

**ARKANSAS HIGHER EDUCATION COORDINATING BOARD  
Regular Quarterly Meeting  
January 27, 2017**

**Minutes of Meeting**

The January 27, 2017, regular meeting of the Arkansas Higher Education Coordinating Board (AHECB) was held at Southern Arkansas University in Magnolia. Chairman Crafton called the meeting to order at 8:30 a.m. with a quorum present.

Coordinating Board present:

Bob Crafton, Chair  
Sherrel Johnson, Vice Chair  
Chris Gilliam, Secretary  
Dr. Charles Allen  
Dr. Jim Carr  
Dr. Olin Cook  
Florine Milligan  
Ben Pickard  
Greg Revels  
Dr. Michael Stanton  
Jim von Grep

Coordinating Board absent:

Sam Sicard

Department staff present:

Dr. Maria Markham, Director  
Tara Smith, Deputy Director  
Dr. Marla Strecker, Senior Associate Director for Academic Affairs/Research & Analytics  
Ann Clemmer, Senior Associate Director for Governmental Relations  
Nichole Abernathy, Executive Assistant

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

Chairman Crafton introduced Dr. Trey Berry, President of Southern Arkansas University in Magnolia (SAUM), for a welcome. Berry began by thanking everyone for coming to SAUM. He then introduced the new Chancellor for Southern Arkansas University Tech, Dr. Jason Morrison.

Chairman Crafton thanked Dr. Berry for his welcome.

Agenda Item No. 1  
Approval of Minutes

Greg Revels moved to approve Agenda Item No. 1. Ben Pickard seconded the motion and the Board unanimously approved.

Agenda Item No. 2  
Report of Nominating Committee

The Nominating Committee (Chair, Dr. Jim Carr, Dr. Michael Stanton and Sam Sicard) recommended the following slate of Board officers for 2017-18 (Dr. Michael Stanton as Secretary, Dr. Jim Carr as Vice Chair and Sherrel Johnson as Chair).

Bob Crafton moved to accept the 2017-2018 nominations. Chris Gilliam seconded the motion and the Board unanimously approved.

Agenda Item No. 3  
State Board of Higher Education Foundation  
Election of Supervisory Committee

The State Board of Higher Education Foundation was established on May 2, 1992. The Board for the Foundation includes three annually elected members: a president, a vice president and a secretary/treasurer. The Foundation was established in order to accept private funds for specific projects for the benefit of higher education in Arkansas. The current officers are:

President – Bob Crafton  
Vice President – Dr. Charles Allen  
Secretary/Treasurer – Dr. Jim Carr

The terms for these members have lapsed, requiring a re-election or new appointments.

The following resolution is presented for Board consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board approves and elects members to serve as the State Board of Higher Education Foundation Supervisory Committee as follows:

Greg Revels – President  
Dr. Olin Cook – Vice President  
Chris Gilliam – Secretary/Treasurer

Bob Crafton moved to approve Agenda Item No. 3. Dr. Charles Allen seconded the motion and the Board unanimously approved.

Agenda Item No. 4  
Reimbursement of Expenses for  
Members of the AHECB and ICAC

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.).

**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.

**FURTHER RESOLVED**, That the Coordinating Board instructs the Director of the Department of Higher Education to send a copy of this resolution to the Department of Finance and Administration to notify that agency of compliance with Act 1211 of 1995.

Greg Revels moved to approve Agenda Item No. 4. Ben Pickard seconded the motion and the Board unanimously approved.

#### Agenda Item No. 5 Director's Report

##### *ADHE Staff Changes*

Dr. Markham began by announcing several ADHE staff changes. Financial Aid Manager Elyse Price retired on January 1, after 19 years with the department. Jonathan Coleman was promoted to financial aid manger. Jake Eddington was transferred from the Institutional Finance department to the Research and Analytics department. Senior Associate Director for Finance Harold Criswell retired after 38 years of state government. Criswell has been with ADHE for nine years. Tara Smith transferred to the Director's Office and now serves as the deputy director. Ann Clemmer now serves as the senior associate director for governmental relations and special projects and Dr. Marla Strecker will now serve as senior associate director over research and analytics and academic affairs.

##### *Institutional Leadership*

Dr. Houston D. Davis joined the University of Central Arkansas (UCA) as president from Kennesaw State University where he served as interim president. Davis served as the executive vice chancellor and chief academic officer at the University System of Georgia, vice chancellor for academic affairs at Oklahoma State Regents for Higher Education, project director and principal investigator for the National Educational Needs Project, associate vice chancellor for academic affairs at the Tennessee Board of Regents and associate vice president for academic affairs and assistant professor at Austin Peay State University.

Dr. Jason Morrison has been selected chancellor of Southern Arkansas University Tech. Morrison previously served as vice president for academic affairs at Carl Albert State College in Oklahoma. He also served on the LeFlore County Youth Service board, the LeFlore County Historical Society board, and was a member of Rotary International. Prior to his service in LeFlore County, Morrison served in Leadership Columbus, Optimist International, as Altus Chamber Ambassador, and on the Committee of 100, a committee dedicated to efforts of creating a joint relationship with the Altus, Oklahoma community and Altus Air Force Base.

#### *Productivity Funding Model Overview*

Dr. Markham provided an update on the development of the Productivity Funding Model. She discussed the framework for which funding recommendations would be made under the new productivity funding model and reiterated how each of the metrics proposed in the funding model support the goals of Arkansas's master plan, Closing the Gap 2020: A Master Plan for Arkansas Higher Education. She also provided several examples of how a student would earn productivity points in the model for the institution(s) they attended.

#### *The Arkansas Future Grant*

Dr. Markham said the Arkansas Future Grant (ArFuture) would pay two years of tuition and mandatory fees of Arkansas community college and technical students who are studying for high-wage, high-demand fields such as computer science and welding. This will result in 50% more students than the current Workforce Improvement Grant (WIG) and GO! Opportunity Grant Programs, said Markham. The ArFuture serves students who do not qualify for Pell and may otherwise need student loans to pay for college. The ArFuture is a "Last Dollar" Scholarship that pays Tuition & Fees not already covered by a student's financial aid package. Funding for the grant will come from the repeal of the WIG and GO! Programs.

### Agenda Item No. 6 Annual Higher Education Financial Condition Report

Tara Smith presented the Annual Higher Education Financial Condition Report. The purpose of this report was to describe the financial condition as well as the difficulties and challenges experienced by Arkansas's Public Institutions of Higher Education. These difficulties and challenges have been brought on by a number of competing, and often conflicting demands: fluctuations in enrollments; lagging, and even declining, state support; increasing public and political pressure to hold tuition down; underprepared students; and students who come to college with the expectations of new amenities and programs from the institutions.

Smith stated that funding for higher education has been relatively flat. With no growth in state support, institutions have implemented several cost saving initiatives in order to help keep tuition and fees increases at a minimum. Even with these cost saving measures, four-year institutions found it necessary to increase

tuition and fees on average by 5.4 percent and two-year colleges by 3.6 percent for fiscal year 2016-17.

Sherrel Johnson asked which institutions, if any, are merging with the Arkansas State University System. Tara Smith said Pulaski Technical College and Rich Mountain Community College.

Greg Revels stated that the scholarship chart did not include the Pell Grant recipients. Smith said that is correct.

Agenda Item No. 7  
Economic Feasibility of Loan Issue  
University of Arkansas at Little Rock

The University of Arkansas at Little Rock requests approval of the economic feasibility of plans to obtain a loan not to exceed \$2.0 million with a term of up to ten (10) years at an expected annual interest rate of 0.0 percent. Proceeds from the loan will be used for educational and general purposes. The University of Arkansas Board of Trustees approved this financing at its meeting on November 11, 2016.

Any proceeds from loans that require AHECB approval, are used for the purchase or construction of new facilities, and result in additional square footage are subject to the AHECB maintenance policy as adopted in October of 2010. The projects contemplated herein do not provide additional square footage to the campus.

**RESOLVED,** That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas at Little Rock to obtain a loan not to exceed \$2.0 million with a term of up to ten (10) years at an expected annual interest rate of 0.0 percent to complete energy efficient upgrades by expanding the campus-wide heated and chilled water loops.

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

There were no questions.

Agenda Item No. 8  
Economic Feasibility of Bond Issue  
University of Arkansas at Monticello

The University of Arkansas at Monticello requests approval of the economic feasibility of plans to issue bonds not to exceed \$14.5 million with a term of twenty-

five (25) years at an annual interest rate not to exceed 6.0 percent. Proceeds from the bond issue will be used for educational and general (E&G) and auxiliary purposes.

The projects of the auxiliary issue for the construction of the UAM Bookstore and retail food service provide additional square footage as follows: 5,300 sq. ft. for the UAM Bookstore and 3,200 sq. ft. for the retail food service. Therefore, based on an estimate of 8,500 new square footage for all auxiliary projects, \$10,625 will be transferred annually.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas at Monticello to issue bonds in an amount not to exceed \$14.5 million with a term of twenty-five (25) years at an estimated interest rate not to exceed 6.0 percent for educational and general purposes to fund the construction of a new Student Success Center needed for academic advising, career advising, counseling, testing, and enrollment services. The bond issue will also fund other E&G projects, such as a new Police Station for the Monticello campus, a new Workforce Building on the Crossett campus, various ADA upgrades, roof repairs, and other critical maintenance needs for the Monticello campus. The auxiliary purposes will be to renovate Horsfall Hall, to construct space for the relocation of the UAM Bookstore and to provide space for retail food service, which will also be housed in the new Student Success Center.

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

There were no questions.

Greg Revels moved to recommend the approval of Agenda Item No. 8 to the full Board for consideration. Sherrel Johnson seconded and the Committee approved.

Agenda Item No. 9  
Economic Feasibility of Bond Issue  
Southern Arkansas University

Southern Arkansas University requests approval of the economic feasibility of plans to issue bonds not to exceed \$8.0 million with a term of thirty (30) years at an annual interest rate not to exceed 4.50 percent. Proceeds from the bond issue will be used for auxiliary purposes. The Southern Arkansas University Board of Trustees approved this financing at its meeting on October 13, 2016.

In accordance with board policy, Southern Arkansas University will sustain a building maintenance fund to be supported by auxiliary revenue. These funds will be held in a separate account for the maintenance of the new facilities by transferring annually to plant funds based on the Association of Physical Plant Administrators (APPA) of Universities and Colleges recommendation. The current APPA recommendation is \$1.25 per gross square foot for auxiliary facilities. Based on a total of approximately 24,376 new square feet, \$30,470 will be transferred annually.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for Southern Arkansas University to issue bonds in an amount not to exceed \$8.0 million with a term of thirty (30) years at an estimated interest rate not to exceed 4.50 percent for auxiliary purposes to renovate and repurpose an existing building into a living/learning community style residence hall, and to construct and equip an additional residence hall, and other related auxiliary projects.

**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 Southern Arkansas University of the Coordinating Board's resolution.

There were no questions.

Chris Gilliam moved to recommend the approval of Agenda Item No. 9 to the full Board for consideration. Dr. Charles Allen seconded and the Committee approved.

Agenda Item No. 10  
Certificate of Proficiency, Technical Certificate  
Associate of Applied Science in Programming  
Arkansas State University Mountain Home

The Certificate of Proficiency, Technical Certificate, and Associate of Applied Science in Programming/Mobile Development will train students in the growing field of computer programming. The proposed programs are a collaborative effort among local business and industry, area high schools, the ASUMH Secondary Center, and the ASUMH School of Business and Technology. Graduates will have the necessary technical and soft skills to work as entry level computer programmers. In addition, the proposed programs will support efforts on the state level to increase coding and programming offerings on the secondary level by providing a pathway for students to continue their education in the computer programming field upon graduation from high school. These proposed degrees would be an asset to ASUMH's existing Web Development and Mechatronics programs. ASUMH has received \$358,258 from a Regional Workforce Implementation Grant to fund the first two years of the programs. The grant funds will be used for faculty salaries, travel, training and/or supplemental educational

opportunities, and equipment. ASUMH will have the opportunity to apply for a continuation grant that would extend funding to July 30, 2020. However, if the continuation grant is not funded, ASUMH will provide continued support for the programs through its normal budget process.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board approves the Certificate of Proficiency, Technical Certificate, and Associate of Applied Science in Programming/Mobile Development (CIP 11.0202; Certificate of Proficiency 12 credit hours; Technical Certificate 33 credit hours; and Associate of Applied Science 60 credit hours) offered by Arkansas State University Mountain Home, effective Fall 2017.

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

There were no questions.

Agenda Item No. 11  
Master of Business Administration  
Arkansas Tech University

The Master of Business Administration (MBA) is an online graduate level business degree. The proposed program focuses on executive decision making; is information-analysis oriented; and, the use of data and other information in making managerial business decisions. Graduates with an MBA can work in all fields of business. ATU currently has a Master of Science in Business Administration (MSBA) that will be phased out once the last student in the program has graduated. The MSBA was implemented for non-business majors; whereas, the MBA is specifically designed for business majors. The following existing ATU programs: Bachelor of Science in Business Administration in Accounting, Business Data Analytics, Economics and Finance, and Management and Marketing, along with the Bachelor of Science in Business Education will provide a pipeline of students for the proposed MBA.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board approves the Master of Business Administration (CIP 52.0201; 30 credit hours) offered by Arkansas Tech University, effective Fall 2017.

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



Dr. Jim Carr asked if this program was completely online. Dr. Strecker said, yes.

Agenda Item No. 12  
Off Campus Instruction Center  
NorthWest Arkansas Community College

The administration and Board of Trustees of NorthWest Arkansas Community College (NWACC) request Arkansas Higher Education Coordinating Board (AHECB) recognition of an off-campus location, to be called Brightwater: A Center for the Study of Food, beginning Spring 2017 with full implementation by Fall 2017. NWACC is requesting Coordinating Board approval to offer the following existing culinary arts and hospitality management programs: Associate of Applied Science in Food Studies: Emphasis in Culinary Arts, Emphasis in Beverage Arts, Emphasis in Baking and Pastry Arts, Emphasis in Artisanal Food; Technical Certificate in Culinary Arts; Technical Certificate in Baking and Pastry Arts; Technical Certificate in Artisanal Food; Technical Certificate in Beverage Arts; Certificate of Proficiency in Culinary Arts; Certificate of Proficiency in Baking and Pastry Arts; Certificate of Proficiency in Artisanal Food; and Certificate of Proficiency in Beverage Arts. NWACC has submitted the Substantive Change Process form to the Higher Learning Commission (HLC) for a new off-campus location. HLC approval is pending AHECB approval.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board (AHECB) approves the establishment of Brightwater: A Center for the Study of Food, and the offering of the Associate of Applied Science in Food Studies: Emphasis in Culinary Arts, Emphasis in Beverage Arts, Emphasis in Baking and Pastry Arts, Emphasis in Artisanal Food; Technical Certificate in Culinary Arts; Technical Certificate in Baking and Pastry Arts; Technical Certificate in Artisanal Food; Technical Certificate in Beverage Arts; Certificate of Proficiency in Culinary Arts; Certificate of Proficiency in Baking and Pastry Arts; Certificate of Proficiency in Artisanal Food; and Certificate of Proficiency in Beverage Arts, contingent on approval of off-campus center by the Higher Learning Commission.

**FURTHER RESOLVED**, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education (ADHE) to inform the President and Chair of the Board of Trustees of NorthWest Arkansas Community College of the approval.

Dr. Strecker noted an error in the Agenda Book regarding the \$14,000 payment.

Sherrel Johnson asked if Brightwater was an existing facility. Dr. Strecker said, yes.

Agenda Item No. 13  
Institutional Certification Advisory Committee

**Initial Program Certification-Distance Technology**

**RESOLVED**, That pursuant to ACA §6-61-301, the Arkansas Higher Education Coordinating Board grants initial certification to the institutions listed on pages 1-2 to offer the specified degree programs to Arkansas residents for a period of three years through December 31, 2020.

**FURTHER RESOLVED**, That the Director of the Arkansas Department of Higher Education is authorized to notify the administration of said institutions 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 said institutions 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.

Everest University, Tampa, Florida  
University of Southern California, Los Angeles, California

There were no questions.

Florine Milligan moved to recommend Agenda Items No. 10 - 13 to the full Board for consideration. Dr. Michael Stanton seconded and the Committee approved.

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

The Director of the Arkansas Department of Higher Education approved institutional requests for new programs not requiring Board action unless further review is requested by the Board. During this period, the Institutional Certification Advisory Committee received notice of requests from out-of-state institutions to

offer degree programs to Arkansas residents. The program notice lists appear in the Letters of Notification on pages 14-1 through 14-46 and in the Letters of Intent on pages 15-1 through 15-11 of the agenda book.

#### Report of the Committees

Greg Revels presented the report of the Finance Committee and moved approval of Agenda Items 7 - 9. The board approved.

Dr. Olin Cook presented the report of the Academic Committee and moved approval of Agenda Items 10 - 13. The board approved.

#### Remarks by Presidents and Chancellors

Chairman Crafton announced that the next Coordinating Board meeting would be at Arkansas Tech University in Russellville on April 20-21, 2017.

With no further comments, the meeting adjourned at 10:15 a.m.

---

Nichole Abernathy

APPROVED:

---

Chris Gilliam, Secretary