

**ARKANSAS HIGHER EDUCATION COORDINATING BOARD  
Special Meeting via Conference Call  
November 15, 2010**

**Minutes of Meeting**

The Arkansas Higher Education Coordinating Board held a special meeting via conference call on Monday, November 15, 2010. The purpose of the meeting was to approve the Economic Feasibility of Bond Issue for the University of Arkansas at Fort Smith and the Economic Feasibility of Debt Issuance for the University of Arkansas for Medical Sciences. The meeting convened at 9:00 a.m. with a quorum present.

Coordinating Board present:

Dr. Bob Burns, Chair  
Dr. Charles Allen, Secretary  
Sarah Argue  
Dr. Olin Cook  
Bob Crafton  
Steve Luelf

Coordinating Board absent:

David Leech, Vice Chair  
Dr. Joe Bennett  
Jodie Carter  
Kaneaster Hodges

Department staff present:

Dr. Jim Purcell, Director  
Jackie Holloway, Senior Associate Director for Finance  
Nichole Abernathy, Administrative Support

Presidents, chancellors, other institutional representatives, and guests were also present.

Chairman Burns thanked the Coordinating Board members and guests for participating in the meeting.

Report of the Finance Committee

Steve Luelf presented the report of the Finance Committee and moved approval of Agenda Items No. 1 and 2. Bob Crafton seconded the motion, and the Board unanimously approved.

Agenda Item No. 1  
Economic Feasibility of Bond Issue  
University of Arkansas at Fort Smith

University of Arkansas at Fort Smith (UAFS) requests approval of the economic feasibility proposal to issue bonds up to \$9.3 million with a term of up to 25 years at an estimated annual interest rate of 4.5 percent. Proceeds from the bond issue will be used for educational & general (E&G) purposes to renovate the Boreham

Library. The University of Arkansas Board of Trustees approved this action on November 12, 2010.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas at Fort Smith to issue bonds not to exceed \$9.3 million with a term of 25 years at an estimated annual interest rate of 4.5 percent to renovate the Boreham Library.

**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 Fort Smith of the Coordinating Board's resolution.

Steve Luelf asked if the maintenance policy reference was sufficient. Dr. Purcell said it was.

Bob Crafton asked if UAFS would be adding new footage. Ms. Holloway said there would be no new footage.

Dr. Olin Cook moved to recommend Agenda Item No. 1 to the Full Board for consideration. Bob Crafton seconded, and the Committee unanimously approved.

Agenda Item No. 2  
Economic Feasibility of Debt Issuance  
University of Arkansas for Medical Sciences

University of Arkansas for Medical Sciences (UAMS) requests approval of the economic feasibility of plans to issue bonds not to exceed \$52.45 million with a term of up to 20 years at an estimated annual interest rate of 4.5 percent, and obtain a loan not to exceed \$12 million with a term of up to 10 years at an estimated annual interest rate of 3.0 percent. Proceeds from the bond issue and loan will be used for auxiliary purposes. The University of Arkansas Board of Trustees approved this at its meeting held on November 12, 2010.

**RESOLVED**, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas for Medical Sciences to issue bonds up to \$52.45 million with a term of 20 years at an estimated annual interest rate of 4.5 percent and to obtain a loan up to \$12 million with a term of 10 years at an estimated annual interest rate of 3.0 percent for auxiliary 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 the University of Arkansas

and the Chancellor of the University of Arkansas Medical Sciences of the Coordinating Board's resolution.

Mr. Luelf commended UAMS for having a 20 year term versus a 30 year one.

Bob Crafton moved to recommend Agenda Item No. 2 to the Full Board for consideration. Dr. Olin Cook seconded, and the Committee unanimously approved.

Nichole Abernathy conducted a final roll call, reaffirming the quorum.

Chairman Burns thanked everyone for participating in the meeting and announced that the Trustee Conference would be December 10, 2010 at Pulaski Technical College in North Little Rock.

With no further comments, the meeting adjourned.

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Nichole Abernathy

APPROVED:

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Dr. Charles Allen, Secretary