education Foundation was established on May 2, 1992. The Board for the Foundation includes three annually elected members: a president, a vice president and a secretary/treasurer. The Foundation was

established in order to accept private funds for specific projects for the benefit of higher education in Arkansas.

Because Dr. Anne Trussell's term on the Board expired and Dr. Steve Floyd is no longer Interim Director, new officers were appointed.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves and elects members to serve as the State Board of Higher Education Foundation Supervisory Committee as follows:

Mr. Bob L. Burns - President
Mr. Jodie Carter - Vice President
Dr. Jim Purcell - Secretary/Treasurer

Agenda Item No. 4 Agency Updates

During a presentation on the state of higher education in Arkansas, Dr. Purcell noted that the state has slipped from forty-ninth in the nation to fiftieth, just ahead of West Virginia, in the number of adults holding bachelors degrees or higher. We were at 19.7 percent of adults but have recently slipped to 18.2 percent. We are working hard but we have a lot more work to do, said Dr. Purcell.

Next, Dr. Purcell outlined the types of degrees that are being produced, commenting that computer science degrees will likely be in higher demand in coming years as Arkansas gains attention from high-tech companies seeking a workforce. He said emphasis must be placed on high-demand, high-wage jobs that are currently experiencing shortages and to seek ways to expedite production of degrees in those areas.

Dr. Purcell noted that the Legislative Task Force on Remediation, Retention and Graduation Rates will be releasing their report in mid-August. The Task Force's goal is to increase the number of Arkansas citizens with a bachelor's degree to the SREB average (27%). Arkansas is currently at 18.2%. To reach the SREB average, Arkansas must increase the current production of bachelor's degrees by 64% (7,098 more graduates per year).

Agenda Item No. 5 Report on 2007 College-Going Rate

The college-going rate measures the proportion of college students enrolling in postsecondary education in the fall semester after finishing high school, in most cases, immediately after high school. Current data are based on the fall 2006 student cohort that enrolled first-time, full-time, and on-campus attending an

Arkansas public or independent institution after completing high school or a GED. Since most college students that ever enroll in college do so immediately after completing high school, the percentage of high school graduates making the transition from high school to college is an indicator of the total proportion that will ever enroll in post-secondary education. The percentage, therefore, reflects the accessibility of higher education as well as students' assessment of the value of attending college when compared to working, entering the military, traveling, or following other pursuits.

Christina Miller, Assistant Director for Planning and Accountability, announced a slight rise in the college-going rate for Arkansas, up two points from last year to 59.4 percent of students graduating high school and moving on to college. Ms. Miller noted that these rates only consider students that are at the beginning of the pipeline. She said to get a true picture of what's happening, we'll have to, at some point take into consideration the non-traditional student.

Agenda Item No. 6
Operating Funding Recommendations
For the 2009-11 Biennium

At its April 25, 2008 meeting, the Arkansas Higher Education Coordinating Board approved the funding models for the two-year colleges, universities, and the technical centers (former technical institutes merged with universities). These models had been developed in conjunction with presidents and chancellors after meetings and revisions. The funding models were used to develop the comparative needs of Arkansas institutions of higher education in terms of the average funding levels of schools in the SREB region.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommendations for state funding of the educational and general operations of Arkansas public institutions of higher education in the 2009-11 biennium as included in Tables 1A, 1B, 1C, 1D and 1E.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to prepare appropriate documents for transmission to the Governor and the General Assembly of the 2009-11 operating recommendations of the Arkansas Higher Education Coordinating Board.

FURTHER RESOLVED, That should any errors of a technical nature be found in these recommendations, the Director of the Arkansas Department of Higher Education is authorized to make appropriate corrections consistent with the policy established by the Board's action on these recommendations.

Steve Luelf questioned how these recommendations will affect the base. Dr. Williams stated that ADHE protects the base and assures every institution that they will get what they received the previous year.

Kaneaster Hodges moved to approve Agenda Item No. 6. David Leach seconded the motion, and the Board, with the exception of Steve Luelf, approved.

Agenda Item No. 7
Approval of Institutional Role and Scope Revisions

ACA 6-61-207 requires the Arkansas Higher Education Coordinating Board to establish appropriate institutional role and scope designations in consultation with college and university personnel. The law also requires periodic review of institutional role and scope designations. The Coordinating Board last adopted role and scope designations for each institution in 1999. Act 502 of 2005 amended ACA 6-61-207 by requiring institutional role and scope to address changing economic needs of the state and the new economy.

At the October 27, 2006 AHECB meeting ADHE staff recommended revisions in the role and scope designations for all of the public universities and two-year colleges. Members of the Coordinating Board expressed a desire to avoid proliferating and/or duplicating graduate programs and preferred that the role and scope designations be written in a straightforward manner. The Board voted to defer the agenda item and ask ADHE staff to work with an external consultant to review the language of the role and scope designations.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the role and scope designations for Arkansas public colleges and universities as outlined in this agenda item, effective immediately.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the presidents, chancellors, chief academic officers, and institutional board chairs of this action.

Dr. Olin Cook and Dr. Grant commended Dennis Jones and ADHE for the tremendous improvement to the role and scope designations.

Dr. Floyd, who led the effort to complete the role and scope study, commented that this process has reinforced in his mind that every one of Arkansas's institutions have an important role to play. He then recognized Dr. Karen Wheeler and Cynthia Moten for their work on the role and scope designations.

Jodie Carter moved to approve Agenda Item No. 7. Kaneaster Hodges seconded the motion, and the Board unanimously approved.

Report of the Committees

Dr. Dan Grant presented the report of the Academic Committee and moved to adopt Agenda Items 8-20. seconded the motion, and the Board unanimously approved.

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 27-35. Dr. Bob Burns seconded the motion, and the Board unanimously approved.

Dr. Karen Wheeler gave a brief overview of the academic agenda items. She began by explaining that the conversion of 19 technical programs from contact to credit hours from Arkansas State University Technical Center to Arkansas State University-Newport was necessary due to action taken by the Higher Education Coordinating Board in April of 2008. Dr. Wheeler also noted that the Associate of Arts in Teaching (AAT) degree at Arkansas two-year colleges would be moved from active to inactive status. The program, approved in 2002 for all two-year colleges, was designed to transfer to any four-year institution across the state. Because there have been numerous problems with this program transferring, ADHE staff and Chief Academic Officers (CAOs) are working diligently to find a resolution. Dr. Wheeler commented that she and ADHE staff are confident the problem will be rectified and the program will only temporarily remain inactive.

Agenda Item No. 8 Doctor of Philosophy in Education Policy University of Arkansas, Fayetteville

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to offer a Doctorate of Philosophy (Ph.D.) in Education Policy at the University of Arkansas, Fayetteville (UAF), effective Fall 2008. UAF 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 of the institution. The UA Board of Trustees approved the proposal March 28, 2008.

The proposed 72-semester credit hour program is designed to prepare policy-oriented scholars for careers in academia, policy institutes, and public service in the field of PK-12 education policy. The program of study is based on the social sciences and other academic disciplines supported by empirical research. Nine *new courses* will be added to the curriculum.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Doctor of Philosophy in Education Policy (CIP 13.0901) to be offered at the University of Arkansas, Fayetteville, effective Fall 2008.

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, Fayetteville, of the approval.

Dr. Grant commented that Arkansas should be very proud of this program. The program's design is very impressive and the six endowed chairs are as well, said Dr. Grant.

Dr. Lynda Johnson questioned whether the 3 semester credit hours required in Program Evaluation (out of the 12 semester credit hours required in Research Methods) were enough to ensure adequate training for evaluating programs. She asked that in the future, emphasis be placed on the need for adequate program evaluation training.

Dr. Joe Bennett moved to recommend Agenda Item No. 8 to the full Board for consideration. Dr. Lynda Johnson seconded, and the Committee unanimously approved.

Agenda Item No. 9
Technical Certificate in Dental Assisting
NorthWest Arkansas Community College

The administration and the Board of Trustees of NorthWest Arkansas Community College (NWACC) request approval to offer the Technical Certificate in Dental Assisting beginning Fall 2008. NWACC 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 of the institution. The NWACC Board of Trustees approved the proposal on March 10, 2008.

The 36-semester credit hour technical certificate is designed to prepare students for entry-level positions in a dental office. Eleven *new courses* have been added to the curriculum. Students successfully completing the program will have the skills and knowledge necessary to perform such duties as preparing patients for treatments, obtaining patient records, sterilizing instruments and equipment, preparing instruments for procedures, and instructing patients on oral healthcare. Students completing this program will be eligible to take the Arkansas Board of Dental Examiners Dental Assistant Examination to become a Certified Dental Assistant.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Dental Assisting (CIP 51.0601) at NorthWest Arkansas Community College, effective Fall 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 NorthWest Arkansas Community College of the approval.

Agenda Item No. 10
Completion Program for Bachelor of Science in Nursing
University of Arkansas at Little Rock

The administration and the Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Little Rock (UALR) to offer the completion program for the Bachelor of Science in Nursing (RN to BSN) degree, beginning fall 2008. UALR 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 of the institution. The Associate of Science in Nursing degree program at UALR is accredited by the National League for Nursing Accrediting Commission (NLNAC) and approved by the Arkansas State Board of Nursing. The UA Board of Trustees approved the proposal on June 6, 2008.

The RN to BSN degree program is designed for employed registered nurses with a diploma or an associate degree in nursing who want to pursue a baccalaureate degree. The program curriculum, developed with input from the UALR Nursing Advisory Committee, builds on previous coursework and integrates theory and practical learning experiences into the student's working environment. A BSN is preferred, and often required, for nursing directors/administrators, insurance case managers, insurance claim reviewers, and nursing instructors.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the completion program for the Bachelor of Science in Nursing (RN to BSN) CIP 51.1601 at the University of Arkansas at Little Rock, effective Fall 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 Arkansas System, and the Chancellor of the University of Arkansas at Little Rock of the approval.

Since the degree program is designed for employed registered nurses, do you have to be employed at a particular place or institution, asked David Leech. Jeanne Jones said no, you just have to be employed.

Agenda Item No. 11
Master of Science in Systems Engineering
University of Arkansas at Little Rock

The administration and the Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Little Rock (UALR) to offer the Master of Science in Systems Engineering (MSSE) beginning Fall 2008. UALR is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, and engineering programs are accredited by the Accreditation Board for Engineering and Technology (ABET). The proposed program is within the role and scope of the institution. The UA Board of Trustees approved the proposal on June 6, 2008.

The proposed master's degree is designed to provide engineers specializing in various engineering fields with the advanced knowledge and skills needed to be a systems engineer. Systems engineers coordinate the design, development, analysis, and management of systems related to manufacturing, aviation, water and food distribution, communications, aerospace, national defense, and utilities.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Master of Science in Systems Engineering (CIP 14.2701) at the University of Arkansas at Little Rock effective Fall 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 Arkansas System, and the Chancellor of the University of Arkansas at Little Rock of the approval.

Agenda Item No. 12
Technical Certificate in Pharmacy Technician
Mid-South Community College

The administration and Board of Trustees of Mid-South Community College (MSCC) seek approval to offer the Technical Certificate in Pharmacy Technician effective January 2009. MSCC 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 of the institution. The MSCC Board approved the proposal on February 11, 2008.

Students who complete the proposed certificate program will be prepared to assist pharmacists in health care and retail facilities. The program is designed to meet the standards of the Institute for the Certification of Pharmacy Technicians. Eight *new courses* will be added.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Pharmacy Technician (CIP 51.0805) at Mid-South Community College, effective January 2009.

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 Mid-South Community College of the approval.

Agenda Item No. 13
Associate of Applied Science in Medical Assistant
Mid-South Community College

The administration and Board of Trustees of Mid-South Community College (MSCC) seek approval to offer the Associate of Applied Science in Medical Assistant effective January 2009. MSCC 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 MSCC Board of Trustees approved the proposal on February 11, 2008.

The medical assistant associate degree program is designed to teach students to perform administrative and clinical tasks in healthcare facility settings. Individuals will be instructed in laboratory procedures, medical office software, basic x-ray procedures, and medical office insurance and billing, among other subjects. The curriculum is designed according to the standards established by the Commission on Accreditation of Allied Health Education Programs.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Medical Assistant (CIP 51.0801) at Mid-South Community College, effective January 2009.

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 Mid-South Community College of the approval.

David Leech questioned what would happen if the Mid-South Community College weren't able to receive the Title Three grant they applied for. Alana Boles said the money would then come from their operational budget.

Agenda Item No. 14
Doctor of Philosophy in Reading
University of Arkansas at Little Rock

The administration and the Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Little Rock (UALR) to offer the Doctor of Philosophy in Reading beginning Fall 2008. UALR is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The UA Board of Trustees approved the proposal on January 25, 2008. If approved, the program will be added to the role and scope of UALR.

Over the past 30 years, UALR has offered the master's degree in reading. The institution has offered the reading specialist degree for 10 years and the reading coach certificate for the past 3 years. The proposed doctoral program builds upon these existing graduate programs in reading. The program will prepare reading teachers to meet the increasing and changing demands of reading education in Arkansas and the United States. Graduates will serve as literacy administrators, curriculum specialists, college faculty, researchers, and program evaluators. The curriculum includes coursework in literacy theories combined with cognitive apprenticeships in the field. Students also will have opportunities to collaborate with faculty on scholarly work and research projects.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Doctor of Philosophy in Reading (CIP 13.1315) at the University of Arkansas at Little Rock effective Fall 2008, and directs ADHE staff to add the degree to the institution's role and scope.

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 Arkansas System, and the Chancellor of the University of Arkansas at Little Rock of the approval.

Phil Ford asked what the advantages are to having the doctoral degree verses the master's. Dr. Joel Anderson said the doctoral program gives more debt to the training while the master's degree program tends to be broader.

Agenda Item No. 15
Conversion of Technical Programs
Transferred From Arkansas State University Technical Center
To Arkansas State University – Newport

The administration and Board of Trustees of the Arkansas State University System (ASU) request approval for Arkansas State University—Newport (ASUN) to convert for credit the technical programs offered at Arkansas State University Technical Center (ASUTC) effective August 2008. ASUN is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed programs are within the role and scope of the institution. The ASU Board of Trustees approved the administrative and program transfer on December 7, 2007. The Arkansas Higher Education Coordinating Board (AHECB) approved the ASUN-ASUTC transfer on February 1, 2008. Arkansas Department of Higher Education (ADHE) staff visited Arkansas State University Technical Center in Marked Tree in May 2008, for the purpose of evaluating the proposed technical programs.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the conversion of the following programs at Arkansas State University-Newport: Certificates of Proficiency in Commercial Truck Driving (CIP 49.0205), Emergency Medical Technician (CIP 51.0904), Phlebotomy (CIP 51.1009), and Welding (CIP 48.0508); Technical Certificates in Cosmetology (CIP 12.0401), Cosmetology Instructor Trainee (CIP 12.0403), Practical Nursing (CIP 51.1613), Collision Repair and Refinishing Technology (CIP 47.0603), Automotive Service Technology (CIP 47.0604), Computer Networking Technology (CIP 15.1202), and Energy Control Technology (CIP 47.0201), Paramedic (CIP 51.0904), and Business Technology (CIP 52.0401); and Associate of Applied Science degrees in Collision Repair and Refinishing Technology (CIP 47.0603), Automotive Service Technology (CIP 47.0604), Computer Networking Technology (CIP 15.1202), Energy Control Technology (CIP 47.0201), Paramedic (CIP 51.0904), and Business Technology (CIP 52.0401), effective Fall 2008.

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 Arkansas State University System, and Chancellor of Arkansas State University—Newport of the approval.

Agenda Item No. 16
Associate of Applied Science in Respiratory Therapy
South Arkansas Community College

The administration and Board of Trustees of South Arkansas Community College (SACC) seek approval to offer the Associate of Applied Science degree in Respiratory Therapy effective Fall 2008. SACC 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 SACC Board of Trustees approved the proposal on March 18, 2008.

The proposed program prepares students to take the national certification examination by the National Board of Respiratory Care and to become respiratory therapists. The student would be qualified to evaluate and treat patients with respiratory and cardiopulmonary disorders. Courses in the program emphasize respiratory disease management and prevention, pharmacology, critical care assessment, and patient education. Students are required to complete clinical practice in a hospital respiratory therapy setting. The degree is 80 semester credit hours. Nineteen *new courses* will be added to the curriculum

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Respiratory Therapy (CIP 51.0908) at South Arkansas Community College, effective Fall 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 South Arkansas Community College of the approval.

Agenda Item No. 17
Technical Certificate in Health Information Technology
Certificate of Proficiency in Healthcare Office Skills
University of Arkansas at Monticello

The administration and Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Monticello (UAM) to offer a Technical Certificate in Health Information Technology and a Certificate of Proficiency in Healthcare Office Skills beginning Fall 2008. UAM 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 of the institution. The UA Board of Trustees approved the proposal on June 6, 2008.

The proposed 18-semester credit hour program in healthcare office skills will prepare individuals for employment as data entry operators, medical file clerks, secretaries or receptionists in healthcare facilities. Upon completion of this program, students will have options for completing a Technical Certificate in Healthcare Information Technology and an Associate of Applied Science Degree in General Technology.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Health Information Technology (CIP 51.0707) and the Certificate of Proficiency in Healthcare Office Skills (CIP 51.0712) at the University of Arkansas at Monticello, effective Fall 2008.

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 the University of Arkansas System, and the Chancellor of the University of Arkansas at Monticello of the approval.

Agenda Item No. 18
Technical Certificate in Agriculture
Cossatot Community College of the University of Arkansas

The administration and Board of Trustees of the University of Arkansas System (UA) request approval for Cossatot Community College of the University of Arkansas (CCCUA) to offer a Technical Certificate in Agriculture effective Fall 2008. CCCUA 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 of the institution. The UA Board of Trustees approved the program proposal on March 28, 2008.

The proposed Technical Certificate in Agriculture will provide students with the skills necessary to work on farms, ranches, and in the agriculture industry. The proposed program will allow students to gain knowledge and skills for entry into the workforce and to participate in activities to enhance employment opportunities in the service area.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Agriculture (CIP 01.0000) at Cossatot Community College of the University of Arkansas, effective Fall 2008.

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 the University of Arkansas

System, and the Chancellor of Cossatot Community College of the University of Arkansas of the approval.

Agenda Item No. 19
Associate of Applied Science in Respiratory Therapy
Mid-South Community College

The administration and Board of Trustees of Mid-South Community College (MSCC) seek approval to offer the Associate of Applied Science degree in Respiratory Therapy effective January 2009. MSCC 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 MSCC Board of Trustees approved the proposal on February 11, 2008.

Students earning this degree will have the coursework and skills to become respiratory therapists in hospitals and clinics. The curriculum was created to meet the standards of the Commission on Accreditation of Allied Health Education Programs. Thirteen *new courses* will be added.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Respiratory Therapy (CIP 51.0908) at Mid-South Community College, effective January 2009.

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 Mid-South Community College of the approval.

Dr. Joe Bennett asked what jobs a student will qualify for after graduating from this class. They will be qualified to primarily work in hospitals and other health care facilities.

Dr. Grant commented on the fact that six similar programs are offered at other institutions. Cynthia Moten stated that none of the programs are located in this area.

Agenda Item No. 20
Institutional Certification Advisory
Committee Resolutions

The Institutional Certification Advisory Committee (ICAC) met on July 8, 2008. ADHE Executive Staff recommend that the Arkansas Higher Education Coordinating Board approve the following resolutions.

Nova Southeastern University, Fort Lauderdale-Davie, Florida**Initial Certification—Online**

Master of Business Administration

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Nova Southeastern University to offer the following degree program to Arkansas citizens via distance delivery: Master of Business Administration. The certification is for a period of two years and expires on July 25, 2010.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Nova Southeastern University, Fort Lauderdale-Davie, Florida, that the 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 Nova Southeastern University, Fort Lauderdale-Davie, Florida, 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 –Texarkana**Initial Certification**

Master of Business Administration

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix -Texarkana to offer the following degree program to Arkansas citizens: Master of Business Administration. The certification is for a period of two years and expires on July 25, 2010.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of the University

of Phoenix- Texarkana, that the 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-Texarkana 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, Fort Lauderdale, Florida

Initial Certification - Online

Associate of Applied Science in Accounting

Associate of Applied Science in Business Administration/Management

Master of Business Administration

Master of Science in Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Kaplan University, Fort Lauderdale, Florida to offer the following degree programs to Arkansas citizens via distance delivery: Associate of Applied Science in Accounting, Associate of Applied Science in Business Administration/Management, Master of Business Administration, and Master of Science in Management. The certification is for a period of two years and expires on July 25, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Kaplan University, Fort Lauderdale, Florida, that the 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, Fort Lauderdale, Florida, 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.

Webster University-Fort Smith

Recertification

Master of Business Administration

Master of Arts in Human Resources Management

Master of Arts in Information Technology Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Webster University, Fort Smith, Arkansas, to offer the following degree programs to Arkansas citizens: Master of Business Administration, Master of Arts in Human Resource Management, and Master of Arts in Information Technology Management. The certification is for a period of four years and expires on July 25, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Webster University, Fort Smith, Arkansas, 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 Webster University, Fort Smith, 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.

Webster University-Fayetteville

Recertification

Master of Business Administration
Master of Arts in Management and Leadership
Master of International Business
Master of Arts in Human Resources Management
Master of Arts in Human Resource Development
Master of Arts in Information Technology Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Webster University, Fayetteville, Arkansas, to offer the following degree programs to Arkansas citizens: Master of Business Administration, Master of Management & Leadership, Master of International Business, Master of Arts in Human Resources Management, Master of Arts in Human Resource Development, and Master of Arts in Information Technology Management. The certification is for a period of four years and expires on July 25, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Webster University, Fayetteville, Arkansas, 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 Webster University, Fayetteville, 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.

Capella University, Minneapolis, Minnesota

Decertification

Graphics and Multimedia Specialization-Bachelor of Science in Information Technology

System Design and Development Specialization-Master of Science in Information Technology

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board decertifies the Graphics and Multimedia Specialization-Bachelor of Science in Information Technology and the System Design and Development Specialization-Master of Science in Information Technology offered by Capella University to Arkansas citizens via distance technology. The program decertifications are effective on July 25, 2008.

The Institutional Certification Advisory Committee (ICAC) Report begins on page 20-6 of the Agenda book.

Agenda Item No. 21
Report on Annual Review of Faculty Performance

Arkansas Code Annotated §6-63-104 and Arkansas Higher Education Coordinating Board (Board) policy 5.05.1 requires that each college and university conduct an annual performance review of faculty members. Pursuant to this statute, Arkansas Department of Higher Education (ADHE) staff is required to monitor the faculty evaluation processes adopted at public institutions, and make a report to the Coordinating Board and Legislative Council each year. Each institution must have on file with ADHE a plan detailing the procedures for faculty evaluation at each institution. Significant amendments to these plans are to be submitted for Board approval.

Agenda Item No. 22
Report on Reauthorization of Carl D. Perkins Career
and Technical Education Improvement Act of 2006

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/technical skills of students in secondary and postsecondary career/technical education (CTE) programs.

Over the past 15 years, federal legislation has shifted the emphasis of the Perkins program from narrow job preparation to the enhancement of a broad range of academic and industry-specific technical skills. This approach balances the academic preparation of students with a need to address current and emerging career opportunities, workforce needs, and economic competitiveness.

Through the Arkansas Department of Workforce Education (ADWE), the State carries out the required duties and responsibilities of the Act including oversight of the Perkins funds in secondary schools and postsecondary institutions. A memorandum of understanding (MOU) between ADWE and the Arkansas

Department of Higher Education (ADHE) grants to ADHE the responsibility and oversight of Perkins funds designated for postsecondary institutions.

Allocation of funds is designated by federal law with 85% of total Perkins funds distributed to local institutions. Of that total, 75% funds secondary programs and 25% funds postsecondary programs. The remaining 15% is retained for administrative and state leadership activities. The MOU provides for \$2.9 million to postsecondary institutions and \$415,000 to ADHE.

Dr. Grant asked if the results of this report ever led to the firing of any faculty. Monieca West commented that there have been a couple of contracts that weren't renewed as a result of this report.

Agenda Item No. 23
Arkansas Health Education Grant Program
2005-2008 Report

The Arkansas Health Education Grant (ARHEG) Program provides assistance for Arkansas residents attending certain out-of-state accredited health and medical professional schools for graduate or professional programs that are not available in Arkansas. Such assistance is currently provided for students of dentistry, veterinary medicine, optometry, osteopathic medicine, podiatric medicine and chiropractic medicine.

This report outlines slot allocations, expenditure information and graduate information for the 2005-06, 2006-07 and 2007-08 academic years. The expenditure report in Appendix "A" shows the distribution of student slots and expenditures at the participating institutions, as well as the number of grant recipients by field and institution. The report also provides information from the participating institutions, licensing boards, and student self-reports on the status of grant recipients who completed their studies in 2004 through 2007. Grant recipients are asked to self-report for four (4) years following completion of their courses of study, and the institutions report each year on the grant recipients from the previous four (4) graduating classes, as established by the Board in February 2000. See Appendix "B" for graduate information.

In conducting this report, ADHE issued a survey to all participating institutions to determine if the current slot allocation was sufficient for Arkansas students enrolling in their institution. Appendix "C" provides a report on current slot allocations compared to the need reported by the participating institutions.

The Department's Strategic Plan for Fiscal Years 2009-2011 projects increases in slot fees and expenditures by field. These increases are necessitated by the provision of the program where the Southern Regional Education Board (SREB) negotiates with institutions on contract costs on behalf of state agencies. Once

SREB negotiates with institutions on contract cost, the ADHE has the option of either decreasing the number of students who can participate in the program or continue the current number of slots knowing that increases to the budget of the program will be required. The ADHE will also work with the licensing boards and associations of each medical profession to determine if slot allocations need to be adjusted. The Strategic Plan for Fiscal Years 2009-2001 will be presented at the October 2008 Board meeting for budget and slot allocation recommendations.

Agenda Item No. 24
Arkansas Governor's Scholars Program
National Hispanic Recognition Program

The Arkansas Governor's Scholars Program recognizes Arkansas's bright young leaders that make valuable contributions not only to colleges and universities but also to the state, the Arkansas Legislature enacted the Governor's Scholars Program for the purpose of encouraging Arkansas' best high school students to remain in Arkansas for their college education. Each year, Arkansas' academically superior high school graduates will be offered scholarships from the state to assist them in their undergraduate studies at any of Arkansas's public or private colleges or universities.

During a previous board meeting, Dr. Lynda Johnson asked the ADHE staff to research the possibility of adding a National Hispanic Recognition Program to the eligibility criteria for the Governor's Distinguished designation. National Achievement Finalist and National Merit Finalist are currently eligible for the Governor's Distinguished designation. ADHE staff has researched possible recognition programs and will be recommending the addition of the National Hispanic Recognition Program (NHRP) as an eligibility criterion for the Governor's Distinguished designation.

Phil Ford asked how many students were awarded the Governor's Distinguished Scholars program. Tara Smith said 299 received it; however, more qualified, but went out-of-state to school.

Agenda Item No. 25 and 26
Letters of Notification and Letters of Intent

The Department of Higher Education received notice from institutions on 36 programs not requiring Board action.

Notification was received on 12 items requiring Board action. During this period, the Institutional Certification Advisory Committee received notice of requests from 13 out-of-state or non-public institutions to offer degree programs to Arkansas residents. The program notice list appears in the Letters of Notification on pages

25-1 through 25-7 and in the Letters of Intent on pages 26-1 through 26-5 of the agenda book.

Dr. Ed Franklin, Director of the Arkansas Association of Two-year Colleges, expressed concern regarding the suspension of the Associate of Arts in Teaching (AAT) degree program. He asked that the Board hear further discussions regarding it.

Dr. Glen Fenter, President at Mid-South Community College, praised ADHE staff for their concern for Arkansas's students. He then commented that if Arkansas wants to have great teachers in all parts of the state, we need to have teacher education available to all parts of the state. He then encouraged the Coordinating Board and ADHE staff to do whatever necessary to resolve this issue regarding the AAT program.

Dr. Jack Lassiter, Chancellor at the University of Arkansas at Monticello, asked that the Board reconsider the decision to place the AAT program on inactive status. He suggested that more effort be made to make students aware that the program might not be transferable to a four-year institution.

Dr. Larry Williams, Chancellor at Arkansas State University-Newport, commented that four years ago, four and two-year institutions agreed to work together with this program. Currently, ASU-N has two very successful partnerships with this program. Dr. Williams agreed that more effort needs to be made to make students aware that the program might not be transferable.

Dr. Karen Wheeler explained that ADHE wants to do what is best for the students. ADHE staff members and CAOs have worked diligently trying to settle this, with no resolve. It is important for us to deliver what we say we are delivering. The AHECB approved the program for statewide transfer from any two-year institution to any four-year institution. Now there are numerous issues and instances where this program will not transfer. Dr. Wheeler said that ADHE is open to any suggestions on how to resolve this; However, the situation cannot remain the same.

Kaneaster Hodges said it is unacceptable for a student to receive a two-year degree that won't transfer anywhere. He asked if the program could remain active, however, it be made absolutely clear whether or not the degree will transfer.

Dr. Charles Allen asked how many students are presently enrolled in the program. Dr. Wheeler said that the program has an average of 150 – 200 students per year.

Jodie Carter questioned the universities authority to deny the transfer degree program. He asked for a list of the universities that are refusing to accept this degree program.

Kaneaster Hodges moved that the Associate of Arts in Teaching degree program remain active until the October 2008 Board meeting. Furthermore, the Board asked that a list be made naming the institutions that will accept this program and the ones that refuse it. Additionally, students have to be made aware of this list. Dr. Joe Bennett seconded, and the Board unanimously approved.

Agenda Item No. 27
Recommendations for State Funding of Capital Projects
2009-11 Biennium

From a total of \$357 million appropriated, the 2007 legislative session provided allocations totaling \$259 million for distribution from the General Improvement Fund (GIF) for various capital projects at institutions of higher education. To date, 14 percent or \$37 million, of the allocation has been released to institutions from the GIF for higher education projects. For the 2005-07 biennium, \$16.5 million was distributed for capital projects, which was slightly more than the 2003-05 biennium when \$14 million was distributed for capital projects.

The capital recommendation is significant given the projected revenues to support the projects; however, these recommendations reflect the continuing need to maintain the state's investment in higher education facilities and keep pace with the technological advances that are necessary for cutting edge academic programs.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the staff recommendations for state funding of capital projects totaling \$104.8 million as identified in the accompanying agenda materials.

FURTHER RESOLVED, That the Director is authorized to transmit to the Governor and the General Assembly the Board's recommendation for state funding.

FURTHER RESOLVED, That the Director is authorized to make such technical adjustments to these recommendations as may be required.

Steve Luelf asked what kind of executive standards are used to figure these requests. Ashley Pettingill said that the Institutional Finance staff had a total funding recommendation in mind and worked from the largest FTE down thru the technical centers.

David Leach questioned why we would ask for 104 million when we need 3.2 billion. Ashley Pettingill stated that the majority of the funds requested are for deferred maintenance.

Dr. Joe Bennett asked what can be anticipated as being approved by the

Governor's office. Will they accept this figure? Ashley Pettingill stated that last biennium the AHECB recommended roughly \$200 million because there was a significant surplus.

David Leech stated that we are in a crisis and this issue needs to be brought to the Governor's and Legislators attention.

Steve Luelf questioned why the board would recommend something that is inaccurate.

Dr. Williams explained that the institution's requests are a dream list. They aren't things that we would always agree that an institution needs. Therefore we take a lot of things into consideration when considering these recommendations, said Dr. Williams. We look at the square footage per FTE students, the funding formula recommendations, and the amount of square footage needed, among others.

Institutions are robbing the deferred maintenance fund to meet their current expenditures said Kaneaster Hodges. This has got to come to a stop. Mr. Hodges asked that ADHE look into the financial condition of each public institution.

Dr. Purcell said that ADHE will collect more information such as a Facilities Utilization Report on the institutions finances which will allow everyone to make better decisions.

Bob Burns moved to recommend Agenda Item No. 27 to the full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Agenda Item No. 28 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 1229 of 2007 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 ARE-ON's annual operating and maintenance costs at such time as the institutions begin to those expenses.

FURTHER RESOLVED, That \$1 million be allocated in Fiscal 2009 to the University of Arkansas, Fayetteville for expenses associated with the connection of all public universities to ARE-ON.

Kaneaster Hodges moved to recommend Agenda Item No. 28 to the full Board for consideration. Dr. Olin Cook seconded, and the Committee unanimously approved.

Agenda Item No. 29
Economic Feasibility of Bond Issue
Arkansas Tech University

Arkansas Tech University (ATU) requests approval of the economic feasibility of plans to issue bonds totaling approximately \$2.15 million with a term of up to 30 years at an estimated annual interest rate of 5.0 percent. Proceeds from the bond issue will be used for auxiliary purposes. The Arkansas Tech University Board of Trustees approved the bond financing at its meeting on June 19, 2008.

The auxiliary issue will be approximately \$2.15 million with annual debt service of \$138,015. Proceeds from the issue will be used to fund the renovation of Critz and Hughes Hall. Coordinating Board policy regarding debt service for auxiliary projects provides that annual net auxiliary revenues should be no less than 120 percent of the total annual auxiliary debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Arkansas Tech University to issue bonds for approximately \$2.15 million with a term of up to 30 years at an estimated annual interest rate of 5.0 percent for the renovation of Critz and Hughes Hall, 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 Arkansas Tech University of the Coordinating Board's resolution.

Steve Luelf stated that the debt service capacity was close to zero. Ashley Pettingill stated that ATU could pledge all auxiliary sources to fund these bonds which would increase the debt service capacity.

Kaneaster Hodges moved to recommend Agenda Item No. 29 to the full Board for consideration. Dr. Olin Cook seconded, and the Committee unanimously approved.

Agenda Item No. 30
Personal Services Recommendations For
Non-Classified Personnel
2009-11 Biennium

A.C.A. §6-61-209 requires the Arkansas Higher Education Coordinating Board to present a consolidated budget request from the state-supported colleges and universities to the General Assembly and the Governor prior to each regular session of the General Assembly. As part of this process, the quantity of positions, titles, and line-item maximum salaries for all non-classified administrative, academic, and auxiliary positions at each Arkansas public institution of higher education have been reviewed, and changes are recommended.

These recommendations, to be effective July 1, 2009, recognize the varying structures and sizes of institutions, while maintaining reasonable consistency among positions at similar institutions. The primary objective of the ADHE staff was to maintain relative uniformity in titles and line-item maximums for similar positions in comparable institutions, while recognizing the varying missions and structures of institutions, priorities of the new biennium, and FTE enrollment growth.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommended number of positions, titles, and maximum salaries for non-classified positions in academic, administrative, and auxiliary positions for the 2009-11 biennium as recommended by staff.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to make technical corrections consistent with Coordinating Board action.

FURTHER RESOLVED, That the Coordinating Board requests the Director to transmit the Personal Services recommendations to the Governor and the General Assembly for consideration for the 2009-11 biennium.

Steve Luelf asked if the salary match for the two-year colleges was the same. Charlette Moore said they are.

David Leech moved to recommend Agenda Item No. 30 to the full Board for consideration. Dr. Joe Bennett seconded, and the Committee unanimously approved.

Agenda Item No. 31
Economic Feasibility of Bond Issue
University of Arkansas Community College-Hope

The University of Arkansas Community College – Hope requests approval of the economic feasibility of plans to issue bonds for approximately \$2.7 million with a maximum term of 30 years at an estimated annual interest rate of 5%. Proceeds from the bond issue will be used for educational & general (E&G) purposes. The University of Arkansas Board of Trustees approved this action at its meeting held on June 6, 2008.

The E&G issue will be approximately \$2.7 million with annual debt service of \$168,971. Proceeds from the issue will be used to complete financing for the Science/Technology Center. Coordinating Board policy regarding debt service provides that a maximum of 25% of tuition and fee revenue may be pledged to E&G service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas Community College – Hope to issue bonds for approximately \$2.7 million with a term of 30 years at an estimated annual interest rate of 5% for E&G purposes.

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 the University of Arkansas Community College – Hope of the Coordinating Board’s resolution.

Chairman Trammel moved to recommend Agenda Item No. 31 to the full Board for consideration. Dr. Olin Cook seconded, and the Committee unanimously approved.

Agenda Item No. 32
Certification of Intercollegiate Athletic
Revenues and Expenditures for 2008-09

A.C.A. §6-62-805 (Act 366 of 1991) requires each state-supported institution of higher education to annually certify by June 15 to the Arkansas Higher Education Coordinating Board that its intercollegiate athletic program will generate sufficient revenues to meet expenditures or that any athletic deficit will be met by separate institutional board-sanctioned student athletic fees.

Institutions with intercollegiate athletic programs submitted ADHE Form 21-2, “Certification of Budgeted Athletic Revenues and Expenditures” and proper supporting documentation. ADHE finance staff verified that the athletic data

submitted by the institutions matched the overall 2008-09 institutional operating budgets.

A.C.A. §6-62-804 requires that any student athletic fees assessed must be clearly defined in all publications and institutional board minutes, and listed separate and distinct from tuition or other student fees on student tuition and fee statements. All institutions assessing a student athletic fee have certified to the Department compliance with this requirement and have submitted copies of their student fee billing statements illustrating the disclosure of the athletic fee to each student.

RESOLVED, That the Arkansas Higher Education Coordinating Board accepts the Certification of Intercollegiate Athletic Revenues and Expenditures Budgeted for 2008-09 as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

Kaneaster Hodges commented on the student athletic fees and the rising price of tuition. John Davidson explained that student athletic fees are typically included in tuition fees.

Dr. Charles Allen moved to recommend Agenda Item No. 32 to the full Board for consideration. Dr. Olin Cook seconded, and the Committee unanimously approved.

Agenda Item No. 33
Economic Feasibility of Bond Issue
Phillips Community College of the University of Arkansas

Phillips Community College of the University of Arkansas requests approval of the economic feasibility of plans to issue bonds for approximately \$12,305,000 with a maximum term of 30 years at an estimated annual interest rate of 5%. Proceeds from the bond issue will be used for educational & general (E&G) purposes. The University of Arkansas Board of Trustees approved this action at its meeting held on June 6, 2008.

The E&G issue will be approximately \$12.3 million with annual debt service of \$740,000. Proceeds from the issue will be used to refund the 1997 bond issue and complete financing for the Grand Prairie Center on the Stuttgart campus. Coordinating Board policy regarding debt service provides that a maximum of 25% of tuition and fee revenue may be pledged to educational and general debt service and that annual millage revenue must be at least 120% of annual debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Phillips Community College of the University of Arkansas to issue bonds for

approximately \$12.3 million with a term of 30 years at an estimated annual interest rate of 5% for E&G purposes.

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 Phillips Community College of the University of Arkansas of the Coordinating Board's resolution.

David Leech moved to recommend Agenda Item No. 33 to the full Board for consideration. Kaneaster Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 34
Economic Feasibility of Loan
University of Arkansas, Fayetteville

The University of Arkansas, Fayetteville requests approval of the economic feasibility of plans to seek a loan of approximately \$5 million with a maximum term of 5 years at an interest rate not to exceed 5%. Proceeds from the loan will be used for auxiliary purposes. The University of Arkansas Board of Trustees approved this action at its meeting held on June 6, 2008.

The loan will be approximately \$5 million with annual debt service of \$1,142,588. Proceeds from the loan will be used for renovations to various athletic facilities. Coordinating Board policy regarding debt service for auxiliary projects provides that annual net auxiliary revenues should be no less than 120% of the total annual auxiliary debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas, Fayetteville to acquire a loan of approximately \$5 million with a term of 5 years at an estimated annual interest rate of 5% for auxiliary purposes.

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

Kaneaster Hodges moved to recommend Agenda Item No. 34 to the full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Agenda Item No. 35
Proposed Changes to Higher Education
Bond Projects

The Arkansas Higher Education Coordinating Board approved the list of Higher Education Bond Projects on April 27, 2007. The following revisions are requested concerning that list.

Phillips Community College – University of Arkansas

Ohio Street and Pillow-Thompson Properties-Helena - **Renovation/Remodeling.**

An amount up to \$400,000 is provided to improve the 32,736 square-foot Ohio Street building for use as training space by removing any chemical spills remaining from when the building was used for storing chemicals for farming and renovation of the 11,040 square foot Pillow-Thompson house.

The Pillow-Thompson house renovation is being added to this project, the amount allocated will remain at \$400,000 as previously approved by the Coordinating Board.

University of Arkansas – Criminal Justice Institute

Criminal Justice Institute Building – **New Construction.** An amount up to ~~\$1.0 million~~ **\$6,829.22** is allocated toward the construction of a 75,000 square-foot building. The new facility would house offices, an enhanced forensic education training lab, fingerprint recovery area, mock crime scene area, a computer server room and a computer-training laboratory. It would also provide additional laboratory space for training law enforcement personnel in the science of evidence gathering and analysis. “Hands-on” laboratory training is as important as the classroom training received. Enhancements in these areas are necessary to fulfill the Institute’s mandate to provide management, forensic and computer education and training to law enforcement.

The remaining \$993,170.78 originally allocated to the Criminal Justice Institute will be transferred to UAMS and added to the allocation of the project described below.

University of Arkansas for Medical Sciences

New Classroom Building – **New Construction.** An amount up to ~~\$12 million~~ **\$12,993,170.78** is allocated to UAMS for the construction of a 30,000 square-foot classroom building. The Education II building completed in 1977 is no longer adequate to meet the needs of growing programs in the College of Pharmacy, College of Nursing and the College of Health Related Professions and Public Health. Enrollment growth and changes in teaching methodologies/technologies have reduced the effectiveness of the 28-year old facility. As a result, UAMS faces

a critical shortage of classrooms. UAMS has no facilities to relocate classes to allow the renovation of the existing facility. The new facility will include large lecture hall spaces, classrooms with seating capacities of 55 to 85 students and small group meeting spaces which incorporate the provision of all the necessary resources for instructors to teach in ways that ensure functionality and adaptability for the varied methodologies utilized by the different colleges. All spaces will provide electrical power and wireless networking at all student stations.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves and endorses the revision to the proposed Higher Education Bond Project as described in this agenda item and that this project is incorporated in the Plan of Implementation.

FURTHER RESOLVED, That the Director is instructed to transmit to the Governor the plan for capital projects for public institutions of higher education to be funded from the proceeds derived from the sale of Higher Education Bonds.

FURTHER RESOLVED, That all requirements and limitations approved for the Higher Education Bond Projects by the Arkansas Higher Education Coordinating Board on November 4, 2005 apply to these changes.

Kaneaster Hodges moved to recommend Agenda Item No. 35 to the full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Kaneaster Hodges expressed concern regarding the financial information that was presented to the board. He commented that it is a failure to use hundreds of billions of dollars and not reach the level of degrees we need as a state. The resolution will not be easy, but something has to be done. Mr. Hodges asked that recommendations regarding tuition and scholarships, be presented at the October AHECB meeting. Furthermore, an annual report detailing institution's financial health be provided at the October AHECB meeting.

Dr. Jim Purcell said that ADHE will provide the reports at the October AHECB meeting.

Chairman Trammel announced that a routine examination of the board's finances revealed that Dr. Purcell had been paid approximately \$8,400 for relocation expenses that the board did not have the authority to authorize. He noted that while reviewing the upcoming fiscal year compensation for the director, it was determined that the board erroneously extended a housing allowance for Dr. Purcell's transition to Arkansas. When determined that the board in fact does not have the special language required by law to extend such an allowance, we immediately began taking steps to correct this oversight, and expect the process to be completed shortly, said Chairman Trammel.

The next Coordinating Board meeting is scheduled for October 14 and will be held in conjunction with the Arkansas Association of Two-Year Colleges Conference in Rogers.

With no further comments, the meeting adjourned at 11:30 a.m.

Nichole Abernathy

APPROVED:

Dr. Lynda Johnson, Secretary