

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
October 28, 2011

Minutes of Meeting

The October 28, 2011, regular meeting of the Arkansas Higher Education Coordinating Board was held at the University of Arkansas Community College at Batesville in Independence Hall. Chairman Leech called the meeting to order at 8:30 a.m. with a quorum present.

Coordinating Board present:

David Leech, Chair
Dr. Olin Cook, Vice Chair
Sarah Argue, Secretary
Dr. Charles Allen
Dr. Joe Bennett
Bob Crafton
Horace Hardwick
Kaneaster Hodges
Dr. Calvin Johnson
Steve Luelf
Florine Milligan

Coordinating Board absent:

Dr. Bob Burns

Department staff present:

Shane Broadway, Interim Director
Harold Criswell, Interim Deputy Director
Rick Jenkins, Associate Director for Planning and Accountability
Cynthia Moten, Associate Director for Academic Programs
Jackie Holloway, Senior Associate Director for Finance
Zanette Douglas, Coordinator of Institutional Certification
Jeanne Jones, Academic Affairs Program Specialist
Brandi Hinkle, Communications Officer
Nichole Abernathy, Administrative Support

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

Chairman Leech appointed Kaneaster Hodges to chair a search committee for the Director's position at the Department of Higher Education. He also appointed Dr. Olin Cook and Florine Milligan to serve on the search committee. He also asked the Presidents council to appoint two members to serve on the search committee as well.

Kaneaster Hodges commented that he chaired the search committee back in 2007 and it was challenging because Arkansas is under the national salary average.

Chairman Leech introduced Deborah Frazier for a welcome. Chancellor Frazier began by welcoming everyone to UACCB. She then introduced several former UACCB students, one of which is a faculty member in English, and they briefly explained how UACCB changed their lives.

Chairman Leech thanked Chancellor Frazier for her welcome and introduced Jennifer Flinn, Deputy Policy Advisor for Higher Education in the Governor's Office. He then introduced Dr. Donald Bobbitt, the new President of the University of Arkansas System Office.

Agenda Item No. 1
Approval of Minutes

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

Agenda Item No. 2
Approval of 2012 Coordinating Board
Meeting Schedule

The Arkansas Higher Education Coordinating Board meets quarterly to act upon Board initiatives and to respond to campus proposals. The proposed 2012 schedule for these regular quarterly meetings follows:

RESOLVED, That the Arkansas Higher Education Coordinating Board agrees to the following dates for regular quarterly meetings during 2012: January 27, April 27, July 27, and October 26.

FURTHER RESOLVED, That the Board expresses its appreciation and accepts the invitations to meet in January at the University of Arkansas at Pine Bluff, in April at Northwest Arkansas Community College in Bentonville, in July at South Arkansas Community College in El Dorado, and in October at Arkansas State University in Heber Springs.

Horace Hardwick moved to approve Agenda Item No. 2. Bob Crafton seconded the motion and the Board unanimously approved.

Agenda Item No. 3
Appointment of Nominating Committee

Chairman David Leech appointed members of the Arkansas Higher Education Coordinating Board nominating committee. The nominating committee will recommend Board officers for 2012-13 at the January 27, 2012 meeting. The members included: Dr. Bob Burns (Chair), Bob Crafton and Horace Hardwick.

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

Agenda Item No. 4
Agency Updates

Interim Director Shane Broadway began by announcing that the Department of Higher Education recently hired new employee Rod Sweetman, Financial Aid Program Coordinator. Charlette Moore, Institutional Finance Program Coordinator; Ashley Pettingill, Institutional Finance Program Coordinator; and, Rebecca Burks, Agency Finance Accounting Coordinator, all recently resigned from ADHE.

Several institutions are under new leadership: Tom Courtway, Interim President at the University of Central Arkansas; Phillip Wilson, President at Rich Mountain Community College; and, Dr. Barry Ballard would be retiring on December 31 from the College of the Ouachitas.

Broadway reported on the status of Complete College America (CCA), a national initiative aimed at increasing college completions. He announced that Arkansas has received a \$1 million grant financed by the Bill & Melinda Gates Foundation as part of Complete College America's Completion Innovation Challenge. ADHE will lead the state's involvement in the Completion Innovation Challenge, working to transform remediation and accelerate some certificate and degree programs.

The Path to Accelerated Completion and Employment (PACE) initiative is a collaborative effort between all two-year colleges to reduce remediation and increase degree production. The program is coordinated through the AATYC in partnership with ADHE. Support for development of the initiative was provided by Complete College America and the Winthrop Rockefeller Foundation.

ADHE and its advertising agency Stone Ward were honored for their work on Say Go College Week 2011 with a Public Relations Society of America Arkansas Chapter Prism Award in the Community Relations Nonprofit Category.

YOUiversal Financial Aid System mobile "app" won a Digital Education Achievement Award from the Center for Digital Education.

Agenda Item No. 5
Report on Program Deletions

Rick Jenkins provided detailed information about program deletions during the 2010-11 academic year. He summarized the number of program deletions for the academic year by level of program and by level of institution.

Agenda Item No. 6
Out-of-State Veterinary Medical Education
Loan Repayment Program Rules and Regulations

This agenda item presents the rules and regulations for the Out-of-State Veterinary Medical Education Loan Repayment program that are necessary to comply with Act 881 of 2011.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Out-of-State Veterinary Medical Education Loan Repayment Program, to be administered by the Arkansas Department 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 2011-2012 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 Out-of-State Veterinary Medical Education Loan Repayment Program.

Dr. Charles Allen moved to approve Agenda Item No. 6. Dr. Olin Cook seconded the motion and the Board unanimously approved.

Agenda Item No. 7
Arkansas Academic Challenge Scholarship
Rules and Regulations

The Arkansas Academic Challenge Scholarship Program has been expanded to provide opportunities for higher education to previously underserved Arkansans (traditional students, currently enrolled college students and nontraditional students) due to the additional funding made possible by the Arkansas Scholarship Lottery. The goal of this scholarship is to provide meaningful financial help to those qualifying. The scholarship will be available to all Arkansans regardless of race, gender, family income or course of study as long as the applicant meets the eligibility requirements. Academic Challenge currently serves approximately 30,000 students. The program works to promote academic rigor and excellence. The scholarship program is based on merit, one that reflects a commitment to academic achievement and degree attainment.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item

for the Arkansas Academic Challenge Scholarship Program, 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 2012-2013 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 Academic Challenge Scholarship Program.

Dr. Charles Allen moved to approve Agenda Item No. 7. Dr. Olin Cook seconded the motion and the Board unanimously approved.

Agenda Item No. 8

Off-Campus Instructional Center in Texarkana, Arkansas University of Arkansas Community College at Hope

The administration and Board of Trustees of the University of Arkansas System (UA) request Coordinating Board approval to recognize an off-campus site for the University of Arkansas at Hope (UACCH) to be called UACCH-Texarkana, and to offer courses leading to certificates and associate degrees.

The proposed Instructional Center in Texarkana will be built on 8.749 acres located on East 54th and Fair Park Drive which is near the Miller County Fairgrounds and Interstate 30 for easy access. City and county officials have agreed to provide assistance in clearing the land. UACCH has a two-year option to purchase an additional 15 acres to accommodate future growth and expansion. Funding for the planned 10,000 square foot building was outlined in Agenda Item No. 18.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the establishment of the UACCH-Texarkana Instruction Center, and the offering of courses leading to certificates and associate degrees at this location, effective immediately.

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

Dr. Olin Cook asked about the fees for Arkansas students attending Texarkana College in Texas. Cynthia Moten explained that the tuition will be doubled for Arkansas residents due to a reduction in an institutional scholarship for Arkansans.

Dr. Calvin Johnson moved to recommend Agenda Item No. 8 to the full Board for consideration. Florine Milligan seconded and the Committee unanimously approved.

Agenda Item No. 9
ICAC Annual Report

Zanette Douglas presented an update on the number of Arkansas residents pursuing academic degrees offered by out-of-state and for-profit institutions certified to operate in Arkansas.

Agenda Item No. 10
Associate of Applied Science, Graduate Certificate and Master of Science in
Disaster Preparedness and Emergency Management
Arkansas State University – Jonesboro

The Associate of Applied Science, Graduate Certificate, and Master of Science in Disaster Preparedness and Emergency Management (DPEM) is designed to prepare students to meet the demands of disaster preparedness, mitigation, planning, response and recovery found in careers in homeland security, emergency management, and related fields. All courses will be delivered via distance technology and include simulated disaster preparedness as well as other interactive activities. The majority of students expected to enroll in the programs will be employed in or have prior experience in emergency management, law enforcement, fire and rescue, health care, and related areas.

The state, regional, and national need for well-trained professionals in the disaster preparedness and emergency management field has been especially important this year in light of the tornadoes, floods, hurricanes, wildfires, and earthquakes that have occurred throughout the country. The need for trained professionals in this field is constant. Most employers are seeking candidates with a combination of FEMA training and at least an associate degree.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Disaster Preparedness and Emergency Management (CIP 43.0302, 60 semester credit hours), Graduate Certificate in Disaster Preparedness and Emergency Management (CIP 43.0302, 18 semester credit hours); and Master of Science in Disaster Preparedness and Emergency Management (CIP 43.0302, 42 semester credit hours); to be offered via distance technology by Arkansas State University-Jonesboro, effective January 2012.

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 State University System, and the Chancellor of Arkansas State University-Jonesboro of the approval.

Agenda Item No. 11
Bachelor of Science in Radiography
Henderson State University

The Bachelor of Science in Radiography is a 125-semester credit hour program formed through a partnership between Henderson State University (HSU) and Baptist Health Schools Little Rock-School of Radiography (BHS). Sixty-five semester credit hours of general education courses will be provided by HSU and the remaining 60 semester credit hours of professional curriculum will be offered at Baptist Health Schools in Little Rock. Students who successfully complete the program will be eligible to sit for certification in radiography administered by the American Registry of Radiologic Technologists.

Baptist Health Schools Little Rock currently operates a technical track for non-degree seeking students, and the bachelor's degree track in conjunction with the University of Central Arkansas (UCA). The affiliation with HSU will not increase the number of students enrolled in the BHS program, but will provide students in the southwest part of Arkansas an opportunity to obtain a bachelor's degree in radiography through HSU.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Science in Radiography (CIP 51.0911, 125 semester credit hours) at Henderson State University, effective Spring 2012.

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 Henderson State University of the approval; and that program continuation is contingent on Baptist Health Schools Little Rock-School of Radiography maintaining national accreditation of the radiography program. The BHS radiography program is accredited by the Joint Review Committee on Education in Radiologic Technology (JRCERT).

Agenda Item No. 12
Master of Physician Assistant Studies
University of Arkansas for Medical Sciences

To become a practicing physician assistant, an individual must graduate from an education program accredited by the Accreditation Review Commission on

Education for the Physician Assistant, Inc., and pass the Physician Assistant National Certifying Exam from the National Commission on Certification of Physician Assistants. To practice in Arkansas the certified physician assistant must complete the licensure process as specified by the Arkansas State Medical Board.

There is support for the program from hospital administrators and from practicing physicians. Program graduates will work with physicians to improve the overall delivery of health care to Arkansans, especially primary care. The need for a more efficient system of primary health care that maintains high standards of quality has become more evident with the expansion of Medicaid under the Patient Protection and Affordable Care Act.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Master of Physician Assistant Studies at the University of Arkansas for Medical Sciences effective Summer 2013.

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 for Medical Sciences of the approval; with program continuation contingent on UAMS obtaining and maintaining national accreditation of the physician assistant program through the Accreditation Review Commission on Education for the Physician Assistant, Inc.

Agenda Item No. 13
Master of Fine Arts in Creative Writing
University of Central Arkansas

The Master of Fine Arts (MFA) in Creative Writing is a 60-semester credit hour terminal degree program that requires a student thesis project. The writing-intensive MFA studio program prepares graduates for careers in writing, publishing, media, public relations, website design, teaching, and other fields where the creative application of language is in demand. The program builds upon the bachelor's degrees in writing, creative writing, and linguistics.

Because there has been recognition of the importance of language study and application with the expansion of the global, technology-based economy, creative writers serve business and government by offering creative solutions and approaches to communicating with the public. Graduates of creative writing programs also are employed to teach English composition and creative writing in community/technical colleges and liberal arts colleges.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Master of Fine Arts in Creative Writing (CIP

23.1302, 60 semester credit hours) at the University of Central Arkansas, effective Fall 2012.

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

Agenda Item No. 14
Institutional Certification Advisory Committee
Report and Resolutions

Dr. Calvin Johnson moved to recommend Agenda Items No. 10 – 14 to the full Board for consideration. Horace Hardwick seconded and the Committee unanimously approved.

Agenda Items No. 15 & 16
Letters of Notification and Letters of Intent

The Department of Higher Education received notice from 14 institutions on programs not requiring Board action. Notification was received on 12 programs possibly requiring Board action. During this period, the Institutional Certification Advisory Committee received notice of requests from 50 out-of-state institutions to offer degree programs to Arkansas residents. The program notice list appears in the Letters of Notification on pages 15-1 through 15-15 and in the Letters of Intent on pages 16-1 through 16-15 of the agenda book.

Agenda Item No. 17
Report of 2010-2011 Intercollegiate Athletic
Revenues and Expenditures

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

Athletic revenues and expenditures for 2010-11 for each institution have been collected according to uniform standards and compiled in a summary report.

RESOLVED, That the Arkansas Higher Education Coordinating Board accepts the Report of 2010-11 Intercollegiate Athletic Revenues and Expenditures as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

FURTHER RESOLVED, That the Coordinating Board authorizes the Director to transmit the Report of 2010-11 Intercollegiate Athletic Revenues and Expenditures to the Legislative Joint Auditing Committee according to the provisions of Act 245 of 1989.

Dr. Olin Cook voiced concern over the amount of athletic fees that students pay, the amount that is transferred in E&G and the fact that faculty is not getting an increase in salary.

Steve Luelf commented that some institutions seem to be very conservative in their budgets while some are not.

Interim Director Broadway announced that the report would go to Legislative Audit on November 10, 2011 and stated that he would share the board's comments at that time.

Agenda Item No. 18
Economic Feasibility of a Loan
University of Arkansas Community College at Hope

The University of Arkansas Community College at Hope requests approval of a loan up to \$1,100,000 with a term of ten (10) years at an annual interest rate not to exceed 0.20 percent. Proceeds will be used to assist in the construction of an Instruction Services Center at Texarkana, Arkansas. The University of Arkansas Board of Trustees approved the college's loan application on September 16, 2011.

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. Additionally, Coordinating Board policy regarding debt service provides that local tax revenue may be obligated so long as the annual tax proceeds equal no less than 120 percent of the total annual debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the loan from the College Savings Bond Revolving Loan Fund to The University of Arkansas Community College at Hope of \$1,100,000 with a term of ten (10) years at an annual interest rate not to exceed 0.20 percent to assist in the construction of an Instruction Services Center in Texarkana, Arkansas.

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

Bob Crafton moved to recommend Agenda Item No. 18 to the full Board for consideration. Dr. Joe Bennett seconded and the Committee unanimously approved.

Agenda Item No. 19
Economic Feasibility of a Bond Issue
University of Arkansas at Fort Smith

The University of Arkansas – Fort Smith requests approval of the economic feasibility of plans to obtain a loan not to exceed \$2.2 million with a term of up to ten (10) years at an annual interest rate of 0.0 percent. Proceeds from the bond issue will be used for educational and general purposes. The University Of Arkansas Board Of Trustees approved this action at its meeting held on September 16, 2011. The additional \$300,000 will be presented to the University of Arkansas Board of Trustees for approval on November 18, 2011.

The loan is being sought from the Arkansas Sustainable Building Design Revolving Loan Fund which is managed by the Arkansas Building Authority. This loan fund was established with funds from the federal government under the American Reinvestment and Recovery Act.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas – Fort Smith to obtain a loan up to \$2.2 million with a term of ten (10) years at an annual interest rate of 0.0 percent to fund infrastructure upgrades on the UAFS campus, including the creation of a central energy plant to provide district cooling and district heating to various campus facilities and a campus lighting retrofit.

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 – Fort Smith of the Coordinating Board's resolution.

Steve Luelf commented that because there isn't an increase in square footage, additional maintenance isn't required to be set aside. Ms. Holloway said that is correct. Mr. Luelf expressed concern over the current maintenance policy language and recommended the policy be revised in the future to include all projects whether they include additional square footage or not.

Dr. Olin Cook moved to recommend Agenda Item No. 19 to the full Board for consideration. Dr. Joe Bennett seconded and the Committee unanimously approved.

Agenda Item No. 20
Economic Feasibility of a Bond Issue
University of Central Arkansas

University of Central Arkansas requests approval of the economic feasibility of plans to issue bonds not to exceed \$15.5 million with a maximum term of up to thirty (30) years at an estimated annual interest rate not to exceed 5.5 percent.

Proceeds from the issue will be used for auxiliary purposes in the expansion of the Health, Physical Education, and Recreation Center (HPER). The University of Central Arkansas Board of Trustees approved this action at its meeting held on September 9, 2011.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for University of Central Arkansas to issue bonds not to exceed \$15.5 million with a maximum term of up to thirty (30) years at an estimated annual interest rate not to exceed 5.5 percent for the expansion of the HPER 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 Trustees of University of Central Arkansas of the Coordinating Board's resolution.

Steve Luelf voiced concern regarding UCA's proposal.

Diane Newton, UCA Vice President for Finance and Administration, explained that the bond has been vetted through the Student Government Association and approved by UCA's board of trustees. We feel like we have a safe cushion and we are looking not to exceed 30 years, she said.

UCA Interim President Tom Courtway explained that the fees were rolled out in two phases to make it easier on the students.

Horace Hardwick asked what the total fees for the HPER Center are. Mr. Courtway said it is currently \$7.50 per credit hour and will increase by \$1.62 per credit hour in May to fund the expansion of the HPER Center, if approved.

Dr. Olin Cook asked how this would improve enrollment. Mr. Courtway said that UCA's retention and recruitment has to improve but he is hopeful that enrollment is on its way up.

Florine Milligan asked if the students are aware of the fee increase. Mr. Courtway said that it is his understanding that the Student Government did approve both phases.

Dr. Olin Cook moved to recommend Agenda Item No. 20 to the full Board for consideration. Horace Hardwick seconded and the Committee unanimously approved.

Agenda Item No. 21 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.

It is recommended that \$1 million be allocated to the University of Arkansas, Fayetteville for expenses associated with the connection and expansion of ARE-ON to all public universities in the state.

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.

FURTHER RESOLVED, That \$1 million be allocated in Fiscal 2012 to the University of Arkansas, Fayetteville for expenses associated with the connection of all public universities to ARE-ON.

Steve Luelf asked if ADHE had received any objections from the institutions. Jackie Holloway answered no.

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

Agenda Item No. 22 Operating Recommendations for 2012-13 Fiscal Year

The operating recommendation for the Arkansas institutions of higher education was presented for the 2012-13 Fiscal Year. The funding recommendations were based upon eighty (80) percent of the census-date enrollment and twenty (20) percent of the end-of-term enrollment.

Sarah Argue voiced concern regarding the amount of funding schools receive. It is important for everyone in this room to continue to express to the legislature that we do increase funding, she said.

Dr. Ed Coulter said that he hopes everyone realizes they are approving performance funding measures with the chance for decreases down the road. The equity issues have to be addressed.

Steve Luelf commented that there is a giant disparity that needs to be addressed, asking how the can institutions be judged on their performance when their needs aren't being meet.

Horace Hardwick agreed and said it seemed as if we were penalizing the institutions for growing.

After lengthy discussions and comments by numerous presidents and chancellors, Bob Crafton moved to table Agenda Item No. 22 until a later date. Florine Milligan seconded and the Committee unanimously approved.

Agenda Item No. 23
Report on AHECB Policy for Maintenance
of New Facilities

The AHECB policy for maintenance of new facilities, passed October 29, 2010, states that a report on the amount transferred to plant funds would be presented annually at the Fall Board meeting. This policy was proposed to ensure that in the future all newly constructed or purchased facilities would have a source of funding for maintenance of the new facility. Institutions seeking approval of a loan or a bond issue for the construction or purchase of a new facility must provide for the maintenance of that facility by transferring annually to plant funds an amount as recommended by the Association of Physical Plant Administrators of Universities and Colleges (APPA). This is currently \$2.50 per gross square foot for an educational and general facility or \$1.25 per gross square foot for an auxiliary facility. A lower rate per gross square foot for a specific building/facility can be approved with appropriate justification.

Report of the Committees

Dr. Charles Allen presented the report of the Academic Committee and moved approval of Agenda Items 8 and 10 - 14. Horace Hardwick seconded the motion and the unanimously Board approved.

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 18-21. Florine Milligan seconded the motion and the Board unanimously approved.

Chairman Leech opened the floor for public comments.

Chairman Leech announced that the next Coordinating Board meeting would be held at the University of Arkansas at Pine Bluff on January 27, 2012.

With no further comments, the meeting adjourned at 11:54 a.m.

Nichole Abernathy

APPROVED:

Sarah Argue, Secretary