

**ARKANSAS HIGHER EDUCATION
COORDINATING BOARD
REGULAR QUARTERLY MEETING**

**Mid-South Community College
Magruder Hall
2000 West Broadway
West Memphis, AR 72301**

SCHEDULE

Friday, July 29, 2005

**Finance Committee
8:30 a.m.**

**Academic Committee
9:15 a.m.**

**Convene Coordinating Board Meeting
*10:00 a.m.**

*Time approximate. Meeting will begin at end of Academic Committee meeting

FINANCE COMMITTEE

**Arkansas Higher Education Coordinating Board
Mid-South Community College
Magruder Hall
2000 West Broadway
West Memphis, AR 72301**

**Friday, July 29, 2005
8:30 a.m.**

Finance Committee

David Leech, Chair
Jimmy Creech
David Damron
Bill Johnson
Dick Trammel
Dr. Anne Trussell
Phil Ford, Ex officio

AGENDA

- * 3. Distribution of \$150 Million in College Savings Bond Funds (Mr. Williams)
- * 4. Certification of Intercollegiate Athletic Budgets for 2005-06 (Mr. Williams)
- * 5. Economic Feasibility of Bond Issue for University of Arkansas at Fort Smith (Mr. Williams)
- *6. Economic Feasibility of Bond Issue for University of Arkansas at Pine Bluff (Mr. Williams)
- *7. Economic Feasibility of Bond Issue for University of Central Arkansas (Mr. Williams)

*Numbers refer to main agenda.

ACADEMIC COMMITTEE
Arkansas Higher Education Coordinating Board
Mid-South Community College
Magruder Hall
2000 West Broadway
West Memphis, AR 72301

Friday, July 29, 2005
9:15 a.m.

Academic Committee:

Dr. Dan Grant, Chair
Jodie Carter
Kaneaster Hodges
Dr. Lynda Johnson
Betsy Thompson
Phil Ford, Ex officio

REGULAR AGENDA

22. Report on Annual Review of Faculty Performance (Ms. West)

CONSENT AGENDA

- *8. New Program: Associate of General Studies by NorthWest Arkansas Community College (Ms. Griffin)
- *9. New Program: Technical Certificate and Certificate of Proficiency in Geographic Information Systems by East Arkansas Community College (Ms. Griffin)
- *10. New Program: Bachelor of Science in Forensic Science by Arkansas State University--Jonesboro (Ms. Moten)
- *11. New Program: Associate of Applied Science and Bachelor of Science in Criminal Justice by University of Arkansas--Fort Smith (Ms. Moten)
- *12. New Program: Bachelor of Science in Graphic Design by University of Arkansas--Fort Smith (Ms. Moten)
- *13. Institutional Certification Advisory Committee Report and Resolutions (Ms. Jones)

20. Letters of Notification (Ms. Moten)

21. Letters of Intent (Ms. Moten)

*Numbers refer to main agenda.

ARKANSAS HIGHER EDUCATION COORDINATING BOARD
Regular Quarterly Meeting
April 29, 2005

Minutes of Meeting

The April 29, 2005 regular meeting of the Arkansas Higher Education Coordinating Board was held in the St. John Library on the campus of Rich Mountain Community College in Mena, Arkansas. Chairman Phil Ford called the meeting to order at 10:00 a.m. with a quorum of Board members present.

Coordinating Board present:

Phil Ford, Chair
Kaneaster Hodges, Vice Chair
Betsy Thompson, Secretary
Jodie Carter
Bob Cheyne
Col. Jim Creech
David Damron
Dr. Dan Grant
Bill Johnson
Dr. Lynda Phillips Johnson
David Leech
Dr. Anne Trussell

Department staff present:

Dr. Linda Beene, Director
Dr. Steve Floyd, Deputy Director
Dr. Karen Wheeler, Associate Director of Academic Affairs
Dr. Stanley Williams, Senior Associate Director for Finance
Ron Harrell, Associate Director for Planning and Accountability
Cynthia Moten, Coordinator of Academic Affairs
Jeanne Jones, Coordinator of Institutional Certification
Claudia Griffin, Assistant Coordinator of Academic Affairs
Robin Henson, Communications Officer
Christina Miller, Coordinator of General Administration
Nichole Abernathy, Administrative Assistant
Presidents, chancellors, other institutional representatives, members of the press, and guests were also present.

Chairman Ford recognized Dr. Janet Smith, President of Rich Mountain Community College, and current chair of the Arkansas Association of Two-Year Colleges. Dr. Smith expounded on the Rich Mountain Community College Quick Facts sheet which was distributed and detailed the institution's educational service programs, facilities profile, college funding, degrees and programs, outreach teaching and service programs, and

other programs and services. She added that Rich Mountain Community College may not be rich in terms of funding, but it is very rich in terms of hospitality. She also read excerpts from the recent Accreditation report by the Higher Education Learning Commission of the North Central Association of Colleges and Schools. Dr. Smith then welcomed the Board to the campus and thanked her staff for their hard work in preparation for the meeting.

Phil Ford introduced former Rich Mountain Community College President, Representative Bill Abernathy. Representative Abernathy discussed the importance of scholarships for non-traditional students and thanked Dr. Beene and the Coordinating Board members for their dedication to higher education over the years commenting that "education is the motor that pulls us out of poverty." Dr. Beene thanked Representative Abernathy for his support during the legislative session, especially in the area of concurrent enrollment.

Phil Ford also introduced Lucretia Norris, the Governor's Policy Advisor for Higher Education.

Agenda Item No. 1 Approval of Minutes

Kaneaster Hodges moved to approve the minutes of the February 4, 2005 regular meeting upon correction of page 15, last sentence reading "receives below a C grade." David Leech seconded the motion, and the Board unanimously approved. Kaneaster Hodges moved to approve the corrected minutes of August 1, 2003 regular meeting in which an item was erroneously left out. Bill Johnson seconded the motion, and the Board unanimously approved.

Agenda Item No. 2 Report of the Director

Dr. Beene began her Director's Report by thanking Dr. Smith and the RMCC staff for their hospitality. Dr. Beene commented on the many changes and improvements in the institution over the years, adding that RMCC holds special memories for her as she recalled visiting in 1975 for the institution's original building dedication.

Dr. Beene acknowledged Dr. Steve Floyd, Dr. Stanley Williams, Ron Harrell, Melissa Goff, Christina Miller, Dr. Karen Wheeler, Robin Henson, Monroe Carlton, and Nichole Abernathy along with the ADHE Staff, for all of their hard work during the legislative session.

Dr. Beene reviewed some of the Acts of the 85th General Assembly that pertained to higher education, including the Governor's priority initiatives. She explained that the higher education institutions received the largest increase in state funding in almost a decade, an estimated \$41.25 million in total new funding for fiscal year 2006 and an

additional \$39.7 million for fiscal year 2007. Dr. Beene dedicated the majority of her director's report to detailing the status of higher education funding, which she said would also be released to the press that day. Dr. Beene reviewed a narrative and spreadsheet, which provided the percentage of funding realized based on need for each of the institutions. She explained that the funding realized still left institutions with less than 75% of their need funded. She said the two-year institutions did not do as well with funding and her limited staff primarily focused on development of the university model which had not previously existed. She also mentioned that she understood a lot of the issues with the two-year formula to have been resolved by the two-year colleges as a group.

Dr. Beene referred the audience to a chart, which had the percentage of funding for the institutions. She said four two-year institutions remained at or below 65% of their need – ASUMH, NWACC, PTC and UACCB. Dr. Beene explained that had the formulas been fully funded, these equity needs would have been addressed more fully. She also explained that the university and two-year college funding models are different. For example, many of the differences in the two-year formula are a result of the Workforce 2000 distribution, which ADHE has no control over. As a result, some two-year institutions received more than 100% of their need while others received far less. Dr. Beene concluded that the challenge over the next biennium would be to address the technical institutes. The Board requested a synopsis of all the non-formula entities for the next meeting.

“It has been a long time since higher education has benefited so greatly from a legislative session, and we are indebted to Governor Huckabee for his executive recommendation and to the legislature for their commitment to higher education,” remarked Dr. Beene. She also gave special thanks to Chairman Ford, Vice-Chairman Kaneaster Hodges, and the other AHECB members for their help in securing these new resources.

Bob Cheyne moved to give thanks to Dr. Beene, ADHE Staff, and Lucretia Norris for their dedication and effective work during the Legislative session. Kaneaster Hodges seconded, and the Committee unanimously approved.

Kaneaster Hodges moved to send Governor Huckabee a thank you letter on behalf of the higher education institutions for the most work and dedication to higher education that has been seen. Lynda Johnson seconded, and the Committee unanimously approved.

Dr. Beene concluded her Director's report by mentioning that Legislative Audit finished its second audit of the agency for this year and there was no instance of noncompliance or findings identified. She thanked her staff for that result. She also mentioned that the agenda book is thinner due to new policies and procedures to create more efficient agenda preparations by not requiring Board approval for routine items. She added that a document was being prepared of all the accomplishments of ADHE.

Chairman Ford thanked Dr. Beene for her detailed report and the staff for their hard work during the session.

Report of Committees

Dr. Dan Grant presented the report of the Academic Committee and moved to adopt Agenda Items 3-16 and 21. David Leech seconded the motion and the Board approved, with Bob Cheyne's opposition to the notification of the University of Phoenix locating in Rogers.

David Leech presented the report of the Finance Committee and moved approval of Agenda Items 17-18. Bill Johnson seconded, and the Board unanimously approved.

Agenda Item No. 3
Doctor of Philosophy in Molecular Biosciences
Arkansas State University

The administration and Board of Trustees of Arkansas State University request approval for Arkansas State University (ASU) to offer a Doctor of Philosophy (Ph.D.) in Molecular Biosciences with classes to begin in fall 2005. The program is within the institution's role and scope as approved by the Arkansas Higher Education Coordinating Board. The ASU Board of Trustees approved the program on December 19, 2003.

ASU faculty and staff began planning for the Ph.D. in Molecular Biosciences more than three years ago and presented their first draft proposal to ADHE staff in fall 2003. After receiving the official program proposal in spring 2004, ADHE staff secured national molecular bioscience experts Dr. James Hageman (Vice Provost for Research and Dean, College of Graduate Studies, University of Central Michigan) and Dr. Neal Stewart (Professor and Racheff Chair of Excellence in Plant Molecular Genetics, University of Tennessee-Knoxville) as external evaluators to review the proposal. Following a site visit by ADHE staff and the external evaluators in fall 2004, staff requested additional information and a revision of the proposal to reflect changes that had occurred since the initial proposal had been submitted. Final proposal revisions were received January 2005.

In 2002-03, 2 out of 2 (100 percent) doctoral programs offered by the institution met Coordinating Board degree productivity guidelines.

Karen Wheeler presented information to the Board regarding the Arkansas Biosciences Institute (ABI), a statewide collaboration of five institutions mandated to develop technologies that support knowledge-based industries, and the role assigned to Arkansas State University-Jonesboro (ASUJ) by the ABI Board. Further discussion focused on funding for the program provided by the federal Tobacco Master Settlement Agreement and existing resources that will support the new doctoral program.

Dr. Grant thanked Dr. Wheeler for her thoroughness adding that a lot of tough questions had been answered as a result of her in-depth explanation.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Ph.D. in Molecular Biosciences (CIP 26.0406) offered by Arkansas State University effective fall 2005.

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 Arkansas State University of this approval.

Bill Johnson moved to recommend Agenda Item 3 to the Full Board, Kaneaster Hodges seconded, and the Committee unanimously approved.

Agenda Item No. 4
Northwest Arkansas Community College
Regional Technology Center in Fayetteville

The administration and Board of Trustees of NorthWest Arkansas Community College (NWACC) request approval to establish an off-campus instruction site in Fayetteville to be called the NorthWest Arkansas Community College Regional Technology Center, effective July 2005.

West Campus Technical Center in Fayetteville is the oldest technical high school in Arkansas, founded in 1965 as Sequoyah Polytechnic. Through the years, its mission of providing superior vocational education became diluted when the Fayetteville Public Schools (FPS) also used West Campus as an alternative high school. With encouragement from the Arkansas Department of Workforce Education, FPS decided to separate the alternative program from the vocational program and approached NWACC about sponsoring the re-established technical high school. The school will serve students from 16 high schools in Madison, Benton and Washington Counties.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the establishment of the NorthWest Arkansas Community College Regional Technology Center as an off-campus instruction site of NorthWest Arkansas Community College effective July 1, 2005.

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

Bob Cheyne commented that this was an excellent demonstration of cooperation between two counties.

Agenda Item No. 5
Waldron Off-Campus Site
Rich Mountain Community College

The administration and Board of Trustees of Rich Mountain Community College (RMCC) request Coordinating Board approval to recognize an off-campus site at Waldron to be called Rich Mountain Community College--Waldron Off-Campus Site, and to offer the existing Associate of Arts degree at this location.

RMCC has an agreement with Waldron School District for the use of their facilities for classroom and office space for \$1 per year. Facilities costs of all Waldron-based RMCC programs (utilities, phones, copier, etc.) are approximately \$750 per month and are funded through federal grants and non-credit business/industry programs listed above. The only expense for the program is adjunct faculty salaries. Cost for faculty is covered by tuition (\$50 per credit hour) on a course-by-course basis, therefore, each class must have 10 students in order to be offered.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Rich Mountain Community College--Waldron Off-Campus Site, and the offering of the existing Associate of Arts (CIP 24.0101) at this location, effective immediately.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to inform the President and the Chair of the Board of Trustees of Rich Mountain Community College of the approvals.

David Damron asked why this program needed recognized as a separate site and Claudia Griffin explained that it is required by AHECB policy and for accreditation.

Agenda Item No. 6
Associate of Applied Science in Business Technology,
General Technology, and Allied Health
Arkansas Tech University

The administration and Board of Trustees of Arkansas Tech University (ATU) request Coordinating Board approval for ATU to offer Associate of Applied Science degrees in Business Technology, General Technology, and Allied Health on the ATU Ozark campus. ATU is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The ATU Board of Trustees approved the proposals on January 20, 2005.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Business Technology (CIP 52.0401), the Associate of Applied Science in General Technology (CIP 30.9999), and the Associate of Applied Science in Allied Health (CIP

51.9999) at Arkansas Tech University to be offered on the ATU Ozark campus effective Fall 2005.

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 program approvals.

Agenda Item No. 7
Technical Certificate in Building Trades Technology
South Arkansas Community College

The administration and Board of Trustees of South Arkansas Community College (SACC) request approval to offer a Technical Certificate in Building Trades Technology, effective August 2005. SACC is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The Board of Trustees approved the proposal on November 16, 2004.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Technical Certificate in Building Trades Technology (CIP 46.0201) at South Arkansas Community College for implementation in August 2005.

FURTHER RESOLVED, That the Board instructs the Director of the Arkansas Department of Higher Education to inform the President and Chair of the Board of Trustees of South Arkansas Community College of this approval.

Agenda Item No. 8
Associate of Applied Science
Technical Certificate in Welding Technology
Arkansas State University - Beebe

The administration and Board of Trustees of Arkansas State University (ASU) request approval to offer the Associate of Applied Science and Technical Certificate in welding technology at Arkansas State University--Beebe (ASU-Beebe). The institution is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The ASU Board approved the proposal on February 25, 2005.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science and Technical Certificate in welding technology (CIP 48.0508) to be offered at Arkansas State University--Beebe, effective Fall 2005.

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, and the Chancellor of Arkansas State University--Beebe of this approval.

Agenda Item No. 9
Associate of Applied Science
in Occupational Therapy Assistant
Pulaski Technical College in Partnership with
Baptist Health School of Occupational Therapy Assistant

The administration and Board of Trustees of Pulaski Technical College (PTC) request approval to offer an Associate of Applied Science in Occupational Therapy Assistant in partnership with Baptist Health School of Occupational Therapy Assistant (BHOTA). PTC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The PTC Board approved this program on April 26, 2004. Baptist Health School of Occupational Therapy Assistant is licensed by the Arkansas State Board of Private Career Education. The Baptist Health Leadership Team approved the proposal on April 1, 2004. Institutional responsibilities are outlined in the Memorandum of Understanding (MOU).

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science in Occupational Therapy Assistant (CIP 51.0803) at Pulaski Technical College in partnership with the Baptist Health School of Occupational Therapy Assistant, effective Fall 2005, contingent on the American Occupational Therapy Assistant Accreditation Council granting initial approval of the program.

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 Pulaski Technical College, the President and Chair of the Board of Trustees of Baptist Health System, and the Director of the Baptist Health School of Occupational Therapy Assistant of the approval.

Agenda Item No. 10
Master of Computer and Information Science
Master of Public Administration
Southern Arkansas University - Magnolia

The administration and Board of Trustees of Southern Arkansas University request approval to offer the Master of Science in Computer and Information Science and Master of Public Administration at Southern Arkansas University--Magnolia (SAUM). The programs are consistent with the role and scope of the institution to offer master's degree programs in selected fields. SAUM is accredited by the Higher Learning

Commission of the North Central Association of Colleges and Schools. The SAU Board approved the proposals on June 2 and December 17, 2004.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Master of Science in Computer and Information Science (CIP 11.0101) and the Master of Public Administration (CIP 44.0401) at Southern Arkansas University--Magnolia, effective Spring 2006.

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 Southern Arkansas University of the approvals.

Dr. Grant asked if a thesis was required for the degrees. Cynthia Moten answered that the thesis is done through projects or internships and is more applied. Dr. Grant also asked if these graduates are expected to pursue a Doctorate and he was answered yes, based on the requirements for a Ph.D.

Agenda Item No. 11
Associate of Applied Science
and Advanced Certificate in Network Security Technology
South Arkansas Community College

The administration and Board of Trustees of South Arkansas Community College (SACC) request approval to offer the Associate of Applied Science and Advanced Certificate in network security technology. SACC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The SACC Board approved the proposal on December 16, 2004.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of Applied Science and Advanced Certificate in network security technology (CIP 11.1003) at South Arkansas Community College, effective Fall 2005.

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 South Arkansas Community College of the approvals.

Agenda Item No. 12
Department of College Student Personnel
Arkansas Tech University

The administration and Board of Trustees at Arkansas Tech University (ATU) request approval for the creation of the Department of College Student Personnel effective July 2005. The ATU Board of Trustees approved the proposal on December 11, 2004.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the creation of the Department of College Student Personnel at Arkansas Tech University, effective July 1, 2005.

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 this approval.

Agenda Item No. 13
Construction Management Department
University of Arkansas at Little Rock

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to establish a new academic administrative unit, Construction Management Department, at the University of Arkansas at Little Rock (UALR). The institution is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The UA Board will consider the proposal on April 22, 2005.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Construction Management Department at the University of Arkansas at Little Rock, effective July 1, 2005.

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

Agenda Item No. 14
Department of Education Reform
University of Arkansas, Fayetteville

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to establish a new academic administrative unit, the Department of

Education Reform, at the University of Arkansas, Fayetteville.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the establishment of the Center for Education Reform at the University of Arkansas, Fayetteville, effective July 1, 2005.

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, Fayetteville, of the approval.

Agenda Item No. 15
Center for Economic Development Education
University of Arkansas at Little Rock

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to establish a new administrative unit, the Center for Economic Development Education, at the University of Arkansas at Little Rock.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the establishment of the Center for Economic Development Education at the University of Arkansas at Little Rock, effective immediately.

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 at Little Rock, of the approval.

Agenda Item No. 16
Institutional Certification Advisory Committee
Resolutions

GRACELAND UNIVERSITY, INDEPENDENCE, MO
Initial Certification
Recertification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to Graceland University to offer the following online degree programs: Bachelor of Arts in Health Care Administration, Master of Education in Collaborative Teaching and Learning, Master of Education in Technology Integration, and Master of Education in Quality Schools.

The Coordinating Board also grants program recertification to Graceland University to offer the online Bachelor of Science in Addiction Studies. The certification is for a period of two years and expires April 29, 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Graceland University that this certification 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 Graceland 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:

GRACELAND UNIVERSITY, INDEPENDENCE, MO
Decertification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board decertifies the online Bachelor of Arts in Liberal Studies offered by Graceland University. This decertification is effective April 29, 2005.

UNIVERSITY OF MEMPHIS, MEMPHIS, TN
Decertification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board decertifies the Bachelor of Professional Studies in Fire Administration and Fire Prevention Technology offered by the University of Memphis. This decertification is effective April 29, 2005.

UNIVERSITY OF PHOENIX, AZ
Initial Certification

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix to offer the following online degree programs: Bachelor of Science in Business with options in Retail Management, Public Administration, and Information Systems; Bachelor of Science in Information with an option in Software Engineering; Master of Information Systems; Master of Business Administration with options in Human Resources Management, Marketing, and Public Administration; Master of Management with options in Human Resources Management, and Public Administration; Executive Master of

Business Administration; Master of Science in Administration of Justice and Security; and Master of Science in Nursing with options in Health Care Education, and Integrative Health Care. The certification is for a period of two years and expires April 29, 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of University of Phoenix that this certification 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 the University of Phoenix 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 minimum standards have been met under the rules and regulations implementing institutional and program certification as defined in Arkansas Code §6-61-301.

INSTITUTIONAL CERTIFICATION ADVISORY COMMITTEE REPORT

The Institutional Certification Advisory Committee (ICAC) met on March 29, 2005 for the regular quarterly meeting.

The following programs were reviewed during the meeting:

GRACELAND UNIVERSITY

Bachelor of Arts in Health Care Administration - Initial Certification
 Master of Education in Collaborative Teaching and Learning - Initial Certification
 Master of Education in Technology Integration - Initial Certification
 Master of Education in Quality Schools - Initial Certification
 Bachelor of Science in Addiction Studies - Recertification
 Bachelor of Arts in Liberal Studies - Decertification

THE UNIVERSITY OF MEMPHIS

Bachelor of Professional Studies in Fire Administration and Fire Prevention
 Technology - Decertification

UNIVERSITY OF PHOENIX ONLINE - Initial Certification

- Bachelor of Science in Business
- Bachelor Science in Information Technology – Software Engineering
- Master of Business Administration
- The Executive Master of Business Administration Program
- The Master of Management
- The Master of Information Systems program
- The Master of Science in Nursing
- Master of Science in Administration of Justice and Security

Kaneaster Hodges moved to recommend Agenda Items 4-16 to the Full Board, Jodie Carter seconded, and the Committee unanimously approved.

Agenda Item No. 17
 Economic Feasibility of Bond Issue
 NorthWest Arkansas Community College

NorthWest Arkansas Community College, requests approval of the economic feasibility of plans to issue millage based bonds to build a new Student Center Plaza and to refund existing debt.

Relevant data follows:

Actual 2003-04 Millage Income	\$4,428,978
Maximum Annual Debt Service (4,428,978/120%).....	3,690,815
Existing Debt Service	609,993
Debt Service of Refunded Bonds	<609,993>
Estimated Debt Service for Proposed Bond Issues.....	1,585,170
Estimated Millage Income Remaining for Additional Debt Service	\$2,105,645

The above data demonstrate that NorthWest Arkansas Community College has sufficient millage income to support a bond issue of approximately \$23.7 million with a term of 25 years at an estimated annual interest rate of 4.42%.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for NorthWest Arkansas Community College, to issue millage income supported bonds of approximately \$23.7 million with a term of 25 years at an estimated annual interest rate of 4.42% to refund the 2000 and 2002 bonds and to construct a new student center plaza 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 Trustees of NorthWest Arkansas Community College of the Coordinating Board's resolution.

David Damron asked where the new facility would be constructed. President Paneitz remarked that it would be constructed north of Burns Hall, where the intramural fields are now located.

Bob Cheyne stated he strongly recommends this student center for a campus growing outside its walls and moved to recommend Agenda Item 17 to the Full Board. Anne Trussell seconded, and the Committee unanimously approved.

Agenda Item No. 18
Economic Feasibility of Bond Issue
Henderson State University

Henderson State University (HSU), requests approval of the economic feasibility of plans to issue bonds totaling \$14,000,000 with a maximum term of up to 20 years at an estimated annual interest rate of 6%. Proceeds from the bond issue will be used for auxiliary purposes. The Henderson State University Board of Trustees approved this action at its meeting held on April 29, 2005.

Relevant data follows:

	2004-05	2005-06	2006-07	2007-08	2008-09
Estimated Net Auxiliary Profit	866,949	982,799	1,884,022	1,964,380	2,004,570
Maximum Annual Debt Service (Profit/120%)	722,458	818,999	1,570,018	1,636,983	1,670,475
Existing Debt Service	556,871	557,920	485,091	489,284	487,079
Estimated Annual New Debt Service	-	-	783,672	895,111	893,254
Total Debt Service	556,871	557,920	1,268,763	1,384,395	1,380,333
Profits Remaining for Additional Debt Service	165,587	261,079	301,255	252,588	290,142

The above data demonstrates that Henderson State University has sufficient revenue to support a bond issue of approximately \$14,000,000 with a term of 20 years at an estimated annual interest rate of 6%.

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the Henderson State University (HSU) to issue bonds not to exceed \$14,000,000 for a period of 20 years at an estimated annual interest rate of 6% for auxiliary purposes.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President of HSU of the Coordinating Board's resolution.

John Choate from HSU added that the university tore down one residence hall but would not be tearing down any additional ones. However, they would be converting some of the dorms to single rooms. Dan Grant commented that the dorms are very old and in poor condition.

Lynda Johnson moved to recommend Agenda Item 18 to the Full Board. Bob Cheyne seconded, and the Committee unanimously approved.

Agenda Item No. 19
Appointment of Nominating Committee
of Board Officers for 2005-2006

Phil Ford appointed Dan Grant, Lynda Johnson, and David Leech to the Nominating Committee of Board Officers for 2005-2006. He will serve as Chair of the Committee.

Agenda Item No. 20
Annual Report on Student Retention
and Graduation

Statewide retention and graduation information for students entering Arkansas public higher education in fall 1992 through 2003 was presented by Ron Harrell in the report for both the state and institutional levels. ADHE's Student Information System (SIS) enables multi-year student retention and graduation tracking in compliance with Student-Right-to-Know legislation as well as Act 267 of 1989. SIS tracks student enrollments and completions for multiple years at their originating or native campus, as well as at other public and independent institutions within the state. Ron Harrell said it is important to keep in mind that, while the original cohorts are based on students who begin full-time, they may or may not be enrolled full-time for any subsequent term, thereby potentially extending the time to graduation. It also should be noted that the data are simply indicators of student enrollment and not student progression. He said one should not conclude that, because a given percentage of a cohort is retained after 2 years, for example, an equal percentage has achieved upper-division status. Finally, while students are tracked between in-state institutions, they are not tracked across state lines.

Frank Adams, President of Cossatot Community College, voiced concerns regarding whether or not institutional performance should be measured in part by student retention and graduation reports. He added that the institutions could not control the individual behavior of students, therefore the students are free to misrepresent information that they supply to the school by indicating that they intend to pursue a degree for financial aid purposes. Lynda Johnson commented that this is a "truth matter," and unfortunately not everyone is honest.

Frank Adams suggested looking at a model invented in 1951 which relates graduation/retention to degrees.

Ron Harrell stated that when students in a cohort transfer, the graduation rate credit goes to the starting institution in the ADHE study, but not in IPEDS data because IPEDS do not count students who transfer.

Agenda Item No. 21 Letters of Notification

Between January 20, 2005 and April 15, 2005 the Arkansas Department of Higher Education received notice from Institutions of thirteen new certificate programs, fifteen new program options, two new program minors, eleven name changes, five new locations of existing programs, two reconfiguration of existing degrees, one consolidation of existing programs, one academic reorganization, two new organizational units, one inactive program, seventeen deleted programs, three inactive programs deleted, one deleted program minor, and ten exemptions from institutional certification, none of which require Board approval. Notification of items requiring Board approval included two certificate programs, five associate degree programs, four bachelor degree programs, and three master degree programs. During this period the Institutional Certification Advisory Committee received notice of requests for recertification of twenty-five degree programs, decertification of one degree program, and initial certification for ten degrees. The complete list of these notices appear on pages 21-1 through 21-10 of the agenda book.

Bob Cheyne voiced opposition to the notification from the University of Phoenix in Little Rock for a new location in Rogers, Arkansas.

Kaneaster Hodges moved to recommend Agenda Item 21 to the Full Board, Lynda Johnson seconded and the Committee approved.

Announcements

Chairman Ford announced that Dr. Alan Rasco has been newly appointed the new President at South Arkansas Community College. Dr. Rasco was formally the Vice President of Academic Affairs at Galveston Community College. Chairman Ford offered a goodwill send off to Dr. Roger Worsley, who recently retired from Southern Arkansas University Tech and Dr. Tom Spencer, who recently retired from National Park Community College. Chairman Ford recognized Mary Beth Sudduth on her retirement and thanked her for her service to the University of Arkansas at Fort Smith and higher education.

Chairman Ford recognized Bob Cheyne for eight years of outstanding devotion to the Higher Education Coordinating Board by presenting Bob and his wife Jenni a plaque on behalf of ADHE and the AHECB. "Bob is term limited and this will be his last

meeting as a member of the Higher Education Coordinating Board,” added Chairman Ford.

Bob Cheyne expressed his thanks to Governor Huckabee and higher education in general for all the hard work over the years. He added that in all of his years of public service, he had never worked with a better group of people. He commented that he had never known a woman as enthusiastic for higher education or who worked as tirelessly as Linda Beene. Bob Cheyne said that he has enjoyed working with the Coordinating Board and thanked Phil Ford for his excellent leadership and dedication to higher education. He said he will continue to attend the meetings to demonstrate his support, and added that he and his wife Jenni would soon celebrate their 60th wedding anniversary.

Chairman Ford opened the floor for public comments.

Dr. Ed Coulter, Chancellor of Arkansas State University at Mountain Home and Dr. Robert Brown, President of Arkansas Tech University, thanked Dr. Beene for her leadership in addressing equity issues.

Phil Ford congratulated Ed Coulter on his recent appointment as Chair-Elect of the American Association of Community Colleges. He then announced that the July 29th Coordinating Board meeting will be hosted by Glen Fenter and Mid-South Community College in West Memphis.

With no further business the meeting adjourned at 12:00 p.m.

Nichole Abernathy

APPROVED:

Betsy Thompson, Secretary

COORDINATING BOARD SPECIAL MEETING
June 20, 2005
4:00 p.m.

The June 20, 2005 special meeting of the Arkansas Higher Education Coordinating Board was held in the 3rd floor conference room at the Department of Higher Education. The informal meeting was convened at 4:00 p.m. by vice-chair Kaneaster Hodges.

Board members present:

Kaneaster Hodges, Vice-Chair
Dr. Lynda Johnson
Jodie Carter
David Leech
Dick Trammel

Board members absent:

Phil Ford, Chair
Dr. Anne Trussell
David Damron
Dr. Dan Grant
Betsy Thompson, Secretary
Bill Johnson
Col. Jim Creech

Phil Ford was unable to attend the meeting; he sent his congratulatory wishes to Dick Trammel and the other board members.

Kaneaster Hodges introduced new coordinating board member, Mr. Dick Trammel of Rogers. Mr. Trammel expressed his eagerness to work with the coordinating board and thanked everyone for their kindness and hospitality.

The board conversed briefly and then adjourned at 5:00 p.m.

REPORT OF THE DIRECTOR

Campaigns Successful for Academic Challenge and STAR; Application Deadlines Extended

This year's deadline to apply for the Arkansas Academic Challenge Scholarship was extended to July 1, as Gov. Mike Huckabee and the 85th General Assembly increased the income eligibility limits and the amount of the scholarship awarded. Under the new legislation, families with one child earning up to \$60,000 a year can qualify. For each additional child, the income cap goes up by \$5,000. If a family has multiple children attending college, the cap is raised by \$10,000 for each enrolled child. The scholarship award amount also increased with 2005 legislation; students who qualify will now receive \$500 more each year. Qualifications, along with the application, are listed on www.arkansaschallenge.com.

The agency ran a public relations and advertising campaign to inform the public about the deadline extension, this year's changes and requirements. The campaign included a news release and letters to the editor from Dr. Beene distributed to newspapers statewide, as well as newspaper ads and radio spots purchased statewide. TV spots with one-for-one matches also ran in a two-week blitz before the deadline. ADHE staff, as well as a counselor in northeast Arkansas, did radio and TV interviews to promote the scholarship in May and June.

As a result, the financial aid division received an average of about 75 applications a day during the campaign (this was up from about 30 applications a day prior to the campaign), nearly 350 calls to the front desk and 500 calls to the Challenge hotline and well over 254,000 hits (between 700-900 a day during the last two weeks) on the Web site in June. The financial aid division received more than 6,800 applications, which is approximately 1,000 more applications than last year.



The State Teacher Assistance Resource (STAR) Program provides up to \$6,000 in forgivable loans per year to eligible recipients who agree to teach in a public school located in a geographic area of Arkansas or subject area (math, science, special education, foreign language, middle school and art) designated as having a critical shortage. The application deadline also was extended to July 1, and a news release was distributed about the extension. Information is on www.starark.com. This year's applications have almost doubled last year's; approximately 550 have been processed to date.

Sen. Gilbert Baker Tours Campuses to Promote State Tax Deduction for the 529 GIFT College Investing Plan

Sen. Gilbert Baker visited Arkansas State University-Mountain Home, South Arkansas Community College and the University of Central Arkansas to promote legislation he sponsored for a new state income tax deduction eligible to Arkansas taxpayers who contribute to the 529 GIFT College Investing Plan.



At ASU-Mountain Home, Sen. Gilbert Baker (center) is pictured with Joe and Christi Wharton of Mountain Home and Sen. Shawn Womack (left) and Rep. Johnny Key and Dr. Ed Coulter, Chancellor of ASU-Mountain Home (right).

This new benefit to residents of the state is the result of Act 1973 filed by Sen. Gilbert Baker and signed by Gov. Mike Huckabee. The law gives Arkansas taxpayers the opportunity to make deductions up to \$5,000 per year when making contributions to the GIFT Plan. A married couple who each contribute \$5,000 to a GIFT Plan account can each deduct \$5,000 from

their Arkansas taxable income, for a total household deduction of \$10,000 per year. The new law applies to contributions made on or after January 1, 2005.



Sen. Gilbert Baker visits with media representatives on the South Arkansas Community College campus in El Dorado about the new state tax deduction for contributing to the 529 Plan. He credited Sen. Gene Jeffress and Reps. Robert Jeffrey and Jodie Mahony for their help in quick passage of the legislation.

This announcement follows other enhancements made earlier in the year by the state's 529 Plan Committee, which Dr. Linda Beene chairs, including the selection of Upromise Investments, Inc. as the state's new program manager of the 529 program and new investment options from The Vanguard Group. The plan's investment costs were reduced, in some cases by 50 percent. Upromise also offers a free rewards service, where investors in the GIFT Plan can supplement their college savings by earning rebates through participating companies with everyday purchases. More information is on www.thegiftplan.com or by calling (800) 587-7301.

Dr. Sally Carder Named National Park Community College President

Dr. Sally Carder, Vice President for Technical Education at National Park Community College, succeeded Dr. Tom Spencer, president of NPCC, following his retirement June 30. Carder was former President of Quapaw Technical Institute prior to its merger with Garland County Community College, which was renamed National Park Community College in July 2003.



Carder holds Doctorate of Education and Specialist in Education degrees from the University of Arkansas at Fayetteville, where she has also completed postgraduate work. She earned both bachelor's and a master's degrees in education from Henderson State University.

Carder joined Quapaw Technical Institute in 1998 as a supervisor of instruction and assumed the presidency in 2000. Prior to that she was employed by the Arkansas Department of Education as an educational curriculum supervisor. She currently serves as an adjunct professor at the University of Arkansas in the Vocational and Adult Education Department where she supervises and teaches industrial internships in an off-campus, human resource development degree program. She holds certifications in secondary and postsecondary vocational administration, adult education, secondary counseling and elementary and secondary physical education.

Dr. Carder holds professional memberships in the Association of Career and Technical Education, Skills USA, Phi Delta Kappa, Arkansas Association of Women in Two-Year Colleges and Arkansas Counseling Association. Her community involvement includes: West Central Arkansas Workforce Investment Board, Salvation Army Advisory Board, West Central Arkansas Society for Human Resource Management and Hot Springs Chamber of Commerce Education Committee.

Steve Franks is Appointed Chancellor of Southern Arkansas University-Tech

Dr. Steve Franks, who has been Director of the Arkansas Department of Workforce Education since 1996, was appointed Chancellor of Southern Arkansas University-Tech in Camden. He began his duties July 1 replacing Chancellor Roger Worsley, who retired after nine years.



Franks, an Alabama native, has a Bachelor of Science degree in trade and industrial education and a Master of Arts in vocational education from the University of Alabama at Tuscaloosa. He also earned a doctorate in occupational and adult education from Oklahoma State University. Before coming to Arkansas, Franks served as Alabama's Director of Vocational Education.

Dr. Alan Rasco, New President of South Arkansas Community College

Dr. Alan Rasco was appointed President of South Arkansas Community College effective May 31. He has educational administration experience at the state and local level. Rasco was previously Vice President of Academic Affairs and Student Services at Galveston College in Galveston, Texas. He also served as a District Associate Vice President for Austin Community College, a multi campus system with six campuses in Austin, Texas. While in Austin, Rasco also worked as Program Director at the Texas Higher Education Coordinating Board and served as state liaison for Workforce Education. His experience also includes serving as a full-time and adjunct faculty member at the community college and university level.



Rasco earned two associate degrees from Odessa College, bachelor's and master's degrees from the University of Houston and a doctorate from Baylor University in educational administration specializing in the community college. Dr. Rasco holds professional memberships in several associations and has presented at several conferences at the state and national level. He began his career in hospital administration serving as Vice President of Patient Care Services, Director of Nursing and as Director of Respiratory Therapy.

“Redesigning America’s High Schools”

An initiative of the National Governor’s Association, “Redesigning America’s High Schools” is intended to spur states to enact tangible system-wide reform of high schools to allow every student to graduate better prepared for college or a successful career. Arkansas has applied for a grant up to \$2 million to build on the momentum created by the 2005 National Education Summit of High Schools in February.

The NGA Center will award approximately 10 state grants between \$500,000 and \$1 million annually for two years. The agenda of the funding calls on governors to implement five inter-connected strategies: restoring value to the high school diploma; redesigning high schools; giving students the excellent teachers and principals they need; setting goals, measuring progress and holding high schools and colleges accountable; and streamlining and improving education governance.

American Diploma Project

Funded by Achieve, Inc.; The Education Trust; and the Thomas B. Ford Fordham Foundation, the goal of the American Diploma Project is to determine the English and mathematics skills that high school graduates need in order to be successful in college and the workplace. It also helps states incorporate those skills into their standards, assessments and high school graduation requirements. The first meeting was held May 24-25, and 18 states participated. The Arkansas team included: Dr. Linda Beene; Dr. Ken James and Janine Riggs, Arkansas Department of Education; Dr. Terri Hardi, Governor’s policy advisor; and Luke Gordy, Arkansans for Education Reform.

Y.O.U. Annual Governor’s Day Assembly at Pulaski Technical College

Gov. Mike Huckabee recognized Y.O.U. (Youth Opportunities Unlimited) participants primarily from northeast and north central Arkansas during the annual Governor’s Day Assembly June 28 at Pulaski Technical College in North Little Rock. Youth from these areas attended Y.O.U. camps at the University of Arkansas at Monticello and Southern Arkansas University.



Y.O.U., in its 18th year, is Arkansas’ only comprehensive summer enrichment program to encourage economically disadvantaged 14-17 year-olds to remain in school and graduate. Participants are actively engaged in learning and enrichment activities related to life, living, working and studying in an academic environment.

Along with Gov. Huckabee, the agenda included: Dr. Dan Bakke, President, Pulaski Technical College; Dr. Steve Floyd, Deputy Director, Arkansas Department of Higher Education; Lillian Williams, Y.O.U. State Coordinator, Arkansas Department of Higher Education; and students Keeriaun Thompson, Russellville; Chris Cooper, Blytheville; and Jasmin Miller, Hardy who spoke on “The Impact Y.O.U. Has Made On My Life.”



Chris Cooper, Blytheville

Y.O.U. is a partnership between local Arkansas Workforce Investment Areas and training and academic institutions with contributions from the Arkansas Department of Human Services, Arkansas Department of Health’s Office of Oral Health, U.S. Department of Labor and U.S. Department of Agriculture. The Program is managed and monitored by the Arkansas Department of Higher Education.

Resource Guide for Adults

The Department of Higher Education worked with the Departments of Workforce Education, Economic Development and Workforce Services to produce *Go Back. Move Forward*, an education resource guide for adults. The guide includes information on financial aid, Workforce Centers, adult education centers, literacy councils, technical institutes, adult education success stories, public colleges and universities and other services for nontraditional students wanting to go back to complete different levels of education. The guide is to be available by fall. The Department of Economic Development is initially printing 500 copies; however, the guide also will be accessible online.

Activities of the Director

April 28	AHECB Meeting, RMCC
May 3	Commission on Coordination of Education Efforts Meeting
May 5-6	AATYC Spring Retreat, Ozarka College
May 9	Math and Science Coalition Meeting
May 12	Speaker at Black River Technical College Graduation
May 13	Speaker at Phillips Community College Graduation
May 16	529 – Plan Review Committee Meeting
May 17	Joint Performance Review Committee Meeting
May 18	Personnel Committee Meeting (Pathways)
May 19	Legislative Review Committee Meeting (AR Challenge Campaign)
May 20	Legislative Council Meeting (Nursing Shortage)
May 23	529-Plan Review Committee Meeting
May 24-25	American Achieve Meeting, Washington D.C.
June 2	Senate and House Interim Committee on Education Meeting
June 3	Meeting with new AHECB member Dick Trammel
June 7	Presidents' Executive Council Meeting
June 10	Boys State Tour of ADHE
June 23	NGA Pathways to Advancement Core Team Meeting
June 24	Criminal Justice Institute's Graduation
June 26-28	SREB Legislative Work Session and Annual Conference, New Orleans
June 28-July 1	Ford Foundation Community College Bridges to Opportunity Initiative
July 5	Meeting with Jeff Hankins, Arkansas Business Publishing Group
July 12	Presidents' Executive Council Meeting
July 15	Legislative Council Meeting
July 18	GIFT Plan Press Event, UCA
July 20-23	Moderator at SHEEO Annual Conference, Colorado Springs
July 26	Workforce Investment Board Meeting Transitional Employment Board Meeting 529 – Plan Review Committee Meeting
July 27	Legislative Council and JPR Subcommittee Meetings on Higher Education Speaker, Kid's Chance Scholarship Awards
July 28-29	AHECB Meeting, Mid-South Community College

ALLOCATION OF COLLEGE SAVINGS BOND FUNDS

The Arkansas Higher Education Technology and Facility Improvement Act (Act 1282 of 2005) from Governor Huckabee's legislative initiative authorized the Arkansas Higher Education Coordinating Board, in consultation with the Arkansas Development Finance Authority, to refer to the voters a request for the authority to issue up to \$250 million in college savings bonds for the improvement of technology and facilities in higher education. Approximately \$100 million of the issue is to be used to refund/recall existing bonds. The remaining \$150 million is to be allocated to the public institutions of higher education in Arkansas.

Subsequently, Governor Huckabee, in a letter to the members of the Coordinating Board, requested that the bond proceeds be divided by distributing \$50 million, or one-third of the proceeds, among the two-year colleges. He further requested that the first \$10 million of the remaining \$100 million be allocated for connection to the e-Corridor for the ten universities and the medical sciences campus with the balance of the funds distributed to the universities and their entities. These executive guidelines have been followed in the recommended distribution of the anticipated bond proceeds. The Coordinating Board's policy of funding students without regard to the institution they attend was used as the basis for structuring the recommended distribution of the funds among the schools within the two groups.

Institutional requests submitted in May 2005 total more than \$651 million, which was more than four times the funds available for distribution. The number of projects requested and the high cost of some of the priority projects created a challenge for an equitable distribution. Therefore, it is important to note that these recommendations are for funding allocated to an institution or a system. The specific distributions of the funds to projects within an institution or system are to be at the discretion of the institution or system and submitted to ADHE by mid-August to be included in the allocation of funds.

It is the philosophy of the Coordinating Board, and ADHE staff, that the best decisions about which projects are the most critical to a system or an institution can be made by those who have the most knowledge and information regarding the priority needs of their institutions. Institutions should designate the projects to be funded from their allocations and the portion of their funds allocated to each project. Systems are asked to designate the institutions that are to receive funds as well as the projects for each entity.

Previous allocations of funds from earlier college savings bond programs are irrelevant since the funding recommendations are based upon the current enrollments and the current need of institutions for space. Funding received from the General Improvement Fund also has no relevance to this distribution.

Factors Considered in the Allocation of Funds

This distribution of funds to institutions has taken into consideration the fall 2004 on-campus enrollment; the latest annualized FTE enrollment which includes the spring of 2005; the Facilities Condition Index (FCI) for existing facilities; the space needed to accommodate the latest enrollment as determined by two space allocation models; and the institutions' utilization of their debt service capacity.

An institution's existing square footage was reduced by the square footage with a FCI of 80% or greater because facilities with an FCI of 80% or greater are usually not suitable for use. To determine whether an institution needed additional space, or had excess space for their current enrollment, the adjusted actual square footage was divided by the square footage needed as determined by two space allocation models developed for that purpose.

The latest reported debt service and revenues from tuition and fees were used to determine the percent of the debt service capacity being utilized. Debt service capacity was determined by taking 25% of the reported tuition and fee income. The source of the debt service and revenue from tuition and fees was the last "actual" 17 series reports or, if available, the latest bond feasibility request from the institution.

Since fall on-campus FTE enrollment generally represents an institution's maximum space need, it provided the initial student FTE for the distribution of funds. However, the proceeds for this bond issue are not limited to need for space or maintenance of existing space but include technology infrastructure upgrades. Off-campus and distance learning classes often have a greater technology cost associated with their delivery to students in terms of equipment maintenance and technical support staff. Therefore, the FTE enrollment used for funding allocation is the fall 2004 on-campus FTE plus one-half the difference in that enrollment and the annualized total FTE enrollment including off-campus classes.

Universities: Institutions whose adjusted actual square footage is greater than the space model-determined need would receive a smaller allocation than if they had a need for additional square footage. Institutions with a smaller percent of debt service capacity being utilized would receive a smaller allocation of funds than institutions whose percent of debt service capacity exceeded the average.

After the Governor's requested initial allocations, the remaining funds were divided equally among the institutions on the basis of the institutions' adjusted FTE enrollment. The adjustments for ratio of actual space to the space model-generated need and for the percent above or below the average percent of debt service capacity being utilized were made to the FTE enrollments. The resulting weighted FTE enrollments were used to make the preliminary allocations of the balance of the funds. The resulting preliminary allocations were compared to institutions' requests and rounding adjustments were made in light of the expressed needs of the institutions and Coordinating Board priorities.

Colleges: The distribution of funds to colleges is based on an economy-of-scale concept. The preliminary basis for the allocation decisions was to provide \$2,100 for the first 500 adjusted FTE enrollment up to the amount requested by an institution. The next allocation was based on \$1,700 for the next 1,000 adjusted FTE enrollment, up to the actual adjusted FTE enrollment, or the funds needed for an institution's top priority projects. The remaining funds were distributed equally among the FTE of schools with more than 1,500 FTE students. These preliminary allocations were rounded and adjusted by comparing the funding to the institution's priority requests and AHECB priorities.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the proposed allocation of anticipated college savings bond funds in accordance with Act 1282, the Governor's legislative initiative, and the Governor's request to distribute \$50 million among the two-year colleges, \$10 million for access to the e-Corridor for the universities and medical sciences campus, with the remaining balance distributed to the universities and their entities.

FURTHER RESOLVED, That the Coordinating Board approves the recommended methodology for the distribution of anticipated college savings bond proceeds as described in this agenda item.

FURTHER RESOLVED, That the Coordinating Board has not authorized and shall not authorize the issuance of bonds requiring more than \$24 million in debt service per fiscal year as provided for in the Act.

FURTHER RESOLVED, That the Coordinating Board instructs the Director and ADHE staff to transmit to the Governor and the General Assembly a written plan for technology and facility improvement projects to be funded with the proceeds derived from the sale of the bonds, as described in this agenda item, the need for the projects, the estimated benefits of the projects and the anticipated debt service requirements for the bonds.

FURTHER RESOLVED, That the Director shall and is directed to act as the duly authorized designee of the Chair of the Coordinating Board in requisitioning the proceeds of the bond sales held in the State Treasury and certifying that the funds disbursed thereby are for the payment of project costs of a higher education project duly approved by the Coordinating Board, as reflected in this agenda item.

CERTIFICATION OF INTERCOLLEGIATE ATHLETIC REVENUES AND EXPENDITURES FOR 2005-06

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.

Verification of Athletic Budgets and Fee Information

Institutions with intercollegiate athletic programs submitted ADHE Form 21-2, "Certification of Budgeted Athletic Revenues and Expenditures" and proper supporting documentation. ADHE finance staff verified that the athletic data submitted by the institutions matched the overall 2005-06 institutional operating budgets.

A.C.A. §6-62-804 requires that any student athletic fees assessed must be clearly defined in all publications and institutional board minutes, and listed separate and distinct from tuition or other student fees on student tuition and fee statements. All institutions assessing a student athletic fee have certified to the Department compliance with this requirement and have submitted copies of their student fee billing statements illustrating the disclosure of the athletic fee to each student.

Summary of Data

The institutional submissions establish the 2005-06 operating budgets for intercollegiate athletic programs and certify to the Coordinating Board any student athletic fees that will be charged to cover operating deficits. The University of Arkansas, Fayetteville (UAF) and North Arkansas College (NAC) have never charged an athletic fee and expect to continue to meet their athletic operating costs without assessing a student athletic fee for the 2005-06 fiscal year. The following institutions have increased their athletic fee per student semester credit hour (SSCH):

<u>Inst.</u>	<u>2004-05 Athletic Fee</u>	<u>2005-06 Athletic Fee</u>
UAFS	\$5.00	\$6.00
UALR	\$11.00	\$11.75
UAM	\$6.00	\$7.00
UAPB	\$12.70	\$13.70

A summary chart of 2005-06 athletic certification data from each institution is shown on page 5-3. The summary chart, excluding the University of Arkansas, Fayetteville (UAF), indicates that 41.5 percent of athletic program budgets is being funded from student athletic fees, while 25.1 percent comes from athletic-generated revenues and other athletic income (foundations and private gifts). The remaining 33.4 percent is funded from the educational and general transfer and other auxiliary profits (dormitories, food service, and bookstores, etc.).

Other than the educational and general transfer, the use of auxiliary profits is the most sensitive source of income for financing athletic budgets. Arkansas State University, Henderson State University, University of Arkansas Fort Smith, University of Arkansas at Monticello and University of Arkansas Pine Bluff are budgeting 100 percent of net auxiliary profits. Other auxiliary profits are included as a revenue source for intercollegiate athletic programs; however, the use of auxiliary funds to support intercollegiate athletic programs should not undermine sound fiscal management of those auxiliary enterprises.

The following resolution is presented for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board accepts the Certification of Intercollegiate Athletic Revenues and Expenditures Budgeted for 2005-06 as prepared in accordance with Arkansas Higher Education Coordinating Board uniform accounting standards and definitions for athletic reporting.

Summary of 2005-06 Athletic Certification Data from Institutional Boards of Trustees

Inst	Athletic Generated Revenues	% of Total Inst Rev	Other Auxiliary Profits	% of Total Inst Rev	E & G Transfer	% of Total Inst Rev	Student Athletic Fee	% of Total Inst Rev	Other Athletic Income	% of Total Inst Rev	Total Expected Inst Rev	Total Budgeted Expenditure	Athletic Fee Per SSCH
ASUJ	\$3,504,098	36%	\$2,295,741	24%	\$750,000	8%	\$2,409,327	25%	\$698,385	7%	\$9,657,551	\$9,657,551	\$10.00
ATU	88,735	3%	0	0%	940,000	35%	1,652,545	61%	13,349	1%	2,694,629	2,694,629	9.30
HSU	25,800	1%	482,526	21%	750,000	33%	1,026,921	45%	500	0%	2,285,747	2,285,747	10.50
SAUM	67,500	4%	205,467	11%	750,000	42%	771,670	43%	0	0%	1,794,637	1,794,637	10.00
UAFS	121,765	9%	435,016	31%	0	0%	870,240	61%	0	0%	1,427,021	1,427,021	6.00
UALR	1,340,625	24%	0	0%	750,000	14%	2,755,093	50%	700,963	13%	5,546,681	5,546,681	11.75
UAM	25,000	1%	879,474	44%	595,784	30%	481,268	24%	0	0%	1,981,526	1,981,526	7.00
UAPB	970,480	23%	503,667	12%	945,000	22%	1,090,000	26%	745,681	18%	4,254,828	4,254,828	13.70
UCA	79,000	2%	0	0%	980,000	22%	3,183,000	72%	173,700	4%	4,415,700	4,415,700	11.50
NAC	7,100	3%	119,373	48%	98,500	40%	0	0%	24,341	10%	249,314	249,314	0.00
Subtotal	\$6,230,103	18.2%	\$4,921,264	14.3%	\$6,559,284	19.1%	\$14,240,064	41.5%	\$2,356,919	6.9%	\$34,307,634	\$34,307,634	
UAF	33,755,470	85%	600,000	2%	0	0%	0	0%	5,264,530	13%	39,620,000	39,620,000	0.00
Total	\$39,985,573	54.1%	\$5,521,264	7.5%	\$6,559,284	8.9%	\$14,240,064	19.3%	\$7,621,449	10.3%	\$73,927,634	\$73,927,634	

NOTE: Sources of **Other Athletic Income** are foundations/clubs and other private gifts, miscellaneous income, work study program, etc.

**ECONOMIC FEASIBILITY OF BOND ISSUE
UNIVERSITY OF ARKANSAS AT FORT SMITH**

University of Arkansas at Fort Smith (UAFS) requests approval of the economic feasibility of plans to issue bonds totaling \$14.5 million with a maximum term of up to 30 years at an estimated annual interest rate of up to 5.5% for auxiliary purposes. Proceeds from the bond issue will be used to acquire a 300-bed apartment complex for \$14.5 million. The University of Arkansas Board of Trustees approved this action at its meeting held on July 21, 2005.

The Auxiliary issue will be approximately \$14.5 million with annual debt service of \$997,668. 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.

Relevant data follows:

Projected 2005-06 Net Auxiliary Revenues.....	\$1,907,998
Maximum Annual Debt Service (\$1,907,998/120%).....	1,589,998
Existing Debt Service.....	0
Estimated Debt Service for Proposed Bond Issues.....	997,678
Net Auxiliary Revenue Remaining for Additional Debt Service.....	\$ 592,320

The above data demonstrates that University of Arkansas at Fort Smith has sufficient revenue to support a bond issue of approximately \$14.5 million with a term of up to 30 years at an estimated annual interest rate of up to 5.5%.

The following resolution is presented for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas at Fort Smith (UAFS) to issue bonds not to exceed \$14.5 million for a period of up to 30 years at an estimated annual interest rate of up to 5.5% for auxiliary purposes.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President of the University of Arkansas System and the Chancellor of the University of Arkansas at Fort Smith of the Coordinating Board's resolution.

**ECONOMIC FEASIBILITY OF BOND ISSUE
UNIVERSITY OF ARKANSAS AT PINE BLUFF**

University of Arkansas at Pine Bluff (UAPB), requests approval of the economic feasibility of plans to issue bonds totaling \$21 million with a maximum term of up to 30 years at an estimated annual interest rate of up to 5.5%.

Proceeds from the bond issue will be used to acquire a 390 bed housing facility for \$10.2 million and \$10.8 million for various renovation and construction projects for educational & general (E&G) and auxiliary purposes. The University of Arkansas Board of Trustees approved this action at its meeting held on June 3, 2005.

The E&G issue will be approximately \$9 million with annual debt service of \$619,249. Proceeds from the issue will be used for various renovation and construction projects such as renovations to the HPER building, ADA compliance renovations, renovations to existing roofing and environmental control systems and other renovations projects. 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.

The Auxiliary issue will be approximately \$12 million with annual debt service of \$825,665. Proceeds from the issue will be used to acquire a housing facility for \$10.2 million and the remainder for renovation of existing housing facilities. 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.

Relevant data follows:

<u>Educational and General Portion</u>	
Budgeted 2005-06 Tuition and Fee Revenue.....	\$12,170,735
Maximum Allowable Debt Service ($\$12,170,735 \times 25\%$).....	3,042,684
Existing Debt Service.....	1,086,000
Estimated Debt Service for Proposed Issue.....	619,249
Tuition and Fee Revenue Remaining for Additional Debt Service.....	\$1,337,435

Auxiliary Portion

Projected 2005-06 Net Auxiliary Revenues.....	\$3,889,844
Maximum Annual Debt Service (\$3,889,844/120%).....	3,241,537
Existing Debt Service.....	455,900
Estimated Debt Service for Proposed Bond Issues.....	825,665
Net Auxiliary Revenue Remaining for Additional Debt Service.....	\$1,959,972

The above data demonstrates that University of Arkansas at Pine Bluff has sufficient revenue to support a bond issue of approximately \$21 million with a term of up to 30 years at an estimated annual interest rate of up to 5.5%.

The following resolution is presented for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Arkansas at Pine Bluff (UAPB) to issue bonds not to exceed \$21 million for a period of up to 30 years at an estimated annual interest rate of up to 5.5% for both E&G and auxiliary purposes.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education is authorized to notify the President of the University of Arkansas System and the Chancellor of the University of Arkansas at Pine Bluff Coordinating Board's resolution.

**ECONOMIC FEASIBILITY OF BOND ISSUE
 UNIVERSITY OF CENTRAL ARKANSAS**

University of Central Arkansas (UCA) requests approval of the economic feasibility of plans to issue bonds totaling \$11 million with a maximum term of up to 20 years at an estimated annual interest rate of up to 5%.

Proceeds from the bond issue will be used to construct and furnish a student health services facility for \$6.5 million, construct a field house at the intramural and softball complex and to combine the track and soccer complex for \$3.6 million and to construct a commuter parking lot and to provide connecting sidewalks to campus for \$900,000. The University of Central Arkansas Board of Trustees approved this action at its meeting held on May 6, 2005.

The E&G issue will be approximately \$3.8 million with annual debt service of \$303,317. 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.

The Auxiliary issue will be approximately \$7.2 million with annual debt service of \$579,351. 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.

Relevant data follows:

Educational and General Portion

Budgeted 2005-06 Tuition and Fee Revenue.....	\$47,866,769
Maximum Allowable Debt Service (\$47,866,769 x 25%).....	11,966,692
Existing Debt Service.....	2,001,616
Estimated Debt Service for Proposed Issue.....	303,317
Tuition and Fee Revenue Remaining for Additional Debt Service.....	\$9,661,759

Auxiliary Portion

Projected 2005-06 Net Auxiliary Revenues.....	\$2,452,626
Maximum Annual Debt Service (\$2,452,626/120%).....	2,043,855
Existing Debt Service.....	1,298,132
Estimated Debt Service for Proposed Bond Issues.....	579,351
Net Auxiliary Revenue Remaining for Additional Debt Service.....	\$ 166,372

The above data demonstrates that University of Central Arkansas has sufficient revenue to support a bond issue of approximately \$11 million with a term of up to 20 years at an estimated annual interest rate of up to 5%.

The following resolution is presented for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board considers economically feasible plans for the University of Central Arkansas (UCA) to issue bonds not to exceed \$11 million for a period of up to 20 years at an estimated annual interest rate of up to 5% for both E&G and auxiliary purposes.

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

**ASSOCIATE OF GENERAL STUDIES
NORTHWEST ARKANSAS COMMUNITY COLLEGE**

The administration and Board of Trustees of NorthWest Arkansas Community College (NWACC) request approval to offer an Associate of General Studies degree. NWACC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The NWACC Board approved the proposed degree on June 6, 2005.

Description of Program

The Associate of General Studies (AGS) degree is designed to allow students to meet personal employment or enrichment goals through an individualized course of study. While some courses may be transferable, it is designed for the student who does not intend to transfer to a baccalaureate degree-granting institution and does not want a degree in a specific technical area. Each degree program is designed by the student and academic advisor to meet specific goals.

The proposed 60-semester credit hour program includes 18-semester credit hours of college-level courses in English, communications, mathematics, social or behavioral science, and computer fundamentals. An additional 14-semester credit hours are required to be in a specific area or discipline in order to demonstrate mastery of skills and knowledge in that area or discipline. The remaining 28 semester credit hours are selected in conjunction with an advisor.

Need for the Program

In 2004, over half of the associate degrees awarded in Arkansas public institutions were in liberal arts or general studies. While most of these awards were Associate of Arts (transfer) degrees, some students need more flexibility in developing a curriculum that meets their personal educational goals. The AGS is appropriate for such students who want a college degree for personal reasons, rather than for transfer. An example of this is the student who has attended several institutions without obtaining a degree, and now needs an associate degree for employment or promotion. This degree is also valuable for non-traditional students who have educational needs not met by current programs. NWACC expects an enrollment of 45 students in the degree program the first year.

Program Costs

Because all courses for the degree currently exist, there are no new program costs.

Program Duplication

Nine Arkansas institutions currently offer the Associate of General Studies or similar degrees (Associate of General Education and Associate of Liberal Studies).

Desegregation

Caucasian student enrollment at NWACC is 83.8 percent. This percent is decreasing as the northwest Arkansas area attracts an increased number of minority populations.

Program Productivity

Of the 18 programs NWACC offered at the associate degree level in 2003-2004, 12 (67 percent) of them met Coordinating Board productivity guidelines.

The following resolution is presented for Coordinating Board consideration.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Associate of General Studies degree (CIP 24.0102) at NorthWest Arkansas Community College, effective August 2005.

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 NorthWest Arkansas Community College of this approval.

**TECHNICAL CERTIFICATE AND CERTIFICATE OF PROFICIENCY
IN GEOGRAPHIC INFORMATION SYSTEMS
EAST ARKANSAS COMMUNITY COLLEGE**

The administration and Board of Trustees of East Arkansas Community College (EACC) request approval to offer a Technical Certificate and a Certificate of Proficiency in geographic information systems (GIS). EACC is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The EACC Board approved the programs on May 19, 2005.

Description of Programs

Geographic information systems are computer hardware and software systems used to store, display, analyze, and map information. Geographers, planners, land developers, real estate agents, utility companies, transportation companies, and municipal officials use these systems. Using GIS, information about population distribution, traffic movement, land availability, real estate prices, environmental hazards, soil types, and flood zones can be analyzed together to help entities make informed decisions. EACC students will learn to use software used to store, manage, and process this data.

The Certificate of Proficiency (CP) program consists of courses in GIS, cartography, remote sensing and data acquisition, and spatial analysis and modeling for a total of 15-semester credit hours. A prerequisite for the program is a 3-semester credit hour course in computer fundamentals.

The Technical Certificate requires 33-semester credit hours by adding to the CP program courses in computer programming, technical communication, algebra, and English composition, as well as a 3-hour independent project. Students integrate knowledge gained in previous courses for completion of an entire project in such areas as trucking, surveying, agriculture, and environmental applications.

Program curricula were developed using guidelines from the Environmental Systems Research Institute (ERSI). ERSI is the largest research and development organization dedicated to GIS technology.

Need for the Program

GIS technicians are needed in government and agricultural entities, chemical companies, and the transportation industry to use this new technology and to provide technical support to others learning to use the technology. Local farm

equipment dealers have indicated the desire to employ GIS technicians to give technical support to farmers who buy tractors and other equipment containing global positioning systems (GPS). Local farm cooperatives, fertilizer companies, and crop consultants employ GIS technicians to give training in the use of GIS equipment and to facilitate in the correct application of chemicals. The Arkansas Department of Environmental Quality and local environmental consulting companies hire GIS technicians to map wells and hazardous waste sites. Various agencies of the US Department of Agriculture employ GIS technicians to map fields, wetlands, irrigation wells, and underground tanks. Local trucking and delivery companies need GIS technicians to assist in streamlining routes and to give training and technical support to drivers. EACC anticipates the first-year enrollment to be 10 students based on surveys of current students and area employers.

Program Costs

Start-up funding for the GIS program (\$81,000 for the first year) is included as part of an \$8 million Title III Strengthening Technical Education grant received by EACC. The grant will fund equipment, supplies, instructional material, and travel for four years. The grant will fund up to \$140,000 in program equipment.

The salary for a full-time instructor/program specialist will be paid in full by the Title III grant for the first year, with instructor funding decreasing by 25 percent each year for the second through the fourth years. After the first four years, program costs will be met by student tuition and fees and state general revenue.

Program Duplication

The University of Arkansas--Fort Smith offers a Certificate of Proficiency in GIS, and North Arkansas College offers a Technical Certificate in GIS.

Desegregation

African American students comprise 45.5 percent of the total EACC student population.

Program Productivity

In 2003-04, 2 (20 percent) of the 10 Technical Certificate programs and none of the 3 Certificates of Proficiency programs met Coordinating Board productivity guidelines. However, five of the TC programs and two of the PC programs are embedded in productive associate degrees in business management, computer information systems, and office technology.

The following resolution is presented for Coordinating Board consideration.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Technical Certificate and Certificate of Proficiency in geographic information systems (CIP 45.0702) at East Arkansas Community College, effective August 2005.

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 East Arkansas Community College of the approvals.

**BACHELOR OF SCIENCE IN FORENSIC SCIENCE
ARKANSAS STATE UNIVERSITY--JONESBORO**

The administration and Board of Trustees of the Arkansas State University System (ASU) request approval to offer the Bachelor of Science in forensic science at Arkansas State University--Jonesboro (ASUJ). ASUJ is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The ASU Board approved the proposal on June 9, 2005.

Description of Program

Forensic science is defined as the practice of using science and technology in the investigation and establishment of facts or evidence for a court of law. While the American Academy of Forensic Science was established in 1948, forensic science as a formal discipline, rather than a cluster of disparate sciences, is new.

Forensic science as a stand-alone discipline has become more prominent because new techniques and technologies allow the chemical and physical associations between hair, fiber, explosives, and residues to be made. The backlog of cases in state crime labs and the rise in terrorism with the subsequent creation of the Department of Homeland Security also have significantly increased the demand for forensic scientists. The proposed program is a result of the combined research expertise and interests of faculty at ASUJ in the area of forensic science and the market force demands for highly trained and skilled workers in the field.

The Bachelor of Science in forensic science will be an interdisciplinary program that will include existing courses from the chemistry, biology, and criminology degree programs. It is designed to produce scientifically and technically skilled clinicians in the fields of science and forensic criminology. The graduates of this program will employ the principles of chemistry, physics, biology, mathematics, social science theory, and law to solve crimes by providing evidence to assist the courts. The program will provide students with a strong science foundation, problem-solving skills, and extensive training in laboratory techniques. The degree includes a four- to six-credit hour internship experience.

Two degree tracks will be offered: forensic chemistry and forensic biology. The 128-semester credit hour curriculum is based on the recommendations of the National Institutes of Justice 2004 report *“Education and Training in Forensic Science: A Guide for Forensic Science Laboratories, Educational Institutions, and Students,”* endorsed by the American Academy of Forensic Science. Graduates of the program will be prepared for entry-level positions as lab

technicians and assistants in biotechnology and biochemistry labs in medical and industrial settings.

Need for the Program

In 2004, ASUJ surveyed potential employers from government agencies and private firms in Arkansas, Tennessee, Missouri, and Mississippi. The Arkansas State Crime Lab currently employs 73 skilled chemists and biologists working in Little Rock and Hope. The Arkansas and Tennessee crime laboratories and police organizations estimated their need for 30 forensic scientists within the next five years. Private firms doing contract crime lab work or in the pharmaceutical, biotechnical, and chemical industries in the four-state region reported the need for 2-3 graduates per year. Federal and state employers in the region have expressed a willingness to provide internship and summer job experiences.

Of the 120 prospective ASUJ students surveyed in 2004, 28 students (33 percent) stated that they would major in forensic science if the program became available. During the past year, 78 (38 percent) of the 217 students enrolled in introductory science courses at ASUJ also said that they would select forensic science as a major. ASUJ is projecting an initial enrollment of 15 students.

Program Costs

The faculty, staff, facilities, and laboratory equipment and supplies required for the program are already in place. The current library budget for the Department of Chemistry and Physics has had \$20,000 set aside for additional materials for the new program. New income from student tuition and state general revenue would be \$160,000.

Program Duplication

No other Arkansas institution offers the bachelor's degree in forensic science. There are over 60 baccalaureate-level forensic science programs in the United States with various areas of concentration such as chemistry, biology, biochemistry, psychology, anthropology, and genetic engineering. States with programs in proximity to Arkansas include Alabama, Oklahoma, Texas, Missouri, Kentucky, Tennessee, Mississippi, and Louisiana.

Desegregation

African American undergraduate student enrollment at ASUJ is 16.2 percent. The ASUJ chemistry and biology programs have increased their minority student populations through programs such as the McNair Scholar's Program and Research Internships in Science of the Environment. As of the 2004-2005 year, there were 38 (14 percent) African American student majors in chemistry, 77

(17 percent) majors in biology, and 34 (12 percent) majors in criminology. Based on freshman preview and orientation responses, 26 African Americans have expressed an interest in the forensic science program.

Program Productivity

In 2003-04, 57 (74 percent) of the 77 bachelor's degree programs at ASUJ met Coordinating Board productivity guidelines. The bachelor's degree programs in biology, chemistry, and criminology all met productivity guidelines with an average of 109 graduates per year over the past five years.

The following resolution is presented for Coordinating Board consideration.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Science in forensic science (CIP 43.0106) at Arkansas State University--Jonesboro, effective January 2006.

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 of the approval.

**BACHELOR OF SCIENCE IN CRIMINAL JUSTICE
ASSOCIATE OF APPLIED SCIENCE IN CRIMINAL JUSTICE
UNIVERSITY OF ARKANSAS--FORT SMITH**

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to offer the Bachelor of Science and the Associate of Applied Science in Criminal Justice at the University of Arkansas--Fort Smith (UAFS). UAFS is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The UA Board approved the proposal on June 3, 2005.

Description of Programs

Bachelor of Science in Criminal Justice

The proposed bachelor's degree will require 125-semester credit hours, including 35-credit hours of general education. Course work will prepare students for supervision and management positions in criminal justice fields. A 3-semester credit hour (113 contact hours) internship is a part of the degree requirements. For the first two years, classes will be held during the traditional daytime hours, while classes for the third and fourth years will be held during the late afternoon and early evening hours. Weekend and distance education classes may be offered based on student demand. In addition, the program will provide a foundation for post-baccalaureate work in law, public policy, social work, and business.

Associate of Applied Science in Criminal Justice

The proposed 60-semester credit hour associate degree program is designed to prepare students for entry-level positions in law enforcement, probation/parole, and corrections at the local, state, and federal levels. The curriculum is designed to flow directly into the bachelor's degree in criminal justice. The associate degree includes 15-credit hours of general education. A three-credit hour internship also is included in the curriculum. Both the associate and bachelor's degree programs will serve the continuing education needs for criminal justice professionals in the region. The program has been designed to work in partnership with federal, state, and local agencies to assist and train individuals in technologies used in the criminal and juvenile justice systems.

Need for the Program

The Fort Smith Police Department and the Sebastian County Sheriff's Office approached UAFS about creating the proposed programs. Based on the request, surveys were sent to 25 human resource professionals at eight local, state, and national law enforcement agencies in six surrounding counties. Twenty-three (92 percent) of the respondents stated that their current employee applicant pool has insufficient education in criminal justice and that they would offer incentives to employees who would pursue degrees in criminal justice. A minimum of 100 employees from these agencies can be considered as prospective students for the programs. Over 500 high school students in the Fort Smith region have expressed interest in careers in law, public safety, and security. Seventy students are expected to enroll in the program in fall 2006, 60 in the associate degree program and 10 in the bachelor's program.

Program Costs

The estimated cost (\$76,875) for the new program for the first year includes the salaries for one full-time faculty member, three adjunct faculty, a part-time administrative assistant, and a part-time administrator. Also included are funds for faculty professional development and library and instructional materials. Tuition and fees are estimated to be \$198,100 and the state general revenue will be approximately \$285,460 for a total of \$483,560.

Program Duplication

Thirteen institutions offer an associate degree in criminal justice. Five offer a bachelor's degree in the field. All of the associate and bachelor degree programs met program productivity guidelines. The closest bachelor's program in criminal justice is the University of Arkansas, Fayetteville, 56 miles from Fort Smith. The next closest institution offering the bachelor's in criminal justice is UALR, 159 miles away. The closest institution offering an associate's degree in criminal justice is NorthWest Arkansas Community College, 91 miles away. In this field, geographical proximity is essential for working students whether degree seeking or attending for profession development hours.

Desegregation

African American student enrollment for fall 2004 was 4.2 percent and other minority student enrollment was 10.9 percent of the student body.

Program Productivity

In 2003-04, 18 (86 percent) of 21 associate degrees and four (80 percent) of five bachelor's degrees at UAFS met Coordinating Board program productivity guidelines.

The following resolution is presented for Coordinating Board consideration.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Science and the Associate of Applied Science degrees in Criminal Justice (CIP 43.0103) at the University of Arkansas--Fort Smith, effective Fall 2006.

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 approvals.

**BACHELOR OF SCIENCE IN GRAPHIC DESIGN
UNIVERSITY OF ARKANSAS--FORT SMITH**

The administration and Board of Trustees of the University of Arkansas System (UA) request approval to offer the Bachelor of Science in graphic design at the University of Arkansas--Fort Smith (UAFS). UAFS is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The UA Board approved the proposal on June 3, 2005.

Description of Program

The proposed bachelor's degree builds upon the existing associate degree in graphic design with input from the institutional program advisory committee on required skills and competencies. The 132-semester credit hour program will include 19 new advanced courses in drawing, illustration, typography, web design, advertising, printing, digital photography, and graphic design to provide students with a solid foundation in traditional, graphic, and digital art and design. A senior capstone course in graphic design is required for students to assemble a self-promotional campaign, engage in freelance projects, and develop business management skills. Students also may chose to complete a supervised internship (300-480 contact hours) at a local design studio, advertising agency or major corporation such as Wal-Mart. Graduates of the program will have a portfolio and be prepared to work for advertising agencies, design studios, printing companies, television stations, newspapers, and corporate design firms.

Need for the Program

In 2005, UAFS surveyed design businesses, printing companies, and advertising agencies in Fort Smith, Van Buren, Fayetteville, Rogers, Springdale, and Bentonville about the need for graphic designers. Employers stated that graphic designers were needed with more creative, design, analytical, and leadership skills. Nine (50 percent) of the 18 respondents indicated a need for a total of 27 graphic designers over the next two years; 14 respondents (78 percent) expected to hire graphic design staff in 3-6 months; and 12 (67 percent) respondents will host interns. All respondents expressed support for the program and stated their willingness to be a guest lecturer, adjunct faculty or advisory committee member.

Currently, 70 students are enrolled in the associate degree in graphic design. Fourteen of the current students and 15 recent graduates have expressed an interest in pursuing a bachelor's degree in graphic design. Initial enrollment in the program is expected to be 15 students.

Program Costs

New program costs are expected to be \$57,000 for the first year and will increase to \$146,000 in the third year to cover expenses for two new faculty members, instructional materials, library resources, and faculty professional development. Funds will come from new student tuition and fees and state general revenue for a total of \$173,000.

Program Duplication

Arkansas State University--Jonesboro offers the bachelor's degree in graphic design.

Desegregation

African American student enrollment is 4.2 percent and other minority student enrollment is 10.9 percent.

Program Productivity

In 2003-04, four (80 percent) of five bachelor's degrees at UAFS met Coordinating Board program productivity guidelines.

The following resolution is presented for Coordinating Board consideration.

RESOLVED, That the Arkansas Higher Education Coordinating Board approves the Bachelor of Science in graphic design (CIP 50.0402) at the University of Arkansas--Fort Smith, effective Fall 2006.

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.

**INSTITUTIONAL CERTIFICATION ADVISORY COMMITTEE
RESOLUTIONS**

The Institutional Certification Advisory Committee (ICAC) met on June 28, 2005. The following resolutions are presented to the Coordinating Board for consideration.

**BAPTIST MISSIONARY ASSOCIATION THEOLOGICAL SEMINARY EXTENSION
CAMPUS, CONWAY, AR**

Decertification

Master of Divinity
Master of Arts in Religion

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board decertifies Baptist Missionary Association Theological Seminary Extension Campus to discontinue the offering of the Master of Divinity and Master of Arts in Religion in Conway, Arkansas. This decertification is effective July 29, 2005.

RIO SALADO COLLEGE, TEMPE, AZ

Decertification

Associate of General Studies

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board decertifies Rio Salado College to discontinue the offering of the online Associate of General Studies to Arkansas residents. This decertification is effective July 29, 2005.

CAPELLA UNIVERSITY, MINNEAPOLIS, MN

Recertification

Bachelor of Science in Business
Bachelor of Science in Information Technology
Master of Science in Organization and Management
Master of Business Administration
Master of Science in Information Technology
Doctor of Philosophy in Organization and Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Capella University to offer the following online degree programs: Bachelor of

Science in Business, Bachelor of Science in Information Technology, Master of Science in Organization and Management, Master of Business Administration, Master of Science in Information Technology, and Doctor of Philosophy in Organization and Management. The certification is for a period of four years and expires July 29, 2009.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Capella University that the recertification of these programs require 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 Capella 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.

GRACELAND UNIVERSITY, INDEPENDENCE, MO

Recertification

Bachelor of Science in Nursing

Master of Science in Nursing with tracks in Clinical Nursing Specialist, Family Nurse Practitioner, and Health Care Administration

Initial Certification

RN-Master of Science in Nursing with tracks in Clinical Nursing Specialist-Family Nursing, Family Nurse Practitioner, and Health Care Administration

Post-Graduate Certificate in Family Nurse Practitioner and Health Care Administration

RESOLVED: That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Graceland University offer the following online degree programs: Bachelor of Science in Nursing and the Master of Nursing with tracks in Clinical Nursing Specialist, Family Nurse Practitioner, and Health Care

Administration. The recertification is for a period of two years and expires July 29, 2007.

FURTHER RESOLVED, The Coordinating Board grants initial program certification to Graceland University to offer the following programs: RN-Master of Science in Nursing with tracks in Clinical Nursing Specialist-Family Nursing, Family Nurse Practitioner, and Health Care Administration; and the Post-Graduate Certificate in Family Nurse Practitioner and Health Care Administration. The certification is for a period of two years and expires July 29, 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Graceland University that the recertification and certification of these programs require 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 Graceland 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.

ITT TECHNICAL INSTITUTE, LITTLE ROCK, AR

Initial Certification

Bachelor of Science in Business Administration
Bachelor of Science in Business Accounting Technology
Bachelor of Science in Criminal Justice

RESOLVED: That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to ITT Technical Institute to offer the following programs: Bachelor of Science in Business Administration, Bachelor of Science in Business Accounting Technology, and Bachelor of Science in Criminal Justice. The certification is for a period of two years and expires July 29, 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of ITT Technical Institute that the certification of these programs require 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 ITT Technical Institute 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

Initial Certification – Rogers Campus

Bachelor of Science in Business
Bachelor of Science in Information Technology
Master of Management
Master of Business Administration

RESOLVED: That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants initial program certification to the University of Phoenix to offer the following programs: Bachelor of Science in Business, Bachelor of Science in Information Technology, Master of Management, and Master of Business Administration on the new campus in Rogers, Arkansas. The certification is for a period of two years and expires July 29, 2007.

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 that the certification of these programs require 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 the University of Phoenix 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 – FORT SMITH

Recertification

Master of Business Administration

Master of Arts in Human Resources Management

RESOLVED, That pursuant to ACA §6-61-301 the Arkansas Higher Education Coordinating Board grants program recertification to Webster University-Fort Smith to offer the following degree programs: Master of Business Administration and Master of Arts in Human Resources Management. The recertification is for a period of two years and expires July 29, 2007.

FURTHER RESOLVED, The Coordinating Board grants initial program certification to Webster University-Fort Smith to offer the Master of Arts in Computer Resources and Information Management. The certification is for a period of two years and expires July 29, 2007.

FURTHER RESOLVED, That the Coordinating Board instructs the Director of the Arkansas Department of Higher Education to notify the administration of Webster University-Fort Smith that the recertification and certification of these programs require 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 Webster University-Fort Smith 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.

INSTITUTIONAL CERTIFICATION ADVISORY COMMITTEE REPORT

The Institutional Certification Advisory Committee (ICAC) met on June 28, 2005, for the regularly quarterly meeting.

ICAC members present were: Mr. Ron Kelton, Dr. Shirlene Harris, Mr. Dan Jordan, Mr. Emil Mackey, Ms. Connie Nelson, Dr. Walter Roettger, Mr. Ken Hoppe, and Dr. Larry Williams. Members absent were: Ms. Deborah Germany, Ms. Brenda Germann, and Dr. Jack Lassiter.

Others attending were: Mr. Kurt Linberg and Ms. Sharyl Thompson, Capella University; Ms. Chris Montagino, Mr. Dan Litteral, Dr. Brenda Sullivan, Ms. Shelia Alumonos, and Ms. Tressa Bankhead, University of Phoenix; Mr. Tom Crawford and Ms. Story Stringer, ITT Technical Institute; Mr. Jerry Peters and Ms. Diane Fagan, Webster University, and Ms. Cynthia Moten, Arkansas Department of Higher Education. Ms. Judy Luffman and Ms. Shelley Anderson of Graceland University participated via phone.

Jeanne Jones called the meeting to order.

Mr. Emil Mackey announced that he was attending his last ICAC meeting prior to his retirement on September 30, 2005, from the State Approving Agency for Veteran's Training.

The following programs were reviewed during the meeting:

Baptist Missionary Association Theological Seminary Extension Site, Conway, AR - Decertification

The Baptist Missionary Association Theological Seminary (BMATS) requests decertification of the Master of Divinity and the Master of Arts in Religion offered at the BMATS Extension Site in Conway, AR. The Coordinating Board granted initial certification in August 2003.

The Arkansas Department of Higher Education (ADHE) staff has determined, based on a review of certification and exemption guidelines, that BMATS does not offer programs customarily offered at colleges and universities. Degree titles have been changed to meet exemption requirements. There will be no changes in institutional operation due to the change from certified institution to exempt institution. A certificate of exemption from certification will be issued upon Board approval of program decertification.

ADHE Recommendation

The Arkansas Department of Higher Education staff recommends the decertification of the Master of Divinity and the Master of Arts in Religion offered at the BMATS Extension site in Conway, AR, effective July 29, 2005. The motion to recommend decertification of the programs was made by Dr. Larry Williams, with a second by Dr. Shirlene Harris.

Rio Salado College, Tempe, AZ - Decertification

Rio Salado College of Tempe, AZ requests decertification of the Associate in General Studies program offered online to Wal-Mart employees in Arkansas. The Coordinating Board granted initial certification in August 2003. There have been no Arkansas students enrolled in the program since initial certification.

ADHE Recommendation

The Arkansas Department of Higher Education staff recommends the decertification of the Associate of General Studies offered by Rio Salado College online to Wal-Mart employees in Arkansas, effective July 29, 2005. The motion to recommend decertification of the program was made by Dr. Larry Williams, with a second by Dr. Shirlene Harris.

Capella University

Capella University is requesting recertification of the following online programs: Bachelor of Science in Business, Bachelor of Science in Information Technology, Master of Business Administration, Master of Science in Organization and Management, Master of Science in Information Technology, and Doctor of Philosophy in Organization and Management.

The Arkansas Higher Education Coordinating Board granted initial program certification in 2003. The programs are offered online to Wal-Mart employees as part of the company's "My Education Connection" program. Twenty-eight (28) Arkansas residents have enrolled in programs offered by Capella University since 2003.

Program Summary

The Bachelor of Science in Business (BSB) is designed to provide students a foundation in business administration, management and leadership, human resource management, finance, marketing, ethics, e-business, and organizational communication. The curriculum provides an integrated approach of theory, research, and hands-on projects to prepare students to work with diverse work groups and in different functional areas. The following specializations are available to BSB students: business administration, finance, human resource management,

and management and leadership. Since 2003, six (6) Arkansas students have enrolled in the BSB degree program.

Students in the Bachelor of Science in Information Technology (BSIT) gain the skills and knowledge to utilize information technology skills that will enable them to work in areas requiring mastery of the latest software and web tools. Specializations available in the program are: graphics and multimedia, network technology, project management, and web application development. Since 2003, ten (10) students have enrolled in the BSIT program, and six (6) Arkansas students graduated with the BSIT degree.

The Master of Business Administration (MBA) program is designed to provide the business skills and knowledge necessary for working professionals to advance their career in management and help experienced managers become effective leaders. The program focuses on job related behaviors and skills critical for success in the competitive business environment. Finance and marketing specializations are available to MBA students. Since 2003, three (3) students have completed the MBA program.

The Master of Science in Organization and Management (MSOM) is designed for working adults wanting to develop knowledge in specific areas of organizational practice as they prepare to fill positions in middle and upper management. MSOM students have the option of pursuing a specialization in human resource management, information technology management, and leadership. There are no Arkansas students currently enrolled in the program.

The Master of Science in Information Technology (MST) program is designed to prepare IT professionals to take the lead in the design and use of secure applications and technologies to maintain and improve company operations. Specializations are available in system design and programming, network architecture and design, information security, general information technology and project management and leadership. Since 2003, five (5) students have enrolled in the MSIT program.

The Doctor of Philosophy in Organization and Management (PhDOM) prepares students for professional teaching roles or organizational roles in today's fast-paced, competitive, global enterprise system. Coursework prepares the students to use research and theory to make informed decisions for their organization. Students may specialize in human resource management, information technology management, and leadership. Since 2003, four (4) Arkansas students have enrolled in the PhD program.

Faculty

A review of faculty credentials indicates that program faculty have the appropriate credentials for the courses they are assigned to teach.

Online Support Services

The online delivery system offers technical support to students and faculty. Online faculty are required to complete orientation and training sessions related to online facilitation, classroom management/administration, learner evaluation/assessment, technical training to function successfully within the Learning Management System, and introduction to the university's processes, policies, and expectations prior to teach for the university.

Library services are provided to Capella students and faculty through database subscriptions, and cooperative arrangement with the Johns Hopkins University's Sheridan Libraries. Students also have online access to advisors, financial aid applications and information, course registration and scheduling processes.

State Certification/Licensure

Capella University is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The University is approved/licensed to offer programs in Minnesota, Arizona, Alabama, Illinois, Kentucky, Virginia, West Virginia, Washington, and Wisconsin.

ADHE Recommendation

The Arkansas Department of Higher Education Staff (ADHE) has determined that Capella University meets the program recertification requirements of the Rules and Regulations of the Institutional Certification Advisory Committee. ADHE staff recommends a three-year certification, expiring July 29, 2008, for the following programs: Bachelor of Science in Business, Bachelor of Science in Information Technology, Master of Business Administration, Master of Science in Organization and Management, Master of Science in Information Technology, and Doctor of Philosophy in Organization and Management.

ICAC Discussion

Dr. Williams asked how the length of recertification was determined, and why an institution could not be certified/recertified for the length of the degree program. Jeanne Jones stated that the recertification range of two to five years is given in the ICAC Rules and Regulations. Ms. Jones also stated that the length of recertification is determined by:

- a. The condition of the institution--program strength, financial stability, unresolved issues from previous program reviews, and other extenuating circumstances.
- b. The complaints/concerns received during current certification period.

Dr. Williams suggested that future recertification recommendations be based on the length of the program to give the institution an opportunity to provide data for a complete program cycle of enrollment and graduation. The committee will continue discussion on this matter at a future ICAC meeting.

Mr. Ron Kelton made the motion to recertify Capella University for the three-year period recommended by the ADHE staff, and Ms. Connie Nelson made the second for the motion. The motion was amended to extend the recertification to a four-year period suggested by Dr. Williams. The amendment was approved with an opposing vote from Mr. Ken Hoppe. All committee members voted to recertify Cappella University for a four-year period expiring July 29, 2009.

Graceland University

Graceland University submitted an application for recertification of the following distance delivery nursing programs: RN to BSN, and MSN with Clinical Nursing Specialist, Family Nurse Practitioner, and Health Care Administration tracks.

Graceland University also submitted application for recertification of the following distance delivery nursing programs: RN to MSN program with Clinical Nursing Specialist-Family Nursing, Family Nurse Practitioner, and Health Care Administration tracks, and MSN Postmaster's Certificate with Family Nurse Practitioner and Health Care Administration tracks.

The Arkansas State Board of Nursing approved the programs in 1995, followed by the granting of initial certification by the Coordinating Board. The institution is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The nursing programs are accredited by the National League for Nursing Accrediting Commission, Inc. (NLNAC), and the Commission on Collegiate Nursing Education (CCNE).

Program Summaries - Recertification

Bachelor of Science in Nursing (BSN)

Graceland's BSN program was initially certified by the Coordinating Board in 1995, and recertified in 2003. Designed for RNs with a diploma or associate degree in nursing, the BSN program provides the student with the opportunity to complete requirements for the bachelor degree via an online and/or directed study course format. BSN students complete the required clinical practicum at approved Arkansas clinical sites, and complete required focus sessions on the Independence, MO campus. Current enrollment in the BSN program is five students.

Master of Science in Nursing (MSN)

The MSN program was granted initial certification in 1995 by the Coordinating Board, and recertified in 2003. Students in the MSN program have three (3) career

options: Family Nurse Practitioner, Clinical Nurse Specialist in Family Nursing, and Health Care Administration.

The MSN curriculum is provided through a distance-learning format. MSN students complete the clinical practicum at approved Arkansas clinical sites, and two focus sessions on the Independence, MO campus. Five (5) students are currently enrolled in the MSN program.

Program Summaries - Initial Certification

RN to MSN

Graceland University requests certification for the distance delivery RN-MSN program that provides registered nurses (RNs) the opportunity to complete course and clinical requirements for both the BSN and the MSN through directed study, on-campus focus sessions, and clinical practice. RNs enrolling in the program must complete all requirements for the BSN prior to enrolling in master-level courses. Once the BSN requirements are completed, students have the option of “stopping out” or completing the remaining credit hours for the MSN. Program entrance requirements include a RN license and at least an associate degree in nursing.

Students entering the MSN program have three career options: Family Nurse Practitioner (FNP), Clinical Nurse Specialist in Family Nursing (CNS-FN), and Health Care Administration (HCA). Each area of study combines theory and research with an emphasis on the clinical practice in the student’s chosen area.

The FNP option prepares nurses to provide family-oriented health care in a variety of situations and settings. The CNS-FN option provides clinical preparation that will enable students to work in the areas of staff development and patient education. RNs enrolled in the HCA option will complete coursework in preparation to assume management positions in a variety of health care environments, including hospital and community based facilities. Projected enrollment for the RN to MSN program is seven (7) students.

Post-Master’s Family Nurse Practitioner Certificate

The Family Nurse Practitioner Certificate (FNP) prepares RNs for the expanded role of family care in a variety of settings in the 21st century. The student completes the requirements for certification through a combination of directed independent study courses, online courses, and guided practicums in the student’s community. The 29-semester credit hours of coursework include: pharmacotherapeutics; advanced pathophysiology; primary care of adults and pediatrics; and practicums. Projected enrollment is three students.

Post-Master’s Health Care Administration Certificate

RNs enrolled in the HCA option will complete coursework in preparation to assume management positions in a variety of health care environments, including hospital and community based facilities. The required 18 semester credit hours of

coursework include: laws and policies related to labor relations; health care finance; information systems management; ethics; economics; and a practicum in health care administration. Projected enrollment is three students.

Arkansas Clinical Sites

Students are required to complete clinical assignments in the state in which they are licensed. Graceland currently has 25 approved clinical sites in Arkansas.

Faculty

A review of faculty credentials indicates that program faculty have the appropriate credentials for the courses they are assigned to teach.

Online Support Services

The online course delivery system offers technical support for students and faculty. Online faculty complete online training courses to familiarize themselves with the online system. First-time faculty are monitored by a mentor during their first teaching rotation to insure they and the students progress successfully through the course.

All student support services for online students are managed at the Independence Campus. Online services include answering initial inquiries about programs, application processing, advising, course registration, financial aid, books and material order processing, online library access, and ongoing day-to-day access to a student support counselor. A university e-mail account is set up for each student upon admission to the university. University library services are available online.

State Certifications/Licensure

Graceland University is chartered in Iowa, where the main campus is located in Lamoni, IA. The Iowa Coordinating Council for Post-High School Education has approved all programs offered by Graceland. All programs are certified by the Missouri Certification Board for Higher Education. This certification includes distance delivery programs, as well as those offered on the Independence, MO campus.

ICAC Discussion

Jeanne Jones discussed comments received from the University of Central Arkansas (UCA) concerning the Family Nurse Practitioner track of the MSN programs and the post-master's certificate. The primary concerns were competition for clinical sites with state-supported institutions and duplication of programs. Ms. Jones visited with Dr. Barbara Williams, UCA Dean of Nursing and Dr. Gabriel Esteban, UCA Provost in response to their concerns.

Clinical sites – The Arkansas State Board of Nursing has reviewed clinical requirements and based on the limited number of students expected in the Family Nurse Practitioner track, 10 or less, does not view the availability of clinical sites as an issue.

Program Duplication –The programs can be offered in Arkansas, according to the Interstate Commerce Clause of Article 1, Section 8 of the US Constitution, as long as the institution and program meet the criteria outlined in the ICAC Rules and Regulations. Graceland meets the criteria for program certification.

ADHE Recommendation

The Arkansas Department of Higher Education staff has determined that Graceland University meets the program certification and recertification requirements of the Rules and Regulations of the Institutional Certification Advisory Committee. ADHE staff recommends a two-year certification, expiring July 29, 2007, for the following programs: Registered Nurse to Master of Science in Nursing (RN to MSN) program with Clinical Nursing Specialist-Family Nursing, Family Nurse Practitioner, and Health Care Administration tracks, and the MSN Postmaster's Certificate with Family Nurse Practitioner and Health Care Administration tracks. Dr. Shirlene Harris made the motion to recommend certification of the programs, with a second by Mr. Ron Kelton. Motion carried.

ADHE staff (ADHE) recommends a two-year recertification, expiring July 29, 2007, for the following programs: Registered Nurse to Bachelor of Science in Nursing, MSN with Clinical Nursing Specialist, Family Nurse Practitioner, and Health Care Administration tracks. Dr. Shirlene Harris made the motion to recommend certification of the programs, with a second by Mr. Dan Jordan. Motion carried.

ITT-Technical Institute

ITT-Technical Institute (ITT-Tech) submitted application for initial certification of the following Bachelor of Science programs: Business Administration, Business Accounting Technology, and Criminal Justice.

ITT-Tech has offered associate degree programs in Arkansas since 1993. The Coordinating Board granted initial certification allowing ITT-Tech to offer bachelor's programs in Arkansas in 2003. The institution is accredited by the Accrediting Council for Independent Colleges and Schools, and licensed by the Arkansas State Board of Private Career Education.

The programs were reviewed by Mr. Jan Duke, Chair, Department of Behavioral and Social Science, Southern Arkansas University-Magnolia; Ms. Debbie Frazier, Vice Chancellor of Academic Services, University of Arkansas Community

College at Batesville; Ms. Tamara Griffin, Division Chair for Business, Technology, and Public Service, University of Arkansas Community College at Batesville; Mr. Mike Mashburn, Assistant Director, Law Enforcement Management Center-Criminal Justice Institute, University of Arkansas System; and Cynthia Moten and Jeanne Jones, Arkansas Department of Higher Education.

Program Summaries

The 180-quarter credit hour (120-semester credit hours) Bachelor of Science program consists of 60-quarter credit hours (40-#semester credit hours) of general education courses, 72-quarter credit hours (48-semester credit hours) of business core courses, and basic technical courses. Once core courses are completed, students must complete 48-quarter credit hours (32-semester credit hours) of major courses in business accounting technology, business administration or criminal justice. The general education courses offered at the Little Rock campus are offered online. Students complete major coursework at the Little Rock location.

All ITT-Tech students, regardless of major, are required to complete the technical basic courses: Strategies for the Technical Professional, Introduction to Computing, and Professional Procedures and Portfolio Development.

Students pursuing a Bachelor of Science in Business Accounting Technology or Business Administration must complete Accounting I and II, Introduction to Business in a Global Society, Financial Accounting Reporting and Analysis, Fundamentals of Tax Preparation, Business Law and Regulation, Principles of Marketing, Principles of Management, Financial Capital Markets, Strategic Management, Introduction to Project Management, and Project Management Techniques.

The Business Accounting Technology major combines theory and practical application to help students master the skills and concepts required for employment in entry-level positions in accounting, finance, management advisory services, income tax and budgeting, and budgeting. Major coursework includes: business data application, business data networks, business information systems, business organization, accounting information systems, and auditing. Projected enrollment for the Business Accounting Technology major in 2005 is 12 students.

The Business Administration major uses theory and practical application of the fundamental principles of marketing, finance, and communication and strategic management to prepare students for entry-level business-related positions in public and private industry. Major courses include: Consumer Behavior, Principles of Supervision, Money and Banking, Business Policy and Strategy, Global Issues in Business and Economics, and Marketing Research. Projected enrollment for the Business Administration major in 2005 is 12 students.

The Bachelor of Science in Criminal Justice provides a foundation in criminal law, legal procedures, criminal evidence, and criminology to students pursuing entry-level

positions in criminal justice-related fields. The curriculum provides a combination of theory and application of skills used in the field. Entry-level positions expected to be filled by graduates from this program include workplace security, private investigators, insurance investigators, safety officers, police officer, parole and probation officer, and corrections officer. Courses include: Introduction to Criminal Justice, Courts and the Criminal Justice Systems, Criminology, Criminal Investigation, Cyber Crime, Criminal Law and Procedures, Law Enforcement Reporting and Recording, and Principles of Policing and Law Enforcement. Projected enrollment in the Criminal Justice program in 2005 is 16 students.

Faculty

Online faculty meet the credentials requirement for general education faculty. Current business faculty will be assigned to classes for the BS in business administration and accounting technology as needed. New faculty hired for the business programs and the criminal justice program will meet the minimum requirement of master's degree plus 18 hours in the teaching field.

Advisory Committee

The new business programs will be included in the current business advisory committee that includes local employers. An advisory for the criminal justice program will be formed after the program is approved.

ADHE Recommendation

The Arkansas Department of Higher Education Staff (ADHE) has determined that ITT-Technical Institute, Little Rock, meets the program certification requirements of the Rules and Regulations of the Institutional Certification Advisory Committee. ADHE staff recommends a two-year certification, expiring July 29, 2007, for the following programs: Bachelor of Science in Business Administration, Bachelor of Science in Business Accounting Technology, and Bachelor of Science in Criminal Justice. Mr. Ron Kelton made the motion to recommend certification of the programs, with a second from Dr. Walter Roettger. Motion passed.

University of Phoenix - Rogers, AR

The University of Phoenix submitted application for initial certification of the following programs to be offered at a new campus in Rogers, AR: Bachelor of Science in Business, Bachelor of Science in Information Technology, Master of Management, and Master of Business Administration

The University of Phoenix received initial certification in August 2003 from the Arkansas Higher Education Coordinating Board (AHECB) to offer programs in Arkansas at the Little Rock campus and via online delivery. The Rogers campus will be the second University of Phoenix campus in Arkansas.

The programs were reviewed by Dr. Bryan Burke, Dean of Business, Harding University; Dr. Karon Rosa, Former Academic Administrator, Remington College; and Cynthia Moten and Jeanne Jones, Arkansas Department of Higher Education.

Rogers Campus

The planned site for the University of Phoenix campus in Rogers is 903 North 47th Street. The location of the new campus is based on a feasibility study conducted by the University of Phoenix. The study focused on the university's target population of working adults aged 25-49, and the services of existing institutions in the area to working adults.

The planned facility will have six (6) classrooms, two study rooms, two computer rooms, and administrative office and cubical space for faculty. The facility will be similar to the Little Rock campus and meet all state and federal building requirements. Temporary facilities may be used until the permanent facilities are ready for occupation.

Administration for the new campus will be similar to that at the Little Rock campus: Associate Campus Director, Director of Academic Affairs, Enrollment Manager, four Enrollment Counselors, one Academic Counselor, two Campus College Chairs, and a receptionist. The Little Rock Campus Director and Director of Academic Affairs will be responsible for overseeing operations and academics at the Rogers campus for at least the first year of operation, or until all positions are filled.

Program Summaries

The University of Phoenix-Rogers campus will offer the same programs currently offered at the Little Rock campus. Initial enrollment for the campus is projected at 100 students.

The Bachelor of Science in Business with an option in Management (BSB/M) focuses on the management of human and fiscal resources in relation to an organization's structure and mission. The BSB coursework address critical business issues in the areas of diversity, globalization, ethics, technology, and e-business. Management majors will focus on performance systems, employment law, marketing, public relations, financial analysis, global business strategies, and quality management.

The Bachelor of Science in Information Technology (BSIT) focuses on the acquisition of theory and technical competencies associated with the information technology professions. The primary areas of study are business systems analysis and design, programming, databases, networks and telecommunications, and the web. THE BSIT is the foundation for careers in information technology, or graduate study.

The Master of Business Administration (MBA) is designed to strengthen the management skills the student needs to function effectively within an organization. The program focuses on quantitative analysis of business information to improve business decision-making. Coursework centers on the most current theories, practices, and technologies and tools.

Students pursuing the regular MBA will be able to complete all coursework at the Rogers campus. Students wishing to specialize in accounting, e-business, global management, health care management, human resource management, marketing, and technology management will be required to complete the nine semester credit hours of specialization courses online, or transfer the hours to the University of Phoenix from another institution.

The Master of Management is designed to strengthen the management skills needed to function effectively within an organization. The program uses emerging management theory, techniques, and practices to help students become effective leaders and managers. Coursework includes human relations, organizational behavior, communication, managerial accounting and finance, project management, and marketing management.

Faculty

Faculty will be required to have the same credentials as those teaching at the Little Rock campus. Currently three Little Rock faculty members live in the Northwest Arkansas area and could be available to teach courses at the Rogers campus.

Student Support Services

Students attending the Rogers campus will have access to the same student services that are available to all University of Phoenix students. Students are assigned an enrollment counselor, financial aid counselor, and academic counselor to assist them in the enrollment process. Once enrollment is completed, students attend an orientation presentation that provides them information about the campus, University of Phoenix policies and procedures that will affect them as students, and services available to them as University of Phoenix students. Rogers' students will have access the University of Phoenix Online library collection, and technical support.

Accreditation

The University of Phoenix is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools.

ADHE Recommendation

The Arkansas Department of Higher Education Staff (ADHE) has determined that University of Phoenix meets the program certification requirements of the Rules and Regulations of the Institutional Certification Advisory Committee. ADHE staff recommends a two-year certification, expiring July 29, 2007. Mr. Ken Hoppe made the motion to recommend certification for programs at the new Rogers campus, with a second by Ms. Connie Nelson. Motion passed.

Webster University – Fort Smith

Webster University-Fort Smith submitted application for initial certification of the Master of Arts in Computer Resources and Information Management, and recertification of the Master of Business Administration and Master of Arts in Human Resources Management degree programs.

The programs were reviewed by Dr. Kathleen Reese, Interim Dean of the College of Business and Technology at Northeastern State University in Tahlequah, Oklahoma; Mr. Gary Olden, Executive Vice Chancellor for Academic Affairs at Southern Arkansas University--Tech in Camden; Ms. Tamara Walker, Private Banking Officer for Arvest Bank in Fort Smith; Mr. Bob Cloninger, MIS Analyst for the City of Fort Smith, and Jeanne Jones, Coordinator for Institutional Certification.

Initial certification for programs on the Fort Smith campus was granted in 1998. Originally located at Fort Chaffee, the university moved to downtown Fort Smith in 2004. The institution is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools (NCA-HLC). The next accreditation visit is due in 2007-08.

Program Summaries - Recertification**Master of Business Administration (MBA)**

The MBA program received initial certification in 1998 and was recertified in 2003. MBA students have the option of completing 36 semester credit hours for the MBA, or 48 semester credit hours if they select an area of emphasis in Human Resource Management. The MA in Computer Resources and Information Management will also be available as an area of emphasis once initial certification for the program is granted. Thirty-four (34) students have completed the MBA program during the current certification period.

Recertification – MA in Human Resources Management

The MA in Human Resources Management received initial certification July 2001, and was recertified in 2003. Students seeking a graduate degree in Human Resources Management must complete 36 semester credit hours of courses in the field of study. Required courses include: Managing Human Resources, Basic Finance for Managers, Training and Development, Employment Law, and Compensation. Seven (7) students have completed the MA in Human Resources Management program during the current certification period.

Program Summaries - Initial Certification

Master of Arts (MA) in Computer Resources and Information Management

Initial certification is requested for the Master of Arts in Computer Resources and Information Management program. The proposed degree program is designed to provide students with the skills to utilize information technology as a management tool. The combination of information management curriculum with computer resources curriculum will help the student better manage technology and the people working with the technology.

The 36 semester credit hour program includes 24 semester credit hours of required courses in information management; information systems project management; networking and telecommunications; systems analysis; systems design and implementation plus 12 hours of elective courses. Projected enrollment for the first year of the program is 15 students.

Library Resources

Students at Webster-Fort Smith have online access to the library located on the main Webster campus in St. Louis, MO. Students also have access to local libraries.

Support Services

Student support services such as orientation, financial aid applications, advising, and course registration are provided by the Webster-Fort Smith Director, faculty, and support staff.

Faculty

A review of faculty credentials indicates that program faculty have the appropriate credentials for the courses they are assigned to teach.

Advisory Committee

The Advisory Committee for Webster-Fort Smith was established in 2003. Major employers and community leaders serve on the committee. Currently, the primary function of the Advisory Committee is to assist in community outreach efforts, student recruitment, and recommend programs for the Fort Smith campus.

Facilities and Equipment

In fall 2004, Webster-Fort Smith moved from the facilities at Fort Chaffee to the former library building in downtown Fort Smith. The new facilities provide space for two (2) classrooms with state-of-the art projection and audio equipment, a T1 connected computer lab with the latest computer equipment, a student lounge, and an administrative office area.

Concerns Identified by 2003 and 2005 Review Team

Budget and financial issues have been a concern since 2001 when access to the base was limited due to security concerns following the September 11 attacks. Promises of economic development assistance and other support to Webster from city officials, increased recruiting efforts by the local campus, and increased financial support from the main campus have resulted in recent financial improvements. For the fiscal year ending May 31, 2005, the Fort Smith campus has posted a surplus instead of the projected deficit. Continued progress in this area will reduce concerns about the financial stability of the Fort Smith campus.

ADHE Recommendation

The Arkansas Department of Higher Education Staff (ADHE) has determined that Webster University-Fort Smith meets the program certification and recertification requirements of the Rules and Regulations of the Institutional Certification Advisory Committee.

ADHE staff recommends a two-year recertification, expiring July 29, 2007, for the Master of Business Administration, and the Master of Arts in Human Resources Management. Dr. Harris made the motion to recommend recertification of the programs, with a second by Dr. Williams. Motion passed.

ADHE staff recommends a two-year certification, expiring July 29, 2007, for the Master of Arts in Computer Resources and Information Management. Dr. Williams made the motion to recommend certification of the new program, with a second from Ms. Nelson. Motion passed.

Announcements

Exemptions issued April - June 2005

(Informational Items Not Requiring ICAC or AHECB Action)

Anchor Theological Seminary and Bible Institute, Texarkana, AR

Associate in Biblical Studies
Bachelor of Ministry in Biblical Studies
Bachelor of Theology
Master of Ministry in Biblical Studies
Master of Theology
Doctor of Pastoral Theology
Doctor of Ministry in Christian Philosophy

Southern Baptist Theological Seminary, Louisville, KY

Master of Divinity at the University Baptist Church in Fayetteville, AR

The next ICAC meeting will be on September 27, 2005 at 2:00 p.m. in the ADHE 3rd Floor Conference Room.

Adjournment

The meeting adjourned at 3:35 p.m.

**REVISED RULES AND REGULATIONS
MILITARY DEPENDENTS' SCHOLARSHIP**

This agenda item presents revisions to the rules and regulations of the Arkansas Missing in Action/Killed in Action Dependents' Scholarship Program that are necessary to comply with Act 2127 of 2005. The enhancements to the program from this legislation have prompted ADHE staff to recommend renaming the program, "The Military Dependents' Scholarship."

The Missing in Action/Killed in Action Dependents' Scholarship was created in 1973 to assist the children and spouses of members of the military who were declared missing in action, killed in action or declared prisoners of war. The scholarship provides tuition, fees, room and board, and other charges from any state-supported postsecondary institution.

Act 2127 of 2005 adds a provision that allows the children or spouses of those who served in the military and were declared one hundred percent (100%) totally and permanently disabled by the federal Department of Veterans' Affairs to receive scholarship benefits under this program. Current estimates indicate that approximately fifty (50) members of the military from Arkansas will be affected by this new legislation; although estimates were not available as to which of these members have children of college age. It is important to note that this number is likely to increase due to the current military conflict. The 2003-05 appropriation for this program was \$15,000 per year. The General Assembly increased the appropriation for the 2005-07 biennium to \$75,000 per year. There are adequate funds available in the Higher Education Grant Fund to ensure that all eligible applicants are awarded.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Military Dependents' Scholarship Program. The hearing will be in conjunction with this meeting of the Arkansas Higher Education Coordinating Board.

The following resolution is offered for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Military Dependents' Scholarship 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 her designee is authorized to promulgate these rules and regulations and to implement them for the 2005-06 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Military Dependents' Scholarship Program.

~~MISSING IN ACTION/KILLED IN ACTION (MIA/KIA)~~ **MILITARY**
DEPENDENTS' SCHOLARSHIP PROGRAM
RULES AND REGULATIONS

RULE 1 -- ORGANIZATION AND STRUCTURE

- I. The Arkansas Department of Higher Education shall administer the ~~Missing in Action/Killed in Action (MIA/KIA)~~ **Military** Dependents' Scholarship Program within the policies set by the ~~State Board of~~ **Arkansas** Higher Education **Coordinating Board**. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee.
- II. The final responsibility for determining eligibility of scholarship recipients shall rest with the Director of the Arkansas Department of Higher Education pursuant to the provisions of Act 188 of 1973, **Act 2127 of 2005**, and subsequent legislation.
- III. When functioning under Act 188 of 1973, **Act 2127 of 2005**, and subsequent legislation, the Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act.

RULE 2 -- SCHOLARSHIP ELIGIBILITY CRITERIA

- I. To be eligible for the ~~MIA/KIA~~ **Military** Dependents' Scholarship, an applicant must meet the following conditions:
 - A. The student's parent or spouse must have been a **disabled veteran**, prisoner of war, missing in action, killed in action, or killed on ordnance delivery during the course of active military duty after January 1, 1960.
 - B. The student's parent or spouse must have been a resident of the State of Arkansas at the time he/she entered service in the United States Armed Services, or whose official residence was within the State of Arkansas.

- C. The student must qualify as the dependent of a **disabled veteran**, prisoner of war, or a person declared to be missing or killed in action, or on ordnance delivery by meeting one of the following criteria:
 - 1. The spouse of a prisoner of war or a person declared to be **a disabled veteran**, missing or killed in action, or killed on ordnance delivery; or,
 - 2. The dependent child born before or during the time his/her parent was a **disabled veteran**, prisoner of war, or was declared to be missing or killed in action, or killed on ordnance delivery; or,
 - 3. The dependent child was legally adopted or in the legal custody of the parent prior to and during the time the parent was a **disabled veteran**, prisoner of war or was declared to be missing or killed in action or killed on ordnance delivery.

- D. The applicant must be enrolled or accepted for enrollment as a full-time student in a public college or university in Arkansas.

- E. The applicant must be either:
 - 1. An undergraduate student seeking a baccalaureate degree or certificate of completion; or
 - 2. A graduate student seeking a professional degree, and who has not received any undergraduate education in Arkansas.

- F. The applicant must apply for the scholarship prior to the published deadline in order to receive the scholarship. Reimbursement can only be made for the year in which the student is currently enrolled and has made application. ~~Applications received after May 1 of the academic year in which the student is enrolled will not be considered and the student will not be eligible for the scholarship.~~

- II. Once a person qualifies as an eligible student under the terms of the program, there shall be no situation, such as the return of a parent or spouse, or the reported death of a parent or spouse that will remove the dependent from the benefits of this program.

III. Continued Eligibility

A. Undergraduate students

The scholarship will be awarded for one academic year and renewed annually for a total of no more than four (4) years or until the student earns a baccalaureate degree, whichever occurs first, if the student satisfies the following conditions:

1. The student must maintain a cumulative grade point average of at least 2.0 on a 4.0 scale;
2. The student is making satisfactory progress toward a degree or certificate of completion;
3. The student is enrolled in at least twelve semester hours or the equivalent per semester and completes 24 semester hours, or the equivalent, per academic year.

B. Graduate students

The scholarship will be awarded for one academic year to applicants seeking a master's degree and renewed annually for a total of no more than two (2) years or until the student earns a graduate degree, whichever occurs first.

The scholarship will be awarded for one academic year to applicants seeking a professional degree and renewed annually for a total of no more than three (3) years or until the student earns a professional degree, whichever occurs first. Graduate students must satisfy the following conditions:

1. The student must maintain a cumulative grade point average of at least 2.5 on a 4.0 scale;
2. The student must make satisfactory progress toward a degree; and,
3. The student must be enrolled full-time as defined by the institution.

RULE 3 -- APPLICATION PROCESS

- I. Applications
 - A. Applications and brochures are mailed to counselors and principals at public and private Arkansas high schools.
 - B. Applications and brochures are mailed to financial aid officers at public colleges and universities in the state of Arkansas. The institutional financial aid officer is responsible for ensuring that eligible students are made aware of the ~~MIA/KIA~~ **Military Dependents' Scholarship Program** and its benefits.
 - C. Applications may also be obtained upon request from the Arkansas Department of Higher Education.
- II. Submission of Applications
 - A. All interested students planning to enroll in a public college or university in Arkansas may apply. The application deadline is August 1 for the Fall Term, December 1 for the Spring/Winter Terms, May 1 for Summer I and July 1 for Summer II.
 - B. Scholarship applicants shall submit to the Arkansas Department of Higher Education the following:
 1. ~~MIA/KIA~~ **Military Dependents' Scholarship Application**;
 2. A death certificate or other documentation certifying the death of the parent or spouse;
 3. A Report of Casualty from the appropriate branch of the United States Armed Services;
 4. **Documentation from the federal Department of Veterans Affairs citing service-connected, one hundred percent (100%) total and permanent disability**;
 45. A copy of birth certificate, if a dependent child;
 56. A copy of marriage license, if a spouse; and,
 67. Graduate/professional applicants must submit a copy of their undergraduate transcript.

RULE 4 -- AWARD PROCESS

- I. Applications and supporting documentation will be reviewed for completeness and to determine whether the applicant meets all the eligibility requirements. Applicants will be notified within thirty (30) days of the status of their application.
- II. Eligible students will be mailed an award notice, which contains the conditions of the award, the requirements for continued eligibility, an explanation of the benefits, and the student's responsibilities.
- III. The institution will also be mailed an award notice, which contains the student's name, social security number, award limits, conditions of the award, verification process, and payment process. The institution will be required to complete a Reimbursement Form listing all charges covered by this program.
- IV. The institution will be responsible for verifying the student's continued eligibility each semester.
- V. The award will be renewed annually provided the student satisfies the continued eligibility requirements as defined by the Arkansas Department of Higher Education in Rule 2, Section III.
- VI. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

RULE 5 -- SCHOLARSHIP PAYMENT POLICIES

- I. The scholarship will pay the cost of tuition at the in-state rate, room and board when provided in campus facilities, and fees ~~which include general registration fees, any special course fees, and activity fees~~ **or other charges from such institution or school.**
- II. Payment ~~to the~~ **on behalf of the** scholarship recipient will be ~~in the form of a tuition and fee waiver at~~ **made directly to** the recipient's institution. The Arkansas Department of Higher Education will reimburse the institution at the beginning of each semester for approved charges **covered by this program upon receipt of the Reimbursement Form, and verification of the charges.** Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

III. The Arkansas Department of Higher Education will pay the institution for **the award** ~~all tuition and fees~~ covered by this program upon receipt of the Reimbursement Form, and verification of the charges.

A. Transfer Policy

A recipient who has received a MIA/KIA **Military** Dependents' Scholarship may transfer to another eligible institution provided the Arkansas Department of Higher Education receives written notification of the change of status by October 1 for the Fall Term, February 1 for the Winter/Spring Terms, and June 1 for the Summer Terms. Failure to notify the Arkansas Department of Higher Education of the transfer by the deadline will disqualify the student for waiver of tuition and fees at the institution to which he/she has transferred.

B. Withdrawal Policy

Recipients may withdraw from the MIA/KIA **Military** Dependents' Scholarship Program upon written notification to, and approval by, the Arkansas Department of Higher Education. The petition shall give the reason for withdrawal and will be supported with documentation. Recipients who withdraw from school and fail to notify the Arkansas Department of Higher Education by October 1 for the Fall term, February 1 for the Winter and/or Spring terms, and June 1 for the Summer terms will not be eligible for a tuition waiver for that semester. The recipient may receive the tuition waiver if he/she can demonstrate that extraordinary circumstances prevented him/her from notifying the Arkansas Department of Higher Education.

C. Revocation Policy

The award will be permanently revoked if the recipient fails to enroll full-time and the Arkansas Department of Higher Education receives neither written notification of transfer to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the Fall Term, February 1 for the Winter/Spring Terms and June 1 for the Summer Terms. At the discretion of the Arkansas Department of Higher Education, the award will not be revoked if the Department determines that extraordinary circumstances prevented the student from notifying the Department by the required dates.

D. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will not be penalized. They will be placed in deferred status until six (6) months after release from active duty.

- IV. Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the Federally recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.

RULE 6 -- INSTITUTIONAL RESPONSIBILITIES

I. Administrative Agreement

The chief executive officer of the state-supported institution of higher education is responsible for appointing one representative from the Financial Aid Office to act as administrator of the ~~MIA/KIA~~ **Military Dependents' Scholarship Program** and to receive all communications and forms issued by the Arkansas Department of Higher Education. This representative is responsible for completing all forms, verification of data, and complying with all program rules and regulations. The institution must comply with these responsibilities in order to maintain continued eligibility status.

II. Verification

The institution shall provide verification to the Arkansas Department of Higher Education (ADHE) at the close of each term concerning the student's name and continuing eligibility. This is accomplished using the Verification Form issued by the Department. Reimbursement to the institution will be made after the institution has completed the Verification Form and the Reimbursement Form and returned them to the Arkansas Department of Higher Education.

III. Identification of Eligible Students

Institutions will be responsible for exercising all reasonable efforts to identify students eligible for the program. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

IV. Deadline for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed must be returned to the Arkansas Department of Higher Education.

V. Refund Policy

It is the institution's responsibility to notify ADHE of the names of persons owing a refund, the date of the withdrawal and the refund amount. This information should be placed on the institution's verification roster before returning it to ADHE.

VI. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any scholarship recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the MIA/KIA **Military** Dependents' Scholarship Program.

RULE 7 -- RECIPIENT RESPONSIBILITIES

- I. It is the recipient's responsibility to notify the Arkansas Department of Higher Education, in writing, of any change in status within 21 days. This includes:
 - A. Changes in name, or
 - B. Change in address, or
 - C. Change in Institution, or
 - D. Change in full-time status, or
 - E. Withdrawal from an institution.

Failure to notify the Arkansas Department of Higher Education of any change in status may affect future eligibility.

RULE 8 -- PROGRAM DEFINITIONS

The following definitions are used in the ~~Missing in Action/Killed in Action~~ **Military** Dependents' Scholarship Program:

Approved Institution	A public college or university or technical school located in Arkansas that is accredited by the North Central Association Commission on Higher Education, or has achieved candidacy status, and does not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws. The institution must have signed an Administrative Agreement with ADHE.
Dependent	A spouse of a prisoner of war or person declared to be a disabled veteran , missing in action or killed in action, or killed on ordnance delivery, or any child born before or during the period of time its parent served as a prisoner of war or was declared to be a disabled veteran , missing or killed in action, or killed on ordnance delivery, or any child legally adopted or in the legal custody of the parent prior to and during the time the parent served as a prisoner of war, <u>declared to be a disabled veteran</u> , or was declared to be a person missing in action or a person killed in action or killed on ordnance delivery.
<u>Disabled Veteran</u>	<u>A person who has been awarded special monthly compensation by the Federal Department of Veterans Affairs for service-connected, one hundred percent (100%) total and permanent disability.</u>
Full-time Student	An undergraduate student enrolled in at least twelve (12) semester credit hours, or its equivalent, per semester; or a graduate student enrolled in at least nine (9) college semester credit hours, or the equivalent, per semester.

Satisfactory Progress

Undergraduate students must maintain a cumulative college grade point average of at least 2.0 on a 4.0 scale, and make satisfactory progress toward a degree or certificate of completion, as defined by the institution.

Graduate students must maintain a cumulative grade point average of at least 2.5 on a 4.0 scale, and make satisfactory progress toward a graduate or professional degree, as defined by the institution.

Fees Waived

Includes tuition at the in-state rate, room and board when provided in campus facilities, **fees or other charges incurred from the approved institution** general registration fees, special course fees, and activity fees. ~~Fees will not be used for books, auto permit, damages or accessories to dormitory rooms, or utility bills.~~ **Non-reimbursable charges would include any penalty charges, including but not limited to, parking tickets, or other penalty payments.**

**REVISED RULES AND REGULATIONS
ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM**

This agenda item presents the revised rules and regulations for the Arkansas Academic Challenge Scholarship Program reflecting recent changes in state law under Acts 1014, 2197, 2011 and 2214 of 2005.

The Arkansas Academic Challenge Scholarship Program was established by Acts 352, 362, and 733 of 1991. The purpose of this program is to promote academic achievement and encourage academically prepared Arkansas high school graduates to enroll in college by providing college scholarships. The scholarship is awarded on the basis of the student meeting minimum standards with regard to the ACT composite score, grade point average in the pre-collegiate core curriculum defined by the Arkansas Higher Education Coordinating Board, and financial need.

The Arkansas Academic Challenge Scholarship is renewable for up to three additional years provided funds are available and the student meets the continuing eligibility standards established in the rules and regulations. The scholarship is not meant to displace any other state grants or scholarships unless required by federal regulations or state law.

Acts 2011 and 2214 of 2005 raise the annual award structure of the scholarship program to reward persistence in the program through achieving a 2.75 cumulative college grade point average and completing 12 semester credit hours in the first semester of college and 15 semester credit hours each semester thereafter. These acts raised the amounts by \$500 per academic year. The new award structure, established by Acts 2011 and 2214 of 2005, will be as follows:

\$2,500	Freshmen Year
\$2,750	Sophomore Year
\$3,000	Junior Year
\$3,500	Senior Year

In addition, these acts provided for raising the family income limits of the Academic Challenge Scholarship Program. Previously, the income limit began with adjusted gross incomes of \$50,000 or less per year. Members of the General Assembly considered inflationary factors when deciding to raise the income limit to \$60,000 per year, beginning with high school graduates of 2005. For each additional dependant child in the family, the income limit is raised by \$5,000 and if any of those dependant children are enrolled full-time in college, the income limits are increased an additional \$10,000 per year.

Another provision of Acts 2011 and 2214 of 2005 rewards those students in the scholarship program who graduate in a timely manner. Those students who are in

the eighth semester on the scholarship and are set to graduate immediately following their eighth semester (four years of college) will be exempt from the full-time enrollment provision.

In an effort to inform students and their parents of the new income limits and in a continued attempt to restore public faith in the scholarship programs, ADHE extended the application deadline from June 1 to July 1 and initiated a public information campaign so that needy students would not miss out on the opportunity to apply for the Academic Challenge Scholarship. This effort also reminded other high school students to visit the web site to make sure they understood the scholarship possibilities. Dr. Linda Beene sent letters to the editors of all statewide newspapers, and newspaper, radio and television spots were purchased for the last two weeks of June. As a result of this campaign, visits to the www.ArkansasChallenge.com web site varied between 700-900 hits per day during the campaign, up from less than 100 per day in previous months. In addition, the volume of applications substantially increased. In the two months prior to the deadline, applications were submitted at an average rate of thirty per day. During the public information campaign, the volume increased to an average of seventy-five applications per day. At press time, ADHE had received over 6,800 applications. The staff is still evaluating the number of applicants that are eligible to receive the scholarship.

Act 1014 of 2005 requires Arkansas colleges and universities to provide students with a written, signed eight-semester course of study required for a bachelor's degree at said institution. Students will be guaranteed a bachelor's degree at the end of eight semesters if they adhere to the written agreement. Only those higher education institutions that adhere to Act 1014 of 2005 will be allowed to participate in the Academic Challenge Scholarship and Governor's Scholars Program. To comply with this law, ADHE will collect written certification statements from the presidents and chancellors of all public four-year colleges and universities attesting that they are in compliance with Act 1014.

Act 2197 of 2005 requires Arkansas high school graduates of 2010 and beyond to successfully complete the SMART core curriculum and pass end of course examinations in high school. This law was passed to provide sufficient notice to students that they must take the tests seriously and failing might jeopardize the ability to earn the Academic Challenge Scholarship. The law allows ADHE to use the ACT as a secondary measure of aptitude in applicable courses.

In addition, as a result of suggestions by a 2004 legislative audit, statements have been added to clarify the ADHE's authority to exercise professional judgment in making scholarship awards when special conditions exist.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Arkansas Academic Challenge Scholarship Program. The hearing will be held in conjunction with this meeting of the Arkansas Higher Education Coordinating Board.

The following resolution is offered for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Academic Challenge Scholarship Program 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 her designee is authorized to promulgate these rules and regulations and to implement them for the 2005-06 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Academic Challenge Scholarship Program.

ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM RULES AND REGULATIONS

RULE 1 – ORGANIZATION AND STRUCTURE

- I. The Arkansas Department of Higher Education (ADHE) shall administer the Arkansas Academic Challenge Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee.
- II. The Director of the Arkansas Department of Higher Education has the final responsibility for selecting scholarship recipients pursuant to the provisions of Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664 and 1836 of 2001, **Acts 1014, 2197, 2011 and 2214 of 2005** and subsequent legislation, and program rules and regulations.
- III. The Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act when functioning under Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664, and 1836 of 2001, Act 1798 of 2003, **Acts 1014, 2197, 2011 and 2214 of 2005** and subsequent legislation.

RULE 2 – SCHOLARSHIP ELIGIBILITY CRITERIA

- I. Eligibility Criteria

An applicant must meet the following requirements to be eligible to receive the Arkansas Academic Challenge Scholarship:

- A. The applicant must be a citizen of the United States or a permanent resident alien.
- B. The applicant shall have been a resident of the State of Arkansas for at least (12) months prior to graduation from an Arkansas high school, and the recipient's parent(s) or guardian(s) shall have maintained Arkansas residency for the same period of time.
- C. The applicant shall have graduated from an Arkansas high school on or after March 5, 1991.

- D. The applicant must be accepted for admission and enrolled as a full-time, first-time freshman at an approved institution of higher education, as defined by the Department of Higher Education, within twelve (12) months of graduation from high school. Applicants who graduated from high school after December 31, 2001, and before December 31, 2002 must enroll within eighteen (18) months of graduation from high school.
- E. The applicant must be enrolled full-time (12 semester hours or the equivalent) and complete twenty-four (24) semester hours, or the equivalent, per academic year. Those applicants who graduated from high school after December 31, 2000 must be enrolled full-time twelve (12) semester hours or the equivalent for the first semester and fifteen (15) semester hours or the equivalent every semester thereafter.
- F. The applicant must be enrolled in a program of study, which leads to or is creditable towards a baccalaureate degree. These programs include baccalaureate degree programs, associate degree programs, and nursing school diplomas, which require concurrent college enrollment.
- G. Applicants must certify that they are drug-free and must pledge in writing on the application form to refrain from the use or abuse of illegal substances. This includes alcohol for applicants under twenty-one years of age.
- H. Any male applicant under twenty-six years of age must file a Statement of Selective Service Status with the postsecondary education institution at which he is enrolled certifying that he has complied with the terms of the Military Selective Service Act before funds can be disbursed.
- I. The applicant must score 19 or above on the ACT Composite or at least 730 on the SAT combined verbal and math (if the ACT score is not available). **For students graduating after December 31, 2009, the applicant must demonstrate proficiency in the application of knowledge and skills in reading and writing literacy and mathematics by passing end-of-course examinations or by scoring at least a nineteen (19) on the applicable subscore of the ACT.**
- J. A recipient of a Governor's Distinguished Scholarship is prohibited from receiving an Academic Challenge Scholarship.
- K. Applicants who graduate from high school after December 31, 2001 must achieve the following grade point average in the pre-collegiate core curriculum: 3.0 on a 4.0 scale if enrolling at an approved four-year institution or a grade point average of 2.75 on a 4.0 scale if enrolling at an approved two-year institution. These grade point averages may be revised to no lower than a 2.5 grade point average on a 4.0 scale if it is determined by the department, based on the most recent evaluation of

the program's operation that the grade point requirement would unduly reduce the number of low-income or disadvantaged students who would otherwise be eligible for the program. At the Department's discretion, an exception may be made to institutions with a high percentage of students receiving full Pell grants, upon written petition to the department by the institution. The applicant who graduated from high school prior to December 31, 2001, must have achieved a grade point average (GPA) of 2.50 on 4.0 scale in the pre-collegiate core curriculum established by the State Board of Education and the Arkansas Higher Education Coordinating Board pursuant to A.C.A. 6-61-217 as listed below.

- **English** - Four units with emphasis on writing skill (not to include courses in oral communication)
- **Natural Science** - Two units, with laboratories, chosen from two of the following: Biology, Chemistry, or Physics (Applied Biology/Chemistry [two-year program] may be substituted for Biology. Principles of Technology I and II [two-year program] may be substituted for Physics). High School graduates in 2002 and beyond will be required to have an additional unit of science. The third unit may be any **natural** science, including Physical Science, with a lab. ~~Only one unit may come from a Life Science.~~
- **Mathematics** - Three units: Algebra I, Algebra II and Geometry (Applied Math I and II [two-year program] may be substituted for Algebra I if the student who completes Applied Math I and II also completes Algebra II and Geometry [or more rigorous math courses such as calculus or trigonometry] with grades of C or better). Applicants graduating in the year 2002 and beyond will be required to have a fourth unit of Mathematics beyond Algebra II.
- **Social Studies** - Three units, including one of American History, one of World History, and at least one-half unit of Civics or American Government.
- **Foreign Language** – Two **successive** units in one foreign language.

A *unit* is defined as the credit received for completion of one (1) year of a course in high school. One semester is equal to one-half (1/2) unit.

OR

A *unit* is defined as the credit received for completion of one three credit-hour semester course in college as a high school student or as a student applicant seeking to meet the core requirements provided for in the grace period specified in Rule 2, Section I, Paragraph M.

The Department shall have the authority to exercise professional judgement in the determination of course substitutions when

special circumstances exist that prevents the student from meeting stated course requirements but evidence exists that shows the student meets the academic intent of the program.

- L. Applicants who do not meet the requirements of both paragraphs I and K with respect to the minimum ACT score (or its equivalent), or the minimum GPA in high school core courses, shall qualify if they meet the combined test score and GPA requirements set out in the selection index below:

ACT SCORE	CORE CURRICULUM GPA
25-36	2.0 and above
20-24	2.25 and above
19	2.50 and above
17-18	3.0 and above
15-16	3.25 and above

Applicants with ACT scores below 15 will not be eligible; applicants with GPAs below 2.0 will not be eligible.

Applicants who graduate from high school after December 31, 2001, who do not meet the requirements of both paragraphs I and K with respect to the minimum ACT score (or its equivalent), or the minimum GPA in high school core courses, shall qualify if they meet the combined test score and GPA requirements set out in the selection index below:

ACT SCORE	CORE CURRICULUM GPA
25-36	2.50 and above, if attending a 4-year institution, 2.25 and above, if attending a 2-year institution
20-24	2.75 and above, if attending a 4-year institution, 2.50 and above, if attending a 2-year institution
19	3.00 and above, if attending a 4-year institution, 2.75 and above, if attending a 2-year institution
15-18	3.25 and above, if attending a 4-year institution, 3.00 and above, if attending a 2-year institution

Applicants with ACT scores below 15 will not be eligible; applicants with GPAs below 2.25 will not be eligible.

Applicants who graduated from high school after December 31, 2001, and before December 31, 2002, must have achieved a minimum cumulative grade point average of 2.0 in college to be eligible for a deferred award, unless they were unable to attend college in the academic year following high school graduation.

- M. Applicants who graduate from high school after December 31, 2001, who have met the requirements as listed in Section I., Paragraphs A through H, but have not completed the precollegiate core curriculum defined in Paragraph K by the end of their senior year of high school shall have a grace period of twelve (12) months from graduation to make up any course deficiencies required for program eligibility, (as defined in Section I, Paragraph K) due to the unavailability of the courses in the applicant's high school. However, students will not be fully eligible for an award until all academic deficiencies are met.
- N. For applicants graduating from high school after December 31, 2000~~4~~, applicants must demonstrate financial need as defined below:
1. An applicant whose family includes one (1) unemancipated child under the age of 24 shall have an ~~average~~ family adjusted gross income (AGI) ~~over the previous two years~~ not exceeding \$~~56~~60,000 per year at the time of application for the program.
 2. An applicant whose family includes two (2) unemancipated children under the age of 24 shall have an ~~average~~ family adjusted gross income ~~over the previous two years~~ not exceeding \$~~56~~65,000 per year at the time of application to the program.
 3. An applicant whose family includes three (3) or more unemancipated children under the age of 24 shall have an ~~average~~ family adjusted gross income ~~over the previous two years~~ not exceeding \$~~67~~70,000, plus an additional \$5,000 of AGI per year for each additional child under the age of 24 at the time of application to the program.
 4. Any applicant whose family includes more than one (1) unemancipated child under the age of 24 enrolled full-time at an approved institution of higher education shall be entitled to an additional ten thousand dollars (\$10,000) of adjusted gross income when the Department of Higher Education calculates the financial need. The dependent(s) must be enrolled during the same year for which the applicant is seeking award.

5. Any student who claims to be emancipated or independent must be eligible to receive Federal financial aid as an independent student as defined by Federal regulations.
6. The Department of Higher Education may increase the income requirements using the Federal Consumer Price Index, if sufficient funds become available.
7. **The Department of Higher Education may exercise professional judgment in determining family income levels when special circumstances exist that can be documented.**

II. Continued Eligibility

If sufficient funds are available, the scholarship shall be awarded for one academic year and renewed annually if the recipient maintains a 2.50 cumulative grade point average on a 4.0 scale and completes 24 semester hours (or equivalent) per academic year. Students seeking baccalaureate degrees may renew their scholarship for up to three additional academic years for a total of four years. Students seeking associate degrees may renew their scholarship for one additional academic year for a total of two years. No student may use these funds beyond the baccalaureate degree.

Subject to the availability of funds, those recipients graduating from high school after December 31, 2000, must maintain a 2.75 cumulative grade point average on a 4.0 scale and complete twelve (12) semester hours or the equivalent for the first semester and fifteen (15) semester hours or the equivalent every semester thereafter in order to have their scholarship renewed.

If the student is entering the junior year, the student must have taken the standard rising junior test provided for in A.C.A. 6-61-114.

RULE 3 – APPLICATION PROCESS

I. Application

Students must submit an application for the Arkansas Academic Challenge Scholarship Program to the Arkansas Department of Higher Education. The Arkansas Department of Higher Education provides Academic Challenge Scholarship Program application forms to high school counselors or principals and Arkansas higher education institutions. The Arkansas Department of Higher Education also provides applications to any individual upon request. The applicant and the applicant's parents or guardians must complete the Academic Challenge Scholarship application either in writing or via the web site.

II. Submission of Application and Application Deadline

Students who graduate from high school prior to December 31, 2001, must submit an application to ADHE by October 1 of the calendar year in which they graduate from high school, and should apply, regardless of any academic deficiencies. Applications received after October 1 will not be considered for a scholarship. The student is responsible for submitting the application and all supporting documentation in a timely manner.

For those students who graduate from high school after December 31, 2001, the application deadline shall be June 1 of the calendar year in which they graduate from high school, regardless of core curriculum deficiencies. At its discretion, the ADHE may extend the deadline, provided sufficient notice is provided to the public. The student is responsible for submitting the application and all supporting documentation in a timely manner.

III. Amount of Scholarship

- A. ~~For recipients who graduated from high school between January 1, 1997, and December 31, 1998, the amount of the annual scholarship awarded to each recipient shall be the lesser of two thousand five hundred dollars (\$2,500) or the annual tuition charged by the approved institution in which the recipient is enrolled.~~
- B. ~~For new recipients who graduated from high school between December 31, 1998, and December 31, 2001, the amount of the annual scholarship awarded to each recipient shall be two thousand five hundred dollars (\$2,500).~~
- C. ~~For recipients who graduated from high school after December 31, 2001, **the** amount of the annual scholarship awarded to each recipient shall be graduated as follows:~~
1. A recipient in his or her freshman year shall be awarded an amount not to exceed two thousand **five hundred** dollars (~~\$2,000~~ **\$2,500**);
 2. A recipient in his or her sophomore year shall be awarded an amount not the exceed two thousand ~~two~~ **seven** hundred and fifty dollars (~~\$2,250~~ **2,750**);
 3. A recipient in his or her junior year shall be awarded an amount not the exceed ~~two~~ **three** thousand five hundred dollars (~~\$2,500~~ **3,000**); and
 4. A recipient in his or her senior year shall be awarded an amount not the exceed three thousand dollars (~~\$3,000~~ **3,500**).

IV. Award Notification and Prioritization of Awards

The number of new awards shall not exceed 5,000 per year.

During times of funding shortages under the Academic Challenge Scholarship Program, the Department of Higher Education shall first award those students who received an award in the previous academic year. If sufficient funds are not available to renew the Academic Challenge Scholarships of prior years' recipients, the available funds will be pro-rated among those recipients.

New applicants will receive the second funding priority. Should sufficient funds be unavailable to award all new applicants, awards will be prioritized to applicants meeting all eligibility requirements under the Academic Challenge Scholarship Program, who agree to accept a forgivable loan, as set forth in section § 6-82-1009, in lieu of a scholarship, and who agree to:

- (A) Teach, as required under § 6-82-1010, in a subject matter area designated by the Department of Education as having a critical shortage of teachers;
or
- (B) Teach, as required under § 6-82-1010, in a geographical area of the state designated by the Department of Education as having a critical shortage of teachers.

After all awards are made to applicants who agree to the provisions of § 6-82-1009, awards will next be prioritized to students who meet all the eligibility criteria established in Rule 2, beginning with the neediest students first.

The Arkansas Department of Higher Education shall notify each eligible applicant of his/her award. The award notice includes the student's name, address, social security number, the actual amount the student is eligible to receive, and the student's first institutional choice as indicated on the application form. The award notice also explains the Arkansas Department of Higher Education's disbursement procedures and conditions of the Academic Challenge Scholarship.

Applicants, who are awarded pursuant to § 6-82-1009, shall execute a promissory note to the Arkansas Department of Higher Education for the purpose of entering into a loan agreement with ADHE. The terms of the loan agreement will include the general purpose, repayment and deferment procedures, interest calculations, and a schedule of advances. The promissory note shall be signed by the loan recipient and by a co-maker of eligible age. Modifications to any award amount will be confirmed through the issuance of a new promissory note.

V. Conditional Eligibility Notification

Applicants who graduate from high school after December 31, 2001, and who have not completed the pre-collegiate core curriculum defined in Rule 2, Paragraph K but who otherwise satisfy all of the eligibility requirements listed in Rule 2, shall be classified as Conditionally Eligible. Students are only classified as conditionally eligible when the required course offerings are not available in their high school. Conditionally Eligible students shall have a grace period of up to twelve months from high school graduation to make up any core course deficiencies, which are due to the unavailability of courses while in high school. The Arkansas Department of Higher Education shall notify Conditionally Eligible students of their specific deficiencies and explain the student's responsibilities in satisfying those deficiencies within the 12-month period allowed.

VI. Eligible Award Notification

Students who are determined to be eligible for participation in the Arkansas Academic Challenge Scholarship Program but who have not been admitted to or enrolled in an Arkansas institution of higher education shall be classified as eligible. The Arkansas Department of Higher Education shall notify the students of their status as eligible. The notice provides instructions for receiving an award, defines the applicant's responsibilities, and explains the grace period.

VII. Ineligible and Incomplete Notification

The Arkansas Department of Higher Education shall notify applicants who are determined to be ineligible and provide the reason for ineligibility. They will also be given instructions on how to correct any information on the application they believe to be incorrect. Applicants who fail to submit complete applications, or who fail to supply the required documentation to process the application, will be classified as Incomplete. The Arkansas Department of Higher Education shall notify these students of their status. The Incomplete notice provides a list of the incomplete items and the actions necessary for completion.

RULE 4 – SCHOLARSHIP PAYMENT POLICIES

I. Limits of Payment

A. Payment of Scholarships\Loans

The Arkansas Department of Higher Education shall disburse scholarship and loan funds to the approved institution of the student's choice. The Arkansas Department of Higher Education shall send funds to the institution via electronic funds transfer or state warrant.

After verification of full-time enrollment, the institution will disburse the scholarship and loan funds to the student according to the institution's disbursement procedures. The scholarship or loan fund payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institution. In no instance may the entire amount of the scholarship or loan disbursement for an educational year be paid to or on behalf of such student in advance.

B. Transfer of Scholarships\Loans to Another Approved Institution

A recipient who has received an Academic Challenge Scholarship may transfer the scholarship or loan to another approved Arkansas institution of higher education, provided that:

1. The student notifies the Arkansas Department of Higher Education, in writing, of the change of status by October 1 for the fall term and by February 1 for the winter and/or spring terms;
2. The student submits a transcript to ADHE, which certifies that the student has maintained both a 2.5 GPA, and full-time status at the institution the student is leaving. Beginning with recipients who graduate from high school after December 31, 2000, the transcript must show a minimum cumulative grade point average of 2.75 or above and the completion of the required number of college credit hours; and.
3. If the student was awarded pursuant to § 6-82-1009, the student transfers to an institution where the student will remain in the teaching program with the intent to pursue a degree in a subject shortage field or geographic shortage area established in Rule 3, IV (A) and (B).

C. Withdrawal Policy

The Arkansas Department of Higher Education shall allow a student to withdraw from the Arkansas Academic Challenge Scholarship Program for no more than one year. The recipient must submit a written petition for withdrawal. The petition shall give the reason for withdrawal and be supported by documentation. In the absence of extraordinary circumstances, the award will be revoked if the recipient fails to enroll full-time in an eligible institution in Arkansas, and the Arkansas Department of Higher Education receives neither written notification of transfer of the scholarship\loan to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the fall term and February 1 for the winter and/or spring terms. At the discretion of the Department of Higher Education, the award will not be revoked if it is

determined by ADHE that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

D. Renewal of Scholarship

The scholarship may be awarded for a total of four academic years of undergraduate study, provided the recipient maintains at least a 2.50 cumulative grade point average on a 4.0 scale and completes 24 semester credit hours (or equivalent) per academic year.

Those recipients graduating from high school after December 31, 2000, must maintain a 2.75 cumulative grade point average on a 4.0 scale and complete twelve (12) semester hours or the equivalent for the first semester and fifteen (15) semester hours or the equivalent every semester thereafter.

Those recipients in their eighth semester on the Academic Challenge Scholarship AND who are set to graduate at the end of that eighth semester shall be exempt from the fifteen (15) credit hour requirement.

A student may not use these funds for educational purposes beyond the baccalaureate degree.

E. Cancellation of the Scholarship or Loan

1. The award will be terminated for any of the following reasons:
 - a. Failure to maintain at least a 2.50 cumulative grade point average on a 4.00 scale, and complete 24 semester credit hours (or equivalent) per academic year.

For those recipients graduating from high school after December 31, 2000, failure to maintain a 2.75 cumulative grade point average on a 4.0 scale and/or complete twelve (12) semester hours or the equivalent for the first semester and fifteen (15) semester hours or the equivalent every semester thereafter.
 - b. Completion of a first baccalaureate degree within five years from initial college entrance as a full-time freshman.
 - c. Student, who was awarded a loan under the provisions of § 6-82-1009, fails to maintain enrollment in the teacher education program for which they were approved.

The scholarship or loan shall be terminated if a student fails to maintain continued eligibility requirements.

2. The recipient is responsible for notifying, in writing, the Arkansas Department of Higher Education of any change in status (i.e. transfer to another eligible institution in Arkansas, change in name, etc.) before appropriate deadline dates. Failure to provide written notification may result in the cancellation of the scholarship for that term.

F. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will be allowed to repeat the missed term without loss of scholarship credit. In addition, they will be placed in deferred status until six months after release from active duty, at which time they must be re-enrolled in an approved institution.

G. Repayment of Scholarships and Loans

1. Scholarship Repayment Terms

If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for noninstitutional expenses.

Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled. It is the institution's responsibility to contact students and recover overpayments.

2. Terms of Loan Repayment

Recipients, who received a loan under 6-82-1009, shall begin teaching full-time in an approved subject or geographic shortage area in an Arkansas public school beginning in the first school year in which the recipient is eligible for employment as a licensed teacher. Recipients who perform said teaching service shall have their loans forgiven at a rate of one year's loan proceeds plus interest for every one year of service.

A verification of the loan recipient's employment will be conducted once a year, in June, through the school superintendent's office in the recipient's employment district.

Loan recipients who do not teach full-time in a approved shortage area in an Arkansas public school following certification, or who discontinue their studies prior to completing

their program of study shall, within a maximum of five (5) years, repay the full remaining loan balance, plus accrued interest according to an interest and repayment schedule.

The repayment schedule will be 20 percent of the total loan, plus interest, paid in twelve monthly installments for each year of service not completed. Repayment will be completed within a maximum of five years from the completion of a college degree or withdrawal from college, whichever comes first.

3. Interest on Loan

Interest will accrue from the beginning of the repayment period and will be at an annual percentage rate not to exceed ten percent (10%) on the unpaid balance, except that no interest will accrue during any deferment period. Interest will be calculated as a simple, per annum interest charge on the outstanding principal.

Interest will not accrue and installments need not be paid when an official deferment has been approved by the Arkansas Department of Higher Education. Any recipient who wishes a deferment must submit an application for deferment to ADHE for approval.

4. Deferment of Loan

At the discretion of ADHE, scheduled loan repayments may be deferred if it is determined by ADHE that extraordinary circumstances prevent the recipient from making such repayments. Deferments may be granted for the following conditions:

- a. The recipient is engaged in a full-time course of undergraduate or graduate study at an institution of higher education. This must be verified by the Registrar's Office.
- b. The recipient is seeking and unable to find employment as a public school teacher in an approved shortage field for a single period not to exceed twelve (12) months. The loan recipient must submit a list of schools contacted for employment. ADHE will verify this information with the superintendent's office in that school district.

- c. The recipient is temporarily totally disabled, for a period not to exceed three years, as established by sworn affidavit from a licensed physician. ADHE reserves the right to require a second opinion by an ADHE approved physician.
- d. The recipient is unable to secure employment for a period not to exceed twelve (12) months by reason of the care of a spouse who is disabled, as established by the signature of a licensed physician. ADHE reserves the right to require a second opinion by an ADHE approved physician.
- e. Other extraordinary circumstances which would prevent the recipient from repaying the debt within the contractual obligations of the note may be considered.

To qualify for any of the deferments, recipients must notify ADHE of their claim to the deferment and provide supporting documentation on a Request for Deferment, which will be supplied by ADHE upon request. The Request for deferment must be completed and returned to ADHE by the recipient. The recipient will be notified within ten (10) days of approval or disapproval of any application for a deferment.

5. Cancellation of Loan

ADHE will cancel a recipient's repayment obligations if it determines:

- A. On the basis of a sworn affidavit of a licensed physician that the recipient is unable to teach on a full-time basis because of impairment that is expected to continue indefinitely or result in death. ADHE reserves the right to require a second opinion by an ADHE approved physician; or
- B. On the basis of a death certificate or other evidence of death, that is conclusive under state law that the recipient has died.

6. Prepayment of Loan

There shall be no penalty for prepayment or repayment of all or any portion of the principal.

7. Failure to Repay

Loan recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt and shall have their teaching certification in Arkansas revoked.

H. Refunds

The Arkansas Academic Challenge Scholarship Program is entitled to a refund of the scholarship or loan amount, for that semester, if the recipient of a scholarship or loan withdraws, drops out, or is expelled on or after his or her first day of class of the payment period and the situation falls under the refund policy of the institution. The institution shall pay the refund to the Arkansas Department of Higher Education.

I. Overpayment

If the award of an Arkansas Academic Challenge Scholarship results in an overpayment to the student according to the state law governing the anti-stacking of scholarships, the institution shall follow the ADHE policy in reducing the student's financial package to prevent the student from receiving funds above the federally recognized cost of attendance.

RULE 5 – INSTITUTIONAL RESPONSIBILITIES

I. College/University Responsibilities

A. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Academic Challenge Scholarship Program and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

B. Disbursement Records

The institution shall maintain information on the student indicating disbursement of scholarship or loan funds.

C. Institutional Verification

The institution shall provide certification of full-time enrollment, as of the eleventh day of classes, by completing a Verification Roster each semester after registration. The Verification Roster is an alphabetical listing by institution of all persons receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester or trimester. The Arkansas Department of Higher Education shall provide electronic Verification Rosters to the Financial Aid Administrator for each semester or trimester as needed. The electronic Verification Rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by March 15 for the spring term. Students who are enrolled less than full-time in the current term shall not receive scholarship or loan benefits in that term. The Arkansas Department of Higher Education shall also provide electronic continuing eligibility rosters to the Financial Aid Administrator before the end of the spring term. The continuing eligibility rosters shall be returned to the Arkansas Department of Higher Education no later than June 15 to ensure that adequate time is provided to notify students of their status in the program.

D. Deadlines for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed by these dates must be returned to the Arkansas Department of Higher Education. For those students whose applications are received by ADHE too late to allow disbursement by these dates, disbursement will be made within 10 working days of receipt of the verification roster and electronic transfer of funds.

E. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any Arkansas Academic Challenge Scholarship recipient or former recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Academic Challenge Scholarship Program. The Arkansas Department of Higher Education shall periodically review the institution's records concerning this program in an effort to exercise its due diligence requirements as a steward of state funds.

RULE 6 – SCHOLARSHIP OR LOAN RECIPIENT'S RESPONSIBILITIES

I. Arkansas Academic Challenge Scholarship Award Recipient's Responsibilities

It is the recipient's responsibility to notify the Arkansas Department of Higher Education of any change in status within 21 days. This will include:

- Change in name
- Change in address
- Change in institution
- Change in full-time status (twelve college credit hours or its equivalent per semester for students who graduate from high school before December 31, 2000 or are in their first semester of college, fifteen college credit hours for those students who graduated from high school after December 31, 2000 and are beyond their first semester in college)
- Change in course of study for loan recipients
- Change in employment for those in loan forgiveness status

Failure to notify the Arkansas Department of Higher Education of a change of status may affect future eligibility.

RULE 7 – COLLECTION OF LOAN

I. Collection of Loan

Accounts will be retained by ADHE in the Financial Aid Division until the individual is no longer eligible for forgiveness or deferment. The account will be turned over to a vendor for repayment. The student will be notified by mail that their account is being placed with a vendor for collections and they will be sent a loan amortization schedule along with the letter. The account will remain with the vendor until repaid or 120 days past due. Loan recipients who are determined by ADHE to be 120 days delinquent will be mailed their first letter of notification ten (10) days after the installment payment is due. The co-signer will be notified at the same time. If payment is not forthcoming within 60 days from the original payment due date, a second letter of notification will be sent to the loan recipient and the co-signer declaring their account is delinquent and requesting that the account be immediately brought up to date. If the loan recipient has not responded within 90 days from the original payment due date, the third and final letter of notification will be sent to the recipient and co-signer informing them that the account will officially be in default in outstanding payments are not made within 30 days.

II. Skip Tracing Mechanisms

If letters are returned as undeliverable, the Department of Finance and Administration's Motor Vehicle Division can be used to perform skip-tracing activities. Motor Vehicle Division's records are updated in March and September each year. To get this information, mail name, current address, and social security number on Arkansas Department of Higher Education letterhead to:

Department of Finance and Administration
Motor Vehicle Division
P. O. Box 1272
Little Rock, AR 72202
ATTENTION: Correspondence Desk

A response from the Motor Vehicle Division should be received within ten (10) working days.

Additionally, ADHE will use these steps to locate recipients and/or co-signers if communications are returned as undelivered:

1. Contact references listed on the recipient's application;
2. Utilize telephone directory or check with directory assistance in the area of the recipient and/or co-signer's last known address;
3. Contact institutional offices (alumni office, admissions office, registrar's office, fraternity or sorority, and the department that the recipient majored in) at the campus where the recipient last attended;
4. Contact creditors, such as credit card companies, credit bureaus, or GSL lender;
5. Contact recipient's field of study--professional organization, union, or licensing board;
6. Contact post office;
7. Contact utility companies; and,
8. Contact Chamber of Commerce.

III. Credit Reporting Agencies

Defaulted recipients and/or co-signers will be reported to the following Credit Reporting Agencies:

1. CSC Credit Reporting Services, Inc.
2. T R W Credit Data
3. Trans Union Credit Reporting

Forms for reporting defaulted loan recipients and/or co-signers are located in the collection file. ADHE will also respond promptly to any inquiries it receives from credit reporting agencies concerning delinquent or defaulted loan recipients and/or co-signers.

IV. State Income Tax Setoff

By the authority of Act 345 of 1993, the Department of Higher Education has been included as a claimant agency for the setoff of debts against state tax refunds. To access the Set-Off Section of the State Tax Administration Office, ADHE must submit name, address, social security number, and amount of debt via computer magnetic tape by December 1 to intercept taxes for the next year.

V. Litigation

No sooner than 30 days after sending the third letter of notification, ADHE shall institute a civil suit against the recipient and co-signer for repayment of the loan. Small Claims Courts will be used to satisfy debts of accounts up to \$3,000.00. If over \$3,000.01, ADHE must use Circuit Court. If the account is \$3,000.01 or above, ADHE may choose to use Small Claims Courts and waive the difference because of the expense involved in going to Circuit Court. If ADHE chooses to waive the difference, it cannot later try to collect the difference. Forms to take the recipient and/or co-signer to Small Claims Courts are requested from the recipient's and/or co-signer's county of residence.

VI. Write-Offs

Academic Challenge Scholarship Loans may be written off as uncollectible if ADHE shows due diligence to satisfy the collection of the debt, and documents in the recipient's file that:

- A. the cost of litigation would exceed the likely recovery if litigation were commenced; or

- B. the recipient and/or co-signer do not have the means to satisfy a judgment on the debt, or a substantial portion thereof.

Proof of due diligence collection activities must be submitted to the Administrator of the Department of Finance and Administration and approval from the Administrator must be received before Academic Challenge accounts may be written off.

VII. Nonpayment Penalties

- A. Loan recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.
- B. Loan recipients who fail to meet their repayment obligations shall have their Arkansas teaching certification revoked.

RULE 8 – PROGRAM DEFINITIONS

The following definitions are used in the Arkansas Academic Challenge Program:

- | | |
|-----------------------------|---|
| <i>ACADEMIC YEAR</i> | fall semester, spring semester, and first and second summer terms in that order. |
| <i>APPROVED INSTITUTION</i> | <p>a public or private college or university located in Arkansas that is accredited by the Higher Learning Commission of the North Central Association, or which certifies to the Department of Higher Education that its students are accepted for transfer at institutions accredited by the Higher Learning Commission of the North Central Association and does not discriminate against applicants or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal law. <u>public-supported or private, non-profit postsecondary institution with its primary headquarters located in Arkansas that is eligible to receive Title IV Federal student aid funds</u></p> |

OR

Only under conditions set forth in A.C.A. 6-82-1007, a public or private nursing school located in Arkansas that is approved by the State Board of Nursing and which does not discriminate against employees on the basis of race, color, religion, sex, age, handicap or national origin, consistent with the provisions of applicable state and federal law.

Only those institutions defined above who comply with Act 1014 of 2005 regarding providing written, signed eight (8) semester course of study required for a bachelor's degree to incoming freshmen will be allowed to participate in the Academic Challenge Scholarship Program.

Cancellation

ADHE shall cancel the loan recipient's obligation if it determines:

On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death. ADHE reserves the right to require a second opinion by an ADHE approved physician; or

On the basis of a death certificate or other evidence of death, that is conclusive under State law that the scholar has died.

CITIZEN

a person who is a U.S. citizen or a permanent resident alien. If the recipient is not a U.S. citizen, but a permanent resident alien, the recipient must attach a copy of the permanent resident alien form I-151, I-551, I-94, or G-641 to the application.

CORE GPA

all pre-collegiate core curriculum will be used to calculate the core GPA, even if they exceed the recommended core. For instance, if the student takes three units of natural science (Biology, Chemistry and Physics) and only two units are required, all three courses will be used to calculate the core GPA.

Default

Failure to repay the Academic Challenge Scholarship Loan in accordance with the terms of the promissory note provided that the failure persists for 180 days for monthly payments.

Due Diligence

This process refers to those steps ADHE takes to collect Academic Challenge Scholarship loan funds when a recipient enters repayment status. It includes: billing the scholar, sending overdue notices, conducting address searches if the recipient cannot be located, reporting the account to credit bureaus, collection, and litigation. Due diligence also includes keeping the recipient informed of all changes in the Academic Challenge Scholarship Program that affect his or her rights and responsibilities and responding promptly to the recipient's inquiries.

ELIGIBLE APPLICANT any applicant who meets the eligibility criteria established in Rule 2.

FIRST-TIME FRESHMAN any student currently enrolled as a first-year college student, who has never previously been enrolled as a first-year college student. High school students who complete their senior year of high school while enrolled in a community college or two/four-year college will be considered first-time freshmen in the first year of college work following high school graduation.

FULL-TIME STUDENT twelve college credit hours or its equivalent per semester for students who graduate from high school before December 31, 2000 or are in their first semester of college, fifteen college credit hours or its equivalent per fall and spring semester for those students who graduated from high school after December 31, 2000 and are beyond their first semester in college. **Those students in their eighth semester on the Academic Challenge Scholarship AND who are set to graduate at the end of that eighth semester shall be exempt from the fifteen (15) credit hour requirement.**

INDEPENDENT STUDENT a student who meets one of the following conditions:

Will be 24 years of age by December 31 of the application year; or
Is a veteran of the U.S. Armed Forces; or
Is a ward of the court or both parents are dead; or
Has legal dependents other than a spouse; or
Is married and will not be claimed as an income tax exemption by his or her parents for the current year; or
Is determined to be independent by the financial aid officer at the institution the student plans to attend.

Professional Judgment Authority of ADHE professional staff that allows for the special consideration of applications or renewal requests when situations exist that prohibit the student from meeting the exact guidelines as stated, when specific documentation provided by the student, high school, or approved institution shows that the student meets the objectives or purpose of the program.

Promissory Note

The Promissory Note is a legal document obligating the recipient to repay the loan if he or she does not perform one year of teaching service on a full-time basis in a public Arkansas school in an approved subject or geographic area, for every year they received an Academic Challenge Loan. The recipient's rights and responsibilities will be stated on the promissory note.

Skip Tracing

A process for locating a recipient who is in repayment status. ADHE's efforts may include contacting relatives, friends, references, and other individuals or entities in the recipient's file.

Teach on Full-time Basis

Teach the same number of hours required of teachers who have full-time contracts, as determined by the institution or agency in which an individual is teaching, for a minimum of one academic term, as defined by the institution or agency in which an individual is teaching.

TUITION

charges levied for attendance at an eligible institution of higher education including mandatory fees charged to all full-time students by the approved institution.

UNEMANCIPATED CHILD

a child who is claimed on a parent or guardian's income tax return as a dependent and does not meet any of the requirements of an independent student as defined above.

UNIT

the credit received for completion of:

1. One (1) year of a course in high school; one (1) semester of a course in high school is one half (1/2) unit.
2. One (1) semester of a three credit-hour course in college

**REVISED RULES AND REGULATIONS
ARKANSAS GOVERNOR'S SCHOLARS PROGRAM**

This agenda item presents the revised rules and regulations for the Arkansas Governor's Scholars Program, which reflect recent changes in state law under Acts 1014, 1241 and 2197 of 2005.

The Arkansas Governor's Scholars Program was established in 1983 as an incentive to induce the state's best and brightest Arkansas high school graduates to remain in Arkansas for their college education. The 1997 Arkansas Legislature enhanced the scholarship by creating Governor's Distinguished Scholars as a component. This component now provides that any applicant who meets certain criteria will receive a scholarship equal to tuition, mandatory fees, room and board, up to \$10,000 per year, at any Arkansas higher education institution, instead of the \$4,000 annual award provided by the original Governor's Scholars award. Applicants who meet any one of the following criteria can qualify for the Governor's Distinguished Scholar award:

- A 3.50 academic grade point average with a 32 composite or above on the ACT;
- A 3.50 academic grade point average with a 1410 combined score or above on the SAT;
- Designated as a National Merit Finalist; or
- Designated as a National Achievement Finalist.

During the recent legislative session, a concern was expressed by a legislator who is a retired guidance counselor that there is a weakness in the Governor's Scholars Program in that there are many students who are considered to be the best and the brightest who are not receiving the recognition they deserve through this program. Fifty-one additional legislators signed on as co-sponsors of Act 1241 that will allow a Governor's Scholar award in the amount of \$4,000 per year to be awarded to one student in each of Arkansas' seventy-five (75) counties designated the top ranked applicant. These awards will be made to those top ranked students who do not qualify for a Governor's Distinguished Scholar award. This expands the total number of freshmen awards that ADHE can make to two hundred fifty (250) Governor's Distinguished Scholars and seventy-five (75) Governor's Scholars awards. Sufficient appropriation levels were established by the General Assembly and funds are available through the Higher Education Grant Fund account to make this revision to the Governor's Scholars Program.

Act 1014 of 2005 requires Arkansas colleges and universities to provide students with a written, signed eight-semester course of study required for a bachelor's degree at said institution. Students will be guaranteed a bachelor's degree at the end of eight semesters if they adhere to the written agreement. Only those higher education

institutions that adhere to Act 1014 of 2005 will be allowed to participate in the Academic Challenge Scholarship and Governor's Scholars Program. To comply with this law, ADHE will collect written certification statements from the presidents and chancellors of all public four-year colleges and universities attesting that they are in compliance with Act 1014.

Act 2197 of 2005 requires Arkansas high school graduates of 2010 and beyond to successfully complete the SMART core curriculum and pass end-of-course examinations in high school. This law was passed to provide sufficient notice to students that they must take the tests seriously and failing might jeopardize the ability to earn the Governor's Scholar award. The law allows ADHE to use the ACT as a secondary measure of aptitude in applicable courses

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Arkansas Academic Challenge Scholarship Program. The hearing will be held in conjunction with this meeting of the Arkansas Higher Education Coordinating Board.

The following resolution is offered for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Governor's Scholars Program 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 her designee is authorized to promulgate these rules and regulations and to implement them for the 2005-06 academic year.

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

Arkansas Governor's Scholars Program RULES AND REGULATIONS

RULE 1 – ORGANIZATION AND STRUCTURE

- I. The Arkansas Department of Higher Education shall administer the Governor's Scholars Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee. The Governor's Scholars Advisory Council shall provide advice to the Department of Higher Education regarding the administration of the program.
- II. Governor's Scholars Program Advisory Council
 - A. The Governor's Scholars Program Advisory Council shall consist of ten members appointed by the Arkansas Higher Education Coordinating Board for staggered two-year terms and shall represent the public and private sectors of post-secondary education and secondary schools.
 - B. The Governor's Scholars Program Advisory Council shall advise the Arkansas Department of Higher Education in the determination of guidelines and regulations for the administration of this program.
 - C. The Director of the Arkansas Department of Higher Education or his/her designee shall serve as presiding officer of the Governor's Scholars Program Advisory Council and shall ensure that staff services for the Council are provided.
- III. The final responsibility for selecting scholarship recipients shall rest with the Director of the Arkansas Department of Higher Education pursuant to the provisions of Act 59 of 1983, Act 176 of 1985, Act 951 of 1989, Acts 489 and 1269 of 1997, Act 1562 of 1999, Acts 1612 and 1761 of 2001, **Acts 1014, 1241 and 2197 of 2005** and subsequent legislation.
- IV. When functioning under Act 59 of 1983, Act 176 of 1985, Act 951 of 1989, Acts 189 and 230 of 1995, Acts 489 and 1269 of 1997, Act 1562 of 1999, Acts 1612 and 1761 of 2001, **Acts 1014, 1241 and 2197 of 2005** and subsequent legislation, the Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act.

RULE 2 – SCHOLARSHIP ELIGIBILITY CRITERIA

I. Eligibility Criteria

A student must meet the following requirements to be eligible to receive the Governor's Scholars Award.

- A. The applicant must be a citizen of the United States or a permanent resident alien.
- B. The applicant or one parent must be a bona fide resident of the State of Arkansas, as defined by the Arkansas Department of Higher Education, for at least the six months prior to the application deadline.
- C. The applicant must be eligible for admission as a full-time undergraduate student and declare an intent to enroll in an eligible public or private college or university in Arkansas. An "undergraduate student" is defined as an individual who is enrolled in a post-secondary education program that leads to or is directly creditable toward the individual's first baccalaureate degree.
- D. The applicant must meet the minimum academic standards of a minimum high school grade point average of 3.5 on a 4.0 scale, or a minimum ACT composite score of 27, or a minimum SAT composite score of 1220, or be selected as a finalist in the National Merit Scholarship or National Achievement competition conducted by the National Merit Scholarship Corporation for Governor's Scholars candidacy.
- E. The applicant must demonstrate superior academic ability and leadership qualities.
- F. **For students graduating after December 31, 2009, t**The applicant must demonstrate proficiency in the application of knowledge and skills in reading and writing literacy and mathematics by passing end-of-course examinations **or by scoring at least a nineteen (19) on the applicable subscore of the ACT.** ~~as may be developed by the Arkansas Department of Education, and as may be designated by the Arkansas Department of Higher Education for this purpose.~~

II. Continued Eligibility

The Governor's Scholars scholarship shall be awarded for one academic year and renewed annually for up to three additional academic years provided the scholar maintains a minimum cumulative grade point average of 3.0 on a 4.0 scale and completes a minimum of at least twelve (12) credit hours the first semester and fifteen (15) hours each semester thereafter, or the equivalent .

The Governor's Distinguished Scholars (as defined in Program Definitions) scholarship shall be awarded for one academic year and renewed annually for up to three additional academic years provided the scholar maintains a minimum cumulative grade point average of 3.25 on a 4.0 scale and completes a minimum of at least twelve (12) credit hours the first semester and fifteen (15) hours each semester thereafter. Those Governor's Distinguished Scholars who fall below the 3.25 GPA but do maintain a grade point average of 3.0 or above, shall be eligible to receive \$4,000 per academic year in the remaining years of the scholarship period.

If the student is entering the junior year, the student must have taken the standardized rising junior test provided for in §6-61-114.

An academic year consists of regular fall, winter, spring and first and second summer terms. Those recipients who complete their baccalaureate degree in less than four years may use the scholarship for postgraduate studies at any approved Arkansas higher education institution or at institutions located out of state and educating Arkansas residents in dentistry, optometry, veterinary medicine, podiatry, chiropractic, or osteopathy under agreement with the Board of Control for Southern Regional Education. In no instance, may the scholarship term exceed four academic years. The scholarship shall be terminated if the scholar fails to complete a baccalaureate degree within five years from initial college entrance.

RULE 3 – APPLICATION PROCESS

I. Application

Application for the Governor's Scholars Program originates through the eligible student's individual initiative. The Arkansas Department of Higher Education shall provide Governor's Scholars applications to high school guidance counselors or principals and Arkansas higher education institutions. Applications may also be obtained upon request from the Arkansas Department of Higher Education.

The Governor's Scholars application shall be completed by the applicant, the applicant's parent or legal guardian, and the applicant's high school principal or counselor. Specific instructions are printed on the application and the additional instruction sheet included with the application. Applicants may withdraw from consideration for the program only through a letter from a parent or guardian that states the reason for withdrawing.

II. Submission of Applications

Any interested student, who is classified as an Arkansas resident, as defined by the Arkansas Department of Higher Education, planning to enroll in an

eligible public or private college or university in Arkansas may apply.

III. Application Deadline

The Arkansas Department of Higher Education shall establish the deadline for receipt of applications for the Governor's Scholars Program each year. The deadline date shall be clearly printed on the application for the Governor's Scholars Program and in the instructions, which accompany each application.

All applications must be received by the Arkansas Department of Higher Education by the established deadline date in order to be considered for Governor's Scholars candidacy. It is the responsibility of the individual applicant to ensure that the application is received by the Arkansas Department of Higher Education by the deadline date.

IV. Amount of Scholarship

Those students who have been designated as Governor's Distinguished Scholars (see Program Definition) prior to December 31, 2001, under Act 489 of 1997, will be awarded funds which, when combined with the \$4,000 Governor's Scholars award, equals tuition, mandatory fees, room and board at the approved institution in which the recipient is enrolled, at the rate charged by the institution in academic year 2000-01 for a regular full-time course load.

Those students who are awarded the Governor's Distinguished Scholarship after December 31, 2001 shall receive an award, which when combined with the \$4,000 Governor's Scholars award equals the lesser of (a) ten thousand dollars (\$10,000) per year OR (b) tuition, room and board, and mandatory fees charged by the approved at any Arkansas public or private institution of higher education.

The Governor's Scholars amount awarded to each recipient shall be \$4,000 per year.

As authorized by Act 1269 of 1997, recipients who complete a baccalaureate degree in ~~three years or less~~ **than three years** may receive a fourth-year award if they enroll in a postgraduate program at an approved institution. In no case, however, will the recipient receive a larger scholarship than he or she received as an undergraduate Governor's Scholar. For students who qualify for a postgraduate award by completing a bachelor's degree in three years or less and enrolling in a postgraduate program at an approved institution, the remaining term of the Governor's scholars award will be either the same amount received in the last undergraduate year or the cost of tuition and mandatory fees for the postgraduate program at an approved institution, whichever is less. The Governor's Scholarship term will never exceed four academic years.

RULE 4 – SCHOLARSHIP SELECTION CRITERIA

I. Selection Criteria

The Governor's Scholars selection criteria consist of value points for academic achievement and leadership including: ACT or SAT score, selection as a National Merit or National Achievement Finalist as conducted by the National Merit Scholarship Corporation, high school grade point average, rank in high school class, and leadership in school, community, and employment activities. Value points assigned to each selection criterion are weighted as follows:

ACT, SAT Score,	
National Merit Finalist, or	
National Achievement Finalist as conducted by the National Merit Scholarship Corporation -----	40%
Rank in Class -----	25%
Grade Point Average -----	25%
Leadership:	
School & Employment -----	8%
Community -----	2%

ACT scores will be accepted only if they are from tests taken on national test dates or are administered under special conditions approved by ACT and scored by ACT. Those applicants graduating from high school after December 31, 2001 will receive consideration only for test scores earned by December 31 prior to the application deadline.

Students who score a **composite** 32 or above on the ACT or a **combined** 1410 or above on the SAT (~~Those applicants graduating from high school after December 31, 2001 must also~~ **and who** achieve a 3.50 cumulative high school grade point average on a 4.00 scale in addition to the 32 or 1410 to be eligible to be designated as Governor's Distinguished Scholars.) or **Students who** are **designated as** National Merit Finalists or National Achievement Finalists ~~will be ranked according to the selection criteria listed above and~~ are **also** eligible to be named Governor's Distinguished Scholars.

The Arkansas Department of Higher Education has the authority to alter the weight assigned to the individual criterion to more appropriately meet the needs of the state as determined by the Arkansas Higher Education Coordinating Board.

High school counselors or principals shall supply high school records to include ACT or SAT examination scores. The principal or counselor will verify the accuracy of the scores. ACT or SAT examinations may be taken more than one time. The highest composite score from any one examination shall be used. Grade point averages are computed based on academic courses only, as defined in program definitions.

The eligible student receiving the highest point total from each county, **but does not meet the criteria for the Governor's Distinguished Scholarship,** shall be awarded

that county's Governor's Scholars Award. ~~If such a~~ **All students who** exhibits extraordinary academic ability as defined in the program definitions, ~~that student shall receive the Governor's Distinguished Scholar award in lieu of the Governor's Scholars award~~ **provided the total number of such awards does not exceed the maximum number specified in paragraph IIA below.** All remaining eligible applicants ~~shall be evaluated in a statewide pool.~~ Preference will be given to students who plan to enter college at the beginning of the academic year immediately following their last year of high school attendance.

II. Awarding Scholarships

A. Number of Governor's Scholars Awards

One **Governor's Scholars** award shall be made to a student in each of Arkansas' seventy-five (75) counties, ~~and the remaining awards shall be made to students representing the state at large.~~ Additional awards shall be made to those who qualify as Governor's Distinguished Scholars (see Program Definition). Those applicants selected as county winners are selected according to their county of residence, not by the county where the winner attends high school.

For purposes of this program, the county of residence will be that as indicated by the student's address shown on the applicant's high school transcript or other official school records. If a county awardee declines the award, the Arkansas Department of Higher Education shall offer the scholarship to the applicant with the next highest point total from that county. Students who attend high school out-of-state, but are eligible through Act 692 of 1997, shall compete in ~~the statewide pool, but will not be designated as county winners in the pool for the Governor's~~ **Distinguished Scholars award.**

If sufficient funding is available, up to two hundred fifty (250) new Governor's Distinguished Scholars awards may be awarded each year. ~~Up to twenty-five (25) new Governor's Scholars awards at four thousand dollars (\$4,000) per year may be awarded. However, the number of Governor's Scholars and Governor's Distinguished Scholar awards may be adjusted to insure that at least one award is made in each of the state's seventy-five (75) counties.~~ **If there are more than two hundred fifty (250) applicants who meet the criteria for award of the Governor's Distinguished Scholarship, awards will be made in accordance with the selection criteria in Rule 4, Paragraph I above. In this case, if an awardee declines the scholarship, then the award may be offered to the applicant with the next highest point total who meets the Governor's Distinguished Scholar criteria.**

In no event will the total number of Governor's Scholars and Governor's Distinguished Scholar awards exceed ~~two hundred seventy-five~~ **three hundred twenty five (275 325)** new awards per year.

B. Notification of Awards

Applicants chosen as Governor's Scholars and Distinguished Scholars shall be mailed an award packet, which includes an award notice, an acceptance form and an information sheet. The acceptance form includes the student's name, address, social security number, first institutional choice as indicated on the application, and scholarship identification number. The information sheet explains disbursement procedures and conditions of the Arkansas Governor's Scholars Award.

C. Acceptance of Awards

The acceptance of the Governor's Scholars Award is accomplished by signing and returning to the Arkansas Department of Higher Education the acceptance form included in the award packet by the date indicated on the acceptance form. ~~The Arkansas Department of Higher Education must give those applicants chosen to receive awards a minimum of two weeks to respond to the award notice.~~ **The date by which the acceptance must be returned to the Arkansas Department of Higher Education will be no less than two (2) weeks from the date after notices are printed.** If the Arkansas Department of Higher Education does not receive the signed acceptance form by the date indicated on the acceptance form, the student will not receive the Arkansas Governor's Scholars Awards. The Governor's Scholars Award shall then be offered to the applicant selected in accordance with the procedures in Paragraph II.B **A.** above.

RULE 5 – SCHOLARSHIP PAYMENT POLICIES

I. Limitations of Payment

A. Payment of Scholarships

Funds will be disbursed to the approved institution of the Governor's Scholars choice by electronic funds transfer. After verification of full-time enrollment, the institution shall disburse the Governor's Scholars Award to the student according to the individual institution's disbursement procedures. Disbursement of the Governor's Scholars award shall correspond with the institution's academic terms (semesters, trimesters, quarters, or equivalent time periods). In no instance may the entire amount of the award for an educational year be paid to or on behalf of the student in advance.

B. Transfer to Another Institution of Higher Education

A student who receives a Governor's Scholars Award may transfer to another eligible Arkansas institution of higher education, provided the recipient notifies the Arkansas Department of Higher Education, in writing, of the change of institution by October 1 for the fall term, and by February 1 for the winter and/or spring terms. Failure to notify the Arkansas Department of Higher Education by the specified deadlines shall result in the loss of the Governor's Scholars award for the term in question.

C. Governor's Scholars Program Withdrawal Policy

Applicants may withdraw from consideration for the program only through a letter from a parent or guardian, which states the reason for withdrawing. Withdrawal from the Governor's Scholars Program—for no longer than one year—may be allowed upon written petition by the individual Governor's Scholar to, and approval by, the Arkansas Department of Higher Education. Such petition must include the reasons for the temporary withdrawal, effective term of withdrawal, and anticipated reinstatement into the program. Failure to petition the Arkansas Department of Education for a temporary withdrawal shall result in the loss of the Governor's Scholars award for the term in question. Failure to petition the Arkansas Department of Higher Education for a temporary withdrawal for two consecutive terms shall result in permanent termination from the program. A petition for temporary withdrawal from the Governor's Scholars Program must be received by October 1 for a fall term, and by February 1 for a winter or spring term. Failure to enroll as a full-time student in an eligible Arkansas college or university after completion of a one-year temporary withdrawal will result in the permanent termination from the program.

D. Renewal of Governor's Scholars Award

Governor's Scholars must complete and pass at least twelve (12) credit hours the first semester and fifteen (15) hours each semester thereafter, or the equivalent, while maintaining a minimum 3.0 cumulative college grade point average on a 4.0 scale. Students must notify their respective registrars and pay for an official transcript to be sent directly by the institution to the Arkansas Department of Higher Education if requested to do so. Should the Governor's Scholars Award be terminated due to failure to maintain these minimum academic standards, the award shall not be reinstated for a later term.

Governor's Distinguished Scholars must complete and pass at least twelve (12) credit hours the first semester and fifteen (15) hours each semester thereafter, or the equivalent while maintaining a minimum 3.25

cumulative college grade point average on a 4.0 scale. Should the Governor's Distinguished Scholars Award be terminated due to failure to maintain these minimum academic standards, the award shall not be reinstated for a later term. Those Governor's Distinguished Scholars who maintain a cumulative grade point average of 3.0 or above, but less than 3.25 on a 4.0 scale, will receive \$4,000 per academic year, instead of the higher Governor's Distinguished Scholarship amount.

E. Cancellation of the Governor's Scholars Award and Governor's Distinguished Scholar Award

1. The Governor's Scholars Award and the Governor's Distinguished Scholar Award shall be terminated for any one of the following reasons:
 - a. Failure to maintain a minimum 3.0 cumulative college grade point average (Governor's Scholars) or a minimum 3.25 cumulative college grade point average (Governor's Distinguished Scholars) on a 4.0 scale and complete a minimum of at least twelve (12) credit hours the first semester and fifteen (15) hours each semester thereafter;
 - b. Failure to complete a baccalaureate degree within five years from initial college entrance; or
 - c. Failure to petition the Arkansas Department of Higher Education for a temporary withdrawal for two consecutive academic terms; or
 - d. Failure to enroll as a full time student in an eligible Arkansas college or university after a one-year temporary withdrawal.
2. Failure by the Governor's Scholar to provide written notification to the Arkansas Department of Higher Education of a change in status (such as a transfer to another eligible institution, change in address, change in name, etc.) before appropriate deadline dates shall result in cancellation of the Governor's Scholars award for the term in question.

F. Refunds and Overpayments

If a Governor's Scholar withdraws from an eligible institution, and under the refund policy of that institution the student is entitled to a refund of any tuition, fees, or other charges, the institution shall pay the refund amount in question to the Arkansas Department of Higher Education.

Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.

G. Military Service

Governor's Scholar recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term shall be allowed to repeat the missed term without loss of scholarship credit. In addition, these recipients shall be placed in deferred status until six months after release from active duty, at which time they must be re-enrolled in an approved Arkansas institution.

RULE 6 – INSTITUTIONAL RESPONSIBILITIES

I. Higher Education Institution Responsibilities

A. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Governor's Scholars Program and to receive all communications, forms, etc. This representative is responsible for Governor's Scholars disbursement, completion of all forms and rosters, verification of data, and compliance with all Governor's Scholars Program rules and regulations. The institution must comply with the following responsibilities in order to maintain continued eligibility status.

B. Disbursement Records

The institution shall maintain information on the student indicating disbursement of Governor's Scholars funds.

C. Institutional Information Sheet

The administrator is responsible for designating a certifying official responsible for certifying full-time enrollment and a disbursing official responsible for the disbursement of Governor's Scholars Program funds.

D. Institutional Verification

The institution shall provide certification to the Arkansas Department of Higher Education each semester after registration, giving the names of the Governor's Scholars who are officially enrolled as full-time students as of the 11th class day of enrollment. This information is reported on a verification roster. The person responsible for verification of full-time enrollment is the registrar or a member of the registrar's staff. The certifying official is responsible for completing the verification roster twice a year for those schools on the semester system and three times a year for those schools on the quarter system. The verification roster shall be mailed to the Financial Aid Administrator prior to registration for the semester or quarter. The completed and signed Governor's Scholars verification roster shall be returned to the Arkansas Department of Higher Education by the dates specified on the roster. The verification roster is an alphabetical listing by institution of all persons receiving a Governor's Scholars award for a given academic term. Students who are not enrolled full-time in the current term shall not receive Governor's Scholars funds for that term.

E. Deadlines for Disbursement of Funds

All funds must be disbursed within ten days of written receipt of funds. Any outstanding funds not disbursed by these dates must be returned within ten days to the Arkansas Department of Higher Education.

F. Refund Policy

It is the institution's responsibility to notify the Arkansas Department of Higher Education of the name of the person who withdrew, the date of the withdrawal, and the refund amount. This information shall be placed on the institution's verification roster before the roster is returned to the Arkansas Department of Higher Education. The institution shall be responsible for the refund amount and shall pay that amount to the Arkansas Department of Higher Education.

G. Continuing Eligibility

It is the responsibility of each institution to complete annually the Continuing Eligibility roster. This roster shall be mailed to all institutions that have a Governor's Scholar enrolled. The Continuing Eligibility roster shall be returned to the Arkansas Department of Higher Education by the date specified on the roster. The person responsible for completing the Continuing Eligibility roster is the Financial Aid Administrator. The Continuing Eligibility roster is an alphabetical listing by institution of all persons receiving a Governor's Scholars award that attended that institution for the academic year immediately preceding receipt of the

Continuing Eligibility roster. The certifying official must complete the roster by providing the number of hours completed for the previous academic year and the cumulative grade point average achieved for each student listed.

H. Due Diligence

The institution shall exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education for any Governor's Scholar or former Governor's Scholar. In addition, the institution shall exercise due diligence in complying with all the rules and regulations of the Arkansas Governor's Scholars Program. The Arkansas Department of Higher Education shall periodically review the institution's records concerning the Governor's Scholars Program in an effort to exercise its due diligence requirements as a steward of State of Arkansas funds.

RULE 7 – GOVERNOR’S SCHOLARS RESPONSIBILITIES

I. Governor's Scholars' Responsibility of Notification

It is the Governor's Scholars' responsibility to notify the Arkansas Department of Higher Education of any change in status within twenty-one days of occurrence. This shall include:

- Change in name
- Change in residence
- Change in institution attending
- Change in full-time status (twelve college credit hours, or its equivalent per semester for the first semester and fifteen credit hours, or its equivalent, for every semester thereafter)

Failure to notify the Arkansas Department of Higher Education of any of the above changes within twenty-one days of occurrence shall adversely affect participation in the Governor's Scholars Program.

RULE 8 – PROGRAM DEFINITIONS

The following definitions are used in the Governor's Scholars Program:

<i>ACADEMIC ABILITY</i>	The intellectual standing of the student as determined by examining the Governor's Scholarship applicant's high school records, competitive examination scores, and demonstrated leadership capabilities.
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EXTRAORDINARY ACADEMIC

ABILITY

Achievement of a **composite** score of 32 or above on the ACT or **combined** 1410 **score** or above on the SAT and, ~~for students graduating high school after December 31, 2001,~~ achievement of a high school **core curriculum** grade point average of 3.5 or above on a 4.0 scale; or

Selection as a finalist in either the National Merit Scholarship competition or the National Achievement Scholarship competition conducted by the National Merit Scholarship Corporation.

ACADEMIC COURSES

All courses completed in high school in the areas of mathematics, English, science, social science and foreign languages.

APPROVED INSTITUTION

A public or private college or university located in Arkansas which:

- is dedicated to educational purposes;
- is accredited by an accrediting agency certified and recognized by the United States Department of Education or the division of Agency Evaluation and Institutional Accreditation, or gives satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation;
- does not discriminate in the admission of students on the basis of race, color, religion, sex, age, handicap, or national origin consistent with the provisions of applicable state and federal laws; and
- subscribes to the principles of academic freedom;
- OR is an out-of-state institution educating Arkansas residents in dentistry, optometry, veterinary medicine, podiatry, chiropractic, or osteopathy under agreement with the Board of Control for Southern Regional Education at which students enroll in a postgraduate program.
- **Complies with Act 1014 of 2005 regarding providing written, signed eight (8) semester course of study required for a bachelor's degree to incoming freshmen.**

*GOVERNOR'S DISTINGUISHED
SCHOLARS*

Applicants who exhibit **meet the definition of** extraordinary academic ability **stated above**, ~~by scoring a 32 or above on the American College Test (ACT) or a 1410 or above on the Scholastic Aptitude Test (SAT) (and beginning with the 2002 graduates have a 3.5 GPA);~~

~~OR applicants who are selected as a finalist in the National Merit Scholarship or National Achievement competition conducted by the National Merit Scholarship Corporation.~~

*END OF COURSE
EXAMINATION*

Those examinations as defined in ACA 6-15-419(4).

U.S. CITIZEN

The student must be either a United States citizen or a permanent resident alien. If the student is not a United States citizen, but a permanent resident alien, the student must attach a copy of the permanent resident alien form I-151, I-551, I-94, or G-641 to the application.

FULL-TIME STUDENT

A student who is enrolled in at least twelve (12) semester credit hours the first semester and 15 credit hours thereafter, or the equivalent, per semester. **Those students in their eighth semester on the Governor's Scholarship or Governor's Distinguished Scholarship AND are set to graduate following that eighth semester shall be exempt from the fifteen (15) credit hour requirement.**

UNDERGRADUATE STUDENT

A student who is enrolled in a postsecondary education program which leads to or is directly creditable toward the individual's first baccalaureate degree

**REPEAL OF THE RULES AND REGULATIONS
ARKANSAS STUDENT ASSISTANCE GRANT PROGRAM**

This agenda item proposes the repeal of the rules and regulations for the Arkansas Student Assistance Grant Program, which is necessary to comply with state law under Act 2142 of 2005. In addition, the 2005 Arkansas General Assembly moved the entire appropriation for the Student Assistance Grant Program into the Arkansas Workforce Improvement Grant Program, which leaves no statutory funding for the program.

The Arkansas Student Assistance Grant Program was established in 1977 as a grant program for students who desired a college education but were prevented from attending college due to financial barriers. The original intent of the program was to provide a grant that would assist students in covering the cost of tuition and fees. By statute, the maximum award was set at \$800 per year, although the rules and regulations set the award amount at \$600 per year in an effort to award more students. Due to the large number of Arkansas college students with financial need, and the inability to fund every eligible student applicant, a system was devised to award those eligible students who applied first. Although the application deadline was set at April 1, for at least the last two previous years, funds were exhausted by late February or early March of the application year.

Of primary concern to ADHE staff was the method by which grantees were selected. By using a "first-come, first-served" methodology, it appeared that two groups of students were ensured of receiving a Student Assistance Grant: (1) high school students who have the benefit of quality guidance counseling to notify them to apply early, and (2) "knowledgeable" students who understand the federal financial aid process and know about the importance of applying early. This process leaves out any deserving needy student who may not be able to make an early decision as to whether they can attend college.

Another significant concern is the small award amount. The grant of \$300 per semester for full-time enrollment will generally not make the difference in whether a student will be able to attend college. Most Arkansas four-year colleges and universities estimate the cost of books alone to be over \$500 per semester. Originally the Student Assistance Grant covered almost 50% of the tuition costs; today it covers less than 15%.

In that the state has a strong financial assistance program for traditional students in the Arkansas Academic Challenge Scholarship Program, it made sense to dedicate this need-based program to non-traditional, or independent students. Absorbing Student Assistance Grant funds into the Workforce Improvement Grant ensures the state's commitment to help the most needy students (that comprise over a third of the state's college student population) to earn a college degree. It makes sense to allocate more resources to help our non-traditional "working poor" students for the following reasons:

- 1) Arkansas continues to rank last or near last in the number of adults per capita with a college degree; and
- 2) Increasing the number of adult Arkansans with a college degree will ensure substantial growth in the economy due to increased earning power of its citizens.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the repeal the rules and regulations of the Arkansas Student Assistance Grant Program. The hearing will be held in conjunction with this meeting of the Arkansas Higher Education Coordinating Board.

The following resolution is offered for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board repeals the rules and regulations presented in this agenda item for the Arkansas Student Assistance Grant Program.

~~STUDENT ASSISTANCE GRANT PROGRAM
RULES AND REGULATIONS~~

~~RULE 1 – ORGANIZATION AND STRUCTURE~~

- ~~I. — The Arkansas Department of Higher Education shall administer the Arkansas Student Assistance Grant Program (formerly Arkansas State Scholarship Program) within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his designee. The Arkansas Student Assistance Grant Advisory Council shall provide advice to the Department of Higher Education related to administration of the program.~~
- ~~II. — Student Assistance Grant Advisory Council~~
- ~~A. — The Arkansas Student Assistance Grant Advisory Council shall consist of ten members appointed for staggered two-year terms by the Director of the Arkansas Department of Higher Education. The members shall be appointed in the following numbers: independent institutions (two representatives); four-year public institutions (two representatives); two-year public institutions (two representatives); technical colleges (one representative); proprietary institutions (one representative); vocational technical schools (one representative); and the President of the Arkansas Association of Student Financial Aid Administrators, who will serve a one-year term.~~
- ~~B. — The Student Assistance Grant Advisory Council shall advise the Arkansas Department of Higher Education in the determination of guidelines and regulations for the administration of this program.~~
- ~~C. — The Director of the Arkansas Department of Higher Education or his designee shall serve as presiding officer of the Student Assistance Grant Advisory Council and shall ensure that staff services for the Council are provided.~~
- ~~III. — The final responsibility for setting selection criteria shall rest with the Director of the Arkansas Department of Higher Education or designees pursuant to the provisions of Act 627 of 1977, Act 50 of 1983 and Title IV, Part A of the Higher Education Act of 1986, as amended, and subsequent legislation.~~
- ~~IV. — When functioning under the acts listed above, the Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act.~~

RULE 2 – GRANT ELIGIBILITY CRITERIA

~~I. Eligibility Criteria~~

~~To be eligible to receive the Arkansas Student Assistance Grant (SAG), a student must meet the following requirements:~~

- ~~A. The student must be a citizen of the United States or a permanent resident alien.~~
- ~~B. The student must be a bona fide resident of the State of Arkansas, as defined by the Arkansas Department of Higher Education, six months prior to the date on which the student applies.~~
- ~~C. The student must be enrolled as a full-time student, as of the eleventh day of class, at an approved institution which has been determined eligible to participate in the SAG Program.~~
- ~~D. The student must not have earned a first baccalaureate degree.~~
- ~~E. An initial first year student must meet the satisfactory academic progress standards required to receive other federal financial aid (i.e., Pell Grant, College Work Study, Stafford Loan, SEOG, etc.) at the institution to be attended. Continuing students must meet the satisfactory academic progress standards of the institution attended.~~
- ~~F. The student must demonstrate financial need, as determined by the program rules and regulations and the federally approved system of needs analysis.~~
- ~~G. The student must not owe a refund on a Pell Grant, SEOG, or SSIG award or be in default on a National Defense/Direct Student Loan, Perkins Loan, Stafford Student Loan, Supplemental Loan for Students, PLUS Loan, Income Contingent Loan, William D. Ford Federal Direct Loan, or Consolidated Loan programs.~~
- ~~H. The student must file a Statement of Educational Purpose and Selective Service Registration Status with the institution to be attended.~~
- ~~I. The student must not have borrowed, as determined by the institution to be attended, in excess of the annual loan limits under the Federal Family Education Loan Program, William D. Ford Federal Direct Loan Program, Income Contingent Loan, Stafford Student Loan, PLUS Loan, or Supplemental Loan for Students in the same academic year for which the student has applied for assistance under the State Grant Program, and must not have borrowed in excess of the aggregate maximum loan limits under the above loan programs.~~

RULE 3 – APPLICATION PROCESS

I. ~~Application~~

~~Application for the Arkansas Student Assistance Grant Program originates through the student's individual initiative. To apply for the SAG Program, the student must file the Free Application for Federal Student Aid (FAFSA) by the appropriate deadline. The application deadline will be as published in the FAFSA.~~

II. ~~Minimum Academic Standards~~

~~An initial first year student must meet the satisfactory academic progress standards required to receive other Federal financial aid (i.e., Pell Grant, College Work-Study, SEOG, loans, etc.) at the institution to be attended. Continuing students must meet the satisfactory academic progress standards of the institution attended.~~

III. ~~Submission of Applications~~

~~All students who are classified as Arkansas residents and who plan to enroll full-time in an approved institution may apply. Because Student Assistance Grant awards are made on a first come, first served basis, applicants are encouraged to apply as soon as possible after January 1.~~

RULE 4 – AWARD PROCESS

I. ~~The Arkansas Department of Higher Education will award Arkansas Student Assistance Grants to eligible students based on the criteria below.~~

A. ~~All applicants whose FAFSA is received by the U.S. Department of Education Central Processor (CPS) by April 1 (e.g. April 1, 2000 for the 2000-2001 award year), and who are eligible to receive a Pell Grant are eligible to be awarded an Student Assistance Grant.~~

B. ~~The maximum award is \$600 for an academic year.~~

C. ~~Need is determined using Federal Methodology.~~

D. ~~The Student Assistance Grant must be reduced or eliminated to prevent an overaward.~~

E. ~~From the list of eligible applicants, ADHE will award Student Assistance Grants on a first come, first served basis using the date the application was received at the CPS until all available funds have been awarded.~~

- ~~F. Any changes to an applicant's FAFSA after April 1 will not make a previously ineligible applicant eligible. However, if the changes make an awardee ineligible, that award will be revoked.~~
- ~~G. ADHE will send a notice to each applicant who is awarded a Student Assistance Grant informing them of the award and the conditions of that award.~~
- ~~II. ADHE will provide each participating institution the names of those applicants awarded a Student Assistance Grant.~~
 - ~~A. ADHE will send each school two lists of students awarded a Student Assistance Grant. The first will list all students awarded regardless of what schools were listed on the FAFSA, and the second list will be unique to each institution, listing only those applicants who listed that institution on the FAFSA.~~
 - ~~B. ADHE will give each school the option of receiving either electronic or paper copies of the lists.~~
 - ~~C. Students who do not appear on either of the lists may not be awarded a Student Assistance Grant without written approval from ADHE.~~

RULE 5 – GRANT PAYMENT POLICIES

- ~~I. Grant payments will correspond to academic terms, semesters, quarters, or equivalent time periods at the institution. Following verification of full time enrollment, satisfactory academic progress, and Pell eligibility, each institution will provide ADHE with a list of those students eligible to receive the Student Assistance Grant who are enrolled at that institution. The format for this report will be determined by ADHE in coordination with the institutions and must be sent electronically or on floppy disk.~~
- ~~II. ADHE will review the list of eligible students prior to transferring funds to the institution. If ADHE determines that a student has already received SAG funds for that term, ADHE will notify the institution that the student is not eligible and will not transfer funds for that student. It will be the institution's responsibility to reconcile the conflict with the student and the institution that paid the student.~~
- ~~III. Students who withdraw from school may owe a refund. Institutions will determine the amount of any refund owed the Arkansas Student Assistance Grant Program and will return those funds to ADHE during end of the year balancing. The institution will notify ADHE of the withdrawal and refund. These reports must also be in electronic format. It is the institution's responsibility to collect the refund from the student.~~
- ~~IV. Arkansas Student Assistance Grants are not renewable. Students must reapply~~

each year.

- V. ~~ADHE will send the required funds to each institution by electronic funds transfer. Each institution will disburse these funds in accordance with its disbursement procedures.~~

RULE 6 - INSTITUTIONAL RESPONSIBILITIES

I. ~~Disbursement Records~~

~~The institution shall maintain information on the student indicating disbursement of these funds.~~

II. ~~End of Year Balancing~~

~~ADHE will send each institution a summary of balance showing the funds distributed to that institution along with a listing of the students reported by the institution as having been eligible to be disbursed a Student Assistance Grant and for whom ADHE sent funds to the school. The institution will reconcile the summary of balance with its records, identify any discrepancies, and return the completed summary to ADHE, along with any unexpended funds, by August 31.~~

III. ~~Due Diligence~~

~~The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on Student Assistance Grant recipients. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Student Assistance Grant Program.~~

~~The Arkansas Department of Higher Education will periodically review the institution records concerning the ASAG program to exercise its due diligence requirements as the steward of state and federal funds.~~

RULE 7 - PROGRAM DEFINITIONS

~~Unless defined below, all terms applicable to the Student Assistance Grant Program are as defined for federal student financial aid programs.~~

~~*Approved Private Institution* — A nonprofit two or four year degree-granting institution of postsecondary education or an institution offering completion of an occupational training program as defined by the federal government, dedicated to educational purposes located Arkansas which:~~

- 1. ~~Is operated privately under the control of an~~

~~independent board and not directly controlled or administered by any public agency or political subdivision;~~

- ~~2. Restricts the use of public funds to educational programs with a secular purpose;~~
- ~~3. Provides a collegiate-level course of instruction for a minimum of two (2) years leading to or directly creditable toward an associate or baccalaureate degree or provides a course which leads to completion of an occupational training program;~~
- ~~4. Is accredited by an accrediting agency certified and recognized by the United States Department of Education or the Division of Agency Evaluation and Institutional Accreditation, or is a school giving satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation;~~
- ~~5. Does not discriminate in the admission of students on the basis of race, color, religion, gender, disability, or national origin and is otherwise in compliance with the federal Civil Rights Acts of 1964 and 1968 and executive orders pursuant thereto; and~~
- ~~6. Subscribes to the principle of academic freedom.~~

~~*Approved Public Institution* A two or four year degree-granting institution of postsecondary education or an institution offering completion of an occupational training program as defined by the federal government, dedicated to educational purposes located in Arkansas which:~~

- ~~1. Is directly controlled or administered by a public agency or political subdivision;~~
- ~~2. Receives appropriations directly or indirectly from the General Assembly for operating expenses;~~
- ~~3. Provides a collegiate-level course of instruction for a minimum of two (2) years leading to or directly creditable toward an associate or~~

~~baccalaureate degree or provides a course which leads to completion of an occupational training program;~~

- ~~4. Is accredited by an accrediting agency certified and recognized by the United States Department of Education or the Division of Agency Evaluation and Institutional Accreditation, or is a school giving satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation;~~
- ~~5. Does not discriminate in the admission of students on the basis of race, color, religion, gender, disability, or national origin and is otherwise in compliance with the federal Civil Rights Acts of 1964 and 1968 and executive orders pursuant thereto; and~~
- ~~6. Subscribes to the principle of academic freedom~~

~~*Eligible Applicant* — A applicant for the Student Assistance Grant whose Free Application for Federal Student Aid was received by the Central Processor by April 1 and who is eligible to receive a Pell Grant.~~

~~*Eligible Institution* — An institution that meets the definition of an approved public or private institution and, if appropriate, has applied and been approved for participation in the Arkansas Student Assistance Grant Program.~~

~~*Overaward* — A situation that exists when the student's total financial aid package exceeds the student's need.~~

**REVISED RULES AND REGULATIONS
ARKANSAS WORKFORCE IMPROVEMENT GRANT**

This agenda item presents revisions to the rules and regulations of the Arkansas Workforce Improvement Grant that are necessary to comply with Act 2129 of 2005. Most of these revisions to the prior statute are merely technical in nature. The key revision is the increase in the award amount, which has been raised from \$1,800 per year to \$2,000 per year, primarily to keep pace with rising tuition costs.

Act 1796 of 2003 created the Arkansas Workforce Improvement Grant Program to assist nontraditional college students, who have been deemed the “working poor.” Many potential Arkansas college students make too much money to qualify for federal Pell Grants or other forms of financial aid, but still do not earn enough to afford a college degree program that will provide a path for greater economic opportunities.

The ADHE Financial Aid Division receives many calls requesting sources of financial aid for various groups of students. ADHE adequately serves traditional students who attend college right out of high school through the Academic Challenge Scholarship, Governor’s Scholars’, and Distinguished Scholars’ programs. This grant program assists adult students who are working in low-paying, low-skilled jobs and desire to improve their standard of living.

Act 1796 set the following parameters for the Arkansas Workforce Improvement Grant Program:

- For persons age 24 or older;
- For Arkansas residents and US citizens;
- Exhibits financial need;
- Created an advisory committee to provide advice to ADHE;
- ADHE is to promulgate rules & regs and present to Executive Council and AHECB;
- ADHE required to file annual report with Legislative Council; and
- Awards are subject to the availability of funds

The ADHE financial aid staff and the financial aid offices at Arkansas colleges and universities jointly manage the administration of the program. ADHE sends each college and university a prorated share of the available funds based on the institution’s previous year’s enrollment of non-traditional students. The institutions then make awards to their students based on need, prioritizing the neediest students first. The Free Application for Federal Student Aid (FAFSA) is used to determine financial need. Institutions have the flexibility to set their own

deadline. The grant is not automatically renewable, students have to meet the financial need guidelines each year, as well as continue to make satisfactory progress toward a postsecondary completion. The program is open to full- and part-time students.

In the 2003-05 biennium, ADHE had appropriation authority to spend \$500,000 per year for the Workforce Improvement Grant Program. The 85th Arkansas General Assembly repealed the Arkansas Student Assistance Grant Program and moved the appropriation of \$3,210,345 per year into the Arkansas Workforce Improvement Grant Program, which brings the total current annual appropriation to \$3,710,345. With this increased appropriation, over 1,800 full-time equivalent working poor adults per year can benefit from the Arkansas Workforce Improvement Grant program.

In compliance with the Administrative Procedures Act of 1979, a public hearing was announced in a newspaper of general circulation to discuss the rules and regulations that will govern the Workforce Improvement Grant Program. The hearing will be held in conjunction with this meeting of the Arkansas Higher Education Coordinating Board.

The following resolution is offered for the Board's consideration:

RESOLVED, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Workforce Improvement Grant Program, to be administered jointly by the Arkansas Department of Higher Education and approved Arkansas Institutions 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 her designee is authorized to promulgate these rules and regulations and to implement them for the 2005-06 academic year.

FURTHER RESOLVED, That the Director of the Arkansas Department of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Workforce Improvement Grant Program.

**ARKANSAS WORKFORCE IMPROVEMENT
GRANT PROGRAM
RULES AND REGULATIONS**

RULE 1 - ORGANIZATION AND STRUCTURE

- I. The Arkansas Department of Higher Education shall administer the Arkansas Workforce Improvement Grant within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his designee. The Arkansas Workforce Improvement Grant Advisory Council shall provide advice to the Department of Higher Education related to administration of the program.
- II. Workforce Improvement Grant Council
 - A. The Arkansas Workforce Improvement Grant Advisory Council shall consist of eight members appointed for staggered three-year terms by the Director of the Arkansas Department of Higher Education. The members shall be appointed in the following numbers: four-year public or private institutions (three representatives); two-year public or private institutions (three representatives); the Executive Director of the Arkansas Association of Two-Year Colleges; and the President of the Arkansas Association of Student Financial Aid Administrators, who will serve a one-year term. The committee members shall initially be appointed for staggered terms so that one member from a four-year institution and one member from a two-year institution shall be replaced each year.
 - B. The Workforce Improvement Grant Advisory Council shall advise the Arkansas Department of Higher Education in the determination of guidelines and regulations for the administration of this program.
 - C. The elected chairperson shall serve as presiding officer of the Workforce Improvement Grant Advisory Council. The Director of the Arkansas Department of Higher Education shall ensure that staff services for the Council are provided.

- III. The final responsibility for setting selection criteria shall rest with the Director of the Arkansas Department of Higher Education or designees pursuant to the provisions of Act 1796 of 2003, **Act 2129 of 2005** and subsequent legislation.
- IV. When functioning under the acts listed above, the Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act.

RULE 2 - GRANT ELIGIBILITY CRITERIA

I. Eligibility Criteria

To be eligible to receive the Arkansas Workforce Improvement Grant (WIG), a student must meet the following requirements:

- A. The student must be a citizen of the United States or a permanent resident alien.
- B. The student must be a bona fide resident of the State of Arkansas, as defined by the Arkansas Department of Higher Education, six months prior to the date on which the student applies.
- C. The student must be enrolled in a minimum of three (3) credit hours or the equivalent, as of the eleventh day of class, at an approved institution which has been determined eligible to participate in the Workforce Improvement Grant Program.
- D. The student must not have earned a first baccalaureate degree.
- E. All students must meet the satisfactory academic progress standards required to receive other federal financial aid (i.e., Pell Grant, College Work-Study, Stafford Loan, SEOG, etc.) at the institution to be attended.
- F. The student must demonstrate financial need, as determined by the program rules and regulations, by completing the Free Application for Federal Student Aid (FAFSA).
- G. The student must not owe a refund on a Pell Grant, SEOG, or SSIG award or be in default on a National Defense/Direct Student Loan, Perkins Loan, Stafford Student Loan, Supplemental Loan for Students, PLUS Loan, Income Contingent Loan, William D. Ford Federal Direct Loan, or Consolidated Loan programs. The student must not have borrowed, as determined by the institution to be

attended, in excess of the annual loan limits under the Federal Family Education Loan Program, William D. Ford Federal Direct Loan Program, Income Contingent Loan, Stafford Student Loan, PLUS Loan, or Supplemental Loan for Students in the same academic year for which the student has applied for assistance under the Workforce Improvement Grant Program, and must not have borrowed in excess of the aggregate maximum loan limits under the above loan programs.

- H. The person is twenty-four (24) years of age or older on or before the first day of the semester or summer session in which the Workforce Improvement Grant has been awarded and has been declared an independent student for federal financial aid purposes.
- I. The person is accepted for admission at an approved institution to pursue a baccalaureate degree, an associate degree, or a credit certificate.
- J. The person graduated from high school or passed the General Educational Development Test, or meets the ability to benefit criteria as defined by federal regulations in existence on January 1, 2003.

RULE 3 - APPLICATION PROCESS

I. Application

Application for the Arkansas Workforce Improvement Grant Program originates through the student's individual initiative. To apply for the Workforce Improvement Grant Program, the student must file the Free Application for Federal Student Aid (FAFSA) ~~by the appropriate deadline. The application deadline will be July 15 of each calendar year, with a secondary deadline established by the institution to be instituted if funds remain available.~~ **Eligible institutions may establish a deadline as needed to administer the program.**

II. Minimum Academic Standards

An initial first year student must meet the satisfactory academic progress standards required to receive other Federal financial aid (i.e., Pell Grant, College Work-Study, SEOG, loans, etc.) at the institution to be attended. Continuing students must meet the satisfactory academic progress standards of the institution attended.

III. Submission of Applications

All students who are classified as Arkansas residents and who plan to enroll in an approved institution may apply.

RULE 4 - AWARD PROCESS

- I. Arkansas institutions of higher education will award the Arkansas Workforce Improvement Grant to eligible students based on the criteria below.
 - A. Awards will be made based on the information eligible applicants provide on the Free Application for Federal Student Aid (FAFSA) ~~as of July 15 of each calendar year.~~ Awards will be made to eligible applicants who demonstrate the greatest unmet need (excluding student loans); total aid not to exceed the institution's cost of attendance, until funds have been exhausted. ~~If funds are still available after the July 15 application deadline, institutions may accept applications after July 15, and make awards until all funds are obligated.~~ **Eligible institutions may establish a deadline as needed to administer the program.**
 - B. The maximum annual award is tuition and mandatory fees, up to ~~\$1,800~~ **\$2,000** per year. The amount of the Pell Grant award received by the recipient will be taken into account in the award amount. The award formula shall be: WORKFORCE IMPROVEMENT GRANT Award = (Max. award amount – Pell Award). The maximum amount of the annual grant for part-time students shall be pro-rated on the basis of the number of credit hours enrolled each term and shall never be more than the cost of tuition and fees. The total award amount to any one student shall never exceed ~~\$7,200~~ **\$8,000** and the student may not be awarded more than the full-time equivalent of four years.
 - C. The Workforce Improvement Grant must be reduced or eliminated to prevent an overaward in accordance with state and federal laws.
 - D. ~~Any changes to an applicant's FAFSA after July 15 will not make a previously ineligible applicant eligible. However, if the changes make an awardee ineligible, that award will be revoked.~~

- E. Eligible institutions will send a notice to each applicant who is awarded a Workforce Improvement Grant informing them of the award and the conditions of that award.
- F. ~~Students who transfer to another eligible institution may be eligible for the Workforce Improvement Grant, provided they meet eligibility requirements and the funds are available at the institution where they transfer.~~

RULE 5 - GRANT PAYMENT POLICIES

- I. Grant payments will be made to eligible institutions on a bi-annual basis. Institutions will be notified by May 15 of their grant payment for the following academic year.
- II. Students who withdraw from school may owe a refund to the program. It is the institution's responsibility to collect the refund from the student. Institutions shall continue to award students until all funds are spent.
- III. Workforce Improvement Grants are not automatically renewable. Students must apply each year and awards will be made based on the amount of funds available and the need of the eligible applicants. The maximum award amount to any one student shall never exceed **\$7,200** **\$8,000**.
- IV. ADHE will send the required funds to each institution by electronic funds transfer or state warrant. Each institution will disburse these funds in accordance with its disbursement procedures.
- V. **Institutions shall not be allowed to use the Workforce Improvement Grant award to reduce any institutional financial aid funds awarded to eligible students.**

RULE 6 - INSTITUTIONAL RESPONSIBILITIES

- I. Disbursement Records

The institution shall maintain information on the student indicating the awarding and disbursement of these funds.

II. End of Year Balancing

By ~~December~~ **September** 1 of each year, each institution will submit a report to ADHE with a list of students who received the Workforce Improvement Grant in the previous academic year and the amount of funds received by each student. The format for this report will be determined by ADHE in conjunction with the institutions and must be sent electronically ~~or on floppy disk~~.

III. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on Workforce Improvement Grant recipients. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Workforce Improvement Grant Program.

The Arkansas Department of Higher Education will periodically review the institution records concerning the Workforce Improvement Grant program to exercise its due diligence requirements as the steward of state and federal funds.

RULE 7 - PROGRAM DEFINITIONS

Unless defined below, all terms applicable to the Workforce Improvement Grant Program are as defined for federal student financial aid programs.

ELIGIBLE INSTITUTION

~~a public or private college or university located in Arkansas that is accredited by the Higher Learning Commission of the North Central Association, or which certifies to the Department of Higher Education that its students are accepted for transfer at institutions accredited by the Higher Learning Commission of the North Central Association and does not discriminate against applicants or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal law. **a public or private not-for-profit postsecondary institution with primary headquarters located in Arkansas and that is eligible to receive Title IV Federal student aid funds**~~

OR

only under conditions set forth in A.C.A. 6-82-1007, a public or private nursing school located in Arkansas that is approved by the State Board of Nursing and which does not discriminate against employees on the basis of race, color, religion, sex, age, handicap or national origin, consistent with the provisions of applicable state and federal law.

Eligible Applicant

An Arkansas resident over the age of 24 who filed the Free Application for Federal Student Aid (FAFSA) by the deadline established by the eligible institution of the current academic year, has unmet need, is enrolled in a minimum of three (3) semester credit hours at an eligible institution, and is declared an independent student for federal financial aid.

Unmet Need

The Cost of Attendance as calculated using federal regulations and guidelines less the Expected Family Contribution as calculated using Federal Methodology less all other grants, scholarships and financial assistance (not including loans) awarded

Overaward

A situation that exists when the student's total financial aid package exceeds the student's need.

REPORT ON 2004 COLLEGE-GOING RATE

The college-going rate measures the proportion of college students enrolling in postsecondary education in the fall semester immediately after finishing high school. Current data are based on the fall 2004 student cohort that enrolled first-time, full-time, and on-campus at an Arkansas public or independent institution after graduating from one of the state's public high schools in spring 2004. Since most college students enroll in college directly after completing high school, the percentage of high school graduates making an immediate transition from high school to college is an indicator of the total proportion that will ever 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.

An all-time high, the college-going rate for Arkansas for fall 2004 is 61.0%, an increase of 0.2% from the previous fall term (Table 19-1). The proportion of this cohort entering public universities decreased 0.1% to 34.9%, while the public colleges experienced an increase of 0.3% to 22.2%. The proportion of the cohort enrolling at independent institutions increased by 0.1% to 3.9%. (Two independent institutions did not report.)

The college-going rate in Arkansas for females is 68.3% compared to 53.1% for males. The college-going rate nationally* for females is 68.4% and for males is 62.1%. The college-going rate in Arkansas for whites is 61.4%, for African-Americans is 56.0%, and for Hispanics is 39%. The college-going rate nationally** in 2001 for whites is 64.2%, for African-Americans is 54.6%, and for Hispanics is 51.7%.

The current base of 16,583 first-time, full-time freshmen from Arkansas is 1.0% less than the previous year, with the number of high school graduates decreasing slightly over one year earlier by 374 (Table 19-2). This slight decrease in the number of high school graduates is within projections from the National Center for Education Statistics (NCES)***. Recent K-12 enrollment projections by NCES through 2012 indicate an expected decrease in the number of high school graduates in Arkansas for the period 1999-2000 to 2011-12 of 5.7%. Projected trends in the number of public high school graduates could be impacted by changes in policies affecting graduation requirements. It is not known at this time if the decreasing number of high school graduates will cause a corresponding decline in the number of freshmen entering higher education due to the impact of an increasing college-going rate.

The national college-going rate* of 65.2% for fall 2002, the most recent year for which national data are available, increased (3.5%) from the previous year. Much of the difference between the national rate and the Arkansas rate of 61.0% is attributed to the out-migration of students; that is, Arkansas freshmen entering higher education in states other than Arkansas. According to out-migration statistics from NCES**** we know that historically 10-12% of Arkansas' freshman initially enroll in out-of-state institutions. (Note that Arkansas is a net in-migrator of entering freshman students.) When the Arkansas college-going rate is adjusted for out-migration, the result is an increase of 6-7%, making the estimated Arkansas college-going rate essentially the same as or higher than the national college-going rate.

* National Center for Education Statistics, *Digest of Education Statistics, 2004*; Table 186

** National Center for Education Statistics, *Digest of Education Statistics, 2004*; Table 185

*** National Center for Education Statistics, *Projections of Education Statistics to 2011*; Table 25

**** National Center for Education Statistics, *Digest of Education Statistics, 2004*; Table 207

G:\AHECB\August01\College Going Rate 2004

Table 19.1 COLLEGE-GOING RATE FOR FIRST-TIME, FULL-TIME, ON-CAMPUS STUDENTS GRADUATING FROM ARKANSAS HIGH SCHOOLS AND ATTENDING ARKANSAS INSTITUTIONS, 2000 - 2004

INSTITUTION	FIRST-TIME STUDENTS FOR FALL TERM --									
	2000		2001		2002		2003		2004	
	Headcount	Percent	Headcount	Percent	Headcount	Percent	Headcount	Percent	Headcount	Percent
Public Four-Year										
ASUJ ¹	1,438	5.3%	1,418	5.2%	1,308	4.8%	1,190	4.3%	1,039	3.8%
ATU ²	1,084	4.0%	1,153	4.3%	1,123	4.1%	1,280	4.6%	1,233	4.5%
HSU	555	2.0%	534	2.0%	501	1.9%	428	1.6%	473	1.7%
SAUM	426	1.6%	413	1.5%	411	1.5%	389	1.4%	451	1.7%
UAF	1,799	6.6%	1,856	6.8%	1,751	6.5%	1,795	6.5%	1,841	6.8%
UAFS ³	692	2.5%	755	2.8%	917	3.4%	662	2.4%	711	2.6%
UALR	752	2.8%	664	2.5%	663	2.4%	634	2.3%	688	2.5%
UAM ⁴	425	1.6%	432	1.6%	483	1.8%	618	2.2%	541	2.0%
UAMS ⁵		0.0%		0.0%		0.0%		0.0%		0.0%
UAPB	430	1.6%	473	1.7%	467	1.7%	413	1.5%	428	1.6%
UCA	1,516	5.5%	1,562	5.8%	1,633	6.0%	2,265	8.2%	2,090	7.7%
Four-Year Subtotal	9,117	33.4%	9,260	34.2%	9,257	34.2%	9,674	35.1%	9,495	34.9%
Public Two-Year										
ANC ⁶	156	0.6%	203	0.7%	230	0.8%	267	1.0%	257	0.9%
ASUB ⁷	477	1.7%	469	1.7%	545	2.0%	534	1.9%	525	1.9%
ASUMH	161	0.6%	203	0.7%	185	0.7%	226	0.8%	233	0.9%
ASUN	72	0.3%	136	0.5%	86	0.3%	84	0.3%	110	0.4%
BRTC	236	0.9%	316	1.2%	325	1.2%	338	1.2%	340	1.3%
CCCUA	65	0.2%	106	0.4%	76	0.3%	95	0.3%	84	0.3%
EACC	170	0.6%	259	1.0%	241	0.9%	248	0.9%	258	0.9%
MSCC	95	0.3%	20	0.1%	43	0.2%	76	0.3%	131	0.5%
NAC	359	1.3%	392	1.4%	349	1.3%	423	1.5%	366	1.3%
NPCC ⁸	253	0.9%	207	0.8%	260	1.0%	329	1.2%	330	1.2%
NWACC	409	1.5%	470	1.7%	431	1.6%	485	1.8%	522	1.9%
OUTC	124	0.5%	170	0.6%	222	0.8%	217	0.8%	185	0.7%
OZC	97	0.4%	152	0.6%	251	0.9%	154	0.6%	153	0.6%
PCC/UA	165	0.6%	206	0.8%	202	0.7%	222	0.8%	201	0.7%
PTC	600	2.2%	647	2.4%	636	2.3%	708	2.6%	781	2.9%
RMCC	129	0.5%	131	0.5%	178	0.7%	125	0.5%	153	0.6%
SACC	135	0.5%	153	0.6%	158	0.6%	203	0.7%	166	0.6%
SAUT	97	0.4%	88	0.3%	138	0.5%	115	0.4%	73	0.3%
SEAC	244	0.9%	279	1.0%	355	1.3%	312	1.1%	354	1.3%
UACCB	174	0.6%	251	0.9%	205	0.8%	123	0.4%	208	0.8%
UACCH	273	1.0%	299	1.1%	247	0.9%	296	1.1%	281	1.0%
UACCM	220	0.8%	328	1.2%	380	1.4%	465	1.7%	315	1.2%
Two-Year Subtotal	4,711	17.2%	5,485	20.2%	5,743	21.2%	6,045	21.9%	6,026	22.2%
Public Total	13,828	50.6%	14,745	54.4%	15,000	55.4%	15,719	57.0%	15,521	57.1%
Independent										
ABC	32	0.1%	58	0.2%	[not reported]		[not reported]		[not reported]	
CBC	117	0.4%	87	0.3%	79	0.3%	90	0.3%	70	0.3%
CRC	45	0.2%	41	0.2%	51	0.2%	46	0.2%	49	0.2%
HC	229	0.8%	175	0.6%	178	0.7%	126	0.5%	170	0.6%
HU	279	1.0%	255	0.9%	202	0.7%	220	0.8%	213	0.8%
JBU	90	0.3%	73	0.3%	15	0.1%	62	0.2%	63	0.2%
LC	105	0.4%	102	0.4%	99	0.4%	94	0.3%	116	0.4%
OBU	237	0.9%	221	0.8%	208	0.8%	167	0.6%	183	0.7%
PSC	55	0.2%	103	0.4%	[not reported]		[not reported]		[not reported]	
SC	[not reported]		[not reported]		[not reported]		[not reported]		[not reported]	
UO	89	0.3%	120	0.4%	127	0.5%	128	0.5%	75	0.3%
WBC	116	0.4%	122	0.5%	90	0.3%	104	0.4%	123	0.5%
Independent Subtotal	1,394	5.1%	1,357	5.0%	1,049	3.9%	1,037	3.8%	1,062	3.9%
Total Entering Cohort	15,222		16,102		16,049		16,756		16,583	
Arkansas High School Graduates		27,335		27,100		27,066		27,555		27,181
COLLEGE GOING RATE		55.7%		59.4%		59.3%		60.8%		61.0%

Notes:

1) Entering Cohorts = first-time, full-time, on-campus, in-state students at Arkansas public and independent institutions

2) College Going Rate = the entering cohort as a proportion of the total number of students graduating from a public high school in the previous spring

¹ ASUJ merged with Delta Technical Institute in 2001, the workforce education at Marked Tree (ASUTC) is non-credit and not reported to ADHE while general education credit courses and students are reported.

² ATU merged with Arkansas Valley Technical Institute effective July 1, 2003

³ UAFS (previously WC) became a four-year institute in January 2002

⁴ UAM merged with Great Rivers Technical Institute and Forest Echoes Technical Institute effective July 1, 2003

⁵ UAMS does not have first-time entering students

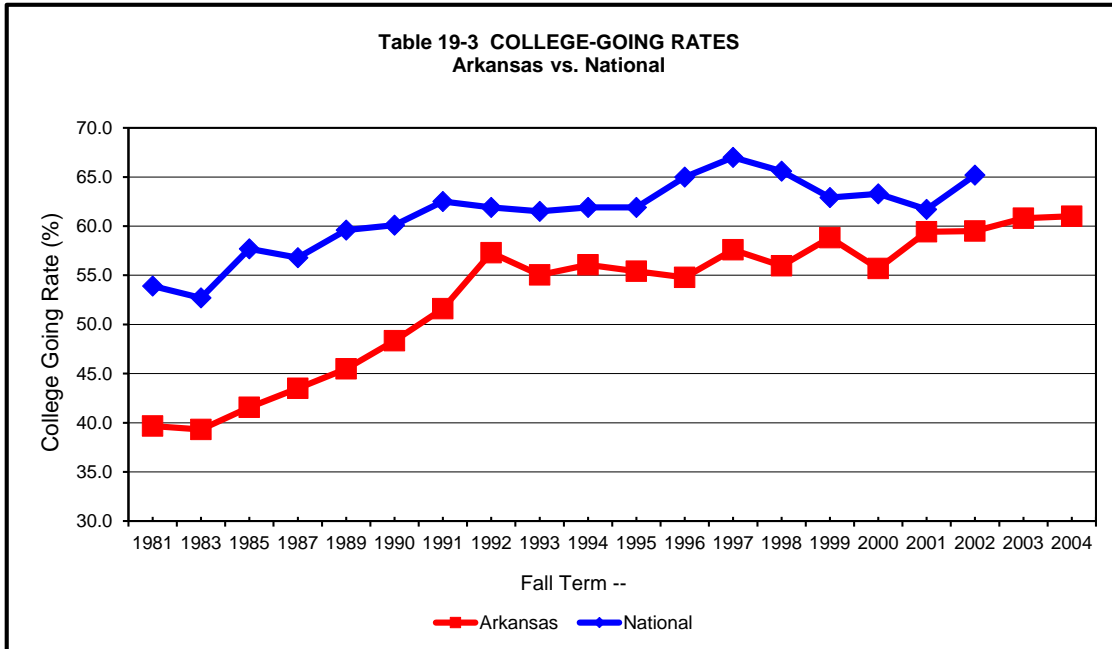
⁶ ANC (previously MCCC) merged with Cotton Boll Technical Institute effective July 1, 2003

⁷ ASUB merged with Foothills Technical Institute effective July 1, 2003

⁸ NPCC (previously GCCC) merged with Quapaw Technical Institute effective July 1, 2003

FALL TERM --	# of FIRST-TIME ENTERING, FULL-TIME STUDENTS	# of PUBLIC HIGH SCHOOL SPRING GRADUATES	ARKANSAS COLLEGE GOING RATE	NATIONAL COLLEGE GOING RATE
1980	12,481	29,052	43.0%	n/a
1981	11,663	29,414	39.7%	53.9%
1982	11,350	29,710	38.2%	n/a
1983	11,169	28,410	39.3%	52.7%
1984	10,658	27,075	39.4%	n/a
1985	11,025	26,517	41.6%	57.7%
1986	11,378	26,527	42.9%	n/a
1987	11,842	27,224	43.5%	56.8%
1988	12,316	27,776	44.3%	n/a
1989	12,699	27,920	45.5%	59.6%
1990	12,798	26,475	48.3%	60.1%
1991	13,232	25,640	51.6%	62.5%
1992	14,808	25,845	57.3%	61.9%
1993	14,120	25,655	55.0%	61.5%
1994	14,011	24,990	56.1%	61.9%
1995	13,653	24,636	55.4%	61.9%
1996	13,779	25,152	54.8%	65.0%
1997	14,468	25,123	57.6%	67.0%
1998	15,190	27,147	56.0%	65.6%
1999	15,820	26,896	58.8%	62.9%
2000	15,222	27,335	55.7%	63.3%
2001	16,104	27,100	59.4%	61.7%
2002	16,105	27,066	59.5%	65.2%
2003	16,758	27,555	60.8%	n/a
2004	16,583	27,181	61.0%	n/a

n/a = not available



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⁵ ANC (previously MCCC) merged with Cotton Boll Technical Institute effective July 1, 2003

⁶ ASUB merged with Foothills Technical Institute effective July 1, 2003

⁷ NPCC (previously GCCC) merged with Quapaw Technical Institute effective July 1, 2003

LETTERS OF NOTIFICATION

The Arkansas Department of Higher Education received the following notifications from April 15, 2005, through July 13, 2005.

NEW PROGRAM

Phillips Community College of the University of Arkansas (Summer 2005)

Certificate of Proficiency in General Welding Techniques (CIP 48.0508)

Pulaski Technical College (Fall 2005)

Certificate of Proficiency in Computer Information Systems (CIP 52.1201)

Southern Arkansas University--Magnolia (Fall 2005)

Certificate of Proficiency in Crime Scene Investigation (CIP 43.0106)

Technical Certificate in Crime Scene Investigation (CIP 43.0106)

Certificate of Proficiency in Law Enforcement Administration (CIP 43.0103)

Technical Certificate in Law Enforcement Administration (CIP 43.0103)

University of Arkansas at Little Rock (Fall 2005)

Graduate Certificate for Reading/Literacy Coach (CIP 13.1315)

NEW PROGRAM OPTION/Minor

Arkansas State University--Jonesboro (Fall 2005)

Computer-Aided Drafting & Design Option

Computer Systems Option

Statistics Minor

Entrepreneurship Minor

Food Science & Technology Minor

Southern Arkansas University--Magnolia (Spring 2006)

Non-licensure Option in Bachelor of Science in Inclusive Early Childhood Education
(CIP 13.1210)

University of Arkansas, Fayetteville (Fall 2005)

Historic Preservation Minor

University of Arkansas at Little Rock (Spring 2006)

Applied Design Option in Bachelor of Arts in Studio Art

University of Central Arkansas (Summer 2005)

Financial Planning Option in Bachelor of Business Administration in Insurance & Risk Management

Instructional Specialist 0-8/Special Education Licensure Option in Bachelor of Science in Education in P-4 Licensure

Two-Year Institutions (Fall 2005)

P-4 Option in Associate of Arts in Teaching (CIP 13.1203, DC 1005) at Arkansas State University--Beebe, Arkansas State University--Mountain Home, Arkansas State University--Newport, Arkansas Northeastern College, Cossatot Community College of the University of Arkansas, Mid-South Community College, Ouachita Technical College, Pulaski Technical College, Rich Mountain Community College, South Arkansas Community College, Southeast Arkansas College, University of Arkansas Community College at Batesville, University of Arkansas Community College at Hope, and University of Arkansas Community College at Morrilton

NAME CHANGE

Arkansas State University--Jonesboro (August 2005)

Bachelor of Science in Printing (CIP 10.0305) changed to Bachelor of Science in Graphic Communications

Phillips Community College of the University of Arkansas (August 2005)

Department of Business (DC 0880) changed to Department of Business & Information Systems

Department of English & Fine Arts (DC 1300) changed to Department of Arts & Sciences

Department of Technical & Industrial Technology (DC 2410) changed to Department of Applied Technology

Department of Developmental Studies (DC 1120) changed to Department of Developmental Education

University of Arkansas, Fayetteville (July 2005)

Arkansas Center for Oral and Visual History changed to David and Barbara Pryor Center for Arkansas Oral and Visual History

EXISTING PROGRAM OFFERED OFF-CAMPUS

University of Arkansas, Fayetteville (Fall 2005)

Master of Science in Agriculture Economics (CIP 01.0103) at University of Ghent, Belgium

EXISTING PROGRAM OFFERED BY DISTANCE TECHNOLOGY

Arkansas State University--Mountain Home (Fall 2005)

Associate of Applied Science in Funeral Science (CIP 12.0301) via distance technology at the Jonesboro, Beebe and Searcy campuses of Arkansas State University

University of Arkansas at Little Rock (Fall 2005)

Master of Business Administration (CIP 52.0201) via distance technology at University of Arkansas Community College at Hope

RECONFIGURATION OF EXISTING DEGREE

North Arkansas College (Fall 2005)

Associate of Science in Agriculture, Food and Life Sciences (CIP 01.0000) separated to create Associate of Applied Science in Agriculture (CIP 01.0000)

CONSOLIDATION OF EXISTING PROGRAMS

University of Arkansas, Fayetteville (Fall 2005)

Master of Education in Adult Education (13.1201) and Master of Education in Vocational Education (13.1320) combined to create Master of Education in Workforce Development Education (CIP 13.1320) with options in Adult Education, Human Resource Development, and Vocational Education

University of Arkansas Community College at Morrilton (Fall 2005)

Associate of Science in Computer Information Science (11.0101) and Associate of Science in Land Surveying Technology (15.1102) combined to create Associate of Science (CIP 24.0101)

ADMINISTRATIVE TRANSFER OF EXISTING PROGRAM

University of Arkansas at Little Rock (Fall 2006)

Master of Health Services Administration (CIP 51.0701) transferred to University of Arkansas for Medical Sciences College of Public Health

COLLABORATIVE PROGRAMS

University of Arkansas for Medical Sciences (Fall 2005)

Collaborative degrees in medicine, law, business and pharmacy with University of Arkansas at Little Rock – Doctor of Medicine/Juris Doctorate--MD/JD (CIP 51.0000), Doctor of Medicine/Master of Business Administration--MD/MBA (CIP 51.0000), Doctor of Pharmacy/Master of Business Administration--PhramD/MBA (CIP 51.0000)

ACADEMIC REORGANIZATION

University of Arkansas at Little Rock (July 2005)

Department of Health Services Administration (DC 1480) merged with Department of Health Policy & Management at University of Arkansas for Medical Sciences

NEW ORGANIZATIONAL UNIT

University of Arkansas at Little Rock (August 2005)

Center for Public Conflict Solutions

DELETED PROGRAMS

University of Arkansas, Fayetteville (August 2007)

Master of Education in Vocational Education (CIP 13.1320)
Education Specialist (Ed.S.) in Vocational Education (CIP 13.1320)
Education Specialist (Ed.S.) in Adult Education (CIP 13.1201)

DELETED ORGANIZATIONAL UNITS

Phillips Community College of the University of Arkansas (August 2005)

- Adult Literacy Project (DC 0050)
- Department of History, Social Science & Physical Education (DC 1520)
- Department of Math & Science (DC 1710)
- Business & Technology (DC 2530)
- Division of College Affairs (DC 2550)
- Division of Instruction (DC 2740)
- Division of Occupational Education (DC 2800)
- Economic Development Center (DC 2870)
- Fine Arts Center (DC 3010)
- Special Training (DC 3450)

EXEMPTION FROM INSTITUTIONAL CERTIFICATION

Anchor Theological Seminary and Bible Institute, Texarkana, AR

- Associate in Biblical Studies
- Bachelor of Ministry in Biblical Studies
- Bachelor of Theology
- Master of Ministry in Biblical Studies
- Master of Theology
- Doctor of Pastoral Theology
- Doctor of Ministry in Christian Philosophy

Southern Baptist Theological Seminary, Louisville, KY

- Master of Divinity at the University Baptist Church in Fayetteville, AR

LETTERS OF INTENT

The Arkansas Department of Higher Education received the following notifications from April 15, 2005, through July 13, 2005.

ITEMS FOR FUTURE BOARD CONSIDERATION

Arkansas State University--Jonesboro

Master of Arts in Criminal Justice
Master of Social Work

Arkansas State University--Mountain Home

Associate of Applied Science in Radiologic Technology

Arkansas Tech University

Master of Science in Emergency Management and Homeland Security
Master of Science in Psychology

Henderson State University

Bachelor of Science in Psychology
Bachelor of General Studies

North Arkansas College

Technical Certificate in Computer Aided Design (CAD)

Pulaski Technical College

Advanced Certificate in Computer Information Systems
Technical Certificate in Computer Information Systems
Technical Certificate in Spanish Proficiency
Technical Certificate in Cosmetology Instruction
Technical Certificate in Nail Technology

University of Arkansas--Fort Smith

Bachelor of Science in Nursing (traditional)
Bachelor of Science in Middle Childhood Education with emphasis in Language Arts/Social Studies

University of Central Arkansas

Master of Fine Arts in Digital Filmmaking

Institutional Certification Advisory Committee

Ecclesia College, Elm Springs, AR

Initial Certification

- Associate of Liberal Arts
- Bachelor of Arts in Biblical Studies
- Bachelor of Arts in Christian Ministries
- Bachelor of Arts in Communications
- Bachelor of Science in Business

Franklin University, Columbus, OH

Initial Certification

- Bachelor of Science in Human Resources Management
- Bachelor of Science in Marketing

Recertification

- Bachelor of Science in Accounting
- Bachelor of Science in Applied Management
- Bachelor of Science in Business Administration
- Bachelor of Science in Computer Science
- Bachelor of Science in Digital Communications
- Bachelor of Science in Health Care Management
- Bachelor of Science in Information Technology
- Bachelor of Science in Management
- Bachelor of Science in Management Information Systems
- Bachelor of Science in Public Safety Management

Excelsior College, Albany, NY

Initial Certification – Online programs

- Associate of Science
- Associate of Applied Science Administrative/Management Studies
- Bachelor of Science in Accounting (NYS CPA Track)
- Bachelor of Science in General Business
- Bachelor of Science in Human Resources Management
- Bachelor of Science in Information Systems Management
- Bachelor of Science in Marketing
- Master of Business Administration

Nebraska Wesleyan University, Lincoln, Nebraska

Initial Certification

- Bachelor of Science in Nursing Degree Completion at Jefferson Regional Medical Center in Pine Bluff, AR

Remington College, Little Rock, AR

Initial Certification

Associate of Applied Science in Business Administration

Vincennes University, Camp Robinson, North Little Rock, AR

Recertification

Associate of Science

Associate of Applied Science

Associate of General Studies, on-site and distance delivery

Initial Certification

Associate of Applied Science in Business Studies

University of Phoenix Online, Phoenix, AZ

Recertification

Associate of Arts

Bachelor of Science in Management

Bachelor of Science in Business

Bachelor of Science in Information Systems

Bachelor of Science in Criminal Justice Administration

Bachelor of Science in Health Administration

Bachelor of Science in Human Services

Master of Business Administration

Master of Management

Master of Information Systems with option in Management

Doctor of Management in Organizational Leadership

Doctor of Business Administration

Doctor of Education in Educational Leadership

Doctor of Health Administration

University of Phoenix, Little Rock, AR

Recertification

Bachelor of Science in Management

Bachelor of Science in Business

Bachelor of Science in Information Technology

Master of Management

Master of Business Administration

Master of Information Systems with option in Management

REPORT ON ANNUAL REVIEW OF FACULTY PERFORMANCE

Arkansas Code Annotated §6-63-104 and Arkansas Higher Education Coordinating Board (Board) policy require that each college and university conduct an annual performance review of faculty members. Pursuant to this Act, the Arkansas Department of Higher Education (ADHE) staff is required to monitor the faculty evaluation processes employed at the various institutions and report to the Coordinating Board and to the 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.

Institutions were required to submit a report to ADHE that describes the process followed during the 2004-2005 academic year. Institutional reports are summarized below.

Activities Included in the Faculty Performance Review

The processes used by employees to assess the performance of faculty included assessment by students, classroom visits by administrators, and peer review. Some institutions also used a variety of self-evaluation activities. Findings were shared with faculty members being evaluated and, when appropriate, improvement plans were jointly developed between the faculty member and the administrator who conducted the evaluation. Evaluation methods and the timeframe by which they were carried out varied among institutions. All teaching faculty members including teaching assistants as well as full-time, part-time, adjunct, and visiting faculty were evaluated.

Institutional Monitoring of the Evaluation Process

Administrators at various levels were responsible for oversight of the evaluation process. Results, whether related to faculty performance or to the effectiveness of the process, were monitored and appropriate actions were taken. Evaluation results provided the basis for personnel promotion, merit salary increases, and reappointment decisions.

Notable Findings from the Process During the Year

The faculty review process found the performance of most faculty members exceeded satisfactory standards. The process itself continued to serve as a valuable tool for identifying procedural improvements that led to improved faculty performance and satisfaction.

Plans Developed as a Result of These Findings

Specific remedial or disciplinary actions were taken as a result of performance deficiencies revealed by the evaluation process. Generally, this involved the formulation of professional improvement plans.

Some institutions indicated changes would be made to their faculty evaluation plan as a result of this year's review process, but there were no changes of such substance or scope as to warrant Board consideration.

Overall Sense of Satisfaction Concerning the Faculty Performance Review

For the most part, appropriate stakeholders were involved in the formulation of the institution's faculty performance evaluation plan. Most faculty viewed the review process as a useful tool for fostering continuous assessment and improvement in both teaching and learning.

Efforts in Working with Faculty Having Demonstrated Deficiencies in the Use of the English Language

The English language proficiency of faculty members at all institutions was assessed prior to employment and then routinely through student and administrator evaluations of the faculty member's classroom performance. A variety of means used to remedy any deficiencies were included in these reports.

Compliance with Statutory Requirements that Colleges of Education Work Collaboratively with Accredited Public Schools

The collaboration between colleges of education and the public schools of their respective areas was documented in these reports. Institutions partnered with public schools through programs such as Tech Prep, concurrent enrollment, assistance in various areas of staff development, participation on school improvement or study teams, and teacher mentoring.

Agenda Item No. 23
Higher Education Coordinating Board
July 29, 2005

REPORT OF NOMINATING COMMITTEE

The Nominating Committee (Chair- Phil Ford, Dan Grant, Lynda Johnson, and David Leech) will make a recommendation on the slate of Board officers for 2005-06 and the Board will act upon the recommendation.