

**ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
July 31, 2009**

Minutes of Meeting

The July 31, 2009, regular meeting of the Arkansas Higher Education Coordinating Board was held at John Brown University (JBU) in Siloam Springs. Chairman Burns called the meeting to order at 10:00 a.m. and all members were present.

Coordinating Board present:

Bob Burns, Chair
David Leech, Vice Chair
Dr. Charles Allen, Secretary
Sarah Argue
Dr. Joe Bennett
Jodie Carter
Dr. Olin Cook
Bob Crafton
Phil Ford
Dr. Dan Grant
Kaneaster Hodges
Steve Luelf

Department staff present:

Dr. Jim Purcell, Director
Dr. Stanley Williams, Deputy Director
Dr. Karen Wheeler, Associate Director
Rick Jenkins, Associate Director for Planning and Accountability
Cynthia Moten, Associate Director of Academic Programs
Brooks Harrington, Assistant Director of Academic Programs
Tara Smith, Coordinator of Financial Aid
Zanette Douglas, Coordinator of Institutional Certification
Monieca West, Coordinator of Federal Programs
Brooks Harrington, Assistant Director for Planning and Accountability
Lillian Williams, Assistant Coordinator of Academic Programs
Ashley Pettingill, Coordinator of Institutional Finance
Alana Boles, Assistant Coordinator of Academic Programs
Dale Ellis, Communications Officer
Nichole Abernathy, Administrative Support

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

Chairman Burns introduced Dr. Charles Pollard, President of JBU, for a welcome. Dr. Pollard welcomed everyone to the meeting and thanked the Coordinating Board for allowing JBU the opportunity to host.

Chairman Burns thanked Dr. Pollard and the JBU staff for their hospitality.

Next, Chairman Burns introduced Emily Jordan-Cox, Deputy Policy Advisor for Higher Education in the Governor's office. He also introduced new presidents Dr. Allen Meadors of the University of Central Arkansas, Dr. Richard Dawe of Ozarka College and Dr. Barbara Jones of South Arkansas Community College.

Chairman Burns recognized Dick Trammel, former AHECB Chairman, and presented him with a plaque on behalf of the Board and ADHE for his service to higher education. Mr. Trammel, new Northwest Arkansas Highway Commissioner, thanked the AHECB members and ADHE staff for honoring him.

Chairman Burns announced that there would be a Public Hearing on the amendments to the rules and regulations for several financial aid programs.

Agenda Item No. 1
Approval of Minutes

Dr. Olin Cook moved to approve Agenda Item No. 1. David Leech seconded the motion and the Board unanimously approved.

Agenda Item No. 2
Agency Updates

Dr. Purcell began the agency updates by introducing Mandy Moore, instructor of business at JBU. Students from the JBU business team Progressive Solutions took first place honors at the Reynolds Tri-State Governor's Cup Business Plan Competition in Las Vegas. The students were awarded a \$25,000 cash prize for their win. JBU was the only private university competing at the undergraduate level of the competition.

President Obama's new American Graduation Initiative is attempting to put America back on top in the number of college graduates in the world, said Dr. Purcell. Earlier this year, President Obama proposed an overhaul of the role banks play in the student loan industry that would save taxpayers approximately \$87 billion. These savings would then be used to expand the Pell Grant Program. The proposed program would expand course offerings and dual enrollment at high schools and universities, promote the transfer of credit among colleges, and align graduation and entrance requirements of high schools, community colleges, and four-year colleges and universities.

Next, Dr. Purcell reported on the program viability timeline. Since the April Coordinating Board meeting, ADHE has provided initial program viability data to the CAOs. The 3-year program viability reporting period was from 2005-06 through 2007-08. During this time, CAOs also submitted information on existing program reviews. Over the next 2 months ADHE staff will review institutional 10-year program review schedules and institutional requests for cognate and embedded program designations. After reviewing the requests, ADHE staff will notify the presidents, chancellors and CAOs of programs still not meeting viability standards. Institutions may submit program viability appeals to ADHE by November 2. ADHE will send the final list of programs not meeting viability standards to the institutions on January 8, 2010, and will present this data at the Coordinating Board meeting on January 29, 2010.

Agenda Item No. 3 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.

Institutions were required to submit a report to ADHE that describes the process followed during the 2008-2009 academic year. Those reports were summarized in the Agenda book.

Dr. Grant asked if any incompetent faculty have ever been fired because of this report. Ms. West said that she would have to review the findings; however, she did know that many schools use these report findings as the basis for their raises and promotions.

Mr. Luelf asked if the findings were used to determine any best practices. Ms. West said that currently, determining best practices isn't required,

Agenda Item No. 4 Report on 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. Current data are based on the fall 2006 student cohort that enrolled on a first-time, full-

time, and on-campus basis and attended an Arkansas public or independent institution. Because most college students that 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 individuals who ever enroll in post-secondary education. Therefore, the percentage, 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.

Rick Jenkins, Associate Director for Planning and Accountability, announced a slight decline in the college-going rate in Arkansas with the overall public institutions reporting 58.3 percent of graduating Arkansas seniors enrolling in college in the fall 2008 term. That represents a drop of 1.1 percent over the fall 2007 term. The college-going rate for public and private institutions in Arkansas was reported to be 63.4 percent of graduating seniors, a decrease of 1.3 percent over the previous fall term. Nationally, the college-going rate for fall 2007 was 67.3 percent, placing Arkansas 3.9 percent below the national average.

Agenda Item No. 5

Recommendations for Educational and General Operations State-Supported Institutions of Higher Education Fiscal 2011

At its April 25, 2008 meeting, the Arkansas Higher Education Coordinating Board approved the funding models for two-year colleges, universities, and 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.

The legislative session in 2010 will be the first "fiscal" session of the legislature in which appropriations will be the consideration. As a result of annual legislative sessions, there have been changes in the recommendation process that the ADHE staff must follow. Operating recommendations and personal services recommendations will be presented for AHECB consideration every year. Staff did not request a change in the tuition policy because the Coordinating Board approved this at its April 25, 2008 meeting. There will be no capital recommendations by AHECB for "fiscal" sessions. As in the past, staff will present capital recommendations for AHECB approval in July of even numbered years in preparation for the legislative session that will occur in odd-numbered years. The distribution of General Improvement Funds for capital was made in the 87th General Assembly and will be reappropriated for fiscal 2011. Recommendations for "fiscal" sessions will not be as inclusive as they have been in the past. For example, institutions are not being required to include goals and objectives in their operating requests for "fiscal" sessions.

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 fiscal 2011 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 2011 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 commented that there is an increasing disparity. He said that just giving the institutions the COLA won't do anything to alleviate the disparity, it will just increase it. He asked why AHECB members should vote for this agenda item. He said the differences in COLAs per FTEs may add to the problem.

Dr. Williams stated that they aren't fair – there is no equity.

Jodie Carter moved to approve Agenda Item No. 5. Dr. Olin Cook seconded the motion and the Board approved with the exception of Steve Luelf.

Agenda Item No. 6
Personal Services Recommendations for
Non-Classified Personnel 2010-11 Fiscal Year

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 number 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, effective July 1, 2010, recognize the various structures and sizes of institutions, while maintaining reasonable consistency among positions at similar institutions. The primary objective of the ADHE staff is to maintain relative uniformity in titles and line-item maximums for similar positions in

comparable institutions, while recognizing the various missions and structures of institutions, priorities of the new fiscal year, 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 2010-11 fiscal year 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 2010-11 fiscal year.

Dr. Olin Cook moved that the Director and staff of ADHE update the line-item maximum salaries presented to the 2009 legislative session and bring them to the board in October, 2009 for approval. These revised line item salary recommendations will be presented to the Legislative Council and Joint Budget Committee for their consideration during the 2010 session. David Leech seconded the motion and the Board unanimously approved.

Chairman Burns announced a Public Hearing on the amendments to the rules and regulations for five financial aid programs.

Agenda Item No. 7 Higher Education Opportunities Grant Rules

The Arkansas Higher Education Opportunities Grant (GO! Opportunities Grant) was created in 2007. The grant is a need-based grant program that allows disadvantaged students to qualify for up to \$1,000 annually in scholarship assistance to attend one of the state's approved higher education institutions. The grant award amounts are \$1,000 a year for full-time students and \$500 a year for part-time students. The grant is renewable for up to a total award amount of \$4,000 provided the student meets the continuing eligibility standards established by the Arkansas Department of Higher Education.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Higher Education Opportunities Grant Program. The hearing was held in conjunction with the Arkansas Higher Education Coordinating Board meeting.

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 his designee is authorized to promulgate these rules and regulations and to implement them for the 2009-10 academic year.

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

Steve Luelf asked if it is part of the legislation that recipients that already receive the scholarship get priority. Tara Smith said yes.

Kaneaster Hodges moved to approve Agenda Item No. 7. David Leech seconded the motion and the Board unanimously approved.

Agenda Item No. 8
Military Dependents Scholarship
Program Rules

The Military Dependents Scholarship Program (MDS), provides financial aid for undergraduate students seeking a bachelor's degree or certificate at any public college, university or technical school in Arkansas. Recipients must qualify as a spouse or dependent child of an Arkansas resident who has been declared missing in action, killed in action, a prisoner of war, killed on ordnance delivery, or a veteran who has been declared to be 100% totally and permanently disabled during, or as a result of, active military service.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Military Dependents Scholarship Program. The hearing was held on July 31, 2009, in conjunction with the meeting of the Arkansas Higher Education Coordinating Board.

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

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 his designee is authorized to promulgate these rules and regulations and to implement them for the 2009-2010 academic year.

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

Kaneaster Hodges moved to approve Agenda Item No. 8. David Leech seconded the motion and the Board unanimously approved.

Agenda Item No. 9
Law Enforcement Officers' Dependents
Scholarship Program Rules

The Law Enforcement Officers' (LEO) Dependents Scholarship program provides an eight-semester scholarship to any state-supported college, university, or technical institute in Arkansas to dependents of Arkansas residents in several categories.

The scholarship will pay the cost of tuition, fees and dormitory room charges of campus-owned facilities.

Act 1217 of 2009 established renewal criteria in order to retain eligibility for the LEO program. Recipients must maintain a minimum of a 2.0 grade point average on a 4.0 scale

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Law Enforcement Officers' Dependents Scholarship Program. The hearing was held on July 31, 2009, in conjunction with the meeting of the Arkansas Higher Education Coordinating Board.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Law Enforcement Officers' Dependents Scholarship 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 his designee is authorized to promulgate these rules and regulations and to implement them for the 2009-2010 academic year.

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

Steve Luelf asked if the eligibility criteria for the Law Enforcement Officers' Dependents Scholarship program included losing your life in a battle zone. Ms. Smith said yes.

Kaneaster Hodges moved to approve Agenda Item No. 9. David Leech seconded the motion and the Board unanimously approved.

Agenda Item No. 10 Governor's Scholars Program Rules

Recognizing that Arkansas' bright young leaders 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 are offered scholarships from the state to assist them in their undergraduate studies at any of Arkansas' public or private colleges or universities.

Act 1218 of 2009 established an additional requirement that an applicant must graduate from an Arkansas high school to be considered for the Governor's Scholarship designation. This act also granted authority to the Arkansas Department of Higher Education (ADHE) to determine the necessary procedures for the awarding of scholarships if the number of eligible applicants exceeds the available funds or available awards.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Governor's Scholars Program. The hearing was held on July 31, 2009, in conjunction with the meeting of the Arkansas Higher Education Coordinating Board.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Governor's Scholars 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 his designee is authorized to promulgate these rules and regulations and to implement them for the 2009-2010 academic year.

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

Steve Luelf asked how the top applicants are identified. Ms. Smith said by leadership points, rank in class, and other criteria.

Kaneaster Hodges moved to approve Agenda Item No. 10. David Leech seconded the motion and the Board unanimously approved.

Agenda Item No. 11 Arkansas Health Education Grant Rules

The Arkansas Health Education Grant Program (ARHEG), which is funded by the state of Arkansas, provides assistance for Arkansas residents attending certain out-of-state accredited health and medical professional schools for graduate or professional programs that are unavailable in Arkansas. Assistance is currently available for attendance at any accredited out-of-state school of dentistry, school of optometry, school of veterinary medicine, school of podiatric medicine, school of chiropractic medicine, or school of osteopathic medicine.

Act 488 of 2007 (Arkansas Annotated Code 17-90-111) established a loan program for optometry students. This act authorized the Arkansas Department of Higher Education (ADHE) to establish forgivable loans for certain optometry students.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Arkansas Health Education Grant Program. The hearing was held on July 31, 2009, in conjunction with the meeting of the Arkansas Higher Education Coordinating Board.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Health Education Grant Program, to be

administered jointly by the Arkansas Department of Higher Education and approved out-of-state accredited health and medical professional schools.

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 his designee is authorized to promulgate these rules and to implement them for the 2009-10 academic year.

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

David Leech asked if students who don't return to Arkansas have to repay the grant. Ms. Smith explained that while everything possible is done on the front end to ensure that the recipients return to Arkansas, unfortunately, some still don't return. ARHE Grant recipients that don't return to Arkansas do not have to repay the money — with the exception of dental and optometry students who receive the forgivable loan in addition to the grant.

Kaneaster Hodges moved to approve Agenda Item No. 11. David Leech seconded the motion and the Board unanimously approved.

Dr. Grant introduced new Board member Sarah Argue from Little Rock and welcomed her to the Academic Committee meeting.

Agenda Item No. 12

Technical Certification in Viticulture, Technical Certification in Enology and New Viticulture and Enology Department at Arkansas Tech University

The administration and the Board of Trustees of Arkansas Tech University (ATU) request approval to establish the Viticulture and Enology Department and to offer the Technical Certificate in Viticulture and Technical Certificate in Enology on the ATU Ozark campus (ATU-Ozark) effective August 2009. ATU is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed programs are within the institution's role and scope.

Viticulture is the scientific study of growing grapes for winemaking. The proposed Technical Certificate in Viticulture is designed for students to gain knowledge about the agriculture, techniques, and theories of vineyard health. Courses cover topics such as viticulture technology, vineyard management, vineyard operations,

and vine nutrition. Students will have opportunities for field experience with local vineyards. Eight new courses will be added to the curriculum.

Per Dr. Grant's request, Agenda Item No. 12 was deferred to the end of the Academic Committee meeting.

Due to previously expressed concerns regarding Agenda Item No. 12, Dr. Grant asked if he should recuse himself. The Board agreed that it wasn't necessary for Dr. Grant to recuse himself from voting.

Dr. Bob Brown, President of ATU, defended the program and explained that the program is the scientific study of growing grapes and producing wine. He noted that no alcohol would actually be produced – only studied.

By a vote of three to two, the Academic Committee moved to recommend the approval of Agenda Item No. 12 to the Full Board for consideration with the following resolutions.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves Arkansas Tech University to establish the Viticulture and Enology Department and to offer the Technical Certificate in Viticulture (CIP 01.0309) and the Technical Certificate in Enology (CIP 01.0309) on the Arkansas Tech University-Ozark campus effective August 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 Arkansas Tech University, and the Chancellor of Arkansas Tech University-Ozark campus of the approval.

Agenda Item No. 13
Technical Certificate and Associate of Applied Science
in Transportation and Logistics Technology at
Mid-South Community College

The administration and the Board of Trustees of Mid-South Community College (MSCC) request approval to offer the Technical Certificate (TC) in Transportation and Logistics Technology and the Associate of Applied Science (AAS) in Transportation and Logistics Technology beginning Fall 2009. MSCC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed program is within the institution's role and scope.

The proposed program in transportation and logistics technology will prepare students for positions as material handlers, dispatch and distribution managers, regulators, and schedulers in the transportation and logistics field. Seven *new*

courses will be added to the curriculum. Coursework will include automation, tracking technologies, packaging systems, Radio Frequency Identification (RFID) tagging, supply chain management and other areas related to the distribution of products and materials. The increased use of technology to track and ship orders has forced current workers to update their skills to maintain employment and required new workers to have the skills and training for employment in the field.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Technical Certificate and Associate of Applied Science in Transportation and Logistics Technology (CIP 52.0203) at Mid-South Community College effective Fall 2009.

FURTHER RESOLVED, that the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and the Chair of the Board of Trustees of Mid-South Community College of the approval.

Agenda Item No. 14

Associate of Applied Science in Occupational Therapy Assistant at East Arkansas Community College

The administration and the Board of Trustees of East Arkansas Community College (EACC) request approval to offer the Associate of Applied Science in Occupational Therapy Assistant beginning Fall 2010. EACC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed program is within the institution's role and scope.

The proposed 72-semester credit hour Associate of Applied Science in Occupational Therapy Assistant degree program will prepare students to assist patients with rehabilitative activities and exercises outlined in a treatment plan developed by an occupational therapist. The duties of the licensed occupational therapy assistant (OTA) include teaching patients the proper method of moving from a bed to a wheelchair; helping patients stretch and limber muscles, monitoring patient activities to make sure that they are performed correctly, and providing encouragement to the patient while helping them recover and maintain their daily living and working skills. The OTA also records the patient's progress for the occupational therapist, and suggests changes if the treatment is not having the intended effect or the patient is not improving as expected. Occupational therapy patients include stroke victims, amputees, recently disabled individuals, and individuals with disabling mental, physical, developmental, and emotional conditions. Some therapists work solely with specific disabilities or with certain age groups, while other therapists may specialize in treatment areas such as alcoholism, drug abuse, attention deficit disorder, eating disorders, mental health, and industry-specific injury and pain management.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Occupational Therapy Assistant (CIP 51.0803) at East Arkansas Community College effective Fall 2010, with program continuation contingent on the Accreditation Council for Occupational Therapy Education of the American Occupational Therapy Association granting developing program status and program accreditation within the ACOTE-AOTA established timeframe.

FURTHER RESOLVED, that the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and the Chair of the Board of Trustees of East Arkansas Community College of the approval.

Agenda Item No. 15
Associate of Applied Science in Culinary Arts
Technical Certificate in Baking Arts at
Northwest Arkansas Community College

The administration and Board of Trustees of NorthWest Arkansas Community College (NWACC) request approval to offer the Associate of Applied Science in Culinary Arts and the Technical Certificate in Baking Arts effective August 2009. NWACC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed programs are within the institution's role and scope.

The proposed 64-semester credit hour program in culinary arts will prepare students for entry to mid-level jobs within the hospitality industry. Graduates of the program will be prepared for careers as executive and sous chef, banquet chef, garde manger chef, culinary educator, food marketing and brokerage, and entrepreneurs. The proposed 40-semester credit hour technical certificate in baking arts will prepare students for such entry-level positions as bakers, baker's assistants, pastry chefs, cake decorators, and entrepreneurs. The proposed programs build upon the existing Technical Certificate in Culinary Arts and Certificate of Proficiency in Hospitality Management. Ten new courses will be added to the culinary arts curriculum.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Culinary Arts (CIP 12.0503) and the Technical Certificate in Baking Arts (CIP 12.0501) at NorthWest Arkansas Community College effective August 2009.

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 NorthWest Arkansas Community College of the approval.

Agenda Item No. 16
Bachelor of Arts in Modern Languages
University of Arkansas at Monticello

The administration and the Board of Trustees of the University of Arkansas System request approval for the University of Arkansas at Monticello (UAM) to offer the Bachelor of Arts (B.A.) in Modern Languages beginning Fall 2009. UAM is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed program is within the institution's role and scope.

The 125-semester credit hour proposed bachelor's degree in modern languages requires that students study in two languages (Spanish and French) plus earn six supportive hours in Latin, Japanese or German. Three program options will be offered. Option 1 and 2 will allow students to complete 24 semester credit hours in a primary language (Spanish or French) and 12 semester credit hours in the secondary language. Students also can complete 18 semester credit hours in both Spanish and French plus a minor program of study for Option 3.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Bachelor of Arts in Modern Languages (CIP 16.0101) at the University of Arkansas at Monticello effective August 2009.

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. 17
Bachelor of Fine Arts in Dance Performance
University of Arkansas at Little Rock

The administration and Board of Trustees of the University of Arkansas System request approval for the University of Arkansas at Little Rock (UALR) to offer the Bachelor of Fine Arts in Dance Performance effective Fall 2009. UALR is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The proposed program is within the institution's role and scope.

The Bachelor of Fine Arts in Dance Performance is 127 semester credit hours with 12 new courses. The program builds on the existing minor in Dance for the Theatre. The curriculum is designed to meet the standards of the National Association of Schools of Dance. Students will train in ballet, modern dance, jazz, tap, and improvisation; and will complete 44 semester credit hours of practical dance instruction. Course topics include choreography, music, kinesiology, and history of dance. Students are required to enroll in courses in theatre that complement the coursework in dance and are required to complete 4-7 semester credit hours of dance technique each semester. A senior dance project also is required that consists of a public presentation of choreography and performance with a portfolio. Students are provided with mentoring and counseling on career choices in dance as part of the senior project, and will have various career options such as dance instructors, studio owners, professional dancers, dance company managers, and choreographers.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Fine Arts in Dance Performance (CIP 50.0301) at the University of Arkansas at Little Rock effective Fall 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 University of Arkansas System, and the Chancellor of the University of Arkansas at Little Rock of the approval.

Agenda Item No. 18
Institutional Certification Advisory
Committee Resolutions

The Institutional Certification Advisory Committee (ICAC) met on June 30, 2009, for its regular quarterly meeting. ADHE Executive Staff recommend that the Arkansas Higher Education Coordinating Board approve the following resolutions.

RESOLVED, That the Arkansas Higher Education Coordinating Board expresses appreciation to Ms. Dee Cox 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 Ms. Cox.

Program Certifications

Capella University – Minneapolis, Minnesota

Recertification – Distance Delivery

Bachelor of Science in Business
Bachelor of Science in Information Technology
Master of Science in Organization and Management
Master of Science in Information Technology
Master of Business Administration
Doctor of Philosophy in Organization and Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Capella University – Minneapolis, Minnesota, to offer the following degree programs by distance technology to Arkansas residents: Bachelor of Science in Business, Bachelor of Science in Information Technology, Master of Science in Organization and Management, Master of Science in Information Technology, Master of Business Administration, and Doctor of Philosophy in Organization and Management. The certification is for a period of four years and expires on July 31, 2013.

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

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

Chamberlain College of Nursing, Addison, Illinois

Initial Certification – Distance Delivery

Bachelor of Science in Nursing

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Chamberlain College of Nursing in Addison, Illinois, to offer the Bachelor of Science in Nursing degree by distance technology to Arkansas residents. The initial certification is for a period of two years and expires on July 31, 2011.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Chamberlain College of Nursing in Addison, Illinois, 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 Chamberlain College of Nursing in Addison, Illinois, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

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

**DeVry University – Naperville, Illinois
Initial Certification – Distance Delivery**

Master of Project Management

Master of Public Administration

Master of Information Systems Management

Master of Network and Communications Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to DeVry University, Naperville, Illinois, to offer the following degree programs by distance technology to Arkansas residents: Master of Project Management, Master of Public Administration, Master of Information Systems Management, and Master of Network and Communications Management. The initial certification is for a period of two years and expires on July 31, 2011.

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

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

Grand Canyon University – Phoenix, Arizona

Initial Certification – Distance Delivery

Doctor of Education in Organizational Leadership

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Grand Canyon University, Phoenix, Arizona, to offer the following degree program by distance technology to Arkansas residents: Doctor of Education in Organizational Leadership. The initial certification is for a period of two years and expires on July 31, 2011.

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

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

ITT-Technical Institute, Little Rock, Arkansas**Initial certification – Distance Delivery**

Associate of Applied Science in Software Development Technology

Bachelor of Science in Software Applications Development

Bachelor of Science in Project Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to ITT-Technical Institute, Little Rock, Arkansas, to offer the following degree programs by distance technology to Arkansas residents: Associate of Applied Science in Software Development Technology, Bachelor of Science in Software Applications Development, and Bachelor of Science in Project Management. The initial certification is for a period of two years and expires on July 31, 2011.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of ITT-Technical Institute, Little Rock, Arkansas, 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 ITT-Technical Institute, Little Rock, 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.

Kaplan University, Davenport, Iowa**Initial Certification – Distance Delivery**

Bachelor of Science in Accounting

Bachelor of Science in Business

Bachelor of Science in Information Technology

Bachelor of Science in Legal Studies

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program certification to Kaplan University, Davenport, Iowa, to offer the following degree programs by distance technology to Arkansas residents: Bachelor of Science in Accounting, Bachelor of Science in Business,

Bachelor of Science in Information Technology and Bachelor of Science in Legal Studies. The certification is for a period of two years and expires on July 31, 2011.

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

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

Regis University – Denver, Colorado

Recertification – Distance Delivery

Bachelor of Science in Accounting
Bachelor of Science in Business Administration
Bachelor of Science in Computer Networking
Bachelor of Science in Computer Science
Bachelor of Science in Finance
Bachelor of Science in Nursing (RN –BSN)

Initial Certification – Online

Master of Science in Database Technologies
Master of Science in Information Assurance
Master of Science in Software Engineering

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Regis University of Denver, Colorado, to offer the following degree programs by distance technology to Arkansas residents: Bachelor of Science in Accounting, Bachelor of Science in Business Administration, Bachelor of Science in Computer Networking, Bachelor of Science in Computer Science, Bachelor of Science in Finance, and Bachelor of Science in Nursing (RN –BSN). The certification is for a period of four years and expires on July 31, 2013.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial certification to Regis University of Denver, Colorado, to offer the following degree programs through distance delivery to Arkansas residents: Master of Science in Database Technologies, Master of Science in Information Assurance, and Master of Science in Software Engineering. The certification is for a period of two years and expires on July 31, 2011.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Regis University, Denver, Colorado, that recertification 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 Regis University, Denver, Colorado, 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.

Strayer University – Washington, D.C.
Initial Certification – Distance Delivery
Master of Health Services Administration
Master of Public Administration

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Strayer University, Washington, D.C., to offer the following degree programs by distance technology to Arkansas residents: Master of Health Services Administration and Master of Public Administration. The initial certification is for a period of two years and expires on July 31, 2011.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Strayer University, Washington, D.C., 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 Strayer University, Washington, D.C., 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.

**Strayer University – Little Rock, Arkansas
Initial Certification**

Bachelor of Business Administration
Bachelor of Science in Information Systems
Bachelor of Science in Accounting
Master of Science in Accounting
Master of Business Administration
Master of Health Services Administration
Master of Public Administration

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Strayer University, Little Rock, Arkansas, to offer the following degree programs to Arkansas residents: Bachelor of Business Administration, Bachelor of Science in Information System, Bachelor of Science in Accounting, Master of Science in Accounting, Master of Business Administration, Master of Health Services Administration, and Master of Public Administration. The initial certification is for a period of two years and expires on July 31, 2011.

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

Walden University – Minneapolis, Minnesota

Initial Certification – Distance Delivery

Master of Information Systems Management

Master of Science in Leadership

Master of Healthcare Administration

Master of Science in Clinical Research Administration

Master of Science in Nonprofit Management and Leadership

Doctor of Business Administration

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Walden University, Minneapolis, Minnesota, to offer the following degree programs by distance technology to Arkansas residents: Master of Information Systems Management, Master of Science in Leadership, Master of Healthcare Administration, Master of Science in Clinical Research Administration, Master of Science in Nonprofit Management and Leadership, and Doctor of Business Administration. The certification is for a period of two years and expires on July 31, 2011.

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

Arkansas Higher Education Coordinating Board certification does not constitute an endorsement of any institution or program. Such certification merely indicates that certain criteria have been met as

required under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

Dr. Grant commented on the fact that 10 different schools are bringing 40 different programs to Arkansas. This will lead to countless hours of work for ADHE staff to ensure that the out-of-state institutions are following regulations, said Dr. Grant.

Jodie Carter questioned the ICAC Committee selection and criteria process and asked if the committee consisted of any minorities. Zanette Douglas explained that presently there are no minorities on the committee; however, she noted that minorities are not excluded from the committee.

Steve Luelf asked how many out-of-state institutions have been rejected. Ms. Douglas explained that if the institution isn't accredited, they are rejected immediately.

Dr. Grant asked if ADHE ever delayed the approval process. Ms. Douglas explained that in some cases the approval process could take up to six or seven months.

Agenda Items No. 19 and 20 Letters of Notification and Letters of Intent

The Department of Higher Education received notice from 23 institutions on programs not requiring Board action. Notification was received on 21 programs possibly requiring Board action. During this period, the Institutional Certification Advisory Committee received notice of requests from 12 out-of-state institutions to offer degree programs to Arkansas residents. The program notice list appears in the Letters of Notification on pages 19-1 through 19-6 and in the Letters of Intent on pages 20-1 through 20-5 of the agenda book.

Agenda Item No. 21 Economic Feasibility of Bond Issue South Arkansas Community College

South Arkansas Community College (SACC) requests approval of the economic feasibility of plans to issue bonds totaling approximately \$3.59 million with a term of up to thirty (30) years with an estimated annual interest rate of 5.0 percent. Proceeds from the bond issue will be used for educational and general purposes. The South Arkansas Community College Board of Trustees approved this financing at its meeting on May 19, 2009.

The educational and general issue will be approximately \$3.59 million with an estimated annual debt service of \$234,000. Proceeds will be used for the construction of a Health Sciences building. Coordinating Board policy regarding

debt service provides that a maximum of 25 percent of net tuition and fee revenue may be pledged to educational and general debt service; in addition, higher education institutions may obligate local tax or millage so long as the annual proceeds equal no less than 120 percent of the annual debt service.

The institution will dedicate funds from its unrestricted education and general fund as well as its unexpended plant fund for maintenance costs.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for South Arkansas Community College to issue bonds totaling approximately \$3.59 million with a term of up to 30 years at an estimated annual interest rate of 5.0 percent for the construction of a health sciences 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 the Trustees of South Arkansas Community College of the Coordinating Board's resolution.

Mr. Hodges noted an error in the resolution on page 21-1 of the Agenda book (should read bond issue instead of loan).

Dr. Olin Cook moved to recommend Agenda Item No. 21 to the full Board for consideration. David Leech seconded and the Committee unanimously approved.

Agenda Item No. 22
Economic Feasibility of Loan
Arkansas State University – Mountain Home

Arkansas State University – Mountain Home (ASUMH) requests approval of the economic feasibility of a loan of approximately \$2.5 million with a term of up to twenty (20) years with an estimated annual interest rate not to exceed 5.5 percent. Proceeds from the loan will be used for educational and general purposes. The Arkansas State University Board of Trustees approved the financing at its meeting on June 23, 2009.

The educational and general loan will be approximately \$2.5 million with an estimated annual debt service of \$210,000. Proceeds will be used for the construction of a Community Development Center, including a performing arts auditorium, banquet hall, concourse and art gallery space, an outdoor amphitheater, business and industry workforce/continuing education development offices and classrooms. Coordinating Board policy regarding debt service provides that educational and general debt service may not exceed 25 percent of tuition and fee revenue; in addition, higher education institutions may obligate local tax or

millage so long as the annual proceeds equal no less than 120 percent of the annual debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Arkansas State University – Mountain Home to obtain a loan for approximately \$2.5 million with a term of up to 20 years at an estimated annual interest rate not to exceed 5.5 percent for the construction of a community development center.

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 State University System and the President of Arkansas State University System of the Coordinating Board's resolution.

David Leech commented on the raised endowment. Dr. Ed Coulter, Chancellor at ASU-MH, explained that this is a much needed facility and will provide a place for graduations. He added that the multi-purpose facility will also serve as a gift to the community, which helped raise the money.

Kaneaster Hodges asked why ASU-MH chose to do this project as a loan. Dr. Coulter said that he wanted to use their local community to fund this project. Dr. Coulter also added that ASU-MH's intent is to pay off the loan early.

David Leech moved to recommend Agenda Item No. 22 to the full Board for consideration. Kaneaster Hodges seconded and the Committee unanimously approved.

Agenda Item No. 23
Economic Feasibility of Bond Issue
Northwest Arkansas Community College

Northwest Arkansas Community College requests approval of the economic feasibility of plans to issue bonds for approximately \$10.66 million with a maximum term of 30 years at an estimated annual interest rate of 5.0 percent. Proceeds from the bond issue will be used for educational & general (E&G) purposes. The Northwest Arkansas Community College Board of Trustees approved this action at its meeting held on July 17, 2009.

The E&G issue will be approximately \$10.66 million with annual debt service of \$619,165. Proceeds from the issue will be used to purchase property adjacent to the main campus as an extension of education and general instructional space and offices. Coordinating Board policy regarding debt service provides 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 Northwest Arkansas Community College to issue bonds for approximately \$10.66 million with a term of 30 years at an estimated annual interest rate of 5.0 percent to purchase property adjacent to the campus.

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

The source of funding for ongoing maintenance and operation of the facility will initially be lease revenues while the current owner of the property exits the facility. Steve Luelf asked how long the existing owners would occupy the facility. Ms. Pettingill said that she was unsure as to when the current owner would vacate.

Kaneaster Hodges moved to recommend Agenda Item No. 23 to the full Board for consideration. Bob Crafton seconded and the Committee unanimously approved.

Agenda Item No. 24
Proposed Changes to Higher Education
Bond Projects

The Arkansas Higher Education Coordinating Board approved a list of Higher Education Bond Projects on April 27, 2007, and revisions were requested.

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 asked if any new money was involved or if they were simply reallocating existing funds. Ms. Pettingill said there is no new money.

Based on Henderson State University's request to move \$106,588 for the construction of a new School of Nursing building, Steve Luelf asked where the dollars were being moved from. Ms. Pettingill explained that the funds would be moved from the Technology Renovation project.

Kaneaster Hodges moved to recommend Agenda Item No. 24 to the full Board for consideration. David Leech seconded and the Committee unanimously approved.

Agenda Item No. 25
Certification of Intercollegiate Athletic
Revenues and Expenditures for 2009-10

A.C.A. §6-62-805 (Act 366 of 1991) requires each state-supported institution of higher education to certify annually 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 2009-10 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 2009-10 as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

Kaneaster Hodges voiced concerns regarding the increase in athletic fees for several institutions. He commented that it appeared that some institutions are being disingenuous when reporting their athletic fees.

David Leech commented that he too shared Mr. Hodges concerns stating that institutions can't continue to be competitive by continuing to raise fees.

Mr. Hodges asked if the recent UCA reporting errors were discovered by ADHE staff before they were discovered by the press. Ms. Pettingill said no.

Dr. Stanley Williams commented that institutions are required to have several sports which lead to more expenditures than money coming in. It is common for 80 to 90 percent of auxiliary revenue to be used to support athletics. Dr. Williams said that this is not just an Arkansas problem.

After a lengthy discussion, Bob Crafton moved to recommend Agenda Item No. 25 to the full Board for consideration. David Leech seconded and the Committee unanimously approved.

Report of the Committees

Dr. Dan Grant presented the report of the Academic Committee and moved approval of Agenda Items 12-18. Dr. Charles Allen seconded the motion and the Board unanimously approved.

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 21-25. Dr. Joe Bennett seconded the motion and the Board unanimously approved.

Chairman Leech opened the floor for public comments. There were none. He then announced that the next Coordinating Board meeting would be held at the University of Arkansas – Fort Smith on October 30.

With no further comments, the meeting adjourned at 11:40 a.m.

Nichole Abernathy

APPROVED:

Dr. Charles Allen, Secretary