

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
July 26, 2024

Minutes of Meeting

The July 26, 2024, regular meeting of the Arkansas Higher Education Coordinating Board (AHECB) was held at the University of Central Arkansas in Conway. Chair Graycen Bigger called the meeting to order at 9:00 a.m., with a quorum present.

Coordinating Board present:

Graycen Bigger, Chair
Dr. Jerry Cash, Vice Chair
Dr. Katherine Dudley
Lucas Pointer
Carolyn Rhinehart

Coordinating Board absent:

Dr. Kyle Miller, Secretary
Dr. Jim Carr
Chad Hooten
Heather Maxey

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

Chair Bigger began by calling on President Houston Davis for a welcome. Dr. Davis began by welcoming Coordinating Board members to the University of Central Arkansas (UCA) and shared information about the institution. Dr. Davis discussed their ROI launch in Fall 2019, the Resource Optimization Initiative, and the UCA Now Campaign.

Chair Bigger announced the board would go into a Committee of the Whole. This will allow all members to vote during both committee meetings, said Bigger.

Agenda Item No. 1
Certification of Intercollegiate Athletic
Revenues and Expenditures for 2024-25

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

Institutions with intercollegiate athletic programs submitted ADHE Form 21-2, "Certification of Budgeted Athletic Revenues and Expenditures" and proper supporting documentation. ADHE finance staff verified that the athletic data submitted by the institutions matched the overall 2024-25 institutional operating budgets.

RESOLVED, That the Arkansas Higher Education Coordinating Board accepts the Certification of Intercollegiate Athletic Revenues and

Expenditures Budgeted for 2024-25 as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

There were no questions.

Lucas Pointer moved to recommend Agenda Item No. 1 to the full Board for consideration. Carolyn Rhinehart seconded, and the Committee unanimously approved.

Agenda Item No. 2
Recommendation for Distribution of Productivity Funding
For State-Supported Institutions of Higher Education

A.C.A. §6-61-234 directs the Arkansas Higher Education Coordinating Board (AHECB) to adopt polices developed by the Arkansas Division of Higher Education (ADHE) necessary to implement a productivity-based funding model for state-supported institutions of higher education.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommendation for distribution of productivity funding to the Arkansas public institutions of higher education in the 2025-26 fiscal year as included in Table A.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division of Higher Education is authorized to prepare appropriate documents for transmission to the Governor and the General Assembly of the 2025-26 productivity funding distribution recommendation of the Arkansas Higher Education Coordinating Board.

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

Dr. Jerry Cash asked if the institutions receive productivity funding every year. Nick Fuller explained that the institutions will continue to receive funding based on their productivity.

Dr. Katherine Dudley moved to recommend Agenda Item No. 2 to the full Board for consideration. Carolyn Rhinehart seconded, and the Committee unanimously approved.

Agenda Item No. 3
Recommendations for Educational and General Operations
State-Supported Institutions of Higher Education

A.C.A. §6-61-234 (Act 148 of 2017) directs the Arkansas Higher Education Coordinating Board (AHECB) to adopt polices developed by the Arkansas Division of Higher Education (ADHE) necessary to implement a productivity-based funding model for state-supported institutions of higher education. That language reads as follows:

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommendations for state funding of the educational and general operations of Arkansas public institutions of higher education in the 2025-26 fiscal year as included in Tables 03A, 03B, 03C, and 04D.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division of Higher Education is authorized to prepare appropriate documents for transmission to the Governor and the General Assembly of the 2025-26 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 Commissioner of the Arkansas Division of Higher Education is authorized to make appropriate corrections consistent with the policy established by the Board's action on these recommendations.

There were no questions.

Lucas Pointer moved to recommend Agenda Item No. 3 to the full Board for consideration. Carolyn Rhinehart seconded, and the Committee unanimously approved.

Agenda Item No. 4
Personal Services Recommendations for
Non-Classified Personnel 2025-27 Biennium

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

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommended number of positions, titles, grades, and maximum salaries for positions in academic, administrative, and

auxiliary positions for the 2025-27 Biennium as recommended by staff.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division 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 2025-27 Biennium.

Dr. Jerry Cash asked what happens if an institution wants to add a classified position. Mr. Fuller said that all positions on campuses are non-classified.

Carolyn Rhinehart moved to recommend Agenda Item No. 4 to the full Board for consideration. Dr. Katherine Dudley seconded, and the Committee unanimously approved.

Agenda Item No. 5
Economic Feasibility of Loan Issue
South Arkansas College

South Arkansas College (SAC) requests approval of the economic feasibility to secure a loan not to exceed \$4.0 million with a maximum term of twenty (20) years at an annual interest rate of approximately 7.5 percent. Proceeds from the loan will be used for educational and general (E&G) purposes. The South Arkansas College Board of Trustees approved this financing at its meeting on June 20, 2024.

The E&G issue will be up to \$4.0 million with a combined estimated annual debt service of \$386,685 and a term of twenty (20) years. Proceeds from the loan will be used to construct a new facility building to house Procurement, Maintenance, Custodial and Shipping & Receiving for the College. Coordinating Board policy regarding debt service for educational and general (E&G) projects provides that sales tax proceeds must be a minimum of 120 percent of the estimated annual debt service. The policy also states that a maximum of 25 percent of tuition and fee revenue may be pledged to debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for South Arkansas College to secure a loan in the amount not to exceed \$4.0 million with a maximum term of twenty (20) years at an annual interest rate of approximately 7.5 percent as requested by the institution to construct a new facility building to house Procurement, Maintenance, Custodial and Shipping and Receiving for the College.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division of Higher Education is authorized to notify the President

and the Chair of the Board of Trustees of South Arkansas College of the Coordinating Board's resolution.

Considering the increase in online programs, Chair Bigger asked if new construction on campus is necessary.

Ann Southall, Vice President of Finance and Administration explained that SAC is removing two buildings and adding one structure.

Dr. Jerry Cash asked if the annual interest rate was going to be 7.06 percent. Ms. Southall said it will not exceed 7.06 percent. She noted that they do have a quote from a local bank of 5.5 percent.

Commissioner Warden said all signs indicate that SAC's interest rate will come in lower than projected.

Lucas Pointer moved to recommend Agenda Item No. 5 to the full Board for consideration. Dr. Katherine Dudley seconded, and the Committee unanimously approved.

Agenda Item No. 6
College Savings Bond Program
Community/Technical College Revolving Loan
Economic Feasibility of a Loan Issue
Arkansas State University - System

At its regular meeting on July 23, 1993, the State Board, acting under authority provided by Act 683 of 1989, as amended, established application procedures and criteria for the College Savings Bond Community/Technical College Revolving Loan Fund (CSB Loan Fund), including the method of establishing each loan's interest rate. The Higher Education Coordinating Board is requested to consider adjusting the interest rate calculation on these loans to ensure the lowest rate possible for qualifying institutions and for the approval of a request for a loan from the Arkansas State University System.

RESOLVED, That the Arkansas Higher Education Coordinating Board directs that the interest rates for loans made from the College Savings Bond Community/Technical College Revolving Loan Fund (CSB Loan Fund) be fixed at the yield rate of 0.2% in line with the interest rate charged against loans from the Sustainable Building Maintenance Loan Fund.

FURTHER RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Arkansas State University-System to secure a loan not to exceed \$2,900,000 with a term of ten (10) years at an annual interest rate not to exceed 0.2 percent to proceed with various critical and deferred maintenance, renovation, and other miscellaneous projects across the System.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division of Higher Education is authorized to notify the President and the Chair of Arkansas State University-System of the Coordinating Board's resolution.

Dr. Jerry Cash asked why institutions refer to the revolving loan fund instead of selling bonds. Nick Fuller explained that ASU System is next in line to receive funds from the CSBRLF.

Chair Bigger asked the ASU System to explain their plans for the funds. Julie Bates, VP for Finance, said their board of trustees has approved a capital expense budget and those include maintenance, renovation, and other capital items.

Lucas Pointer moved to recommend Agenda Item No. 6 to the full Board for consideration. Dr. Katherine Dudley seconded, and the Committee unanimously approved.

Agenda Item No. 7
Report on Annual Review of Faculty Performance

Arkansas Code Annotated §6-63-104 and Arkansas Higher Education Coordinating Board (AHECB) policy require that each college and university conduct an annual performance review of faculty members. The Arkansas Division of Higher Education (ADHE) staff are also required to make an annual report to the Coordinating Board and Legislative Council. Each institution is required to submit a report to ADHE that describes the process followed during the 2023-2024 academic year. Institutional plans are on file with ADHE. Institutions are required to conduct rigorous, consistently applied, annual review of all faculty.

There were no questions.

Agenda Item No. 8
Academic Program Review

Arkansas Code §6-61-214 requires that the Arkansas Higher Education Coordinating Board (AHECB) review existing academic programs at Arkansas public colleges and universities to identify certificate and degree programs not meeting minimum standards of quality and to establish schedules for either resolving these concerns or removing the programs from the AHECB approved program inventory. The existing academic program review policies (AHECB Policy 5.2) were adopted in 1988 and revised in 1995 and 1998. Institutions have been submitting program reviews for more than 35 years.

Dr. Jerry Cash asked if institutions are getting any closer to coordinating their course numbering. Mr. Campbell said that course numbering is still an ongoing project.

Agenda Items No. 9 & 10
Arkansas Public Institutions
Letters of Notification and Letters of Intent

The Commissioner of the Arkansas Division of Higher Education approved institutional requests for new programs not requiring Board action unless further review is requested by the Board. During this period, the Institutional Certification Advisory Committee received notice of requests from Arkansas public institutions to offer degree programs. The program notice lists appear in the Arkansas Public Institutions Letters of Notification on pages 9-1 through 9-43 and in the Arkansas public institutions Letters of Intent on pages 10-1 of the agenda book.

There were no questions.

Agenda Items No. 11 & 12
Out-of-State and Arkansas Private Institutions
Letters of Notification and Letters of Intent

The Director of the Arkansas Division of Higher Education approved institutional requests for new programs not requiring Board action unless further review is requested by the Board. During this period, the Institutional Certification Advisory Committee received notice of requests from out-of-state and Arkansas private institutions to offer degree programs to Arkansas residents. The program notice lists appear in the Letters of Notification on pages 11-1 through 11-6 and in the Letters of Intent on page 12-1 of the agenda book.

There were no questions.

Agenda Item No. 13
Approval of Minutes

Dr. Katherine Dudley moved to approve Agenda Item No. 13, with the correction of the date listed in the minutes. Carolyn Rhinehart seconded the motion and the Board unanimously approved.

Agenda Item No. 14
Commissioner's Report

Commissioner Warden began by thanking the Coordinating Board and ADHE staff for all they do to help move education forward in Arkansas. He also thanked President Houston Davis and UCA for hosting the Coordinating Board meeting.

Institutional Changes

Southern Arkansas University announced the appointment of Dr. Bruno Hicks as its 13th president, effective June 17, 2024. Dr. Hicks previously served as the provost and vice president of academic affairs at Dalton State College (DSC).

Dr. Andrea Stewart has been named interim chancellor at the University of Arkansas at Pine Bluff (UAPB) beginning July 1. Dr. Stewart currently serves as UAPB's provost and vice chancellor for academic affairs.

SEARK announced the appointment of Dr. Tyrone Jackson as the college's next President, effective July 1, 2024. Dr. Jackson, previously served as the President at Mississippi Delta Community College in Mississippi.

Dr. Stephanie Tully-Dartez has been announced as South Arkansas College's next president. Having served as Interim President of SouthArk since August 2023, Dr. Tully-Dartez will assume her role as President of SouthArk, effective July 1.

Stacking Policy

A group of financial aid professionals from across the state met to review the state's stacking policy. This policy focuses on how institutions award federal, state, institutional, and private scholarships. The goal is to structure the policy to maximize scholarship dollars to students.

IT Collection of Non-credit Workforce Education and Training

The ADHE Data Team hosted several information meetings recently, including four in-person workshops and one online workshop for more than 80 institutional non-credit workforce staff to review the significant changes to the Arkansas Higher Education Information System (AHEIS) Non-Credit Workforce Reporting requirements. In addition, the annual AHEIS Update Meeting was held at UAPTC for those involved with mandated state reporting.

HIRED Grant

The Workforce Initiative Act of 2015 (A.C.A. § 6-60-107) established a grant program to evaluate and address Arkansas' workforce training needs and provide dedicated funding for state and regional industry-sector driven partnerships and data-driven education and workforce training programs. Preparing and encouraging Arkansans to pursue high-demand jobs is essential to building a skilled and employment-ready workforce.

ADHE and the Arkansas Department of Commerce (ACOM) announce a competitive Request for Proposals (RFP) designed to invest in strategic workforce training focus areas aligned with the Arkansas Workforce Strategy with up to \$88M of total funds available through ADHE Workforce Initiative grant funding and American Rescue Plan Act (ARPA) funds.

Commissioner Warden thanked Dr. Tina Moore for her work with the HIRED Grants.

Standardizing AI in Arkansas Higher Education

ADHE is working with institutions to discuss how to approach AI in the classrooms that works to our benefit but does not sacrifice our integrity. Mason Campbell will lead that team and we welcome suggestions on how to approach this subject.

Agenda Item No. 15
Concurrent Enrollment Policy Updates

Mason Campbell presented updates on the AHECB Concurrent Enrollment Policy. Arkansas law allows for the enrollment of high school students in college-level courses under certain conditions. Concurrent enrollment allows students to obtain credit toward a high school diploma at the same time they earn college credit.

The concurrent enrollment policy was first approved by the Arkansas Higher Education Coordinating Board (AHECB) in October 1998 with the latest revision in 2017.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the policy amendment on concurrent enrollment effective Fall 2024. The concurrent enrollment policy outlines the guidelines for concurrent program participation; however, Arkansas state-supported colleges and universities are not required to participate in a concurrent enrollment program; and a high school/school district may choose to partner with more than one Arkansas college/university for concurrent courses.

FURTHER RESOLVED, That any Arkansas state-supported college or university that chooses to participate in a concurrent enrollment program with a public school district, private high school, or home-school student shall implement and administer the concurrent program in accordance with the policies of the Arkansas Higher Education Coordinating Board and the rules of the Arkansas State Board of Education.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to provide a copy of the amended policy to presidents and chancellors, academic affairs officers, students affairs officers, and institutional research officers at Arkansas state-supported colleges and universities.

Dr. Jerry Cash asked Mason Campbell to explain what a blended course is. Campbell said a blended course is when AP and Concurrent Courses are done at the same time in the same course.

Lucas Pointer asked if this would change the ways concurrent students are recognized in the funding model. Campbell said it would not.

Dr. Katherine Dudley asked if it was possible to assign a weighted grade for a concurrent credit and then it not be weighted at the university level. Campbell said it is.

Carolyn Rhinehart moved to approve Agenda Item No. 15. Dr. Katherine Dudley seconded the motion and the Board unanimously approved.

Agenda Items No. 16 - 22

Rules Governing:

Arkansas Teacher Academy Scholarship Program
Arkansas Concurrent Challenge Scholarship
Arkansas Future Grant Program
Arkansas Governor's Scholars Program
Arkansas Workforce Challenge Scholarship Program
Arkansas Higher Education Transition Scholarship Program
Productivity Funding Distribution Policy

Alisha Lewis presented summary information on policies that were up for final approval.

There were no questions.

Carolyn Rhinehart moved to approve Agenda Items No. 16 - 22. Dr. Katherine Dudley seconded the motion and the Board unanimously approved.

Agenda Item No. 23

Policy Amendment: Sustainable Building
Maintenance Revolving Loan Fund Rules

In compliance with Act 751 of 2023, the rules for the Sustainable Building Maintenance Program for State-Supported Institutions of Higher Education are presented to the Arkansas Higher Education Coordinating Board (AHECB) for final approval.

RESOLVED, That the Arkansas Higher Education Coordinating Board reviews the rules presented in this agenda item for the Sustainable Building Maintenance Program for State-Supported Institutions of Higher Education to be administered by the Arkansas Division of Higher Education.

FURTHER RESOLVED, That the Commissioner of the Arkansas Division of Higher Education or his designee is authorized to make technical changes and corrections, when necessary, in the program rules for the Sustainable Building Maintenance Program for State-Supported Institutions of Higher Education.

FURTHER RESOLVED, That the Sustainable Building Maintenance Program for State-Supported Institutions of Higher Education rules be approved.

There were no questions.

Lucas Pointer moved to approve Agenda Item No. 23. Carolyn Rhinehart seconded the motion and the Board unanimously approved.

Agenda Items No. 24 - 29
Rules Governing:
Military Dependents' Scholarship Program
Financial Aid Appeals Process
State Teacher Education Program
Teacher Opportunity Program
Washington Center Scholarship
Law Enforcement Officers' Dependents Scholarship Program

Alisha Lewis presented information on policies that were up for initial approval.

There were no questions.

Dr. Katherine Dudley moved to approve Agenda Items No. 24 - 29. Lucas Pointer seconded the motion and the Board unanimously approved.

Report of the Committees

Chair Graycen Bigger presented the report of the Finance Committee and moved approval of Agenda Items 1 - 6. Lucas Pointer seconded, and the board unanimously approved.

The Academic Committee reviewed information Items 7 – 12. There were no action items to approve.

Remarks by Presidents/Chancellors and Guest

The next quarterly meeting will be held on October 25, 2024, at the University of Arkansas Community College at Batesville, at 9:00 a.m.

With no further comments, the meeting was adjourned at 11:06 a.m.

SUBMITTED BY:

Nichole Abernathy

APPROVED:

Dr. Kyle Miller, Secretary