

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Special Meeting
January 31, 2008

Minutes of Meeting

The Arkansas Higher Education Coordinating Board held a special meeting on Thursday, January 31, 2008 at the Henderson State University Education Center in Arkadelphia. The purpose of the meeting was to give Coordinating Board members and Presidents/Chancellors an opportunity to discuss various issues with the new Director, Dr. Jim Purcell. The meeting convened at 3:30 p.m. with a quorum present.

Coordinating Board present:

Dick Trammel, Chair (via conference call)
David Leech, Vice Chair
Dr. Charles Allen
Dr. Joe Bennett
Bob Burns
Jodie Carter
Phil Ford
Dr. Dan Grant
Kaneaster Hodges
Steve Luelf (via conference call)

Coordinating Board absent:

Dr. Lynda Johnson, Secretary
Dr. Anne Trussell

Department staff present:

Dr. Jim Purcell, Director
Dr. Steve Floyd, Deputy Director
Dr. Karen Wheeler, Associate Director for Academic Programs
Dale Ellis, Communications Officer
Nichole Abernathy, Administrative Support

Chairman Trammel, who joined the meeting via conference call, thanked Coordinating Board members for participating in the meeting. With no formal agenda, Chairman Trammel stated that no action would be taken at the informal meeting.

While discussing accountability in higher education, David Leech asked Coordinating Board members, as well as presidents and chancellors, to be frank and open.

During his presentation to the Board, Dr. Purcell cited Margaret Spelling's Commission Report. According to the report, American higher education, like any other "mature enterprise," is "risk averse." It faces the potential future of other such industries, "from railroads to manufacturers," that have failed. What is

needed are “aggressive steps” to make higher education more efficient, including “cost cutting and productivity improvements.”

Kaneaster Hodges stated that accountability is difficult because everyone is pointing at someone else. And, regarding affordability, institutions are forced to balance their budgets with tuition increases. Arkansas has to find another way, Hodges stated.

Jodie Carter commented that we need to put forth the same effort in lowering tuition as we did in passing the Higher Education bonds.

Coordinating Board members agreed that their old way of doing business, would no longer work. With the leadership of our new Director Dr. Jim Purcell, we will move Arkansas forward, stated Chairman Trammel.

After numerous comments and a lengthy discussion regarding accountability, the meeting adjourned at 5:00 p.m.

Nichole Abernathy

APPROVED:

Dr. Lynda Johnson, Secretary

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
February 1, 2008

Minutes of Meeting

The February 1, 2008 regular meeting of the Arkansas Higher Education Coordinating Board was held in the Russell Fine Arts Center on the campus of Henderson State University (HSU) in Arkadelphia. Chairman Trammel called the meeting to order at 10:00 a.m. with a quorum present.

Coordinating Board present:

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

Coordinating Board not present:

Dr. Lynda Johnson, Secretary
Dr. Anne Trussell

Department staff present:

Dr. Jim Purcell, Director
Dr. Steve Floyd, Deputy Director
Dr. Karen Wheeler, Associate Director of Academic Affairs
Dr. Stanley Williams, Senior Associate Director for Finance
Laura Tyree, Associate Director for Planning and Accountability
Tara Smith, Coordinator of Financial Aid
Cynthia Moten, Coordinator of Academic Affairs
Christina Miller, Assistant Director for Planning and Accountability
Jeanne Jones, Coordinator of Academic Affairs
Zanette Douglas, Coordinator of Institutional Certification
Alana Boles, Assistant Coordinator of Academic Programs
John Davidson, Financial Manager
Ashley Pettingill, Financial Manager
Charlette Moore, Financial Officer
Dale Ellis, Communications Officer
Nichole Abernathy, Administrative Support

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

Chairman Trammel introduced Dr. Charles Dunn, President of HSU, for a welcome. Dr. Dunn began by thanking everyone for attending the reception and Board meeting, noting that it was an honor to have the Department of Higher Education at his campus.

Chairman Trammel announced that there would be a public hearing on the revised rules and regulations for the Minority Teacher and Minority Masters Fellows programs. He also announced that due to the inclement weather the meeting would be accessible via conference call.

Agenda Item No. 1 Approval of Minutes

Charles Allen moved to approve the minutes of the October 25, 2007 Special Meeting, October 26, 2007 Regular Meeting, November 13, 2007 Special Meeting, December 5, 2007 Special Meeting, December 10, 2007 Joint Meeting of the Education Boards, and December 10, 2007 Special Meeting. Phil Ford seconded the motion, and the Board unanimously approved.

Agenda Item No. 2 Report of the Director

After thanking Dr. Steve Floyd for his work as Interim Director for the Department of Higher Education, Chairman Trammel recognized Dr. Jim Purcell for his Director's Report. Dr. Purcell began by explaining the possibilities for success for Arkansas.

There is a definite relationship between the adult population with a Bachelor's degree and a state's per capita income. No state with a low proportion of Bachelor's degrees has a high per capita income. And currently, Arkansas is on the low end with less than 20%. However, with the right initiatives, it is possible for Arkansas to increase their adult population and per capita income in a short amount of time, stated Purcell.

Dr. Purcell explained how Oklahoma, once ranked 46th and now ranked 42nd, enhanced their production of degrees in only five years. Arkansas and Oklahoma appear to be in line as far as addressing Economic Development, improving the educational experience and increasing awareness, access and opportunity. The biggest difference appears to be in incentivizing institutional performance, stated Purcell. Oklahoma rewards institutions for degree production and on-time graduation, as well as for achieving intermediate benchmarks. Dr. Purcell stated that in order for Arkansas to move forward, this could be a very important tool.

Beginning with FY02, the Oklahoma State Regents have allocated approximately \$2 million a year for funding tied to institutional performance on Brain Gain measures. These measures emphasize degree production, retention rates, and graduation rates. Oklahoma also used Improvement grants, Excellence grants, and Performance Funding measures. Some or all of these measures could be implemented in Arkansas.

In conclusion, nearly all economic growth and prosperity for individuals, families, cities, states, and the country, are now driven by college educated workers. Those with the most education are prospering, while those with the least education are experiencing relative and often absolute economic decline, stated Dr. Purcell.

David Leech asked if Oklahoma used new money or base funding for their performance funding. Dr. Purcell said that new money was used. He noted that if Arkansas uses performance funding, he would like to have a formula that looks at the institution's need and covers their cost. There would also be an additional fund that institutions can work toward.

Report of the Committees

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items 3-8, with the exception of the proposed Higher Education Bond Project for Rich Mountain. David Leech seconded the motion, and the Board unanimously approved.

Dr. Dan Grant presented the report of the Academic Committee and moved to adopt Agenda Items 9-18. Jodie Carter seconded the motion, and the Board unanimously approved.

Agenda Item No. 3 Adoption of Rules and Regulations Tax Credits for Contributions to Qualified Research Programs

Sections 3 and 4 of Act 759 of the 1985 General Assembly provide tax credits against a taxpayer's Arkansas corporate or individual income tax for contributions to institutions of higher education for the support of certain expenditures in qualified research programs. This agenda item presents for adoption of the rules governing the contributions for research portions of this legislation.

RESOLVED, That the Arkansas Higher Education Coordinating Board hereby adopts the proposed rules governing contributions to qualified research programs at qualified educational institutions as presented in this agenda item.

Steve Luelf asked if the tax credits were used by a lot of people. John Davidson stated that because the program is managed by ASTA, he didn't have that information. He noted that the Department of Higher Education only provided input regarding the rules.

Steve Luelf asked if the tax credit increase was aimed to encourage the use of the program. John Davidson answered yes.

Kaneaster Hodges moved to recommend Agenda Item No. 3 to the full Board for consideration. Bob Burns seconded, and the Committee unanimously approved.

Agenda Item No. 4
Economic Feasibility of Loan
Cossatot Community College of the University of Arkansas

Cossatot Community College of the University of Arkansas requests approval of a loan of \$2,000,000 with a term of 15 years at an annual interest rate not to exceed 3.2 percent. Proceeds will be used to complete renovations of the Ashdown Center, construct a facility for the agriculture program, and construct a Fine Arts classroom facility. The University of Arkansas's Board of Trustees approved the college's loan application on January 25, 2007.

The debt service on the loan will be supported by sales tax revenue and tuition and fee revenue. 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. 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 approves the loan from the College Savings Bond Revolving Loan Fund to Cossatot Community College of the University of Arkansas for \$2,000,000 with a term of 15 years at an annual interest rate not to exceed 3.2 percent to complete renovations of the Ashdown Center, construct a facility for the agriculture program, and construct a Fine Arts classroom facility.

David Leech questioned if the bonds had already been sold and why Cossatot's interest rate was so low. John Davidson stated that because this is a revolving loan program and not a bond, its interest rate is set based on the yield of the 1-year treasury note. He noted that the interest rate is locked in for 15 years.

Steve Luelf asked John Davidson to briefly explain the Revolving Loan fund. Davidson explained that in the early 1990's, the Revolving Loan fund was started with the remaining proceeds from the College Savings bonds. As a low cost

alternative, the funds would provide short term loans to colleges at low interest rates. Currently there is \$6 million in total assets, with a little over \$2 million remaining in cash. Davidson stated that this loan will almost deplete the cash supply. However, the funds will slowly be replenished as the loans are paid back.

Steve Luelf asked what was considered a small loan. John Davidson responded that a \$2 million loan is considered one of the larger loans. Luelf questioned if there was a lot of competition for the loans because of their low interest rates. Davidson said that there doesn't appear to be any. He explained that the loans are granted on a first come, first serve bases (pending approval). Luelf asked if there were any concerns with Cossatot depleting the cash funds. Davidson said that they weren't aware of any.

David Leech moved to recommend Agenda Item No. 4 to the full Board for consideration. Kaneaster Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 5
Proposed Changes to Higher Education
Bond Projects

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

Rich Mountain Community College

Renovation of College Facilities - **Renovation.** An amount up to \$1.05 million is provided for the renovation of current facilities to develop a one-stop Student Services Center and facility improvements for instruction. The student services center will include space for Admissions, Financial Aid, Assessment, Counseling and Advising Services, and Administrative support. Other facility improvements include the improvement of other instructional and college space for effective instruction as well as administrative services. This includes updating science labs for increased science and medical related instruction for existing classes and those associated with nursing.

Wickes Instructional Facility - **Purchase/Renovation.** An amount up to \$200,000 is provided for the purchase of property in Wickes. The purchase will include land and a building which will be renovated to provide classroom and office space to serve the student population in the Wickes community.

The project previously approved by the Coordinating Board for Rich Mountain Community College, construction of an Instructional Facility and Library, will be deleted and replaced by the two projects described above.

University of Arkansas - Fayetteville

Laboratory Facility - **Construction/Renovation.** An amount up to \$16 million is provided toward the construction of a laboratory facility that will emphasize nanoscience and technology research. Other critical laboratory needs may also be addressed through this new facility or renovation of existing space.

The project previously approved by the Coordinating Board for the University of Arkansas on February 2, 2007, an addition to Ozark Hall, will be replaced by the project described above.

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

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

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

David Leech asked if the Wicks facility was in Mena. John Davidson stated that it is not. It's approximately 30 miles south of Mena. Leech commented that if the Board approves the Wicks facility, they would essentially be establishing another site. Davidson stated that the Academic Committee would have to approve the off campus site, which has not yet occurred.

Steve Luelf asked John Davidson to explain the project that was previously approved by the Coordinating Board for the U of A on February 2, 2007. Davidson explained that it was an addition to Ozark Hall for classrooms and faculty offices. A Usage Study showed that there was a greater need for more laboratory space than classrooms.

After no objections from the audience, David Leech moved to table the Wickes Instructional Facility and recommend the renovation of college facilities in the amount of \$1.05 million for Rich Mountain Community College and the proposed Higher Education Bond Project for the University of Arkansas at Fayetteville to the full Board for consideration. Kaneaster Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 6
Economic Feasibility of Bond Issue
Arkansas Tech University

Arkansas Tech University requests approval of the economic feasibility of plans to issue bonds not to exceed \$3.3 million with a maximum term of up to 30 years at an estimated annual interest rate of five percent (5%). Proceeds from the bond issue will be used for educational & general (E&G) purposes. The Arkansas Tech University Board of Trustees approved this action at its meeting held on December 15, 2007.

The E & G issue will be approximately \$3.3 million with an annual debt service of \$213,642. Proceeds from the issue will be used to construct a physical plant facility and for various other capital improvements. Coordinating Board policy regarding debt service provides that a maximum of 25 percent of 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 Arkansas Tech University to issue bonds for approximately \$3.3 million with a term of 30 years at an estimated annual interest rate of 5% for E&G purposes.

FUTHER 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 Arkansas Tech University and the President of Arkansas Tech University of the Coordinating Board's resolution.

Steve Luelf asked how the interest rates for the bonds were determined and if they were influenced by the economy. Ashley Pettingill stated that the interest rates do fluctuate with the market.

David Leech questioned why ATU has a lower interest rate in Agenda Item No. 7. Ashley Pettingill stated that since it's time for those bonds to sell, the interest rate is locked in at 4.6 percent.

Kaneaster Hodges asked if the schools received different bond ratings. Ashley Pettingill stated that they do. Hodges asked that a list of the institution's bond ratings be provided to the Coordinating Board.

David Leech moved to recommend Agenda Item No. 6 to the full Board for consideration. Kaneaster Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 7
Economic Feasibility of Bond Issue
Arkansas Tech University

Arkansas Tech University (ATU) requests approval of the economic feasibility of plans to issue bonds totaling approximately \$2 million with a term of up to 30 years at an estimated annual interest rate of 4.6 percent. Proceeds from the bond issue will be used for auxiliary purposes. The Arkansas Tech University Board of Trustees approved the bond financing at its meeting on August 16, 2007.

The auxiliary issue will be approximately \$2 million with annual debt service of \$124,500. Proceeds from the issue will be used for costs associated with the Campus Courts student housing facility and for other critical housing maintenance. Coordinating Board policy regarding debt service for auxiliary projects provides that annual net auxiliary revenues should be no less than 120 percent of the total annual auxiliary debt service.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Arkansas Tech University to issue bonds for approximately \$2 million with a term of up to 30 years at an estimated annual interest rate of 4.6 percent for costs associated with the Campus Courts student housing facility, as requested by the institution.

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

Kaneaster Hodges moved to recommend Agenda Item No. 7 to the full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Kaneaster Hodges asked what the bond issue would be used for. Ashley Pettingill explained that it would be used for cost associated with the Campus Courts student housing facility and other critical housing maintenance Hodges asked if the resolution's could be more specific when stating what the bond's will be used for.

Agenda Item No. 8
Economic Feasibility of Bond Issue
National Park Community College

National Park Community College requests approval of the economic feasibility of plans to issue bonds not to exceed \$3.8 million with a maximum term of up to 30 years at an estimated annual interest rate of 4.75 percent. Proceeds from the bond issue will be used for educational & general (E&G) purposes. The National Park Community College Board of Trustees approved this action at its meeting held on November 8, 2007.

The E&G issue will be approximately \$3.8 million with an annual debt service of \$265,000. Proceeds from the issue will be used to construct a new Nursing and Health Services Building. Coordinating Board policy regarding debt service provides that a maximum of 25 percent of 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 National Park Community College to issue bonds for approximately \$3.8 million with a term of 30 years at an estimated annual interest rate of 4.75 percent for E&G purposes.

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

Kaneaster Hodges moved to recommend Agenda Item No. 8 to the full Board for consideration. David Leech seconded, and the Committee unanimously approved.

Kaneaster Hodges commented that an institutional representative needed to be present at the Board meetings to answer any questions that may come up regarding their agenda item.

Steve Luelf asked that future Agenda items state whether or not they are recommended by ADHE staff.

Agenda Item No. 9
Associate of Applied Science
In Emergency Administration and Management
Southeast Arkansas College

The administration and Board of Trustees of Southeast Arkansas College (SEARK) seek approval to offer the Associate of Applied Science in Emergency

Administration and Management, effective Fall 2008. SEARK is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The SEARK Board of Trustees approved the program proposal on September 12, 2007.

The proposed degree is designed to prepare students for careers in the public or private sector in disaster and emergency preparedness within law enforcement, government, fire service, and private industry. The program is 62 semester credit hours and includes a minimum of 18 hours in emergency administration and management, covering topics in crisis management, criminal justice, terrorism, and emergency medical technology.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science degree in Emergency Administration and Management (CIP 43.9999) at Southeast Arkansas College, effective Fall 2008.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of Southeast Arkansas College of this approval.

Agenda Item No. 10
Technical Certificate in Early Childhood Education
Ozarka College

The administration and Board of Trustees of Ozarka College request approval to offer the Technical Certificate in Early Childhood Education, effective Spring 2008. Ozarka College is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The Ozarka College Board of Trustees approved the program proposal on September 21, 2006.

The proposed 30-semester credit hour program includes coursework designed to prepare students to become child care workers through training in first aid, nutrition, child development, and program operation. Students seeking this certificate also will be required to complete 400 contact hours in a childcare facility. All courses required for the proposed certificate currently are offered by the College. Program graduates would meet the academic requirements established by the Council for Early Childhood Professional Recognition for the Child Development Associate (CDA) credential. Ozarka College currently offers a Certificate of Proficiency in Early Childhood Development.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Early Childhood Education (CIP 13.1210) at Ozarka College, effective Spring 2008.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of Ozarka College of this approval.

Dr. Dan Grant asked the difference between a Technical Certificate in Early Childhood Education and a Certificate in Early Childhood Education. Alana Boles stated that the Certificate in Proficiency requires less hours than the Technical Certificate.

Agenda Item No. 11
Associate of Fine Arts in Music
Arkansas State University – Beebe

The administration and Board of Trustees of the Arkansas State University System (ASU) request approval for Arkansas State University—Beebe (ASUB) to offer the Associate of Fine Arts in Music effective Fall 2008. ASUB is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The ASU Board of Trustees approved the program proposal on September 7, 2007.

The proposed program is designed for students who plan to earn a bachelor's degree in music. Students would take a portion of the general education they need for a bachelor's degree and also begin applied music and music theory courses and then be ready to transition directly to their junior year after earning the associate degree. ASUB is working with Henderson State University, Harding University, Arkansas Tech University and Arkansas State University—Jonesboro to obtain program articulation agreements that would allow students the option of transferring to pursue a bachelor's degree in music.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Fine Arts in Music (CIP 50.0901) at Arkansas State University—Beebe, effective Fall 2008.

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

Jodie Carter commented that he thought ASU-Beebe already had an articulation agreement with Henderson State University and ASU – Jonesboro. Alana Boles stated that although the Arkansas Course Transfer System (ACTS) deals with general education courses, this particular articulation agreement will only deal with this specific Associate degree.

Dr. Dan Grant asked how the negotiations are going. Alana Boles stated that the agreements are complete with HSU and Harding. Negotiations with ATU – Jonesboro are close to being complete.

Agenda Item No. 12
Bachelor of Arts in Studio Art
University of Arkansas at Fort Smith

The administration and Board of Trustees of the University of Arkansas System (UA) seek approval for the University of Arkansas at Fort Smith (UAFS) to offer the Bachelor of Arts in Studio Art, effective Fall 2008. UAFS is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The UA Board of Trustees approved the program proposal on November 16, 2007.

The proposed degree will provide students with knowledge and training in the visual arts of photography, painting, drawing, and printmaking. The students will focus their upper-level studies in studio art classes, studying the fundamentals of different types of art. UAFS currently offers a Bachelor of Science in Graphic Design and the first two years of the degree are similar. The studio art program is broader than the graphic design program that focuses on art in a non-commercial manner.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Arts in Studio Art (CIP 50.0701) at University of Arkansas at Fort Smith, effective Fall 2008.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of University of Arkansas System, and the Chancellor of the University of Arkansas at Fort Smith of the approval.

Agenda Item No. 13
Bachelor of Arts in Theater
University of Arkansas at Fort Smith

The administration and Board of Trustees of the University of Arkansas System (UA) seek approval for the University of Arkansas at Fort Smith (UAFS) to offer the Bachelor of Arts in Theatre effective Fall 2008. UAFS is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope established for the institution. The UA Board of Trustees approved the program proposal on November 16, 2007.

The proposed program is 126 semester credit hours and has two tracks in acting/directing and design/production. The students are given a broad education about theatre, through the study of auditioning, stagecraft, dance, directing, and theatre history. Participation in campus dramatic productions both in performing as well as technical and design processes is required. Students pursuing the degree will be equipped to use theatrical training and skills to work in areas such as broadcasting, education, and media production.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Arts in Theatre (CIP 50.0501) at the University of Arkansas at Fort Smith, effective Fall 2008.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the President and Chair of the Board of Trustees of University of Arkansas System, and the Chancellor of the University of Arkansas at Fort Smith of this approval.

Agenda Item No. 14
Bachelor of Science in Organizational Leadership
University of Arkansas at Fort Smith

The administration and Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Fort Smith to offer the Bachelor of Science in Organizational Leadership, effective Fall 2008. UAFS is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope of the institution. The UA Board of Trustees approved the proposal on November 16, 2007.

The proposed 124-semester credit hour bachelor's degree is designed for working adults. Enrollment will be limited to students with the Associate of Arts, Associate of General Studies, and Associate of Applied Science degrees. The program prepares students to become effective organizational leaders in the

workplace, and provides the knowledge and skills necessary for a broad range of organizational and supervisory positions.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Bachelor of Science in Organizational Leadership (CIP 30.9999) at the University of Arkansas at Fort Smith, effective Fall 2008.

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

Jodie Carter asked what the minimal enrollment was. Dr. Ray Wallace, UAFS Vice Chancellor for Academic Affairs/Provost, explained that after extensive research, ten companies have committed to using the Bachelor of Science in Organizational Leadership as a recommendation for employment. Dr. Wallace stated that due to the non-traditional approaches used to accommodate non-traditional students, they are anticipating the maximum enrollment of 20.

Dr. Joe Bennett asked if UAFS anticipated other institutions duplicating this program like HSU. Dr. Mitchell stated that it's possible, because every institution will be looking for creative ways to graduate as many students as possible.

Agenda Item No. 15
Master of Science in Taxation
University of Arkansas at Little Rock

The administration and the Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Little Rock (UALR) to offer the Master of Science in Taxation (MS) degree program, beginning Summer 2008. UALR is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope of the institution. The UALR College of Business is accredited by the Association to Advance Collegiate Schools of Business (AACSB International). The UA Board of Trustees will consider the program proposal on January 25, 2008.

The Master of Science in Taxation is a 30-semester credit hour degree program designed to prepare students for careers as professional tax advisors for business, financial, industrial, governmental, and nonprofit organizations. The proposed program builds upon the existing Graduate Certificate in Taxation. The balance of the MS degree will consist of existing courses in accounting, business

and law. The MS in combination with the bachelor's degree in accounting may fulfill the 150 credit hours of education required to take the Uniform Certified Public Accountant (CPA) examination in the state of Arkansas.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Master of Science in Taxation (CIP 52.1601) at the University of Arkansas at Little Rock, effective February 1, 2008.

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

Dr. Dan Grant asked if a thesis is required for this program. Jeanne Jones stated that a thesis is not required.

Jodie Carter questioned the use of adjunct faculty for this program. Jeanne Jones stated allowing the adjunct faculty to coordinate and supervise students, cuts the program cost significantly.

Agenda Item No. 16
Master of Accountancy
University of Arkansas at Little Rock

The administration and the Board of Trustees of the University of Arkansas System (UA) request approval for the University of Arkansas at Little Rock (UALR) to offer the Master of Accountancy, beginning Summer 2008. UALR is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and the proposed program is within the role and scope of the institution. The UALR College of Business is accredited by the Association to Advance Collegiate Schools of Business (AACSB International). The UA Board of Trustees will consider the program proposal on January 25, 2008.

The Master of Accountancy is designed to meet the needs of individuals currently working in the profession who wish to obtain an advanced accounting degree. Coursework for the proposed 30-semester credit hour degree program also will satisfy the requirement of upper-level accounting courses required to take the Uniform Certified Public Accountant (CPA) Examination. The proposed program builds on the existing Graduate Certificate in Accountancy.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Master of Accountancy (CIP 52.0301) at the University of Arkansas at Little Rock effective February 1, 2008.

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

Dr. Dan Grant asked if the University of Phoenix had higher standards since they require 36 credit hours for this same program and UALR only requires 30. Jeanne Jones stated that both programs meet the 30 hour minimal requirements for this program. Dr. Robert Levi, UALR Department Chair of Accounting, stated that UALR is trying to be consistent with their other Masters programs, which require 30 hours.

Dr. Charles Allen asked if Master's programs typically require a thesis. Dr. Grant answered that it is the traditional approach. Dr. Allen questioned if not requiring a thesis would be considered watering down the program. Dr. Levi stated that the lack of a thesis has not been an issue. He noted that UALR's efforts are to level the playing field in this competitive world, for their students.

Agenda Item No. 17
Doctor of Physical Therapy
Arkansas State University – Jonesboro

The administration and the Board of Trustees of the Arkansas State University System request approval for Arkansas State University—Jonesboro (ASUJ) to offer the Doctor of Physical Therapy (DPT), effective Fall 2008. ASUJ is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The master's degree in physical therapy is accredited by the Commission on Accreditation in Physical Therapy Education (CAPTE). The proposed program is within the role and scope of the institution. The ASU Board of Trustees approved the proposal on September 7, 2007.

The Doctor of Physical Therapy completes the program evolution that began in 1991 with the Coordinating Board's approval of the baccalaureate degree in physical therapy and subsequent approval of the Master of Physical Therapy (MPT) in 2000. Because the DPT has become the preferred entry-level degree for the physical therapy profession, the proposed degree is designed to meet the new CAPTE standards for continued program accreditation.

RESOLVED, that the Arkansas Higher Education Coordinating Board approves the Doctor of Physical Therapy (CIP 51.2308) at Arkansas State University—Jonesboro effective Fall 2008.

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

Dr. Dan Grant and Jodie Carter commended ASU for recruiting students from the Delta area. Jeanne Jones stated that feedback shows that students from the Delta area that receive this degree, are being hired.

Agenda Item No. 18
Institutional Certification Advisory Committee
Resolutions

The Institutional Certification Advisory Committee (ICAC) met on January 8, 2008. The following resolutions are presented for Coordinating Board consideration.

Embry-Riddle Aeronautical University, Little Rock Air Force Base

**Recertification
Initial Certification**

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Embry-Riddle Aeronautical University, Little Rock Air Force Base, to offer the following degree programs to Arkansas citizens: Associate of Science in Professional Aeronautics, Bachelor of Science in Professional Aeronautics, Bachelor of Science in Technical Management, and Master of Aeronautical Science. The recertification is for a period of five years and expires on February 1, 2013.

FURTHER RESOLVED, That the Arkansas Higher Education Coordinating Board grants initial program certification to Embry-Riddle Aeronautical University, Little Rock Air Force Base, to offer the Associate of Science in Technical Management to Arkansas citizens. The initial certification is for a period of two years and expires on February 1, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Embry-Riddle Aeronautical University, Daytona Beach, Florida, that the 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 program in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Embry-Riddle Aeronautical University, Little Rock Air Force Base, 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—Online, Phoenix, Arizona

Initial Certification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program certification to the University of Phoenix—Online to offer the Master of Science in Accountancy degree program to Arkansas citizens. The certification is for a period of two years and expires on February 1, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of the University of Phoenix, Phoenix, Arizona, that the certification of the degree program requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of the University of Phoenix—Online 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 statements:

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

Regis University—Online, Denver, Colorado

Initial Certification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Regis University to offer the Bachelor of Science in Business Technology Management to Arkansas citizens. The certification is for a period of two years and expires on February 1, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Regis University, Denver, Colorado, that recertification of the degree program requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

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

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

Walden University, Minneapolis, Minnesota

Initial Certification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Walden University to offer the following online degree programs to Arkansas citizens:

Bachelor of Science in Business Administration, Master of Business Administration, Master of Public Administration, Doctor of Philosophy in Applied Management and Decision Sciences, and Doctor of Philosophy in Public Policy and Administration. The certification is for a period of two years and expires on February 1, 2010.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Walden University, Minneapolis, Minnesota, that the initial certification of these degree programs requires the institution to notify the Arkansas Department of Higher Education whenever any of the following occurs: (1) major reorganization of the controlling body; (2) changes in the charter or incorporation documents of the institution; or (3) changes in the method of operation of the institution's programs in Arkansas.

FURTHER RESOLVED, That the Coordinating Board instructs the Director to notify the administration of Walden University 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 statements:

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.

The Institutional Certification Advisory Committee (ICAC) Report begins on page 18-5 of the Agenda book.

Agenda Item No. 19 Existing Program Review Report

To assist the Arkansas Higher Education Coordinating Board in the orderly development and expansion of higher education in Arkansas, the Arkansas Department of Higher Education (ADHE) has responsibility for the review of existing programs of higher education. (Arkansas Code §6-61-304)

In 1998, the Coordinating Board approved the program review plan for each institution that includes a 10-year program review schedule. ADHE has received the institutional reports for programs reviewed during the latest two-year review cycle.

Because this is the end of the 10-year review cycle, ADHE staff will meet with the Chief Academic Officers over the next few months to consider changes to the

institutional review plans and the program review process. Any modifications to the plans and the review process will be presented for Coordinating Board approval. Each institution also will submit a new 10-year program review schedule.

Public Hearing

Chairman Trammel declared the meeting a public hearing for the revision of rules and regulations to the Minority Teacher Scholars and the Minority Masters Fellows programs. He called on Tara Smith to present the information.

Agenda Item No. 20 Minority Teacher Scholars Program Rules and Regulations (Revised)

The proposed revisions to the rules and regulations of the Minority Teacher Scholars Program include deleting the use of the term scholarship and using forgivable loan so not to mislead or confuse applicants about the true nature of this program. The revisions include an addition of the Race/Ethnic classifications utilized by the Integrated Postsecondary Education Data System (IPEDS). In order for the forgiveness policy of the rules that govern this program to stay updated with the current subject shortage areas of the State, the proposed revisions also include changing the current subject list to the critical subject shortage area list published by the Arkansas Department of Education.

General technical changes are proposed to the loan collection section of the rules in order to improve the administrative procedures and also to abide by Amendment 80 of the Arkansas Constitution.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Minority Teacher Scholars Program, to be administered by the Arkansas Department of Higher Education.

FURTHER RESOLVED, That, by the adoption of these rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or his designee is authorized to promulgate these rules and regulations and to implement them for the spring 2008 semester of the academic year.

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

Agenda Item No. 21
Minority Masters Fellows Program
Rules and Regulations (Revised)

The proposed revisions to the rules and regulations of the Minority Masters Fellows Scholars Program include deleting the use of the term scholarship and using forgivable loan so not to mislead or confuse applicants about the true nature of this program. The revisions include an addition of the Race/Ethnic classifications utilized by the Integrated Postsecondary Education Data System (IPEDS). Proposed revisions allow an applicant pursuing a master's degree in any teacher education field other than administration to be eligible for this program.

Feedback has shown that many students have not been eligible for this program because of the requirement to be a recipient of the Minority Teacher Scholars Program (MTSP). Many students did not have the opportunity to participate in the MTSP because he or she was unaware of the program. In order to address this problem, the proposed revisions delete the requirement of being a Minority Teacher Scholars recipient in order to be eligible for the Minority Masters Fellows Program. Many recipients of this program are full-time teachers, therefore, the revisions also allows Minority Masters Fellows recipients to be a part-time student during fall, spring or summer terms.

General technical changes are proposed to the loan collection section of the rules in order to improve the administrative procedures and also to abide by Amendment 80 of the Arkansas Constitution.

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Minority Masters Fellows Program, to be administered by the Arkansas Department of Higher Education.

FURTHER RESOLVED, That, by the adoption of these rules and regulations presented in this agenda item, the Director of the Arkansas Department of Higher Education or his designee is authorized to promulgate these rules and regulations and to implement them for the spring 2008 semester of the academic year.

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

Agenda Item No. 22
Annual Report on First-Year Student Remediation

Since 1988, all entering first-year students seeking an associate degree or higher from an Arkansas public college or university must meet AHECB assessment and placement standards in the disciplines of English, mathematics, and reading. A cut-off subscore of 19 on the ACT exam (or the equivalent on the ASSET, SAT, or COMPASS tests) is used for each of the three areas. Tables 22-A and 22-B offer a general overview of remediation in Arkansas public higher education, while Tables 22-C, 22-D, and 22-E provide institutional detail by discipline for fall terms 2005 through 2007. In all tables, remedial data are based on students who meet two criteria: not meeting the board's cut-off score and being assigned to developmental-level coursework.

In fall 2007, Arkansas's public institutions enrolled 22,347 first-time students. Of this total, 2,631 entering students were not required to be tested because they pursued coursework in certificate-level programs or were non-degree-seeking.

Agenda Item No. 23
Annual Enrollment Report

Christina Miller presented summary and detailed information about annual enrollment. She noted the total, on-schedule enrollment for fall 2007 in all sectors of Arkansas higher education (public universities, public colleges, and independent colleges and universities) was 150,024 students; representing a 1-year increase of students (3.2 percent).

On-campus, on-schedule enrollment for fall 2007 in all sectors of Arkansas higher education was 135,000 students; representing a 1-year increase of students (2.2 percent).

Agenda Item No. 24
Approval of Reimbursement of Expenses for Members
of the Higher Education Coordinating Board and
Institutional Certification Advisory Committee

Although members of the Arkansas Higher Education Coordinating Board and its Institutional Certification Advisory Committee (ICAC) by law serve without compensation, they may receive expense reimbursement for performing official board duties after following certain procedures set out by Act 1211 of 1995 (A.C.A. §25-16-901 et seq.).

Because Act 1211 of 1995 (A.C.A. §25-16-901 et seq.) is the sole authority for expense reimbursement, it is necessary for the Coordinating Board to adopt a

resolution authorizing expense reimbursement for board members and members of the ICAC.

RESOLVED, That the Arkansas Higher Education Coordinating Board, by a majority vote of its total membership, authorizes expense reimbursement for each board member and member of the ICAC for performing official board duties.

FURTHER RESOLVED, That the expense reimbursement shall not exceed the rate established for state employees by state travel regulations.

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

The Department of Higher Education received notice from institutions on 63 programs not requiring Board approval.

Notification was received on 17 items requiring Board approval.

During this period, the Institutional Certification Advisory Committee received notice of requests for 131 degree programs. The program notice list appears in the Letters of Notification on pages 25-1 through 25-5 and in the Letters on Intent on pages 26-1 through 26-6 of the agenda book.

Chairman Trammel opened the floor for public comments. With no comments, he announced that the next Coordinating Board meeting would be hosted by the University of Arkansas Division of Agriculture at the Lon Mann Cotton Research Station in Marianna. The Annual Trustee Conference would be February 19, 2008 at the Wyndham Riverfront Hotel in North Little Rock.

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

Nichole Abernathy

APPROVED:

Dr. Lynda Johnson, Secretary