

**Arkansas State University
Board of Trustees
September 6, 2002**

The Arkansas State University Board of Trustees met on Friday, September 6, 2002, at 10:00 a.m. in the McMullin Lecture Hall of Dryer Hall on the Mountain Home campus. Mr. Richard Bell, Chair of the Board of Trustees, called the meeting to order at 10:02 a.m. Other Board members present were Mr. John Paul Hammerschmidt, Vice Chair; Mr. Mike Medlock, Secretary; Ms. Florine Tousant Bingham, and Colonel Dallas Wood. Mr. John Gilbert, sponsor of Baptist Collegiate Ministries on the Mountain Home campus, delivered the invocation.

Mr. Bell then asked Dr. Ed Coulter, Chancellor of ASU-Mountain Home, for his report. Dr. Coulter welcomed everyone to the board meeting and recognized several members of his staff for their excellent job of maintaining the 140 acres of the Mountain Home campus. Dr. Coulter continued by mentioning that in the spring of 2002, ASU-Mountain Home nominated Mrs. Wilma Pattee, one of its supporters, for the CRD Benefactor award which covers a six state region. Mrs. Pattee won the award, and will be recognized in Washington, DC in November as one of the top 10 benefactors in the United States for community colleges. He stated that when Mrs. Pattee's estate is completed, she will rank in the upper 5% of contributors in the entire Arkansas State University System. Dr. Coulter then introduced Mrs. Pattee, and thanked her for her support. He also was pleased to report that Coca-Cola scholarships have been awarded again this year to ASU-Mountain Home, which is a credit to the staff. In addition, Dr. Coulter stressed the wonderful opportunities afforded to students because of the number of degrees that will be

offered on the Mountain Home campus through the authority of the Jonesboro campus. He announced a new publication, *Aspire*, which showcases the poetry and artwork of students, will be mailed shortly. The publication is a project of the English department. Dr. Coulter commented that they are very involved in the North Central Accreditation process, and that Chancellor Larry Williams and his staff at ASU-Newport have been providing guidance. ASU-Mountain Home was pleased that Wesley Walls of the Wilcox Group, an architect firm, has been included in the *Arkansas Business* 40 Under 40 list of up-and-coming leaders in Arkansas. Dr. Coulter then directed attention to the Campaign and Program Goals information passed out prior to the meeting. He said this material, which was developed at an administrative retreat, will provide information about the vision for the future of ASU-Mountain Home. Dr. Coulter then began a Power Point presentation - *Miracles Today and Tomorrow: The ASUMH Vision*, a written version of which was included in the handout packet. He stated that this plan has already been presented to the Advisory Council and the Development Council, and will be presented to students, faculty, staff, and the community. Dr. Coulter does not anticipate this plan being finalized until the spring of 2003. He stated that some of the goals include fund-raising efforts to benefit endowments for new programs, scholarships, the Norma Wood Library, the international programs, the honors program, and faculty enrichment grants. Also, an on-line college will begin next fall and will involve hearing healthcare, optometry, and other programs; it will be greatly enhanced by increased endowments. In the area of facilities, Dr. Coulter reported that the existing campus facilities were built to accommodate 1,500 students and are now at that level, but planning must be done for the future. In regard to the Community Center, \$2

million is on the ledger for this building with the prospect of \$11 million and perhaps more at the federal level. As a result of a \$200,000 gift from Jim and Jill Gaston, the Great Hall was named in honor of Senator Dale Bumpers. This was the Gaston=s third major commitment to the university. The Allied Health Building is the newest dream on the academic side of the ledger. This building would house all of the nursing, hearing healthcare, optitionry, and EMT/paramedic programs. Currently, there is no facility designated for the physical plant other than an old house and shed. This is an area that needs to be addressed. Some community leaders proposed that a track be built around the ASU-Mountain Home campus, all 140 acres. Their vision is to have five to eight feet of synthetic track material good for the knees, two to three feet of concrete track for the skateboards and bicycles, and beside those tracks another twelve to fifteen feet of grass which will be maintained for cross-country. The minimum cost of this project would be approximately \$500,000. This figure has only strengthened the resolve of those proposing this project to see it through to fulfillment. Dr. Coulter also mentioned the Adult Education Center is off-campus and that he would like to see it become part of the campus. There are other areas such as gates; the campus has one, Dr. Coulter stated he would like to see two more added. He concluded his report by stating that while these are the dreams of ASU-Mountain Home, the information provided is preliminary, and will be refined and brought back for approval in the spring of 2003.

Mr. Bell thanked Dr. Coulter for his warm welcome and his report. The next item of business was the approval of minutes.

Upon motion by Mr. Hammerschmidt, second by Ms. Bingham, the minutes of May

10, 2002, May 13, 2002, and June 7, 2002 meetings were approved.

Ayes: Bell, Hammerschmidt, Medlock, Bingham, Wood

Nays: None

Mr. Bell then called on Dr. Wyatt to deliver the president=s report.

Dr. Wyatt began by expressing his thanks to Dr. Coulter and his staff for the warm welcome to the Mountain Home campus. He then introduced Dr. Eugene McKay, Chancellor of ASU-Beebe, for his remarks. Dr. McKay was pleased to report that enrollment is up dramatically, about 11 percent or 210 students at Beebe, and at ASU-Heber Springs 100 percent with 387 students. Dr. McKay recognized Dr. Dianne Tiner, Director at ASU-Heber Springs, for her efforts. On the Beebe campus, FTE increased by 166. He mentioned that ASU-Beebe campus has had a busy summer with the paving of parking lots and, with the approval of the Beebe City Council, the closing of a section of College Street. The closing will have a long-term impact in making the campus safer for those walking across campus. Dr. McKay remarked that next week the move will be made into the new facilities plant. In addition, he commented that the merger with Foothills Technical Institute is still being discussed, and that he hopes to present a resolution for the merger at the next board meeting. Dr. McKay indicated that since the property has been acquired at Heber Springs, the master planning has begun. Lesley Walls has been asked to develop a plan, and Dr. McKay anticipates a beautiful campus to be built around Sugar Loaf mountain. Colonel Wood asked what the timeline for the start of construction would

be. Dr. McKay responded that he estimates three years, but that it would depend on when the \$5 million in funding is received.

Dr. Wyatt then called on Dr. Larry Williams, Chancellor of ASU-Newport for his report. Dr. Williams began his report by saying that an agreement has been reached with Medallion Foods and the City of Newport, and they are donating 7.5 acres adjacent to Walton Hall on the east side. With these additional acres, it will bring the overall total to 26.7 acres around the Walton Hall facility. ASU-Newport now has a total of approximately 67 acres, which will provide some new opportunities for expansion. In addition, on September 12, the ribbon cutting for Phase III of Walton Hall will be held. This \$1 million expansion has provided additional classrooms, offices for faculty, and physical education facilities. Dr. Williams stressed that one of the most important events related to the institution will occur next Tuesday when ballots will be cast to determine a dedicated revenue stream for ASU-Newport. The people of Jackson County are proposing a one-half cent sales tax. Committees have been formed to educate citizens on the importance of this revenue source. The election is being paid for by private citizens of Jackson County. All of the materials that have been produced to advertise or promote this effort have been donated through various philanthropic entities.

Dr. Williams is very optimistic about the passage of the tax. On August 12, ASU-Newport received notification from the Higher Learning Commission of North Central Association that the institution is fully accredited. The accreditation period will run through 2007, with the next visit scheduled sometime in the spring of the same year. Dr. Williams concluded his report by stating that enrollment on the Newport campus is up. Last year the school

had its largest enrollment of 614 students. This fall, while the enrollment process is not complete, a total of 732 students have enrolled, which is a 19% increase from last year.

Dr. Williams said that he was excited about the support of the community in regard to the students and looked forward to the possibilities of program expansion. Mr.

Hammerschmidt asked how much revenue would be generated by the sales tax. Dr.

Williams responded by saying that approximately \$700,000 to \$750,000 per year based on projections collected at this time. However, he hopes that with economic growth in Jackson County this amount will increase.

Mr. Bell then asked Dr. Wyatt to deliver the President's report. Dr. Wyatt began by expressing his appreciation to the board who will be joining the ASU-Jonesboro campus for significant activities tomorrow. He stated that last weekend, approximately 19,000 ASU friends and supporters gathered in Little Rock for a great resumption of tradition to play football. A great time was had by all in attendance. Dr. Wyatt then called on Sach Oliver, Student Government Association president, for remarks. Mr. Oliver related that there are many exciting things going on with the students at ASU. He commented that the Little Rock game was a wonderful opportunity to put into practice one of the things he has been trying to reestablish, tradition. At the Little Rock game, the atmosphere was exciting. The fans, the tailgates, and the music contributed to a great feeling of support and involvement for ASU, which has been lacking in the past. He hopes to maintain this level of excitement at the home games on the Jonesboro campus. Sach reported that his tenure as SGA President has been a learning experience. He stated that when he was elected, he was told to steer clear of certain areas. One of these areas was parking and the other fees.

While he admitted parking was a hot topic on campus, Dr. Rick Stripling, Vice Chancellor for Student Affairs, and others are working with the students through the Student Government Association and this issue is being resolved. Sach remarked that he had visited with other student government associations across the United States and that they are astonished that our administration listens to and works with the SGA. He stressed that together the administration and the students through SGA are working to build spirit and tradition.

Dr. Wyatt continued his report of the Jonesboro campus activities by mentioning that Legislative Day will be held on campus Saturday, September 7. Legislators from around the state will be recognized for their distinguished service at the football game Saturday night. During the day, there will be several other activities to commemorate progress and growth within the institution. There will be a ground breaking for the new Biosciences-Biotechnology building, which will be on the south entrance to the campus. The planners of the event have indicated that the foot print of the building will be defined on the ground, and that the actual earth-turning will take place in the virtual building imagined there. It will be a chance to see tangible evidence of progress toward the goal of the development of research facilities or research capacities on the Jonesboro campus. Later in the day, there will be a ribbon cutting for the new Field House, which has been developed at the south end of the stadium. Dr. Wyatt invited everyone to attend the various events.

As a follow-up to a request for budget information at the May board meeting, Dr. Wyatt explained that the athletic budgets for the fiscal year that concluded in June 2002,

and the current fiscal year budget were approved and certified since the last board meeting. There is a press release in the board information about that action. This came about as a result of budget adjustments that were coordinated through the financial area of the institution, and both the Legislative Audit Committee and the Department of Higher Education have given endorsement and signed off on those budgets. He also said that there have been discussions on the Jonesboro campus regarding the operational budget for the current fiscal year. These discussions are the result of changes that have been received from the state revenue offices. If the measure to redirect student technology fees on the agenda is successful, then the budget will be correct for this year. Dr. Wyatt stated that these were the two budget issues that he had been asked to examine after the May board meeting, and that by the end of the board meeting today, the budget should be viewed in real terms. He indicated he was placing a caveat on the budget, because the university is still uncertain about what may happen during the fiscal year. However, after 60 days of operation, revenue collections for the state appear to be increasing.

In addition to budget issues, Dr. Wyatt reported that enrollment figures at the Jonesboro campus have been difficult to compute in comparison to this fall and last fall. One reason being that one of the university's enrollment generating sites, Westark Community College, at which classes have been conducted over the last several years, has been absorbed by the University of Arkansas System. Programs which were conducted at the university center at Westark have now been assumed by the University of Arkansas. Because of this, some 233 students who were formerly in the Jonesboro count are now in the count for the University of Arkansas. Dr. Wyatt explained that not only will

this affect the numbers for this fall enrollment, but this is a permanent change, and those students will not be counted again as ASU students. To date, we count 163 students less than last year, but considering that there was a loss of 233 at Westark, ground was actually gained. After such adjustments, enrollment at the Jonesboro campus is just a fractional percentage below the count for last year. Also, there has been an increase in full-time equivalent enrollment. On the Jonesboro campus, 61 more FTE students have been reported in comparison to the enrollment period last fall.

Dr. Wyatt said that the FTE numbers are important, whether increased or diminished, because state funding, if a formula is run, is based upon these figures. He believes the increase of 61 FTE students will have a positive impact on the Jonesboro campus.

At the May board meeting, Dr. Wyatt mentioned that the university system as a whole was involved in consolidation of course numbering and transfer arrangements between campuses. He considers this a great achievement and one that is a tremendous advancement that can be utilized throughout the ASU system. Another area involving the system is that of the sharing of technology. Earlier this summer, the Gartner Group, a professional consultation organization, met with university officials on the ASU-Newport campus. Dr. Wyatt said that he had received a 30 page electronic report from them yesterday, which he has not had time to evaluate. But he stressed that information is being received which will allow the university system to consider the integration of technologies and service components across all the campuses. Before the next board meeting, Dr. Wyatt said there will be a number of activities that will focus on budget presentations for the next biennium. Those presentations will begin in Little Rock later this fall. He stressed that

the needs and requests for all the campuses will be presented, and that as soon as this material is available the results will be shared with the board. One of the primary areas of concern, which he hopes to see accomplished during these presentations, is to see the money which has been cut from the current budget restored. The restoration of the money to the point where the university started the biennium would be a great asset. Equity for each of the campuses is another area of concern. Each of the campuses is behind the curve in terms of comparison with Arkansas institutions and behind the curve with regional institutions. On the national comparison, the funding for FTE students still reflects ASU as being in the hole. Dr. Wyatt said great efforts will be made to address this situation.

Robert Evans, Executive Director of Governmental Relations, will lead the direction into the Legislative Session, which will begin in January. The budget presentations are the preface to that series of activities that will greatly affect the future. Dr. Wyatt then presented two handouts, which he stressed would have a great impact on the future of ASU. The handouts, [Impact of Grocery Tax Revenue Loss](#) and [Impact of Grocery and Prepared Meals Tax Revenue Loss](#), are directly related to the prospect of an initiated act which would appear on the ballot in November to address the removal of tax from grocery items. He indicated that the exact definition of grocery items has not yet been determined, whether it is just groceries, groceries and medicine, or groceries and prepared foods, etc. Dr. Wyatt said that higher education has seen the benefits of the soft drink tax, and that this proposed measure would be devastating. While he agreed that reduction of taxes is something that everyone would like to see, such action could have very real consequence on all state agencies, including colleges, universities, public schools, and libraries that

depend on tax collection for support. With respect to higher education, one of the charts indicates the impact on two-year and four-year institutions in the state considering only the loss of grocery tax revenue. The second chart reflects the loss of revenue for groceries and prepared meals. He pointed out that higher education, which does not have adequate support presently, has seen declining revenue from state appropriations. Revenue has declined in the current biennium with the budget cuts announced earlier. If this tax should pass, on groceries alone, the Jonesboro campus would see a decline of \$2.5 million. The Beebe, Mountain Home, and Newport campuses respectively would lose \$426,000, \$100,000, and \$82,000. Dr. Wyatt stressed that if these losses do occur, the university will be forced to change its method of operation. There will be a forced reduction of programs, personnel, and student support. He emphasized that he and the chancellors have dedicated themselves, along with others from public support agencies, to inform others of the consequences should this tax pass. Dr. Wyatt concluded his report by stating that at stake is the quality of services that can be delivered, a given factor if taxes are reduced.

Mr. Hammerschmidt asked if all the campuses in the ASU System are getting this information out to everyone. Dr. Wyatt responded that this week there was a meeting with the presidents and chancellors of other four-year institutions across the state, and that he expects the two-year institutions will meet shortly to share similar information throughout the communities they serve. He explained that on the first of this month, petitions were delivered to the Secretary of State to cause consideration for this issue to be placed on the ballot. Robert Evans, Executive Director for Governmental Relations, commented there was a strong indication that the signatures would be certified. Dr. Ed Coulter, Chancellor

of ASU-Mountain Home stated that while no students were turned away from taking classes on the Mountain Home campus, some programs are at capacity. He indicated this potential cut-back could greatly affect the expansion of programs students have shown the most interest in. Mr. Hammerschmidt asked which one of the two would be on the ballot. Mr. Evans replied that the information handouts were just spreadsheets or analyses of the potential loss of revenue. The reason there are two handouts, one with grocery tax alone and one with grocery tax and prepared meals, is because the drafters of the proposed initiated act have made it so unclear and ambiguous, no one is sure what the term groceries implies. They used the federal definition of food as related to food stamp purchases. He believes it is so unclear that this will affect the hamburger tax on prepared meals. It also could entail the repeal of the soft drink tax, which generates one dollar of state funds for every three dollars of federal funds, which is approximately \$50 million. He further stated there will be a challenge on the petitions, and research is underway on whether the language is clear and if the ballot clearly reflects the impact on the citizens in the state of Arkansas. Colonel Wood remarked that the timeline to educate the public on this issue was going to be short. Mr. Evans agreed and said that this issue is very dangerous, not only from the public education arena, but it will affect local and county government bond issues. Dr. Wyatt stated that everyone is well aware of the loss of state supported scholarships during the last two years, the cumulative loss of that support is \$40 million. The operational budget through state budget reductions which has been absorbed the last few years is another \$40 million all across higher education. If another possible \$40 million is lost, for a total loss of \$120 million of public support for post-secondary

education, that Dr. Wyatt explained would be a regressive move, and one from which recovery would be very difficult. He said that a public awareness campaign is being launched to make people more aware of the consequences of the repeal of this tax. Mr. Bell asked the origin of the numbers presented on the handout.

Dr. Wyatt said the Department of Higher Education distributed the information in a packet at a four-year presidents and chancellors meeting last Monday. He believes the information was provided to them by the Department of Finance and Administration.

With no further questions, Mr. Bell proceeded to items on the Consent Agenda. He said that Dr. Wyatt had met with each board member individually prior to the meeting to review and discuss the material being considered.

The first item of consideration was Resolution 02-30, Authorizing ASU-Jonesboro to Temporarily Redirect \$2 Per Student Semester Credit Hour of the Technology Fee for Fiscal Year 2002-2003.

Dr. Wyatt explained that in the current operational budget, ASU-Jonesboro, lost approximately \$1.7 million because of budget reductions. Several different existing funds were tapped to help offset this loss, but there was still \$500,000 to be accounted for. So it was decided to take a portion of a currently assessed fee, the technology fee. At present, every student on the Jonesboro campus pays \$9 per semester credit hour for that technology fee. It is proposed that \$2 of that \$9 collected be redirected into the budget to address the budget shortfall. This is meant as a temporary measure, one that will only be used during the current fiscal year or until restoration of the budget occurs from the state. At that time, the money could be put back into the technology fee account.

Upon motion by Colonel Wood, second by Mr. Medlock, 02-30 was approved.

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

Nays: None

Resolution 02-31, Authorizing the Establishment of A The Surviving Dependents Tuition Discount Policy,@ was then presented by Mr. Bell. Dr. Wyatt stated that all employees on all campuses of the university have benefit of an employee discount program which permits qualified dependents to attend any of our campuses for a discounted tuition fee. This year, a valued employee passed away and left two minor children who would have qualified for this discount had the employee survived. The university would like to develop and implement a policy to extend this benefit to qualified minor dependents if they survive an employee who passed away during service. He noted there are several qualifiers, such as meeting the tuition costs at the time of enrollment. He feels that this is an important addition to the employee benefit package. Colonel Wood asked if the discount was 75 percent with the employee paying 25 percent. Dr. Wyatt confirmed that is the prevailing rate shared as a benefit among all the campuses.

Upon motion by Ms. Bingham, second by Mr. Hammerschmidt, Resolution 02-31 was approved.

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

Nays: None

Resolution 02-32, Authorizing Restructuring the College of Arts and Sciences was presented by Mr. Bell. Dr. Wyatt explained the Academic Affairs report gives a graphic depiction of the separation of the existing Arts and Sciences into two proposed colleges. One will be the College of Science and Mathematics. The other will be the College of Humanities and Social Sciences. Because of the coincidence of the departure of the Dean of Arts and Sciences, the university has the opportunity to consider the division of a very large academic unit. By dividing the college into two smaller parts, each of the departments that would be included in the new definition has some similarities, but not necessarily to those departments which are located in the other organization. Some definition relates to the grant activity or lack of grant activity of some departments. The capability has been developed to have a capstone experience in each of these colleges with the existing program in Environmental Science, which leads to a Ph.D. and a new program in Heritage Study, which also leads to a Ph.D. There is the capability in both of the new entities to go from freshman to doctoral programs in each college. Dr. Wyatt said the doctoral programs which are defined in each of these experiences integrate the disciplines now organized within the new colleges. There have been discussions with the faculty and administration within the colleges, and the conclusion is generally, if not unanimously, supported. Mr. Bell asked if this action would resolve the issue of whether computer science is in the mathematics or science area. Dr. Wyatt responded that part of the proposed effort is directed specifically toward that goal. Dr. Rick McDaniel, Interim

Vice Chancellor of Academic Affairs, added that everyone wanted to see the computer science program reaccredited. Part of this restructuring involves creating a separate department of computer science, which he believes maximizes the ability of that program to become reaccredited. Dr. Wyatt explained that the faculty in computer sciences will be separated from the department of mathematics, and computer sciences will be permitted to grow in its own right. Dr. McDaniel said the split would allow the university to target resources more effectively. Colonel Wood asked the timeframe for this division. Dr. McDaniel replied that with ADHE approval this would take place July 1, 2003.

Upon motion by Mr. Hammerschmidt, second by Colonel Wood, Resolution 02-32 was approved.

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

Nays: None

Mr. Bell then presented Resolution 02-33 Authorizing the Existing Master of Science in Education in Curriculum and Instruction be Offered at ASU-Mountain Home, ASU-Beebe, Mid-South Community College, and Mississippi County Community College. Dr. Wyatt commented that this was an effort to extend a valuable degree in curriculum instruction to other campuses. It is needed for those working as professionals in public education to be able to take advantage of advanced level instruction where they reside.

Upon motion by Ms. Bingham, second by Mr. Hammerschmidt, Resolution 02-33

was approved.

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

Nays: None

The next item for consideration was Resolution 02-34 Authorizing the Existing Bachelor of Science in Accounting at ASU-Mountain Home. Dr. Coulter stressed that this is one of the most requested additions to the curriculum of Mountain Home. Mr. Hammerschmidt asked how many graduates stayed in the area in which they received their degrees. While Dr. Wyatt indicated figures were not available, he believes a large number stay in the area where they receive their degrees.

Upon motion by Mr. Medlock, second by Ms. Bingham, Resolution 02-34 was approved.

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

Nays: None

Next, Mr. Bell introduced Resolution 02-35 Approving the Associate of Science in Health Sciences at the Little Rock Air Force Base and the Heber Springs sites.

Upon motion by Ms. Bingham, second by Mr. Medlock, Resolution 02-35 was approved.

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

Nays: None

Mr. Bell presented the final Resolution 02-36, Approving ASU-Beebe to Amend the Catastrophic Leave Program to Include Full-time Faculty. Dr. Wyatt stated that this is an effort to provide ASU-Beebe the same benefits as the other campuses. He asked Mr. Jennus Burton to explain the program. Mr. Burton replied that the university allows employees to accrue a total of 960 hours annually, which takes about 10 years of employment. The state allows a maximum of 240 hours for vacation time. When an employee reaches these levels, that time is either lost or can be donated to another employee by contributing to the catastrophic leave bank. On the Jonesboro campus, only 40 hours can be contributed to the leave bank because it does create a financial obligation on the part of the campus. The obligation is that those employees who have used all their accumulated sick and vacation leave can go to the bank for additional leave time. An application must be made by the employee, and then reviewed by an on-campus committee. The committee will then make the recommendation to approve or deny the application to the president. Although Dr. Wyatt said this is a liability and a cost to the university, he feels it is a worthwhile cost because it offers the employees another option when no other resources exist.

Upon motion by Mr. Hammerschmidt, second by Ms. Bingham, Resolution 02-36 was approved.

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

Nays: None

Mr. Bell then stated that the board would recess for Executive Session and reconvene to vote on any action items discussed during that time.

Upon motion by Mr. Medlock, second by Mr. Hammerschmidt, the board recessed into Executive Session at 11:22 a.m.

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

Nays: None

Mr. Bell reconvened the board at 12:01 p.m.

Upon motion by Mr. Medlock, second by Colonel Wood, the academic appointments for all campuses of Arkansas State University were approved.

Ayes: Bell Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Upon motion by Ms. Bingham, second by Mr. Hammerschmidt, the non-academic appointments for Jonesboro, Beebe, and Mountain Home campuses were approved.

Ayes: Bell Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Upon motion by Colonel Wood, second by Ms. Bingham, reassignment of duties for the Jonesboro campus were approved.

Ayes: Bell Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Mr. Bell then stated the board had considered one other item in Executive Session, and that was to extend Dr. Wyatt=s contract for one year. Mr. Bell expressed the board=s confidence and appreciation for Dr. Wyatt=s leadership role in the growth of all the campuses within the university system.

Upon motion by Mr. Hammerschmidt, second by Mr. Medlock, the board adjourned at 12:06 p.m.

Ayes: Bell Hammerschmidt, Medlock, Bingham, and Wood

Nays: None

Mike Medlock, Secretary

Richard Bell, Chair

Arkansas State University
Board of Trustees
September 6, 2002
Resolution 02-30
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EXECUTIVE SUMMARY
3030

Contact: Dr. Les Wyatt 870-972-

ACTION ITEM: Arkansas State University-Jonesboro (ASU-J) requests approval for a temporary redirection of \$2 per credit hour of the Technology fees for fiscal year 2003.

ISSUE: The Board of Trustees must approve the redirection of established fees.

BACKGROUND:

- During fiscal year 2002 ASU-J experienced a challenging year concerning budget allocations from state appropriations. ASU-J experienced three state budget reductions during FY02 totaling \$3,183,331, all of which are projected to be permanent budget reductions for fiscal year 2003. All three budget reductions were managed temporarily through a slow down of spending during FY02.

The November 2001 state appropriations reduction was managed by a permanent reallocation process for FY03. The April and June state appropriation reduction was managed by a temporary reduction strategy until a permanent resolution could be developed and discussed with the University Planning Council and the President.

- The first budget reduction occurred in November 2001 in the amount of \$1,440,331. Since this reduction occurred early in the fiscal year, each administrative area on campus presented permanent budget reductions to the University Planning Council, which are incorporated into the FY03 operating budget.
- The second (\$402,656) and third (\$374,887) budget reductions and the loss of projected new FY03 funds (\$564,000) occurred late in the fiscal year (April 2002 and June 2002); therefore, a permanent plan for reductions was delayed until after fiscal year 2003 began. This amount was anchored in the FY03 budget that was approved by the Board of Trustees at its June 7, 2002, meeting with the understanding that the university would return to the Board with a more permanent budget management strategy.

The proposed budget management strategy for fiscal year 2003 is as follows:

	<u>Estimate</u>
• Flex funds from each Vice Presidential area will be permanently reduced	\$325,000
• University Permanent Salary Savings	170,000
• Projected increase in state appropriations (from July 30, 2002 DF&A projections)	449,000
• Temporary redirection of the Technology Fee	489,000
• Temporary redirection of budgeted capital funds	270,000
• Temporary salary savings	<u>40,000</u>
	Total
\$1,743,000	

Flex Funds: During the budget process for FY 02-03 and after the November 2001 state appropriations reduction, ASU-J provided some flexible unallocated monies to each Vice President.

The purpose of these funds was to assist with any future state appropriations reductions. If they did not occur, then each Vice President would be responsible to invest these resources in the best interest of the university.

EXECUTIVE SUMMARY
3030

Contact: Dr. Les Wyatt 870-972-

Permanent Salary Savings: Throughout the year, staff changes occur. Normally, long-serving employees who retire earn a salary toward the higher end of the pay scale. When they retire or terminate this employment a newer less skilled worker is hired at a lower salary. The budgeted unused salaries become permanent salary savings and the reuse of these funds do not affect current employees.

Technology Fee: The technology fee was established in FY02 at \$9 per credit hour. This fee was established to generate funds to support the technology infrastructure of the university. A redirection of \$2 per credit hour of this fee is being requested herein. This temporary redirection would be for FY03 only and would only be a slow down of spending on technology-oriented items. The upgrade of the technology backbone will continue as expected and critical technology needs for faculty and staff will be purchased.

Capital Funds: The ASU-J operating budget includes \$485,000 allocated for capital purchases for the university. This temporary reallocation would only be a slow down of spending for capital items. The amount to be reallocated is 55.67% of the capital budget; therefore, funds would be available for the critical capital needs of the campus.

Temporary Salary Savings: Throughout the year, staff changes occur. Due to attrition some positions will be vacant for a period of time while a replacement is being hired. During this time temporary salary savings are created.

Infrastructure Fee: This fee is also called the "Student Infrastructure Fee". This fee is established to generate funds to support the infrastructure needs of students in the classroom. The infrastructure fee is not affected by this latest reallocation but if further state appropriation reductions are enforced this source of funding may be utilized.

The recommended budget management initiatives will achieve the full \$1,743,000 reduction to meet the April and June 2002 state appropriations reductions. Included in this strategy is an estimated increase in state appropriations of \$449,000 based on information received on July 30, 2002, from the Department of Finance and Administration. The first two reallocations and the state appropriation increase are permanent in the amount of approximately \$944,000, while the last three are proposed for only FY03 in the amount of approximately \$799,000.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University-Jonesboro is authorized to temporarily redirect \$2 per SSCH of the Technology Fee for fiscal year 2002-2003.

Mike Medlock, Secretary

Richard Bell, Chair

Arkansas State University
 Board of Trustees
 September 6, 2002
 Resolution 02-31

EXECUTIVE SUMMARY

Contact: Les Wyatt (870-972-3030)

ACTION ITEM: Arkansas State University requests approval to establish "The Surviving Dependents Tuition Discount" policy.

ISSUE: The University feels compassion for the children of any colleague who may pass away prematurely and proposes to extend the tuition discount policy to these individuals.

BACKGROUND:

- § Currently, Arkansas State University provides a tuition benefit to all regular full time employees, their spouses, and dependent children.
- § This benefit is also extended to an employee who retires or elects early retirement.
- § No policy currently exists that affords the dependents of an ASU deceased employee the opportunity to take advantage of the tuition discount policy.
- § Mr. Gerald R. Jones was a valuable employee of Arkansas State University for 16 years and upon his death on July 17, 2002, left two dependent children.
- § Arkansas State University feels compassion for these children and the children of any other colleague who may pass away prematurely.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University is authorized to extend the tuition benefit in force at the time of enrollment to the dependent(s) of an employee who has four or more years of service to the University at the date of their passing. This policy is to become effective retroactive to July 1, 2002, upon board approval, to allow Mr. Jones' children the tuition discount privilege, and shall be called the "Surviving Dependents Tuition Discount" policy to honor his service and memory.

Mike Medlock, Secretary

Richard Bell, Chair
 Arkansas State University
 Board of Trustees
 September 6, 2002
 Resolution 02-32

EXECUTIVE SUMMARY

Contact: Rick McDaniel 870-972-2030

ACTION ITEM: Arkansas State University requests approval for restructuring the College of Arts and Sciences, effective July 2003.

ISSUE: The Board of Trustees must approve the establishment of any new organizational unit prior to submission to the Arkansas Higher Education Coordinating Board.

BACKGROUND:

A proposal will be submitted to the Arkansas Higher Education Coordinating Board as a consequence of several activities and actions that have occurred or are occurring within the university. With the passage of Initiated Act 1: Coalition for a Healthier Arkansas Today (commonly referred to as the CHART Plan), Arkansas State University has become a partner in the Arkansas Biosciences Institute (ABI). In particular, this provides for the construction, equipping, and staffing of a major Bioscience/Biotechnology laboratory on the Jonesboro campus. Fully establishing the laboratory within the university requires a dean with a background in science research that will help to integrate the research and new staff into the campus' instructional mission and to integrate existing faculty into the research effort of the new facility.

Arkansas State University has just completed its first year offering the Ph.D. in Heritage Studies and has just hired a new permanent director for this program. The research and scholarship related to this effort is housed primarily in the humanities. This program will require a significant level of nurturing by an academic dean to continue growing and moving forward. For this case, this is best achieved with a dean with a background in the humanities.

Two departments within the existing College of Arts and Sciences will be splitting at the same time as the college separation. The Department of Computer Science and Mathematics will separate into the Department of Computer Science and the Department of Mathematics and Statistics. This separation is undertaken to position the Computer Science program to seek accreditation from the Computing Accreditation Commission (CAC) of the Accreditation Board for Engineering and Technology (ABET) for their traditional B.S. and new B.A. degrees. The Department of Criminology, Sociology, Social Work, and Geography will separate into the Department of Criminology, Sociology, and Geography and the Department of Social Work. This separation is in response to the conditional accredited status recently granted to the Social Work program by the Council on Social Work Education (CSWE). The Department of Social Work will then be added to the organizational structure of the College of Nursing and Health Professions. Without the college separation, this would place twelve departments and programs within the current College of Arts and Sciences, placing considerable administrative strain on the existing staff in the dean's office.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University is authorized to establish the College of Humanities and Social Sciences, the College of Sciences and Mathematics, the Department of Computer Science, the Department of Mathematics and Statistics, the Department of Criminology, Sociology, and Geography, and the Department of Social Work effective July 2003.

Mike Medlock, Secretary

Richard Bell, Chair

**Arkansas State University
Board of Trustees
September 6, 2002
Resolution 02-33**

EXECUTIVE SUMMARY**Contact: Rick McDaniel 870-972-2030**

ACTION ITEM: Arkansas State University requests approval to offer the existing degree, Master of Science in Education in Curriculum and Instruction, on the campuses of Arkansas State University-Mountain Home, Arkansas State University-Beebe, Mid-South Community College, East Arkansas Community College, and Mississippi County Community College beginning July 2003.

ISSUE: The Board of Trustees must approve the offering of any new degree or any new option of an existing degree prior to submission to the Arkansas Higher Education Coordinating Board.

BACKGROUND:

The Masters Degree in Curriculum and Instruction offers educators a planned program of study designed to improve their general educational and specific professional competencies as leaders in the public school systems. The degree is specifically designed to prepare curriculum directors and is based on recommendations from professional organizations and accrediting associations.

There are only four programs in the state of Arkansas offering a Master degree in Curriculum and Instruction. Two programs are located in Central Arkansas (UCA and UALR), one in Southwest Arkansas (HSU), and one in Northwest Arkansas (JAF). There is a great need for a similar degree in Northeast Arkansas. The College of Education at Arkansas State University produces a large number of graduates each year; most of them find jobs teaching in the surrounding areas and seek graduate degrees at Arkansas State University. Even though Arkansas State University has an approved program in Curriculum and Instruction as a different emphasis of the Master degree in Educational Administration, it is evident that the lack of a Master degree in Curriculum and Instruction leads students to enroll in distant programs across the state and in other states such as the University of Memphis in Tennessee and Southeast Missouri University in Missouri.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University is authorized to offer the Master of Science in Education in Curriculum and Instruction on the campuses of Arkansas State University-Mountain Home, Arkansas State University-Beebe, Mid-South Community College, East Arkansas Community College, and Mississippi County Community College beginning July 2003.

 Mike Medlock, Secretary

 Richard Bell, Chair

**Arkansas State University
Board of Trustees
September 6, 2002
Resolution 02-34**

ACTION ITEM: Arkansas State University requests approval to offer the existing degree, Bachelor of Science in Accounting, on the campus of Arkansas State University-Mountain Home beginning January 2003.

ISSUE: The Board of Trustees must approve the offering of any new degree or any new option of an existing degree prior to submission to the Arkansas Higher Education Coordinating Board.

BACKGROUND:

Arkansas State University-Jonesboro is proposing to offer the Bachelor of Science degree with a major in Accounting at ASU-Mountain Home. The degree program will have the same course requirements as the program offered on the Jonesboro campus. The program is being proposed as a means of extending university accessibility to persons living in the Delta and Ozark regions.

The accounting degree will be offered through the Center for Advanced Studies at ASU-Mountain Home. Arkansas State University-Mountain Home will provide the freshman and sophomore courses, and ASU-Jonesboro will provide the junior and senior level courses required for the degree. The College of Business is currently offering a Bachelor of Science degree in Human Resource Management and the Master of Business Administration degree through the Center for Advanced Studies.

ASU-Mountain Home had a total enrollment of 1,212 students during the spring semester of 2002. The average age of students attending ASU Mountain Home is 28.5 years, and 47% of the students are 25 years or more. The student population at ASU Mountain Home reflects a nationwide growth in the number of adult learners. As early as 1994, adult learners outnumbered those in the traditional college student age group, and the trend has continued, as career advancement is increasingly dependent upon knowledge and education. For these adult learners, relocation to live on or near campus to complete an undergraduate degree is not practical. Offering the existing accounting degree at ASU-Mountain Home will benefit many Arkansas citizens who cannot attend distant universities due to family and/or work responsibilities.

The accounting degree will be an excellent choice for enhancing the career opportunities of these adult learners. A recent employment poll conducted by the National Association of Colleges & Employees found that the most sought-after graduates during spring 2002 were those who majored in accounting. Nationwide, the average salary offer for accounting majors was \$40,293, up 3.2% from 2001.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University is authorized to offer the Bachelor of Science in Accounting on the Arkansas State University-Mountain Home campus beginning January 2003.

Mike Medlock, Secretary

Richard Bell, Chair

Arkansas State University
Board of Trustees
September 6, 2002
Resolution 02-35
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Contact: Dr. Ruth Couch (501) 882-8230

EXECUTIVE SUMMARY

ACTION ITEM: Arkansas State University-Beebe requests approval to offer the Associate of Science in Health Sciences at the Little Rock Air Force Base and at Heber Springs sites.

ISSUE: The Board of Trustees must approve the offering of any degree at a new site prior to submission to the Arkansas Higher Education Coordinating Board.

BACKGROUND:

The Associate of Science in Health Sciences degree is a 60-semester-hour program to serve as an option for students whose needs cannot be met with the traditional Associate of Arts degree. The degree is a planned program of collegiate-level work with an occupational objective, and has a general education core made up of the 35-semester hour state minimum core requirements. All courses offered within this degree are transferable toward a baccalaureate degree. With a smaller core than the Associate of Arts requires, the Associate of Science in Health Sciences degree allows considerable latitude in selecting elective course to meet individual student occupational objectives and specific transfer requirements for many specialized health science baccalaureate degrees. Potential four-year transfer disciplines for the degree option include, but are not limited to, Clinical Laboratory Science, Physical Therapy, Radiologic Technology, Medical Technology, Cytotechnology, and many pre-professional medical degrees. The courses, faculty, library holdings, facilities, and equipment necessary for the program are in place at ASU-Beebe. There are laboratory facilities at the base and at Heber Springs. The base has a library. Well-qualified science instructors are available at both sites. Heber Springs students use the county library, the high school library, digital databases, materials ordered from the ASU-Beebe library, or other interlibrary loan services. No additional resources will be needed, and no additional costs will be incurred.

Need for the Program ▯The number of students seeking and earning degrees has increased steadily in recent years, especially in scientific and medical fields. Students are requesting more flexibility in configuring degree requirements for specific occupational goals and for specialized baccalaureate degree requirements in the health field. The growth in student interest in this pursuit is expected to continue for the foreseeable future. At Little Rock Air Force Base, the degree will enhance the knowledge of military members

Arkansas State University
Board of Trustees
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Contact: Dr. Ruth Couch (501) 882-8230

EXECUTIVE SUMMARY

serving in health care jobs and will fulfill core academic requirements for commissioning programs in health fields. Students at the base have already shown a strong interest in health-related careers through their enrollment in the courses included in this degree. At Heber Springs there are excellent medical facilities in which graduates might seek jobs, and the influx of retirees indicates a

need for these services. There would probably be a total of eight to ten graduates at the two sites each year.

Curriculum Outline—The curriculum will include the 35-hour state minimum core for the general education component. The electives are configured based on the student=s occupational or transfer requirements from nineteen selected courses currently available. No new course will be added to offer this degree.

Similar Program in Arkansas—The following colleges have Associate of Science degrees with a variety of majors: Garland County Community College, NorthWest Arkansas Community College, University of Central Arkansas, University of Arkansas at Little Rock, and Arkansas State University.

Desegregation—ASU-Beebe has ongoing programs designed to attract and recruit minority students. The proposed offering of this degree at the base and at Heber Springs provides an additional option that may be especially attractive to any student who is interested in a medical career. Currently, the minority student enrollment at the base is just under 23 percent. At Heber Springs, it is just under three percent, but this situation could change as Hispanics move to this area in increasing numbers.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is authorized to offer the Associate of Science in Health Sciences Degree at its Little Rock Air Force Base and Heber Springs sites.

Mike Medlock, Secretary

Richard Bell, Chair

Arkansas State University
Board of Trustees
September 6, 2002
Resolution 02-36
Contact: Jerry Carlisle, 501-882-8235

EXECUTIVE SUMMARY

ACTION ITEM: Arkansas State University-Beebe (ASU-Beebe) requests approval to amend the Catastrophic Leave Program to include full-time faculty members.

ISSUE: In 1991, the Arkansas State University Board of Trustees approved a Catastrophic Leave Program for ASU-Beebe non-classified and classified staff members.

BACKGROUND:

Faculty members were initially excluded from the program when the program was first implemented. Since that time, many universities in the state, including the campuses in Jonesboro and Mountain Home, have recognized the importance of providing this benefit to faculty members who have suffered a catastrophic illness or injury.

The program protects employees from the substantial loss of income because of the exhaustion of all earned sick, annual, or holiday leave when the employee or their dependent family member suffers a medical condition causing the prolonged absence from duty due to a catastrophic illness. A physician must certify the illness before an employee would be considered eligible for the benefit.

Employees must have been an employee of the university for a period of at least two years in a regular full-time position and have a minimum balance of eighty-eight (88) total hours of leave to participate in the program. In addition, the employee must donate eight (8) hours of leave to the Catastrophic Leave Bank.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is authorized to amend the Catastrophic Leave Program to include full-time faculty.

Mike Medlock, Secretary

Richard Bell, Chair