

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
July 30, 2010

Minutes of Meeting

The July 30, 2010 regular meeting of the Arkansas Higher Education Coordinating Board was held at the Cooperative Extension Service Center in Little Rock. Chairman Burns called the meeting to order at 9:33 a.m. with a quorum present.

Coordinating Board present:

Bob Burns, Chair
David Leech, Vice Chair
Sarah Argue
Dr. Joe Bennett
Jodie Carter
Dr. Olin Cook
Bob Crafton
Steve Luelf

Coordinating Board absent:

Dr. Charles Allen, Secretary
Dr. Dan Grant
Phil Ford
Kaneaster Hodges

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 for Academic Programs
Jackie Holloway, Senior Associate Director for Finance
Tara Smith, Coordinator of Financial Aid
Zanette Douglas, Coordinator of Institutional Certification
Lillian Williams, Coordinator of Academic Programs
Jeanne Jones, Coordinator of Academic Programs
Lawrence Graves, Communications Officer
Nichole Abernathy, Administrative Support

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

Chairman Burns introduced Dr. Milo Shult, Vice President for Agriculture for the University of Arkansas Division of Agriculture. After presenting information on the Division of Agriculture, Dr. Shult welcomed everyone to the meeting.

Chairman Burns thanked Dr. Shult and the Division of Agriculture staff for their hospitality.

Agenda Item No. 1
Approval of Minutes

Steve Luelf noted that the minutes stated that he abstained from voting on Agenda Item No. 9, when he actually voted “no.” Steve Luelf moved to approve Agenda Item No. 1, following correction. Dr. Olin Cook seconded the motion and the Board unanimously approved.

Agenda Item No. 2
Agency Updates

Complete College America (CCA)

Dr. Purcell began by giving an overview of Complete College America (CCA), a national initiative aimed at increasing college completions. CCA is working with states to set state and campus completion goals. CCA’s goal is to double the nationwide number of college graduates by 2020.

Act 182 of 2009

The lack of associate degrees and student confusion over general education program requirements were among the issues that led to Act 182, said Dr. Purcell. The Act guarantees that if a student graduates and transfers with an AA, AAT and certain AS degrees, every Arkansas public university will fully accept all 60-64 hours and cannot require any additional lower level general education courses unless required for the major. If students transfer prior to graduation, universities will review courses taken and approve them based on each course’s fit to the bachelor’s degree or the articulation agreement as is currently the case. Dr. Purcell said that the success of Act 182 of 2009 is dependent on four-year institutions providing degree plans to regional two-year colleges. This will provide clarity for transfer students and help two-year institutions offer consistent advising to ensure bachelor degree plans are followed.

Financial Aid

Dr. Purcell reported on the status of the state’s Financial Aid. ADHE has redirected existing staff, hired temporary workers and drawn on the resources of other state agencies to deal with a monumental amount of applications for financial aid. August 10 is the tentative completion date for notifying traditional, current achiever and nontraditional college students of the status of their Academic Challenge Scholarship application. Dr. Purcell said that as of today, all traditional students have been notified of their scholarship status: 10,135 have accepted, 1,654 are pending acceptance, 97 declined and 5,114 applicants have been notified that they are either ineligible or eligibility is pending due to missing application documents. So far, 36,697 current achievers/nontraditional applicants have been submitted and it is believed that applicants will be notified of their status by August 10, said Dr. Purcell.

Announcements

In closing, Dr. Purcell announced that Tara Smith, ADHE Financial Aid Coordinator, was named as one of the best and brightest "Forty under 40" in Arkansas Business.

Agenda Item No. 3
Higher Education Bond Projects

Dr. Stanley Williams reported on the Higher Education Bond projects. This report is to advise the Board of the number of things that were accomplished with the higher education bonds and the current status of the institutions' accounts. All interest accrued was to be distributed to the accounts based on the draw schedules submitted by the institutions. Any accrued interest beyond the draw schedules was transferred to the annual debt service account for the state. Therefore there will be no unallocated funds when these projects are finished.

Agenda Item No. 4
Moratorium on New Campuses

At its April 27, 2000 meeting the Higher Education Coordinating Board adopted a ten (10) year moratorium on new campuses with some caveats for certain emerging sites. That moratorium has expired but the conditions that motivated the Coordinating Board to impose that moratorium continue to exist in 2010. The major reason stated seems to have been concern about the possibility of any further dilution of funding to the existing institutions.

RESOLVED, Higher Education Coordinating Board extends the Moratorium on New Campus that was adopted by the Board on April 27, 2000 with all its provisions and exceptions until June 1, 2020.

David Leech moved to approve Agenda Item No. 4. Jodie Carter seconded the motion and the Board unanimously approved.

Agenda Items No. 5
Report on 2009 College-Going Rate

Rick Jenkins presented summary and detailed information about the 2009 College-Going Rate. The college-going rate measures the proportion of students enrolling in postsecondary education in the fall semester after finishing high school, immediately after high school, in most cases. Current data are based on the fall 2009 student cohort enrolled first-time, full-time, and on-campus that attend an Arkansas public or independent institution after completing high school or GED. Since most students enrolling in postsecondary education do so immediately after completing

high school, the college-going rate is an indicator of the total proportion that will enroll in postsecondary education. The percentage, therefore, reflects the accessibility of higher education as well as students' assessment of the value of attending college when compared to working, entering the military, traveling, or following other pursuits.

Agenda Item No. 6
State Stacking Policy

This agenda item presents amendments to the Scholarship Stacking Policy based on Arkansas Code Annotated § 6-80-105. This act prohibits a postsecondary institution from awarding state aid in a student aid package in excess of the recognized cost of attendance at the institution where the student enrolls. As stated in the law, the proposed policy defines state aid as scholarships or grants awarded to a student from public funds, including without limitation the Arkansas Academic Challenge Scholarship, the Arkansas Department of Higher Education scholarship and grant programs, state general revenues, tuition, and local tax revenue. All higher education institutions use the U.S. Department of Education methodology to determine the cost of attendance at their institution for federal programs. The proposed policy would allow ADHE to use this established method of determining cost of attendance in carrying out the duties of administering the scholarship stacking policy.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the scholarship stacking policy presented in this agenda item.

FURTHER RESOLVED, That, the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify all Arkansas colleges and universities of this approval.

FURTHER RESOLVED, That Arkansas higher education institutions will be required to file a report with the Arkansas Department of Higher Education on September 30 after each academic year to comply with the scholarship stacking policy.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or his designee is authorized to make technical changes and corrections to the scholarship stacking policy when necessary.

Dr. Joe Bennett moved to approve Agenda Item No. 6. Steve Luelf seconded the motion and the Board unanimously approved.

Agenda Item No. 7
PhD in Education Leadership
Arkansas State University - Jonesboro

Arkansas State University- Jonesboro (ASUJ) currently offers the Doctor of Education (EdD) in Educational Leadership with emphasis areas in school leadership and college leadership. The ASUJ proposal is to reconfigure the EdD in Educational Leadership to create a second doctoral degree in educational leadership. The new program will be a PhD degree.

The proposed PhD in Educational Leadership is designed for students who wish to pursue school leadership, college leadership, college teaching or educational research careers. Students will complete 105 semester credit hours, a comprehensive examination, and conduct a major research project resulting in the defense of the dissertation. The degree includes a 21-semester credit hour research core and students will complete an 18-credit hour emphasis. *Seven new courses* will be added to the curriculum.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Doctor of Philosophy in Educational Leadership (CIP 13.0401) at Arkansas State University-Jonesboro effective Fall 2010.

FURTHER RESOLVED, that the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of the Arkansas State University System, and the Chancellor of Arkansas State University-Jonesboro of the approval.

Dr. Olin Cook asked what the difference was in the EdD in Educational Leadership and the PhD in Educational Leadership.

Cynthia Moten explained that there is a difference in the focus of the dissertation and some of the course work the students will take; however, the curricula are basically the same. The institution has added three new courses and modified four other courses that were currently offered in the EdD program. The focus for the PhD program dissertation will be to conduct original research that leads to new knowledge, while the EdD dissertation is looking at methods related to improving current practices.

Dr. Cook asked if ASU-Jonesboro planned on continuing both programs. Ms. Moten said that at this point they do.

Jodie Carter asked why ASU-Jonesboro started the program. Ms. Moten explained that the program is a response to numerous inquiries over the years.

Agenda Item No. 8
Technical Certificate in Surgical Technology
Arkansas State University - Newport

The proposed 48-semester credit hour program in surgical technology combines classroom instruction and clinical experience to prepare students for entry-level positions as surgical technologists in the operating room and other various surgical settings. Students will gain knowledge and experience in exposure, hemostasis, closure, and other intraoperative, preoperative, and postoperative technical functions that help the surgeon carry out a safe operation with optimal results for the patient. Graduates of the surgical technology program will assist in operations under the supervision of surgeons, anesthesiologists, registered nurses, and other surgical personnel. Some of the duties are to set up the operating room with surgical instruments and equipment; assemble and check non-sterile equipment to ensure it is working properly; prepare patients for surgery and transport patients to the operating room; pass instruments and other sterile supplies to surgeons and surgeon assistants; help apply dressings; care of the operating room after surgery, and assisting in patient care during and immediately after surgery in accordance with hospital policy and appropriate laws and regulations. Twelve *new courses* will be added to the curriculum.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves Arkansas State University-Newport to offer the Technical Certificate in Surgical Technology (CIP 51.0909) effective Fall 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the President and Chair of the Board of Trustees of the Arkansas State University System, and the Chancellor of Arkansas State University-Newport of the approval.

Agenda Item No. 9
Associate of Arts by Distance Technology
South Arkansas Community College

The Associate of Arts program is designed for transfer and meets the general education requirements of the bachelor's degree. The courses have been developed for online delivery in accordance with the distance education guidelines of the Higher Learning Commission of the North Central Association and the principles of good practice of the Southern Regional Education Board Electronic Campus. An online instruction policy is in place and the Director of Distance Learning is available to assist faculty in online course development and instruction techniques.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves South Arkansas Community College to offer the Associate of Arts (DC 0050) by distance technology effective Fall 2010.

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 South Arkansas Community College of the approval.

Agenda Item No. 10
Bachelor of Arts in Media Communications
University of Arkansas – Fort Smith

The Bachelor of Arts in Media Communication features an interdisciplinary approach to new media writing, convergence journalism, and digital literacy. Convergence journalism brings together computing, communications, and content. The proposed degree is designed to train communication professionals capable of meeting the needs of companies that require communication skills in traditional newspaper, online news outlets, print magazines and similar online content sites, radio stations and internet radio sites, television and internet video sites, public relations, production and promotion, and advertising. The degree emphasizes writing research, presentation, reporting, and new media skills, and combines a solid knowledge base within the fields of mass communications, speech, rhetoric, and new journalism. Media Communication students will be required to complete 124 semester credit hours and an internship. The new degree is supported by courses in the English, Rhetoric and Writing, and the Speech/Communication departments; therefore, only *two new courses* will be added to the curriculum.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the University of Arkansas – Fort Smith to offer the Bachelor of Arts in Media Communication (CIP 09.0100) effective Fall 2010.

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-Fort Smith of the approval.

Agenda Item No. 11
Institutional Certification Advisory
Committee Resolutions

The Institutional Certification Advisory Committee (ICAC) met on June 29, 2010, for its regular quarterly meeting. ADHE Executive Staff recommend that the Arkansas Higher Education Coordinating Board approve the following resolutions.

Program Certification

American Public University – Charles Town, West Virginia
Initial Certification – Distance Technology
Associate of Arts in Management
Bachelor of Arts in General Studies

Bachelor of Arts in Transportation and Logistics Management

Recertification – Distance Technology

Associate of Arts in General Studies
Bachelor of Business Administration
Bachelor of Arts in Criminal Justice
Bachelor of Arts in Management
Bachelor of Arts in Psychology

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to American Public University, Charles Town, West Virginia, to offer the following degree programs to Arkansas residents through distance technology: Associate of Arts in Management, Bachelor of Arts in General Studies and Bachelor of Arts in Transportation and Logistics Management. The initial certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants recertification to American Public University, Charles Town, West Virginia, to offer the following degree programs to Arkansas residents through distance technology: Associate of Arts in General Studies, Bachelor of Business Administration, Bachelor of Arts in Criminal Justice, Bachelor of Arts in Management, and Bachelor of Arts in Psychology. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of American Public University, Charles Town, West Virginia, that certification and 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 American Public University, Charles Town, West Virginia, 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.

Anthem College – Phoenix, Arizona

Initial Certification – Distance Technology

Associate of Applied Science in Accounting Technology

Associate of Applied Science in Business Management

Associate of Applied Science in Criminal Justice

Associate of Applied Science in Medical Billing and Coding

Associate of Applied Science in Paralegal

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Anthem College, Phoenix, Arizona, to offer the following degree programs to Arkansas residents through distance technology: Associate of Applied Science in Accounting Technology, Associate of Applied Science in Business Management, Associate of Applied Science in Criminal Justice, Associate of Applied Science in Medical Billing and Coding, and Associate of Applied Science in Paralegal. The initial certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of Anthem College, Phoenix, Arizona, that 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 Anthem College, 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.

Ashford University – Clinton, Ohio

Initial Certification – Distance Technology

Master of Arts in Health Care Administration

Master of Arts in Organizational Management

Master of Arts in Public Administration

Master of Arts in Business Administration

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Ashford University, Clinton, Ohio, to offer the following degree programs to Arkansas residents by distance technology: Master of Arts in Health Care Administration, Master of Arts

in Organizational Management, Master of Arts in Public Administration, and Master of Arts in Business Administration. The initial certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of Ashford University, Clinton, Ohio, that 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 Ashford University, Clinton, Ohio, 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.

Bethel University – McKenzie, Tennessee
Initial Certification – Distance Technology
Bachelor of Science in Organizational Leadership

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Bethel University, McKenzie, Tennessee, to offer the following degree program to Arkansas residents by distance technology: Bachelor of Science in Organizational Leadership. The initial certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of Bethel University, McKenzie, Tennessee, that 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 Bethel University, McKenzie, Tennessee, 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 Technology**

Bachelor of Science in Game and Simulation Programming
Bachelor of Science in Multimedia Design and Development
Bachelor of Science in Justice Administration

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 to Arkansas residents by distance technology: Bachelor of Science in Game and Simulation Programming, Bachelor of Science in Multimedia Design and Development, and Bachelor of Science in Justice Administration. The initial certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of DeVry University, Naperville, Illinois, that 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.

**ITT-Technical Institute – Little Rock Campus
Recertification**

Associate of Applied Science in Criminal Justice
Associate of Applied Science in Visual Communications
Bachelor of Science in Electronics and Communications Engineering Technology
Bachelor of Science in Information Systems Security
Bachelor of Science in Digital Entertainment and Game Design

Decertification

Associate of Applied Science in Computer Networking Technology
Bachelor of Science in Technical Project Management
Bachelor of Science in Data Communications Systems Technology
Bachelor of Science in Software Engineering Technology

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to ITT-Technical Institute, Little Rock campus, to offer the following degree programs to Arkansas residents: Associate of Applied Science in Criminal Justice, Associate of Applied Science in Visual Communications, Bachelor of Science in Electronics and Communications Engineering Technology, Bachelor of Science in Information Systems Security, and Bachelor of Science in Digital Entertainment and Game Design. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program decertification to ITT-Technical Institute, Little Rock campus, for the following degree programs: Associate of Applied Science in Computer Networking Technology, Bachelor of Science in Technical Project Management, Bachelor of Science in Data Communications Systems Technology, and the Bachelor of Science in Software Engineering Technology. The decertification will be effective July 30, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Department of Higher Education to notify the administration of ITT-Technical Institute, Little Rock campus, that 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 ITT-Technical Institute, Little Rock campus, 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 Technology
Bachelor of Science in Health Care Administration
Bachelor of Science in Political Science
Bachelor of Science in Professional Studies

Bachelor of Science in Public Health
Master of Science in Psychology

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Kaplan University, Davenport, Iowa, to offer the following degree programs to Arkansas residents through distance technology: Bachelor of Science in Health Care Administration, Bachelor of Science in Political Science, Bachelor of Science in Professional Studies, Bachelor of Science in Public Health, and Master of Science in Psychology. The certification is for a period of two years and expires on July 30, 2012.

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

Montana State University-Northern – Havre, Montana
Initial Certification – Distance Technology

Bachelor of Science in Diesel Technology

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Montana State University-Northern, Havre, Montana, to offer the following degree program to Arkansas residents by distance technology: Bachelor of Science in Diesel Technology. The certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Montana State University-Northern, Havre, Montana, that the initial 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 program in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Montana State University-Northern, Havre, Montana, 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.

Nova Southeastern University – Fort Lauderdale, Florida
Recertification – Distance Technology
Master of Business Administration

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to Nova Southeastern University, Fort Lauderdale, Florida, to offer the following degree program to Arkansas residents by distance technology: Master of Business Administration. The certification is for a period of five years and expires on April 30, 2015.

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

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

**Saint Joseph's College of Maine – Standish, Maine
Recertification – Distance Technology**

Bachelor of Science in Nursing (RN to BSN)
Bachelor of Science in Radiologic Science Administration

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to Saint Joseph's College of Maine, Standish, Maine, to offer the following degree programs to Arkansas residents by distance technology: Bachelor of Science in Nursing (RN to BSN) and Bachelor of Science in Radiologic Science Administration. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Saint Joseph's College of Maine, Standish, Maine, 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 Saint Joseph's College of Maine, Standish, Maine, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

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

**University of Phoenix – Phoenix, Arizona
Recertification – Distance Technology, Little Rock and Rogers Campuses**
Bachelor of Science in Criminal Justice Administration

Recertification – Distance Technology

Doctor of Business Administration
Doctor of Management in Organizational Leadership
Doctor of Health Administration
Post – Baccalaureate School Nurse Certificate

Initial Certification – Distance Technology

Doctor of Philosophy in Nursing

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to the University of Phoenix, Phoenix, Arizona, to offer the following degree program to Arkansas residents by distance technology and on the Little Rock and Rogers campuses: Bachelor of Science in Criminal Justice Administration. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to the University of Phoenix, Phoenix, Arizona, to offer the following degree programs to Arkansas residents through distance technology: Doctor of Business Administration, Doctor of Management in Organizational Leadership, Doctor of Health Administration and Post – Baccalaureate School Nurse Certificate. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix, Phoenix, Arizona, to offer the following degree program to Arkansas residents through distance technology: Doctor of Philosophy in Nursing. The certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of University of Phoenix, Phoenix, Arizona, that the recertification and initial 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 University of Phoenix, 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.

Webster University – St. Louis, Missouri

Initial Certification – Distance Technology

Master of Arts in Business and Organizational Security Management

Master of Arts in Media Communications

Master of Science in Environmental Management

Master of Science in Finance

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial program certification to Webster University, St. Louis, Missouri, to offer the following degree programs to Arkansas residents through distance technology: Master of Arts in Business and Organizational Security Management, Master of Arts in Media Communications, Master of Science in Environmental Management, and Master of Science in Finance. The certification is for a period of two years and expires on July 30, 2012.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Webster University, St. Louis, Missouri that the initial certification of the degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Webster University, St. Louis, Missouri, that any advertisement or published materials using the name of the Arkansas Higher Education Coordinating Board or the Arkansas Department of Higher Education must contain the following statement:

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

Webster University – St. Louis, Missouri

Recertification – Little Rock Campus

Master of Business Administration

Master of Health Administration

Master of Arts in Business and Organizational Security Management

Master of Arts in Human Resources Management

Master of Arts in International Business

Master of Arts in Management and Leadership

Master of Arts in Marketing

Master of Arts in Media Communications

Master of Science in Environmental Management

Master of Science in Finance

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to Webster University, Little Rock Campus, to offer the following degree programs to Arkansas residents: Master of Business Administration, Master of Health Administration, Master of Arts in Business and Organizational Security Management, Master of Arts in Human Resources Management, Master of Arts in International Business, Master of Arts in

Management and Leadership, Master of Arts in Marketing, Master of Arts in Media Communications, Master of Science in Environmental Management, and Master of Science in Finance. The certification is for a period of five years and expires on July 30, 2015.

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

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

Webster University – St. Louis, Missouri
Recertification – Little Rock Air Force Base Campus

Master of Business Administration
Master of Arts in Human Resource Development
Master of Public Administration
Master of Arts in Information Technology Management

RESOLVED, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants program recertification to Webster University, Little Rock Air Force Base Campus, to offer the following degree programs to Arkansas residents: Master of Business Administration, Master of Arts in Human Resource Development, Master of Public Administration, and Master of Arts in Information Technology Management. The recertification is for a period of five years and expires on July 30, 2015.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of Webster University, Little Rock Air Force Base Campus, 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 Webster University, Little Rock Air Force Base Campus, 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. Cook commented on the recent news articles regarding institutions promising students jobs after graduation and not following through with their promises. He asked if there were any safeguards in place to ensure this doesn't happen in Arkansas.

Zanette Douglas explained that the U.S. Department of Education is currently working on this problem.

David Leech asked if institutions are charged an online course fee.

Ms. Douglas explained that ADHE staff reviews the curriculum for every out-of-state institution before it can offer courses in Arkansas. She also noted that more and more technology has become available to ensure that the person taking the courses is actually the person enrolled in the course.

Jodie Carter moved to recommend Agenda Items No. 7-11 to the full Board for consideration. Bob Crafton seconded and the Committee unanimously approved.

Agenda Item No. 12 Report on Annual Review of Faculty Performance

Arkansas Code Annotated §6-63-104 and Arkansas Higher Education Coordinating Board (AHECB) policy 5.5 require 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.

Steve Luelf asked if ADHE has any data regarding how many people were terminated as a result of this evaluation.

Ms. Moten explained that the institutions do not submit this information to ADHE. This evaluation is to ensure that the institutions follow a procedure.

Agenda Item No. 13 Report on Distance Technology Programs

AHECB Policy 5.11 requires ADHE staff to report to the Coordinating Board on the status of distance technology programs offered by Arkansas institutions. In preparation for this report, Arkansas public colleges and universities were asked to complete a survey identifying the types of technology used for distance education, the courses and programs offered via distance technology, and distance technology-related policies. A summary of the survey results is included at the end of this report. ADHE staff also reviewed enrollment and graduation data for distance courses. (Data for the University of Arkansas for Medical Sciences is not included in this report.)

When ADHE reported on the status of distance education in Arkansas in 2004, 24,221 (15 percent) of the 160,819 students at Arkansas colleges and universities were enrolled in the 1,917 distance education courses offered by Arkansas institutions. Since 2004, the number of distance education courses has grown to more than 3,500 individual courses and 117 certificate and degree programs offered via distance technology by Arkansas institutions.

The number of courses and programs available to Arkansas students, and the enrollment in those courses and programs has increased significantly since 2004. Six years ago, 15 percent of students enrolled in Arkansas's public colleges and universities were enrolled in distance technology courses. For Fall 2009, 27 percent of the 140,403 students enrolled at Arkansas colleges and universities were enrolled in at least one distance technology course. Institutions must continue to increase distance technology course/program offerings and focus on what can be done by technology to meet the needs of students while striving to increase the education level of Arkansans to meet the workforce needs of the state.

Jodie Carter asked if the public institutions have online courses as well. Ms. Jeanne Jones explained that they do and it is a growing need. Mr. Carter asked if Arkansas is competing against out-of-state institutions for online students. Ms. Jones said they are and that Arkansas is catching up with the competition.

Agenda Items No. 14 and 15
Letters of Notification and Letters of Intent

The Department of Higher Education received notice from 20 institutions on programs not requiring Board action. Notification was received on 6 programs possibly requiring Board action. During this period, the Institutional Certification Advisory Committee received notice of requests from 16 out-of-state institutions to offer degree programs to Arkansas residents. The program notice list appears in the Letters of Notification on pages 14-1 through 14-19 and in the Letters of Intent on pages 15-1 through 15-5 of the agenda book.

Agenda Item No. 16
Operating Recommendations
for 2011-13 Biennium

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

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the recommendations for state funding of the educational and general operations of Arkansas public institutions of higher education in the 2011-13 biennium as included in Tables 1A, 1B, 1C, 1D and 1E.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to prepare appropriate documents for transmission to the Governor and the General Assembly of the 2011-13 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 stated that there seems to be a substantial variation in funding for the two-year colleges. Dr. Williams said that at one time there was a variation with the universities. However, they voted to consider their percent of need.

Steve Luelf commented that institutions that lose enrollment don't lose money. However, institutions that grow enrollment don't get the same share. Since

approving this won't change anything, shouldn't we just object, asked Mr. Luelf. If you look at the students, and one institution is funded \$2,000/student while another is receiving \$6,500/student, how do we justify that?

Dr. Williams said that the Coordinating Board only has the authority to distribute the funds by the formula determined by the legislature because these are in law. We have to operate within the constraints that exist.

By approving this, aren't we giving our stamp of approval, questioned Mr. Luelf. Dr. Williams said we are required by law to do this. We have to have our recommendations to the Governor and legislators by October 10, 2010.

Mr. Luelf asked what would happen if we funded every institution the same per FTE across the board. Dr. Williams explained that there would be large variations because the two-year formula has some very large economies of scale. And it is true that the larger the institution, the lower the percentage of administrative costs.

Dr. Joe Bennett asked if 95% are fixed funds that the Coordinating Board doesn't have any control over. Dr. Williams explained that 96% of the money out there is already distributed. We are only talking about 4% of the money.

Dr. Cook asked if it is the Board's responsibility to look into this and recommend something with more equity to the legislators during the next legislative session. Or would it be just a waste of our time? Dr. Williams explained that it can be done; however, the Board only has authority to do what is stated in law. Dr. Cook questioned whether the law could be changed. Dr. Williams said even if the law is changed, the changes won't go into effect until 2013.

Maybe we should present something to the legislature even if we get shot down, said Mr. Luelf. Dr. Williams agreed that we need to work through the legislature and within the law to get this changed.

Dr. Ed Coulter commented that this issue has been going on for over 12 years and some legislators are starting to seriously ask why. The question is going to be asked, why does this keep getting worse? You are our leaders and should be making a recommendation on how to correct this. There was a recommendation by the presidents and chancellors to seek 75% base funding. We say that things are in the law, but we ignore other things that are in the law. We seem to be selective about what we are addressing that's in the law.

The formula approach to funding has gotten a bad knock here, said Dr. Joel Anderson. To say that this is a worthless, meaningless exercise is really off target. This process began in the 1960s, where across the country legislators were trying to deal with a growing number of colleges and universities that were also becoming a lot more important and demanded a lot more money. This put the legislators in a very precarious place because every institution came and made their case for funding. A nationwide movement to say we need a more fair and equitable approach to funding the institutions of higher education brought about the formula

approach. While there are variations from state to state, Arkansas's is using practices found in other states and it works. It may seem to be unfair to some, but over time, institutions tend to catch up.

Dr. Williams concluded by saying that he believes in the formula process – the formulas protect the institutions.

Dr. Bob Brown agreed with Dr. Anderson on principal, but stated that the formula does appear to work for some institutions better than others.

Dr. Joe Bennett moved to recommend Agenda Item No. 16 to the full Board for consideration. David Leech seconded and the Committee approved. Steve Luelf voted no.

Agenda Item No. 17 Distribution of Mineral Lease Funds

According to the provisions of A.C.A. §6-61-801 through §6-61-808, there is established the Arkansas Research Development Program for providing Arkansas Research Development Program Grants to publicly-supported universities in Arkansas by the Department of Higher Education. Act 1229 of 2007 provides that after the sum of \$13,200,000 has been deposited into the Higher Education Building Maintenance Fund, the next \$10,000,000, or as much as is collected, is to be transferred to the Higher Education Research Development Fund to be used as provided by law.

RESOLVED, That after review by the Legislative Council, the Director of the Arkansas Department of Higher Education is authorized to distribute the Higher Education Research Development Fund for ARE-ON's annual operating and maintenance costs.

FURTHER RESOLVED, That \$1 million be allocated in Fiscal 2011 to the University of Arkansas, Fayetteville for expenses associated with the connection of all public universities to ARE-ON.

David Leech moved to recommend Agenda Item No. 17 to the full Board for consideration. Bob Crafton seconded and the Committee unanimously approved.

Agenda Item No. 18 Personal Services Recommendations for Non-Classified Personnel

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

academic, and auxiliary positions at each Arkansas public institution of higher education have been reviewed, and changes are recommended.

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 2011-13 biennium as recommended by staff.

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

FURTHER RESOLVED, That the Coordinating Board requests the Director to transmit the Personal Services recommendations to the Governor and the General Assembly for consideration for the 2011-13 biennium.

Steve Luelf questioned why all of the salary recommendations are all the same (table 18D). Ms. Holloway explained that this is merely the institutions line-item maximum, the actual salaries vary.

Agenda Item No. 19
Recommendations for State Funding of Capital Projects:
2011-13 Biennium

From a total of \$238 million appropriated, the 2009 87th legislative session provided allocations totaling \$144 million for distribution from the General Improvement Fund (GIF) for various capital projects at institutions of higher education. To date, 14 percent or \$21 million, of the allocation has been released to institutions from the GIF for higher education projects. For the 2007-09 biennium, almost \$59 million was distributed for capital projects, significantly more than the 2005-07 biennium when \$16.5 million was distributed for capital projects.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the staff recommendations for state funding of capital projects totaling \$134.2 million as identified in the accompanying agenda materials.

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

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

David Leech questioned why there is no “B” funding. Is it because we know that we can’t even fund all of the “A” projects? Ms. Jackie Holloway said that is correct. David Leech commented that the amount of critical maintenance needed is on the rise. The University of Arkansas at Pine Bluff requested \$12 million and we are recommending \$2 million. For every building we approve, funds should be put back for future maintenance.

Ms. Holloway stated that in October 2008, the Coordinating Board recommended that all bond feasibilities for new facilities contain a plan for maintaining that facility. ADHE recommended \$2.50 per square foot be set aside annually for all new Educational and General buildings and \$1.25 per square foot for Auxiliary buildings.

Dr. Joe Bennett questioned the likelihood of the legislature agreeing to this recommendation. Ms. Holloway said that last year approximately 20% of the recommendation was funded.

Mr. Luelf asked how ADHE staff determined how to disburse the money.

Two (2) percent was recommended for deferred maintenance, said Ms. Holloway. Equipment amounts were added based on weighted FTE as follows: 1.0 undergraduate; 2.5-graduate; and 4.0-doctoral. Each institution is allocated an amount based on enrollment size and degree level. These amounts were further adjusted to achieve equity among institutions of the same size and level.

Agenda Item No. 20 Certification of Intercollegiate Athletic Budgets for 2010-11

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.

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

David Leech asked what the E&G transfer maximum was for the 2011 academic year. Ms. Holloway said that it was \$1,142,715, a 1.6% increase from the year before.

Agenda Item No. 21
Economic Feasibility of Bond Issue
for Mid-South Community College

Mid-South Community College requests approval of the economic feasibility of plans to issue bonds totaling approximately \$5.18 million with a term of up to thirty (30) years at an estimated annual interest rate of 5.0 percent. Proceeds from the bond issue will be used for educational and general purposes. The Mid-South Community College Board of Trustees approved this financing at its meeting on June 7, 2010.

The educational and general issue will be approximately \$5.18 million with an estimated annual debt service of \$300,000. Proceeds will be used for the construction of a Bio-Diesel Technology Building and surrounding infrastructure. 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 considers economically feasible plans for Mid-South Community College to issue bonds for approximately \$5.18 million with a term of up to 30 years at an estimated annual interest rate of 5.0 percent for the construction of a Bio-Diesel Technology Building and surrounding infrastructure.

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 Mid-South Community College of the Coordinating Board's resolution.

Steve Luelf asked how ADHE would enforce the requirement that institutions put back \$2.50 per square foot annually for ongoing maintenance issues since there is no mention of it in the resolution, nor any mention of any sanctions.

Dr. Purcell said that future resolutions would contain that information.

Agenda Item No. 22
Economic Feasibility of Bond Issue
for the University of Central Arkansas

University of Central Arkansas requests approval of the economic feasibility of plans to issue bonds not to exceed \$42 million with a maximum term of up to thirty (30) years at an estimated annual interest rate not to exceed 5.25 percent. This action will approve the refunding of \$19,615,000 million in existing debt of which \$15,575,000 is E&G and \$4,040,000 is Auxiliary. In addition to the refunding, an amount of up to \$22 million will be issued for Auxiliary purposes. The proceeds from this portion of the issue will be used for the demolition of Minton Hall, the

construction of a residence hall to replace Minton Hall, and the renovation of existing residence halls. The University of Central Arkansas Board of Trustees approved this action at its meeting held on June 1, 2010.

The E&G issue will be approximately \$15,575,000 with estimated maximum annual debt service of approximately \$1,161,026. Proceeds from the issue will be used to refund certain existing bonds and fund a pro-rata share of the cost of the total issuance. 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.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for University of Central Arkansas to issue bonds not to exceed \$42 million with a maximum term of up to thirty (30) years at an estimated annual interest rate not to exceed 5.25 percent. This action will approve the refunding of \$19,615,000 million in existing debt of which \$15,575,000 is E&G and \$4,040,000 is Auxiliary. In addition to the refunding, an amount up to \$22 million will be issued for Auxiliary purposes. The proceeds from this portion of the issue will be used for the demolition of Minton Hall, the construction of a residence hall to replace Minton Hall, and the renovation of existing residence halls.

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 questioned why the maintenance fee is only \$1.25 per square foot instead of \$2.50. Dr. Williams explained that while auxiliary facilities are income producing and don't depend on the state for funding, E&G facilities do not produce any income and do depend on the state for funding.

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

Northwest Arkansas Community College requests approval of the economic feasibility of plans to issue bonds totaling approximately \$15.0 million with a term of up to twenty-five (25) years with an estimated annual interest rate not to exceed 6.6 percent. Proceeds from the bond issue will be used for educational and general purposes. The Northwest Arkansas Community College Board of Trustees approved this financing at its meeting on June 14, 2010.

The educational and general issue will be approximately \$15.0 million with an estimated average annual debt service payment of \$2,444,080. Proceeds will be used for the construction of a Health Professions Building. 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 considers economically feasible plans for Northwest Arkansas Community College to issue bonds for approximately \$15.0 million with a term of up to twenty-five (25) years with an estimated annual interest rate not to exceed 6.6 percent for the construction of a Health Professions 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 Northwest Arkansas Community College of the Coordinating Board's resolution.

Steve Luelf complimented NWACC for using a 25 year term versus a 30 year term.

Agenda Item No. 24
Economic Feasibility of Loan for
University of Arkansas Community College at Morrilton

University of Arkansas Community College at Morrilton requests approval of a loan up to \$800,000 with a term of ten (10) years at an annual interest rate not to exceed 0.38 percent. Proceeds will be used for ADA and safety issues as well as infrastructure improvements. The University of Arkansas Board of Trustees approved the college's loan application on April 16, 2010.

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.

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 Morrilton up to \$800,000 with a term of ten (10) years at an annual interest rate not to exceed 0.38 percent for ADA and safety issues as well as infrastructure improvements.

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 Morrilton of the Coordinating Board's resolution.

David Leech questioned how the .38% annual interest rate can be locked in for 10 years. Jackie Holloway explained that the interest rate is set on the third Thursday prior to the Board meeting.

Dr. Joe Bennett asked if the University of Arkansas System would be responsible for the loan if UACCM was unable to repay it. Ms. Holloway said yes.

David Leech moved to recommend Agenda Items No. 18 - 24 to the full Board for consideration. Bob Crafton seconded and the Committee approved.

Report of the Committees

Dr. Olin Cook presented the report of the Academic Committee and moved approval of Agenda Items 7-11. Jodie Carter seconded the motion and the Board unanimously approved.

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 16-24. David Leech seconded the motion and the Board unanimously approved.

Chairman Burns opened the floor for public comments.

Chairman Burns announced that the next Coordinating Board meeting would be held at Arkansas State University – Jonesboro on October 29, 2010.

With no further comments, the meeting adjourned at 11:10 a.m.

Nichole Abernathy

APPROVED:

Dr. Charles Allen, Secretary