

**Arkansas State University  
Board of Trustees  
June 7, 2002**

The Arkansas State University Board of Trustees met by telephone conference call on Friday, June 7, 2002, in the conference room of the President's Office on the Jonesboro campus. Mr. Richard Bell, Chair of the Board of Trustees, called the meeting to order at 11:00 a.m. A roll call revealed the presence of the following Board members: Congressman John Paul Hammerschmidt, Vice Chair; Mr. Mike Medlock, Secretary; Ms. Florine Bingham, and Colonel Dallas Wood. President Leslie Wyatt, members of the ASU staff, and the local media attended in person.

Mr. Bell presented Resolution 02-27, Authorizing Approval and Execution of the 2002-2003 Operating Budgets for ASU-Jonesboro and the ASU System and Approval of the Arkansas State University-Jonesboro Revised Fiscal Year 2001-2002 Operating Budget.

Upon motion by Congressman Hammerschmidt, second by Mr. Medlock, Resolution 02-27 was approved.

Ayes: Bell, Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Resolution 02-28, Establishing an In-district Tuition Rate for ASU-Heber Springs was then presented for consideration by Mr. Bell.

Upon motion by Mr. Medlock, second by Colonel Wood, Resolution 02-28 was

approved.

Ayes: Bell, Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Resolution 02-29, Authorizing ASU-Jonesboro to Adopt a Standardized Fee and Rebate Schedule for Use at All ASU-Degree Centers, was the final resolution presented.

Upon motion by Ms. Bingham, second by Mr. Medlock, Resolution 02-29 was approved.

Ayes: Bell, Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Upon motion by Congressman Hammerschmidt, second by Colonel Wood, the Board adjourned at 11:05 a.m.

Ayes: Bell, Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

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Mike Medlock, Secretary

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Richard Bell, Chair

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 870-972-3030

ACTION ITEM: Arkansas State University-Jonesboro (ASU-J) and the Arkansas State University System request approval of the fiscal year 2002-2003 operating budgets and authority to execute the budget during the next fiscal year. Arkansas State University-Jonesboro (ASU-J) also requests approval for the revised fiscal year 2001-2002 operating budget.

ISSUE: The Board of Trustees, by policy, must approve the University's operating budget for each fiscal year. The operating budget establishes expenditure levels for certain categories of expense, including salaries, supplies and services, and capital expenditures. Moreover, the budget establishes sound fiscal policy by which the University manages its annual fiscal affairs.

**ARKANSAS STATE UNIVERSITY-JONESBORO**

BACKGROUND:

Arkansas State University-Jonesboro established a planning guide for the development of the fiscal year 2002-2003 budget and began its work in December 2001. The President initiated the process with a letter to the University Planning Committee members indicating the planned timetable for completion of the budget process. Included with this letter were background data compiled by the Office of Finance and Administration on fiscal trends, priorities for previous fiscal year budgets, policies concerning budgeted issues and enrollment trends.

The budget process includes the use of an established committee to deliberate priorities and to discuss financial data in the context of tuition, salaries, supplies and expense funds, and investments in student and campus needs. The committee membership consisted of faculty, staff, administrative, and student representatives, and was chaired by the President.

Resource needs were developed by the President and each Vice President/Chancellor for their respective areas, and discussions with the committee helped develop the final list of resources funded. Reductions in priorities were necessary to make the budget match the projected revenues. Moreover, Arkansas State University-Jonesboro divisional units reduced the current budget level by \$1.4 million dollars overall to accommodate the mandated state appropriation reduction and to provide funds for much needed program enhancements.

Priority areas for Arkansas State University-Jonesboro were:

- X Provide funds for continued support of academic programs
- X Provide funds to support Higher Learning Commission (HLC) accreditation requirements
- X Provide funds to accommodate inflationary costs to operate the university, e.g., utilities and insurance
- X Provide funds for faculty and staff labor market salary adjustments, promotions, and equity

The fiscal year 2002-2003 budget includes an overall average tuition increase of 6.9% to generate additional tuition revenue to replace the first of three mandated state appropriation reductions.

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 870-972-3030

The proposed budget includes a reduction in budget of \$966,656, as a result of the second revised revenue projections from the Department of Finance and Administration announced Wednesday, April 17, 2002, and also includes a reduction in budget of \$374,887, as a result of the third revised revenue projections from the Department of Finance and Administration announced Tuesday, June 4, 2002. Due to the late nature of the second and third revised revenue forecasts, this total revised forecast of \$1,341,543 will be parked as an overall budget reduction and actual budgeting reduction strategies will be worked out over the next few months.

Both fiscal year 2001-2002 and 2002-2003 operating budgets were revised to incorporate adjustments in the Educational and General and the Auxiliary budgets as discussed substantially with the Division of Legislative Audit. These changes were incorporated to bring both budgets in line with Educational and General Expenditures.

The Arkansas State University-Jonesboro fiscal year 2002-2003 budget is \$96,082,907 for Educational and General operations and \$16,145,893 for Auxiliary Operations. This budgeted figure includes \$3,737,296 in funds for the Arkansas State University Technical Center. The Arkansas State University-Jonesboro fiscal year 2001-2002 revised budget is \$93,268,702 for Educational and General operations and \$17,041,058 for Auxiliary Operations.

**ARKANSAS STATE UNIVERSITY SYSTEM OFFICE**

BACKGROUND:

The System Office was established for fiscal year 2000-2001. The system office funding is now included in the Arkansas State University-Jonesboro base budget. The System Office continues to provide institutional support for all campuses.

The Arkansas State University System Office budget is \$1,360,527 for Educational and General operations.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to execute the fiscal year 2002-2003 budget in the amount of \$96,082,907 as summarized in the budget book for Education and General Expenses, and \$16,145,893 for Auxiliary Operations, and that Arkansas State University-Jonesboro is authorized to execute a revised fiscal year 2001-2002 budget in the amount of \$93,268,702 as summarized on the Attachment for Education and General Expenses, and \$17,041,058 for Auxiliary Operations. Also, Arkansas State University System is authorized to execute the fiscal year 2002-2003 budget in the amount of \$1,360,527.

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Mike Medlock, Secretary

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Richard Bell, Chair

EXECUTIVE SUMMARY

Contact: Jennus Burton 910-8200

ACTION ITEM: Approval of an in-district tuition rate for ASU-Heber Springs.

ISSUE: ASU-Heber Springs requires a special tuition rate for the Fall 2002 semester to allow a differential tuition rate for that campus.

BACKGROUND:

- X ASU will be charging \$56 per semester credit hour for courses taken at Mountain Home, Newport, Beebe, and Marked Tree effective Fall 2002. Courses taken at partnership locations for the 2-year campuses will also charge \$56 per semester credit hour.
- X Arkansas State University Heber Springs (ASUHS) opened its new campus facility in January 2002. The debt service for this facility is supported 100% from the county sales tax collections to support the ASU campus at Heber Springs. Any collections not used in support of debt service will be used to support the day-to-day supplies and service needs of the campus.
- X State appropriations have been allocated to Heber Springs. However, these amounts will not flow due to reduced state revenue collections for the 2001-2003 biennium. Consequently, ASUHS must rely on county sales tax collections and tuition to fully support the budget for FY 02-03.
- X ASU would like to establish an in-district rate for Cleburne County residents at a reduced rate to reflect the county tax collections. The hourly amount would be set at \$50 per semester credit hour for courses offered at Heber Springs and taken at that location.
- X This reduced amount rewards the Cleburne County residents for taxing themselves to develop an ASU campus at Heber Springs.

RECOMMENDATION/RESOLUTION:

Be it resolved, that the President of ASU is authorized to establish a tuition rate of \$50 per semester credit hour effective for the Fall semester 2002 at the Heber Springs campus. Furthermore, this rate is available only to Cleburne County residents who take ASU courses conducted at the Heber Springs site.

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Mike Medlock, Secretary

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Richard Bell, Chair

June 7, 2002  
Resolution 02-29

EXECUTIVE SUMMARY

Contact: Rick McDaniel (972-2030)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests authority to modify fees and rebates effective July 1, 2002, at the ASU Degree Center sites at Mississippi County Community College (MCCC), East Arkansas Community College (EACC), and Mid-South Community College (MSCC).

ISSUE: To create equity among the ASU-Degree Centers.

BACKGROUND:

	<u>Current</u>	<u>Proposed</u>	<u>Change</u>
<b><u>ASU-Beebe &amp; ASU-Mountain Home</u></b>			
Library Enhancement Fee (Tuition Rebate)	\$5/SSCH	\$5/SSCH	No Change
Host Fee (Direct Cost)	\$20/SSCH	\$20/SSCH	No Change
<b><u>ASU-MCCC</u></b>			
Library Enhancement Fee (Tuition Rebate)	\$10/SSCH	\$5/SSCH	Reduction
Host Fee (Direct Cost)	No fee	\$20/SSCH	New Fee
<b><u>ASU-EACC</u></b>			
Library Enhancement Fee (Tuition Rebate)	\$5/SSCH	\$5/SSCH	No Change
Host Fee (Direct Cost)	No fee	\$20/SSCH	New Fee
<b><u>ASU-MSCC</u></b>			
Library Enhancement Fee (Tuition Rebate)	\$5/SSCH	\$5/SSCH	No Change
Host Fee (Direct Cost)	No fee	\$20/SSCH	New Fee
Technology Fee (Direct Cost)	\$10/Headcount	No fee	Eliminated
Rental Fee (Direct Cost)	\$5/SSCH	No fee	Eliminated

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to adopt a standardized fee and rebate schedule for use at all ASU-Degree Centers.

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Mike Medlock, Secretary

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Richard Bell, Chair