

**Arkansas State University
Board of Trustees
May 7, 2004**

The Arkansas State University Board of Trustees met on Friday, May 7, 2004, in the Board Room on the 8th floor of the Dean B. Ellis Library on the Jonesboro campus. Mr. Mike Medlock, Chair of the Board of Trustees, called the meeting to order at 9:05 a.m. The following board members were present: Mrs. Florine Tousant Milligan, Vice Chair; Mr. Richard Bell, Secretary; Colonel Dallas Wood; and Mr. Mike Gibson. Mr. Medlock introduced Derrick Doyle, campus minister of the Church of Christ Student Center, to offer the invocation.

Mr. Medlock announced the first item of business was the approval of minutes.

Upon motion by Mr. Bell, second by Mrs. Milligan, the minutes of March 12, 2004 were approved.

Ayes: Medlock, Milligan, Bell, Wood, Gibson

Nays: None

Mr. Medlock then called on Dr. Les Wyatt, President, for campus reports. Dr. Wyatt began by expressing condolences to the Evans family. Julia Evans, wife of Robert Evans, Executive Director of Governmental Relations, passed away on May 5. Dr. Wyatt continued by announcing that commencement will be held this evening on the Jonesboro campus. Commencement was held at ASU-Beebe on April 30 followed by Heber Springs on May 1. ASU-Newport's will be May 8, followed by ASU-Mountain Home on May 10. Across the system of campuses, a total of 1,500 certificates and degrees will be or have been awarded. Other initiatives, involving the entire system, include the development of a funding formula. The two-year and four-year institutions of

public education were actively involved in this process and despite some differences a formula has been developed by the Arkansas Department of Higher Education for recommendation to the Arkansas Higher Education Coordinating Board. The Coordinating Board met this past Friday and approved the recommendation. At a meeting of the legislative sub-committee of the General Assembly earlier this week in Little Rock, the formula was made available to the legislative funding sub-committee. Mr. Jacobs, co-chair of the sub-committee, indicated that he had seen the formula which recommended \$175 million in new money be allocated for the coming year. Mr. Jacobs said that there will not be enough money to fund this recommendation and asked that a more appropriate figure be presented to the legislature next spring. Meetings have been scheduled to discuss this issue with the Higher Education Blue Ribbon Committee scheduled to meet on Tuesday, May 11. Dr. Wyatt is hopeful that a recommendation can be developed by the Department of Higher Education that can realistically be presented to the legislature for funding in the coming biennium. There are two key issues to be addressed: One, the university must continue to attract and retain faculty, and two, equity must be established for the two-year campuses as well as the Jonesboro campus. Strategic planning on the Jonesboro campus continues, and during the summer a written proposal will be developed to be circulated to the Board in the fall. Information on this entire process is available on the ASU website with *First Friday* reports generated each month. A new governance principles and guidelines document has been developed as recommended by the Higher Learning Commission. Copies of the first draft were distributed and also will be available on the ASU website. As responses are received, they will be used to finalize the governance document. Dr.

Wyatt said the Student Union is now partially open and will continue to open in stages. The Student Government Association is in their new offices and a number of meal services are open. He then indicated the schematics for the new student housing that will replace Twin Towers and Delta Hall. Land for this project was obtained from the Arkansas State College Foundation. The new facility, designed with student input, will house 840 students. Construction is scheduled to begin this summer. Dr. Wyatt continued by announcing there would be a financial report presented by Mr. Jennus Burton, Vice President for Finance and Administration. In conclusion, after lunch there will be a presentation by Dr. Kathy White. Her presentation will be "Establishing Virtual Internships through Technology." It will provide insight into out-sourcing or the transfer of business out of the state or country, and how these methods can be applied to a rural area.

Dr. Wyatt then called on Dr. Eugene McKay, Chancellor for ASU-Beebe, for his campus report. Dr. McKay announced that the Beebe City Council voted to rename the street over the new overpass exit the ASU-Beebe Boulevard. He provided copies of charts depicting production of associate degree graduates, which indicated Beebe had more graduates than any other two-year institution in the state. With 399 degrees awarded and with \$400,000 as the value assigned per degree, this amounts to a contribution of over \$159 million returned to the state. Colonel Wood asked if there is some system for tracking the 399 students.

Dr. McKay said there is some information that indicates a large percentage of Beebe students do continue with higher degrees. The Department of Higher Education can track those who remain in the state. In addition, Dr. Wyatt said Kathryn Jones of the

ASU-Jonesboro Office of Institutional Research could provide figures on those individuals who transfer from Beebe to the Jonesboro campus.

Dr. Wyatt then asked Dr. Ed Coulter, Chancellor of ASU-Mountain Home, for the campus report. Dr. Coulter began by praising Baxter Regional Medical Center for their assistance both financially and in training to develop two new programs. At the National Convention of Two-Year Institutions, one student is recognized as an outstanding scholar from each state, and Dixie Mahmud of ASU-Mountain Home was chosen to represent Arkansas. A new parking lot is being completed and a new maintenance building is being developed on campus. Regarding the state funding issue, Dr. Coulter said a formula is great but it needs to be fully funded. In other campus news, a new position for Director of Student Services has been created to enhance student support services. Dr. Coulter announced that the proposed Reynolds Grant has been withdrawn at this time. However, he was pleased to relay that ASU-MH just received another clear audit report with no exception. He added that Stacy Pittman would be the commencement speaker on Monday, May 10. Ms. Pittman is the head of the State Chamber of Commerce and a member of the Higher Education Blue Ribbon Committee. In conclusion, he referred to the chart, ASUMH Associate Degrees Awarded, and indicated that 110 degrees were awarded in 2002-03, and estimated that 186 would be awarded in 2003-04. These figures further confirm the need for higher education in North Central Arkansas.

Dr. Larry Williams, Chancellor for ASU-Newport, began his report by introducing outgoing SGA President Christy Hewitt and the new in-coming President Chris Davis. These students have been instrumental in helping to raise over \$1,000 for the Walk for

the Cure for cancer research. Recently, twenty students were inducted into Beta Nu Gamma, Arkansas' newest chapter of Phi Theta Kappa. This is an international honor society for students who maintain a 3.5 or above grade point average, and stresses scholarship, leadership, and service to community. He announced that graduation will be May 8 at 3:00 p.m. with Dr. Linda Beene, Director of the Arkansas Department of Higher Education, as the speaker. Over 100 students will participate. In addition, the Newport campus has been notified that it will receive a \$75,000 grant from the office of Housing and Urban Development that will go toward construction of a classroom on the commercial driving range. They are currently working with the city and the airport to obtain the land for that facility. Dr. Williams thanked Steve Owens, Vice-President for University Advancement, and President Wyatt for their assistance in obtaining the Walton Family Foundation gift of \$1 million. The gift specified that \$250,000 be used as an endowment for the auditorium, and be named the Lindley and Kaneaster Hodges Jr. Auditorium. Another \$250,000 will be used as seed money to start an annual performing arts patron series and for needed improvements to the auditorium. This fall, Mary Steenburgen and Ted Danson will be the first in the patron series with all proceeds to be given to a scholarship named for Ms. Steenburgen's aunt, who resides in Newport. The Dutton Family will present a Christmas show followed by the Little Rock Philharmonic Pops group in the spring 2005. The balance of the \$1 million will be designated as: \$500,000 to the library for improvements and expansion to that facility; \$200,000 to be set-aside for a scholarship challenge program where a contribution of \$5,000 or more will be matched dollar-for-dollar until the \$200,000 is exhausted; and \$50,000 to be used for various projects across the campus. In conclusion, Dr. Williams

said a review of the financial and budgetary requests and reports of ASU-Newport will indicate that reserve funds were used to meet budget demands this year. This was necessary because the campus has been unable to receive the base funding from the Legislature through the last biennium or two. However, with the work that has been done with legislators, and others who support the university, Dr. Williams feels this is a one time use of reserve funds.

Colonel Wood commented that the campus would graduate 100 students, to which Dr. Williams said there were actually closer to 150 certificates and degrees to be awarded, but only 100 will participate in the commencement ceremony.

Dr. Wyatt then introduced Mr. Jennus Burton, Vice President for Finance and Administration for a special financial presentation. Mr. Burton said that the members of the Board were given a copy of the approximately 75 pages of information, which includes financial and marketing data that represents the financial well being of the ASU System. The PowerPoint presentation began with data relating to the Jonesboro campus, followed by Beebe, Mountain Home, and Newport. Copies of the presentation were available for review.

During the presentation, several questions were answered and points clarified:

- Mr. Bell asked whether the \$10 million appropriated for scholarships is strictly appropriated funds or if it is a mixture? Mr. Burton said none of it is appropriated funds; it is from private accounts. If a student brings scholarship money to the university, it does not appear in the scholarship budget, it appears as a paid account. The \$10 million is actually money that the university uses for scholarships.

- Mr. Bell said numbers show that enrollment is not growing, but debt is increasing, will this become a factor? Mr. Burton replied not at present, there is plenty of capacity left. The university is not planning to go into great debt, and has managed the present debt well.
- Colonel Wood said that some type of recruitment-enrollment program must be developed in order to increase the enrollment numbers. Over a five year period, it appears that the Jonesboro campus is only maintaining not increasing. Mr. Burton agreed and said enrollment growth is one of the significant factors from a financial standpoint. Colonel Wood stated that if 500 additional students could be added to the Jonesboro campus, salary increases such as the 2.7% would not be in jeopardy. He stated the university can no longer continue with the five year treading-water trend in enrollment.
- Dr. Wyatt referred to Mr. Bell's comments by saying that enrollment growth in Arkansas' public institutions is a result of greater financial aid expenditures. ASU has maintained a fairly flat percentage of budgets devoted to scholarship funds that are not given to the university by the state. In the future, there may have to be a different allocation between tuition-based resources and appropriated resources which would be directed to scholarships. In those institutions that have demonstrated growth, (University of Central Arkansas, Arkansas Tech University, and University of Arkansas at Fayetteville) considerable more scholarship money has been designated to attract students. ASU has not yet chosen this route, but the option is available.

- Colonel Wood said, based on the data provided, a total of approximately 735 students will receive associate degrees from the two-year campuses. He feels it is imperative some type of tracking method be developed to discover whether these students are continuing their education at the Jonesboro campus. Mr. Burton commented that the recruitment staff has done well in responding to the demands of students that four-year degrees be made available at local sites. Colonel Wood responded this approach creates a two-edged sword and could mean a loss for the four-year campus.

Mr. Burton replied that this is not less revenue for the Jonesboro campus as those students enrolled in the four-year programs at the two-year campuses are charged the same rate as Jonesboro. Jonesboro does collect that revenue.

There are now three locations at which there are fixed costs and which the Jonesboro campus must serve. Dr. Susan Allen, Vice Chancellor for Research and Academic Affairs, stated that in the strategic planning process, increased enrollment and retention at the undergraduate and graduate level are key factors and will receive major emphasis. Dr. Eugene McKay, Chancellor of ASU-Beebe, said 120 graduated from Jonesboro programs at Beebe this year with 85 at last weeks' commencement. At graduation, the students were asked how many would not be getting a four-year degree if the option were not available at the Beebe campus. Three-fourths of those students stood in response, so location is very important.

Mr. Gibson said he polled students on the Beebe campus and many plan to go to UCA to continue their education; however, Arkansas has produced a valuable

citizen with a four-year college degree whether it is ASU or UCA. He stated he believed it was the direction of this university to expand to provide students with an education who could not or would not come to the Jonesboro campus. Mr. Medlock said this was the direction of the public and ASU has responded to it. Dr. McKay said that in the past approximately one-third of Beebe students would come to Jonesboro, one-third to UCA, and one-third to UALR, but now the majority of students choose to continue with Jonesboro courses at Beebe.

- Mr. Medlock asked if ASU-Beebe had a county-wide sales tax as a source of revenue. Jerry Carlisle, Vice Chancellor for Fiscal Affairs for ASU-Beebe, responded that there was no tax for Beebe; but there is a tax for Cleburne County to benefit ASU-Heber Springs. Dr. Wyatt said that the Heber Springs campus receives no state appropriations and that its entire budget is addressed by tuition and fees and the county tax. Secondly, the consolidated Beebe budget reflects expenditures related to the Little Rock Air Force Base, Beebe, Heber Springs, and Searcy campuses. Mr. Bell stated the enrollment numbers at Beebe looked very favorable, and Dr. Wyatt added that past records indicate they have the largest sustained enrollment growth of the two-year schools in the state. Dr. McKay also mentioned that enrollment at the Little Rock Air Force Base is increasing.
- As Mr. Burton presented the ASU-Mountain Home report, Dr. Ed Coulter, Chancellor, had comments regarding the campus' report of income by source. Mr. Burton said ASU-MH is relying more and more on tuition and fees (from 20.8% to 34.1%) to meet expenses because they have had a dramatic decline of

(62.7% to 49.4%) in state appropriations as a percentage of budget. Dr. Coulter stated that the amount of funding received has not compared to enrollment growth. Because of this, the cost of education is being put directly on the students through tuition increases. Mr. Burton said that the state appropriations figures, had a slight increase for 2004 but they have not returned to the base amount received in 2002, and yet enrollment has increased.

Mr. Burton concluded the presentation with three points: The ASU System is managing its financial resources well in spite of declining state appropriations as evidenced by the clean audit reports received by all campuses; customer service demands continue to be met by hiring employees in those areas that are important to our customers; and that our customers are responding in a positive manner.

Colonel Wood referred back to the lack of growth on the Jonesboro campus and the out-sourcing of 300 and 400 level courses to the two-year campuses. He asked if once a student enrolled in the junior and senior level courses whether they pay the same cost per hour as students on the Jonesboro campus. Mr. Burton acknowledged this was correct. Dr. Wyatt added there is also an additional fee charged to those students who take Jonesboro classes at those locations, which is related to technology.

In reviewing the data provided, hearing the reports of the Chancellors, viewing the financial presentation, and studying the strategic plan for continued improvement to the university, Mrs. Milligan commended Dr. Wyatt and the Chancellors for work well done in spite of the budget restraints and the normal issues that the university encounters.

Mr. Bell added that the Board had received a copy of the financial report prior to the meeting; however the oral presentation helped to bring the numbers into focus and indicate that the ASU System is in good financial standing. He thanked Mr. Burton and his staff for their work. In addition, he believes that the tremendous physical improvements done to the campus during the past five or six years will attract enrollment. Historically, he said, the university had fallen behind in construction and improvement and has had to invest a tremendous amount of money in a short time. With the proposed strategic plan in place, this should not occur in the future. Mr. Burton commented that in a survey of prospective students and their parents by The Carnegie Foundation in 1987, 67% responded that the single most important reason for selecting a campus was the condition of the buildings and grounds, so it is imperative that we maintain a beautiful campus.

Mr. Medlock said there has been evidence of a shift in the cost of education from the general public through state appropriations to tuition paid by students and asked if there was information available from other states or on a national basis. Mr. Burton said every state in the United States has had the same experience. All state budgets have been affected. Since higher education is not formula funded or required by the Constitution, it is usually at the end of the appropriation process. Mr. Medlock asked if there was any information available on how radical a shift there may be across the country. He said ASU is state subsidized at 55 cents on the dollar, and asked if there were other states in that range versus states that are in the 30 cent range. Mr. Burton said the University of Oregon has declined to 18%. About ten years ago, they received almost 52% but it has steadily decreased. The University of Colorado will have a 20%

budget cut this year and the coming year. Mr. Medlock asked if there was data available from a state bordering Arkansas. Mr. Burton said Tennessee is recovering by adopting a lottery to increase revenue. Revenues generated will allow high school graduates who meet certain criteria to attend universities at no cost to the student with funding to follow the student. While there have been double digit increases in tuition in other institutions in the state, Mr. Medlock asked if there is information on neighboring states and if so, what affect that has had on demand. Dr. Wyatt said inflation has hit tuition but there has been no decrease in demand. The most dramatic evidence involves two of Texas' largest universities, Texas A & M, and the University of Texas, who raised tuition some 30%, but still turned away more student applicants than ever. While higher education is still perceived by the consumer to be a public good, it is no longer considered by the state to be funded as previously seen.

Mr. Bell commented to Dr. Coulter that the Board is sympathetic to the situation of ASUMH in regard to lack of funding. He stressed that a broader campaign must be waged to address this situation. Dr. Coulter said that public education is mandated by the Constitution. The Constitution says from ages 6 to 19, and while this could be interpreted to mean all institutions, it does not mandate pre-school. The request for \$40 million for pre-school, which is needed, is not mandated. Secondly, legislators are saying that from this day forward K-12 money will flow first and will be protected. If there is a shortfall in the budget then the remaining portion of the budget for higher education could reflect disastrous results because K-12 institutions will be protected.

Mr. Medlock added his thanks to Mr. Burton and his staff for the financial presentation and with no further reports or comments moved to begin the Consent

Agenda. He stated that Dr. Wyatt had met with each Board member individually to review the proposed resolutions and to answer questions or clarify the information prior to the meeting.

- Resolution Authorizing the ASU System to Modify the Vacation Accrual Policy.

Dr. Wyatt said this was a proposal to bring ASU campuses into a competitive relationship with other institutions throughout the state that have vacation accrual policies superior to our current policy. This proposal will adjust the system of benefits to equal those around the state and allow the university to offer this benefit to employees.

Upon motion by Mr. Bell, second by Colonel Wood, Resolution 04-09 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Jonesboro, ASU-Beebe, ASU-Mountain Home, and ASU-Newport to Increase Tuition.

Dr. Wyatt referenced the information presented in the resolution. He indicated that the faculty and students have given counsel and support to this increase. This increase is necessary to provide support for the employees of the university to keep them competitive with other universities. The majority of the increase will be for salary increases, equity adjustments, or to promote targeted recruitment efforts.

Upon motion by Mr. Gibson, second by Mrs. Milligan, Resolution 04-10 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving the Assessment of a Special Fee for the ASU-Jonesboro College of Nursing and Health Professions and the College of Business.

Dr. Wyatt explained that this proposal will create a pool of monies available for extraordinary hiring needs in the two colleges. The funds that are available in existing faculty salaries are not sufficient to enter a national recruiting market to offer positions or to retain those individuals once they are hired. Because the state has a high demand for the production of graduates in these areas, the students need qualified instructors and are willing to pay the additional fee. These special fees will be assessed in addition to tuition for students enrolled in courses or programs defined by the proposal to provide the support necessary for faculty needs. Mr. Bell remarked that this practice is not uncommon at universities.

Upon motion by Mr. Bell, second by Colonel Wood, Resolution 04-11 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Jonesboro to Adopt a Library Fee.

Dr. Wyatt said the proposed fee would be levied at the Jonesboro campus for the improvement of the library collection program. The fee will be based on the number of hours of student enrollment beginning with \$2 per semester credit hour the first year and increase by \$2 each year until a \$6 maximum is reached.

Dr. Wyatt said that the Legislature will be lobbied to increase funding for these important information resources. If legislative funding is obtained, then this fee will be addressed again for modification. The students declared that they would rather have a designated

fee than an increase in tuition because a fee can be tracked. The fee will generate approximately \$500,000 the first year, and increase to \$1.5 million the third year of collection, which the National Association of Libraries recommends for an academic library at a university of this size.

Upon motion by Mrs. Milligan, second by Mr. Gibson, Resolution 04-12 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Jonesboro to Establish a Golf Greens Fee.

Dr. Wyatt said this fee would be assessed to students in Health, Physical Education, and Sports Sciences (HPESS) whose class meets at a local golf course. The fee will be used to pay the greens fee. This fee is already being paid by the students; however, ASU-Jonesboro would now become the collector of those greens fees.

Upon motion by Mr. Gibson, second by Mrs. Milligan, Resolution 04-13 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Jonesboro to Increase Auto Registration.

Dr. Wyatt said the ASU committee for issues related to traffic and parking have recommended the auto registration be increased to permit the hiring of specialized staff and purchase of equipment to improve traffic and parking on the Jonesboro campus. The fee will generate approximately \$100,000 per year.

Upon motion by Mrs. Milligan, second by Mr. Bell, Resolution 04-14 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving Fiscal Year 2004-2005 Operating Budgets and Authority to Execute the Budget during the Next Fiscal Year.

Dr. Wyatt said budgets have been presented with late entry corrections. He stated that everyone plays a part in the development of the budget and commended the hard work of those involved in the process. The resolution reflects the monetary amounts needed to operate each campus.

Upon motion by Mr. Bell, second by Mr. Gibson, Resolution 04-15 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving Summer 2004 Private Athletic Camp Agreements to be Held on the Jonesboro Campus.

Dr. Wyatt said each year private camp agreements for coaches must be approved by the Board.

Upon motion by Colonel Wood, second by Mrs. Milligan, Resolution 04-16 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Jonesboro to Restructure the College of Business.

Dr. Wyatt said this proposal will better reflect the structure of the college and will mirror the activities that occur in the college. This structure is more widely accepted by American Colleges of Business.

Upon motion by Mr. Gibson, second by Mr. Bell, Resolution 04-17 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Jonesboro to Offer the Bachelor of Science in Early Care and Education.

Dr. Wyatt explained this program will identify the early stages of instruction addressed through the professional education programs. This early care and education emphasis will extend prior to pre-kindergarten and will be for those areas primarily addressed by Head Start, and will be especially valuable for East Arkansas.

Upon motion by Mrs. Milligan, second by Mr. Bell, Resolution 04-18 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Jonesboro to Offer a Graduate Certificate in Criminal Justice.

Dr. Wyatt explained this proposal is an outgrowth of recent developments in the post 9/11 environment. The graduate certificate is necessary because changes are being made in law enforcement and peace efforts as a result of homeland security issues. This certificate will be the credential most commonly expected for those in the

homeland security sector for employment purposes and is not a masters degree in criminal justice.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Jonesboro to Offer a New Emphasis, Global History in the Master of Arts in History.

Dr. Wyatt said a new dimension could be added to the history department that would focus on nations of the world in an integrated fashion. It will assist students in understanding there is an interrelatedness to the historical aspect of all nations.

Upon motion by Mrs. Milligan, second by Colonel Wood, Resolution 04-20 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Beebe to Increase the Residential Board Rate.

Dr. Wyatt said Beebe is the only two-year campus in Arkansas to have residential housing. The proposal is designed to meet the costs of operating those facilities.

Upon motion by Mr. Bell, second by Mrs. Milligan, Resolution 04-21 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing an Increase in the Quality Improvement Fee at ASU-Heber Springs.

Dr. Wyatt said the development of entire campus entity of Heber Springs has come about in the last two years. This proposal will provide for technology and support for teaching and learning activities at the Heber Springs campus, and relate to a similar fee assessed students at the Beebe campus.

Upon motion by Mr. Bell, second by Mr. Gibson, Resolution 04-22 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Beebe to Change the Internet Fee from a Flat Fee to a Per Credit Hour Fee for All Courses on the Internet.

Dr. Wyatt explained the fee is designed to address growth in internet delivery of instruction. The courses were first offered in 1999, and because of the growth in the number of courses and students, additional money must be found to sponsor these programs.

Upon motion by Colonel Wood, second by Mr. Gibson, Resolution 04-23 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Authorizing ASU-Beebe to Charge a \$35.00 Fee for Private Applied Voice and Applied Piano Courses.

Dr. Wyatt said this fee is typical of similar fees charged by universities and is an attempt to recover expenses and to provide a fair market competitive level for instructors more in line with private teachers in the community.

Upon motion by Mr. Bell, second by Colonel Wood, Resolution 04-24 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving ASU-Mountain Home to Offer the Associate of Applied Science in Respiratory Therapy and the Proficiency Certificate in Phlebotomy.

Dr. Wyatt said ASU-MH and Baxter Regional Medical Center have an excellent working relationship. This proposal was designed to address the needs of the hospital and the area by providing much needed training. Dr. Coulter said the hospital is providing start-up costs for these programs.

Upon approval by Ms. Milligan, second by Mr. Gibson, Resolution 04-25 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

- Resolution Approving the Naming of the Larry Lacewell Locker Room at ASU-Jonesboro.

Dr. Wyatt said the Board has reserved the right to name facilities on all campuses. Mr. Lacewell was a former coach for ASU. Through a collective contribution by a group of friends and supporters, a substantial gift will be made to the athletic program for the improvement of the locker room facilities. The group would like to honor Mr. Lacewell by naming the facility the Larry Lacewell Locker Room.

Upon motion by Mr. Bell, second by Mrs. Milligan, Resolution 04-26 was approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

With no further Consent Agenda items, and upon motion by Mr. Bell, second by Mrs. Milligan, the Board retired into executive session at 11:03 a.m.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Mr. Medlock announced, "This body has voted to retire into executive session to consider the personnel action items. We will reconvene in public session following this executive session to present and vote on any action arrived at in private."

Mr. Medlock reconvened the Board at 11:59 a.m.

Upon motion by Mrs. Milligan, second by Colonel Wood, the academic appointments for ASU-Jonesboro were approved, inclusive of Dr. Gloria Gibson, Dean of Humanities and Social Sciences, whose contract was received last evening and was not on the list to be approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Upon motion by Colonel Wood, second by Mr. Gibson, the non-academic appointments for Jonesboro and Beebe were approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Upon motion by Mr. Gibson, second by Mr. Bell, the promotion recommendations for Jonesboro were approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Upon motion by Mr. Bell, second by Mr. Gibson, the promotion recommendations for Beebe were approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Upon motion by Mrs. Milligan, second by Colonel Wood the tenure recommendations for Jonesboro were approved, inclusive of Dr. Gloria Gibson, professor of English and Philosophy.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Upon motion by Mr. Gibson, second by Mr. Bell, the contract extensions for Jonesboro, Beebe, Mountain Home, and Newport were approved.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

In addition, Mr. Medlock announced the Board extended the contract of President Les Wyatt and has altered or changed compensation as allowed by state law. The Board expressed complete confidence in Dr. Wyatt's ability to lead the institution.

With no further business, Mr. Medlock asked for a motion to adjourn.

Dr. Wyatt reminded everyone of the presentation of Dr. Kathy White immediately following the Board meeting. Upon motion by Colonel Wood, second by Mr. Bell, the Board adjourned at 12:03 p.m.

AYES: Medlock, Milligan, Bell, Wood, Gibson

NAYS: None

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

ACTION ITEM: Arkansas State University System requests approval to modify its vacation accrual policy.

ISSUE: ASU System would like to establish a vacation accrual policy that is more in line with contemporary employment benefit practices and is closely aligned with other Arkansas four-year universities.

BACKGROUND:

- ASU-Jonesboro has a vacation accrual policy that reads as follows:
 - Classified staff accrue vacation leave per state guidelines as follows:
 - 1 through 3 years of employment, accrue 12 days per annum, or 8 hours per month;
 - 4 through 5 years of employment, accrue 15 days per annum, or 10 hours per month;
 - 6 through 12 years of employment, accrue 18 days per annum, or 12 hours per month;
 - 13 through 20 years of employment, accrue 21 days per annum, or 14 hours per month; and
 - 21 years + of employment, accrue 22.5 days per annum, or 15 hours per month.
 - Non-Classified staff accrues vacation as follows: 20 days vacation per annum or 13.33 hours per month.
- A survey of Arkansas four-year universities reveals the following vacation accrual policies:
 - Arkansas Tech: Classified same as ASU, Non-Classified has an accrual process similar to Classified with the maximum that can be earned as 16 days per annum.
 - Henderson: Classified same as ASU, Non-Classified same as Classified;
 - N. Ark College: Classified same as ASU, Non-Classified same as Classified;
 - U of A Fayetteville: Classified same as ASU, Non-Classified all accrue at 15 hours per month;

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

- UALR: Classified same as ASU, Non-Classified all accrue at 15 hours per month;
 - UCA: Classified same as ASU, Non-Classified same as classified; and
 - UA Monticello: Classified same as ASU, Non-Classified all accrue at 15 hours per month.
- Based on this survey data, six universities have better vacation accruals than ASU, and one has the same benefits for Classified staff and less accrual for Non-Classified staff.
 - Annual leave is cumulative; however, no employee may retain in excess of 30 days on December 31 of each year. During the calendar year, accrued annual leave may exceed 30 days. Days exceeding 30 must be used before December 31 as they may not be carried over into the new calendar year.
 - Additional leave guidelines may be viewed in the ASU System handbook.
 - ASU would like to make its benefits package competitive with other four-year Arkansas universities by keeping Classified Staff accruals in line with State Guidelines, and providing Non-Classified Staff accruals of 15 hours per month, or 22.5 days per annum.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University System is authorized to provide Non-Classified staff 15 hours per month or 22.5 days vacation leave per annum effective July 1, 2004.

Richard Bell, Secretary

Mike Medlock, Chair

Arkansas State University
Board of Trustees
May 7, 2004
Resolution 04-10
Page 1 of 4

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests authority to increase tuition for the fiscal year 2004-2005 an average of 7.6% effective in the Fall 2004 semester. The two-year campuses within the ASU-system (ASU-Mountain Home, ASU-Beebe, and ASU-Newport) request authority to increase tuition for fiscal year 2004-2005 an average of 6.7% for in-state and 7.8% for out-of-state tuition.

ISSUE: Arkansas State University has many competing priorities and needs required to assist in raising the quality of the institution on several levels. ASU wishes to provide sorely needed resources to meet Higher Learning Commission (HLC) accreditation purposes, to make improvements in teaching and instruction, and to continue improvements funded in last year's budget in many initiatives designed to benefit our students directly and indirectly. Moreover, ASU students demand increased services and better quality services and the cost of these services increase each year.

BACKGROUND:

ARKANSAS STATE UNIVERSITY – JONESBORO:

ASU-Jonesboro requests approximately 7.5% more in tuition for the 2004-2005 fiscal year to support the budget requirements for salaries for the year. The summary of new tuition rates is as follows (based on a 12 hour load):

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Resident Undergraduate	\$1,500	\$1,614	7.6%
Resident Graduate	\$1,896	\$2,040	7.6%
Non-Resident Undergraduate	\$3,864	\$4,158	7.6%
Non-Resident Graduate	\$4,800	\$5,160	7.5%

	<u>Current</u>	<u>Regular Term</u>	<u>Summer Term</u>
<u>Undergraduate:</u>			
Arkansas Resident per hour	\$125	\$134.50	\$134.50
Arkansas Non-Resident Additional Fee per hour	\$197	\$212	\$212

EXECUTIVE SUMMARY

Contact: Dr. Leslie Wyatt 972-3030

<u>Graduate:</u>	<u>Current</u>	<u>Regular Term</u>	<u>Summer Term</u>
Arkansas Resident per hour	\$158	\$170	\$170
Arkansas Non-Resident Additional Fee per hour	\$242	\$260	\$260

Off-Campus Courses, including distance learning classes, per hour:

Arkansas Resident Undergraduate	\$170	\$170
Arkansas Resident Graduate	\$195	\$195
Additional Fee, Non-Resident Undergraduate	\$212	\$212
Additional Fee, Non-Resident Graduate	\$260	\$260

ARKANSAS STATE UNIVERSITY-NEWPORT:

Arkansas State University-Newport requests an average increase of 6.7% for in-state and 7.8% for out-of-state tuition for the 2004-2005 fiscal year. This increase is needed to supplement state appropriations and other revenues used to support the budget needs for the year. The summary of new tuition rates follows (based on a 12 hour load):

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Resident Undergraduate	\$ 720	\$ 768	6.7%
Non-Resident Undergraduate	\$1,224	\$ 1,320	7.8%

	<u>Regular Term</u>	<u>Summer Term</u>
<u>Off-campus Courses per hour:</u>	\$69	\$69

ARKANSAS STATE UNIVERSITY-BEEBE:

Arkansas State University-Beebe requests an increase of approximately 7% in tuition for the 2004-2005 fiscal year to support employee raises and personal services matching costs. The summary of new tuition rates for Beebe, Heber Springs, Searcy and Little Rock Air Force Base follows (based on a 12 hour load):

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Resident Undergraduate	\$ 720	\$ 768	6.7%
Non-Resident Undergraduate	\$1,224	\$1,320	7.8%
ASUHS In-County Tuition	\$ 648	\$ 696	7.4%
ASUHS Out-of-County Tuition	\$ 720	\$ 768	6.7%
ASUS Tuition	\$ 540	\$ 612	13.3%

EXECUTIVE SUMMARY

Contact: Dr. Leslie Wyatt 972-3030

The following per hour rates are proposed:

<u>Per hour:</u>	<u>Current</u>	<u>Regular Term</u>	<u>Summer Term</u>
Resident Tuition	\$ 60	\$ 64	\$ 64
Non-Resident Tuition	\$ 102	\$110	\$110
ASUHS In-County Tuition	\$ 54	\$ 58	\$ 58
ASUHS Out-of-County Tuition	\$ 60	\$ 64	\$ 64
ASUS Tuition	\$ 45	\$ 51	\$ 51

<u>Off-campus Courses per hour:</u>	<u>Current</u>	<u>Regular Term</u>	<u>Summer Term</u>
ASU-Beebe	\$ 65	\$ 69	\$ 69
ASUHS In-County Off-Campus	\$ 56	\$ 63	\$ 63
ASUHS Out-of-County Off-Campus	\$ 62	\$ 69	\$ 69
Little Rock Air Force Base*	\$ 62	\$ 65	N/A

*Increase will begin with Term II in October per MOU with base. LRAFB has five eight-week terms.

ARKANSAS STATE UNIVERSITY-MOUNTAIN HOME:

Arkansas State University-Mountain Home requests an increase of 6.7% for in-state tuition and a 7.8% increase for out-of-state tuition for the 2004-2005 fiscal year to begin July 1, 2004. This increase is needed to supplement state appropriations and other revenues used to support the budget requirements for the year. The summary of new tuition rates follows (based on a 12 hour load):

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Resident Undergraduate	\$ 720	\$ 768	6.7%
Non-Resident Undergraduate	\$ 1,224	\$1,320	7.8%

<u>Per hour:</u>	<u>Current</u>	<u>Regular Term</u>	<u>Summer Term</u>
Arkansas Resident	\$ 60	\$ 64	\$ 64
Non-Resident	\$ 102	\$ 110	\$ 110

EXECUTIVE SUMMARY

Contact: Dr. Leslie Wyatt 972-3030

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to increase tuition an average of 7.6 % to be effective Fall 2004. Arkansas State University-Beebe is authorized to increase tuition an average of 7% effective Fall 2004. Arkansas State University-Mountain Home and Arkansas State University-Newport are authorized to increase tuition an average 6.7% for in-state and 7.8% for out-of-state tuition effective July 1, 2004. Arkansas State University-Technical Center is authorized to maintain the tuition rate at the current level of \$50 per hour.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

ACTION ITEM: Arkansas State University - Jonesboro (ASUJ) requests approval for the assessment of a special fee for the College of Nursing and Health Professions and the College of Business.

ISSUE: ASUJ requires additional funding for salaries to adequately compete for faculty hiring and retention in the Colleges of Business, and Nursing and Health Professions.

BACKGROUND:

- The Colleges of Business (COB), and Nursing and Health Professions (CNHP) have 16 faculty vacancies currently, 5 for Business and 11 for Nursing and Health Professions. In previous attempts to fill these vacancies, prospective faculty would not accept the positions with the salaries offered or adjunct faculty were hired with less credentials.
- CNHP staff has identified average market salary differentials of a high of \$23,420 for an Associate Professor in Physical Therapy to a low of \$931 for an Assistant Professor in Clinical Lab Sciences. In total, there are 19 faculty titles that will require salary differentials simply to meet the existing market. The data were gathered from the following institutions: University of Tennessee-Memphis, Baptist College of Health Sciences, University of Arkansas Medical Sciences, University of Arkansas Fayetteville (Social Work only), Eastern Kentucky University, and Armstrong Atlantic University.
- COB staff has identified annual salary differentials of a high of \$21,056 for a department chair to a low of \$4,271 for an Assistant Professor in Economics. In total, there are 11 faculty titles that will require salary differentials simply to meet the existing market of AACSB Public Accredited Schools for FY 03-04.
- If the CNHP and COB faculty vacancies continue, ASUJ will be forced to eliminate or severely reduce the number of courses offered in these Colleges. The courses are highly sought by current students and any reductions would take away opportunities for students to complete their degrees and limit access to higher education degrees. Moreover, the degrees the students would receive usually lead to high paying jobs upon successful completion of the curriculum and graduation. CNHP would be forced to close programs for which workforce demands are projected to continue at critical levels for the next 20 years.

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

- ASUJ would like to retain these programs and hire or retain critical faculty by providing additional resources to enhance the current salaries and make them more competitive in the market place. The Dean of CNHP estimates that the College would require an additional \$500,000 plus the usual fringes to meet the market demands. The Dean of COB estimates that the College would require an additional \$500,000 plus fringes as well.
- ASUJ requests permission from the Board to assess a special college support assessment specifically for the students in these two colleges as follows:
 - A fixed \$14 amount per hour assessment on Undergraduate students, which represents 10% of the proposed undergraduate rate for fall 2004; and
 - A fixed \$34 amount per hour assessment on Graduate students, which represents 20% of the proposed graduate rate for fall 2004.
- The 10% and 20% assessment would be allocated directly to the two colleges. Moreover, the assessments would be increased each year by the percent established for any annual tuition increase as well, e.g., the \$14 and the \$34 per hour assessments would go up 5% the next year if overall tuition was increased by 5%. The additional increase would also go directly to the two colleges to keep up with market salary conditions as they change. This strategy would help the colleges attain market competitiveness for faculty.
- The salary budgets would have carry-forward capabilities: if not all of the salary amounts were allocated during any one fiscal year, the amounts would be carried forward to the next fiscal year specifically for permanent salary purposes and the colleges would not lose the overall spending authority at any fiscal year end. However, any one time funds not spent at fiscal year end would be carried forward into an account for the college to be used exclusively for salary or recruitment of faculty needs.
- The only exceptions to this special assessment fee tuition policy would be for Greene County residents enrolled at the ASU Paragould campus under provisions of the May 2001 policy, and some General Education courses in the CNHP and COB. The Greene County tuition would stay at the current rate at Paragould and would only increase if across the board tuition increases for these residents were approved by the Board. The Greene County residents enrolled at the Paragould campus would not pay this special assessment fee.

EXECUTIVE SUMMARY**Contact: Jennus Burton 972-3303**

- The proposed special assessment fee increase based on \$14 per hour for undergraduate students, and \$34 per hour for graduate CNHP and COB students is estimated to provide approximately \$250,000 to CNHP, and \$450,000 to COB in additional salary and fringe dollars.
- Students have received notifications of the possibility of this special fee from both Colleges so that the students may plan for it in the overall cost of education for the fall 2004 semester.
- This special assessment fee will be charged to in-state and out-of-state students at the same rate, i.e., the amount will be charged differently for undergraduate and graduate students, however, no difference will be assessed between in- and out-of-state students.

RECOMMENDATION/RESOLUTION:

Be it resolved, that Arkansas State University-Jonesboro is authorized to assess a college support assessment in addition to any other tuition or fee increases effective with the fall 2004 semester at the rate of \$14 per hour for selected undergraduate, and \$34 per hour for selected graduate students in the College of Business and College of Nursing and Health Profession as identified herein. Be it further resolved that the fee will be increased each year thereafter at the rate of any future tuition increase.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Susan Allen (972-2030)

ACTION ITEM: Arkansas State University - Jonesboro (ASUJ) requests authority to establish a library fee.

ISSUE: During the recent visit of the Higher Learning Commission of the North Central Association of Colleges and Schools, the review of the university budget indicated that the library budget had been flat, and included in the general reductions experienced during the state's economic downturn of 2002-2003. The team concluded that this is particularly problematic in the face of the addition of two new doctoral programs and the university's goals for expansion of research and graduate education. Additionally, lack of adequate funding is a serious concern and could place the continuing accreditation of our institution at risk.

BACKGROUND:

- ASU's response to the Higher Learning Commission stated that, "ASU will continue to make this concern a high priority in its strategic planning and budgeting process."
- The total budget of the library at ASU is significantly below the recommended 4% - 6% of the educational and general budget for libraries at colleges and universities across the country by the Association of Colleges and University Libraries.
- The level of supplemental and continuing funding, \$1.3 to \$1.6 million, required to bring the library up to a minimally satisfactory level of funding cannot be provided through routine reallocations of funding in the university's operating and general budget.
- The library has experienced annual increases of 8 - 10% in the cost of library journals (both print and electronic) and databases and increases of 5 - 7% in the cost of library books during the past decade, while the journal, database and book budget has not increased during this period. Thus, it has been necessary to cancel selected journal and database subscriptions each year, resulting in a tightening downward spiral of annual journal and book cancellations and a concurrent decrease in services and materials available to students.

EXECUTIVE SUMMARY

Contact: Susan Allen (972-2030)

- The cost of electronic access to original materials and databases continues to increase, while the number and types of electronically accessible materials also increases. Although ASU has the information technology infrastructure in place to provide high speed 24/7 access to electronic materials, the current library budget is not sufficient to provide the electronic content necessary to support undergraduate and graduate education. In other words, we have the pipeline but we don't have enough material to put into the pipe.
- Access to and understanding of electronic media is essential to the success of today's students.
- Library leadership is currently exploring creative and alternative ways to provide access to needed materials through possible consortial agreements with other library systems for access to additional electronic databases. Unfortunately, electronic content providers are increasingly reluctant to provide services to consortia.
- Two dollars (\$2) per student semester credit hour will generate approximately \$500,000 per year.
- The library fee will be applied toward the purchase of library materials and students will be included in deciding what materials should be purchased. Library materials acquired with funds generated by this fee will be so labeled, if possible and a list of new materials published annually.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University - Jonesboro is authorized to adopt a library fee of \$6 per credit hour for all ASU-Jonesboro students. The library fee will be phased in over three years, starting Fall 2004 at \$2 per credit hour and increasing \$2 per credit hour in Fall 2005 and Fall 2006.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Jennus Burton 932-3303

ACTION ITEM: ASU-Jonesboro requests approval to establish a fee for golf greens fees.

ISSUE: ASU-Jonesboro would like to establish a fee for golf students to reimburse the golf course for their greens fees.

BACKGROUND:

- ASU-Jonesboro has a course titled PE 1501 – Golf. It is a beginning course for students who wish to learn how to play golf.
- ASUJ has a relationship with Sage Meadows Golf Course. Sage Meadows charges a minimal fee for the students to use the course and driving range. The fee is \$25 per student per semester.
- In the past, the golf course collected the fees directly from the students. The management of the course now wishes to have ASU collect the fees and reimburse them to the course.
- In order for ASU to collect such a fee, the Board must approve it. ASUJ is requesting Board approval to establish this fee for golf students effective with the fall 2004 semester.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to establish a fee for golf at the rate of \$25 per student per semester beginning with the fall 2004 semester.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Rick Stripling 870-972-2048

ACTION ITEM: Arkansas State University-Jonesboro (ASU-J) requests approval to increase the campus auto registration \$10 per year beginning August 2004. The student and employee auto registration will be \$50. The faculty/staff auto registration will be \$70. (Full-time staff have the option of registering their autos as an employee or faculty/staff. Registering as faculty/staff allows an employee to park in designated faculty/staff spaces.) Money collected from the auto registration will be designated to fund the increased operating and maintenance costs of parking services and structures.

ISSUE: ASU-Jonesboro requests additional revenues to fund the expenses for increased technology needs, additional enforcement staffing, publications and scheduled maintenance of parking structures.

BACKGROUND:

- As the Jonesboro campus grows and changes, parking services must grow to create and maintain a parking infrastructure which helps get students, faculty, staff and visitors where they need to be as courteously, safely and efficiently as possible.
- To achieve these goals, we would like to implement an initiative to improve customer services and utilize new software and hardware technologies.
- Auto registration has been increased only three times in the history of ASU. A \$5.00 increase was instituted in 1982. In 1995, the registration increased to \$20 for students and employees and \$40 faculty/staff. A special increase occurred in 2000 to fund the parking garage debt service.
- The proposed increase will place ASU in the average for campuses of our size and in our region.

EXECUTIVE SUMMARY

Contact: Rick Stripling 870-972-2048

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to issue \$50 per student/employee and \$70 per faculty/staff for auto registration on campus beginning August 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 972-3030

ACTION ITEM: Arkansas State University (ASU) requests approval of the fiscal year 2004-2005 operating budgets and authority to execute the budget during the next fiscal year.

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 - BEEBE

BACKGROUND:

The ASU-Beebe Planning Committee has compiled the operating budget for the 2005 Fiscal Year. It was reviewed by the Chancellor, received his approval and is being submitted to the President and the Board of Trustees. The budget provides operating funds for campuses in Beebe, Heber Springs, Searcy and the Little Rock Air Force Base.

The primary goal of the committee was to generate new funds in the amount necessary to fund a 2.7% raise for employees while addressing new fund needs for personal services matching costs and a few high priority items in other spending categories. The committee accomplished this by recommending an average 7% tuition increase and coupling those new dollars with a very moderate forecast for new state funds.

Priority areas for Arkansas State University-Beebe were:

- Provide additional revenue by increasing tuition by \$4 per credit hour;
- Provide a 2.7% raise for full-time employees;
- Provide funds for a 2% Workers Compensation premium estimated at \$200,378. ASU-Beebe not paying a premium in 2004.
- Provide additional funding for computer services, staff development and the farm operation, and;
- Address a short list of funding needs for various departments because of special need situations.

The Arkansas State University-Beebe budget for fiscal year 2004-2005 is \$18,384,684 for Educational and General Operations and \$2,161,000 for Auxiliary operations.

ARKANSAS STATE UNIVERSITY - NEWPORT

BACKGROUND:

The Arkansas State University-Newport Executive Council compiled the budget for the 2004-2005 fiscal year. The developmental process also included the involvement of departmental and division staff. The Chancellor has reviewed the document and has given his approval. Included in the process was the prioritization of needs and resources necessary to meet the goals of the institution that includes insuring quality instruction, improving facilities and meeting the needs of the campus community.

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 972-3030

Budget premises and priorities are as follows:

- The estimated income for the 2004-2005 fiscal year is \$5,268,696. Revenue increases are anticipated through an increase in cost of tuition (from \$60 per credit hour to \$64 per credit hour) as well as revenue generated through the one-half cent sales tax collected by Jackson County for the maintenance and operation of the Arkansas State University-Newport campus;
- The budget reflects the addition of a new program, High Voltage Lineman Technician, which began through efforts to build partnerships with the Electrical Cooperatives of Arkansas;
- Salaries: Personnel salaries will increase overall by 2.7% for the 2004-2005 fiscal year.
- Capital Outlay: Equipment funds once again are not included this year due to budget constraints, and;
- Campus facilities include the construction of a new student/community center, which is scheduled for completion March 31, 2005.

The Arkansas State University – Newport proposed budget is \$5,031,288 for Educational and General Operations and \$ 237,408 for Auxiliary operations.

ARKANSAS STATE UNIVERSITY - JONESBORO

BACKGROUND:

Arkansas State University-Jonesboro established a planning guide for the development of the fiscal year 2004-2005 budget and began its work in December 2003. The President initiated the process with a letter to the committee members. Included in 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.

With the uncertainty of State Appropriated funds an alternate process was developed for the development of the fiscal year 2005 operating budget. The budget process continued to utilize the University Planning Committee (UPC), which has been in use for several years. The UPC discussed 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. Reductions in priorities were necessary to make the budget match the projected revenues.

Priority areas for Arkansas State University-Jonesboro were:

- Provide funds for salary enhancements and an average of a 2.7% salary increase for continuing faculty and staff;
- Provide funds for faculty promotions;
- Provide funds for faculty and staff equity/labor market adjustments;
- Provide funds for increased costs for scholarships;
- Provide funds for recruitment and retention of College of Nursing and Health Professions and College of Business faculty, and;
- Provide funds to support the continuing salary and diversity initiatives of the university.

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 972-3030

The budget includes an overall average tuition increase of 7.6% to generate additional tuition revenue to support the continuing budgeting needs of the university.

The Arkansas State University - Jonesboro budget is \$103,047,501 for Educational & General Operations and \$19,538,790 for Auxiliary Operations. This budgeted figure includes \$3,396,378 in funds for the Arkansas State University-Technical Center.

ARKANSAS STATE UNIVERSITY - MOUNTAIN HOME

BACKGROUND:

The 2004-2005 budget structure is based upon the effort to meet the needs of the continuing growth of the student population. The process included prioritizing needs and resources necessary to ensure quality instruction, improving facilities, and meeting the needs of the institution's constituents.

Arkansas State University- Mountain Home is committed to improvements in learning by providing quality instruction, increased employee salaries, excellent facilities, relevant academic programs, and serving the needs of business and industry.

Financial concepts are as follows:

- The estimated income for the 2004-2005 fiscal year is predicted to be \$6,294,258. This figure represents a 7% increase from the 2003-2004 approved budget;
- The budget is balanced with \$85,000 from private funds;
- Personnel: The budgeted expenditures reflect an increase in both part-time instructional salaries and summer instructional salaries, lecture concert series, classified staff merit fund, and one additional employee for student services;
- Salaries: Classified staff salaries are calculated as stipulated by Act 22 of 2003. Employees with a salary of \$21,128 or less will receive a \$570 increase. Those above the \$21,128 will receive a 2.7% increase. Budgeted funds are available for the Career Ladder Incentive Program. Faculty salaries are increased by 2.7% across the board with an attempt to reach the average two year faculty salary along with merit for individual exceptional performance. Administrative salaries were increased by 2.7% and a merit pool for exceptional performance;
- Instructional Supplies and Services: The expenditure budget for supplies will remain at the 2003-2004 level with exception of some adjustments in selected departments, and;
- Capital Outlay: Funds for equipment are not included in this budget. Essential equipment for the year will be provided for by grants, private funds, and transfers from supplies and services.

The Arkansas State University-Mountain Home budget is \$6,294,258 for Educational and General Operations. Auxiliary Operations are only budgeted for income. There are no Auxiliary Operations expenses anticipated.

EXECUTIVE SUMMARY

Contact: Dr. Les Wyatt 972-3030

ARKANSAS STATE UNIVERSITY -SYSTEM OFFICE

BACKGROUND:

The System Office was established for fiscal year 2000-2001. The system office funding is currently included in the Arkansas State University-Jonesboro state appropriations for fiscal year 2004-2005, but has been funded on the Department of Finance and Administration forecasts in the amount of \$1,400,000 as a non-formula funded item. In addition to the \$1,400,000 funded at the state level, Arkansas State University-Jonesboro will transfer funds in the amount of \$210,925. The System Office continues to provide institutional support for all campuses.

The Arkansas State University - System Office budget is \$1,610,925 for Educational & General operations.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University is authorized to execute the fiscal year 2004-2005 budget in the amount of \$134,368,656 as summarized on the Attachment for Education and General Expenses, and \$21,937,198 for Auxiliary Operations.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

ACTION ITEM: Arkansas State University-Jonesboro requests approval of summer 2004 private athletic camp agreements.

ISSUE: Arkansas State University-Jonesboro wishes to contract with certain athletic personnel to conduct various private athletic camps on the Jonesboro campus. These camps are designed to bring future students to Arkansas State University due to their exposure to its facilities and personnel while engaged in program activities. Additionally, funds are generated and paid to ASU to cover the use of its facilities and auxiliary services.

BACKGROUND:

- Act 707 of 1981 entitled “AN ACT TO SAFEGUARD THE STATE’S INTEREST IN INSTITUTION-OWNED FACILITIES; AND FOR OTHER PURPOSES,” empowers the Boards of Trustees of the state institutions of higher learning to grant permission to employees of such institutions to conduct, on and in campus facilities, certain outside work for private compensation (as described in the Act) which are to be engaged in only after they have discharged fully, their employment responsibilities to such institutions.
- The Act grants the Board the non-delegable duty to make express findings of fact as follows:
 - the activity in question involves no conflict of interest with the mission and purpose of the institution itself;
 - the activity proposed would bring to the campus a significant number of persons who are potentially future students who might tend to enroll on that campus as a result of their exposure to its facilities and its personnel while engaged in this activity; and
 - the contemplated activity will, as a part thereof, generate funds to be paid to the state institution for housing, meals, and for the use of other institutional resources which will produce significant revenues in support of the auxiliary functions of the particular campus serving its enrolled students.
- The following contracts comply with Act 707 of 1981.
- The 2004 contracts are with the following individuals:
 - Brian Boyer (Head Women’s Basketball Coach)
June 13– 16, 2004; June 20 – 26, 2004
 - Craig Cummings (Head Volleyball Coach)
July 6 – 8, 2004; July 19 – 21, 2004

EXECUTIVE SUMMARY

Contact: Jennus Burton 972-3303

Keith Kessinger (Head Baseball Coach)
June 14 – 18, 2004; June 21 - 25, 2004

Dickey Nutt (Head Men's Basketball Coach)
June 27 – July 1, 2004; July 16 – July 18, 2004

Steve Roberts (Head Football Coach)
June 10 – 12, 2004

Marcia Williams (Women's Tennis Coach)
July 7 – 10, 2004

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro be authorized to enter into the agreements submitted, for the purpose of allowing certain athletic personnel to conduct private athletic camps on and in Arkansas State University-Jonesboro campus facilities.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen 870-972-2030

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to restructure the College of Business, effective August 15, 2004.

ISSUE: The Board of Trustees must approve the reorganization or addition of any new administrative or instructional unit within the institution prior to submission to the Arkansas Higher Education Coordinating Board.

BACKGROUND

The College of Business proposes to add an additional department, the Department of Computer and Information Technology (CIT), and to realign two of the three remaining departments. The proposed changes are as follows:

- Move the Management Information Systems, Supply Chain Management, and Operations faculty from the Department of Economics and Decision Sciences to a new department to be known as the Department of Computer and Information Technology.
- Move the Finance faculty from Department of Accounting, Finance, and Law and the Economics faculty to a renamed department, the Department of Economics and Finance.
- Rename the Department of Accounting, Finance, & Law, the Department of Accounting and Law.
- There will be no change in the name or structure of the Department of Management and Marketing.

After these changes, the College will include four academic departments (Accounting and Law, Computer and Information Technology, Economics and Finance, and Management and Marketing) and the Delta Center for Economic Development.

These changes will allow:

- The ability to focus on opportunities for developing strategic initiatives that will serve all constituents.
- Better utilization of the resources of the Horizon Institute of Technology, Arkansas Rural Sourcing Incorporated, the Cardinal Health Virtual Internship Program, and the College of Business Information Technology Advisory Board.
- Ability to focus on new initiatives such as Radio Frequency Identification (RFID), streaming video, XML services, grid computing, ERP technologies, finance, public policy analysis, and managerial economic policy.

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen 870-972-2030

- A better opportunity to focus on research and contracts associated with computing, IT, information systems management and contract research associated with governmental agencies and private firms including commercial banks and investment banks.
- Pursuit of faculty development needs and staffing of graduate programs.

State appropriations and ASU tuition receipts will provide the primary funding for the new and realigned departments. The currently budgeted funds will be reallocated based on the disciplines and faculty in each of the departments. External funding will be used to enhance programs and professional development and to acquire software and hardware. The recently established endowed professorships will be awarded to attract or retain outstanding faculty in the designated fields. Nevertheless, the distinct and clear identity sought by this reorganization is intended to stimulate support through relationships with industry and governmental entities, and increase the grants and contracts opportunities.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to restructure the College of Business, effective August 15, 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen 870-972-2030

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer a new program, Bachelor of Science in Early Care and Education, effective August 15, 2004.

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:

There is increasing momentum in the United States to increase the quality of care received by very young children in a variety of settings, such as Head Start/Early Head Start, pre-kindergarten programs, and child care. Reports such as the National Academies' publication, *Eager to Learn*, recommend that the early care and education providers in such settings should have, at minimum, Baccalaureate degrees. Head Start is increasing the professionalism of its staff, requiring at least half of all staff to have at minimum an AA/AS degree and encouraging staff to continue in their personal and professional development. Reauthorization of Head Start legislation is likely to require staff to have baccalaureate degrees within the next six years and provide funding to Head Start agencies to support staff in earning these degrees. This BS in Early Care and Education program was developed to meet the needs of those individuals who wish to further develop their professional abilities in the expanding field of early care and education, yet do not wish to pursue licensure to teach in public schools or do not wish to meet licensure requirements, such as minimum performance on state-mandated standardized tests.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer a new program, Bachelor of Science in Early Care and Education, effective August 15, 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen 870-972-3030

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer a new program, Graduate Certificate in Criminal Justice, effective August 15, 2004.

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:

There is a need to provide professional training to criminal justice professionals in the Northeast Arkansas region. This is due to the ongoing need to respond to criminal activity that is concomitant with the economic and population growth that is evident in this area of the country. In addition, changing needs of the law enforcement community need to be responded to in light of post-9/11 circumstances.

These needs, combined with the expertise offered by faculty at Arkansas State University-Jonesboro in criminal justice and public management provides the opportunity to develop lasting and mutually beneficial ties between ASU and the region's law enforcement community. Specifically, we see the need to first establish a Certificate in Criminal Justice that will serve the training needs of upper-echelon criminal justice professionals by providing both a free-standing certificate and a tracking module for the National Association of Schools of Public Affairs and Administration accredited Masters of Public Administration program. Second, this certificate program will serve as an indicator of the need for a Leadership Institute that will be built over the upcoming years to capitalize upon regional needs and state and federal resources.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer a new program, Graduate Certificate in Criminal Justice, effective August 15, 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen 870-972-2030

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer a new emphasis, Global History, in the Master of Arts in History, effective August 15, 2004

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 addition of a Global History emphasis to the existing Master of Arts in History will allow graduate students to specialize in global history (an integrated approach to the history of the world). This program will introduce students to the theoretical and practical issues facing teachers and practitioners of global world history. The state of Arkansas now requires that world history be taught in all secondary schools, and all the community colleges in the state also teach world history. Yet there are only a handful of programs in the United States which offer graduate work in global history, and none in Arkansas. This program will serve local and regional needs, and might serve national needs as well.

The new emphasis will be available to students enrolled in the MA with a major in History. It will require a student to take Theory and Practice of Global History, Seminar in Global History and nine hours of additional global history courses, within a degree requiring 30 hours of graduate credit.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer a new emphasis, Global History, in the Master of Arts in History, effective August 15, 2004

Richard Bell, Secretary

Mike Medlock, Chair

Arkansas State University
Board of Trustees
May 7, 2004
Resolution 04-21

EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay 501-882-8300

ACTION ITEM: Arkansas State University-Beebe requests board approval to increase residential board rates by \$50 (8%) per semester effective with the fall semester 2004.

ISSUE: The cost of providing a quality food service program to residential students increases on an annual basis. Inflation of food, labor, and utility expense requires the university to consider increasing the board plan.

BACKGROUND:

- The food service operation struggles to operate on a balanced budget each year.
- Students have requested new menu items and a broader selection of types of food.
- The university's food service management company has reported the cost of foods and labor inflates on an annual basis.
- The university has not raised the board rates in three years.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe be authorized to increase the residential board rate to \$668 per semester effective with the fall semester 2004.

Richard Bell, Secretary

Mike Medlock, Chair

Arkansas State University
Board of Trustees
May 7, 2004
Resolution 04-22

EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay 501-882-8300

ACTION ITEM: Arkansas State University-Beebe requests board approval to increase the Quality Improvement Fee (QIF) for ASU-Heber Springs from \$2 per credit hour to \$5 per credit hour beginning with the fall semester 2004.

ISSUE: The Arkansas State University Board of Trustees must approve all student fee changes.

BACKGROUND:

The Arkansas State University-Heber Springs campus would like to follow suit with the Beebe campus and increase the QIF fee to \$5 to generate more revenue to support technology and equipment for use by students and faculty. The Beebe campus raised this fee beginning with the fall semester 2003.

The enrollment growth at Heber Springs is translating into new demands of technology and equipment funds for use in instruction and academic support areas. This fee generates monies earmarked for areas that have direct use by students such as classrooms, laboratories, and the Learning Center/Library. ASUHS wishes to implement the new fee rate beginning with the fall semester 2004.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe be authorized to increase the Quality Improvement Fee at Arkansas State University-Heber Springs from a \$2 per credit hour fee to a \$5 per credit hour fee beginning with the fall semester 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay 501-882-8300

ACTION ITEM: Arkansas State University-Beebe requests board approval to change the internet fee from a flat fee of \$20 per course to a per credit hour fee of \$10 per credit hour for classes taught on the internet beginning with the fall semester 2004.

ISSUE: Arkansas State University Board of Trustees must approve all student fee changes.

BACKGROUND:

- The university began teaching courses on-line in 1999.
- A \$20 Internet Fee per course was authorized to provide funds to support the cost of delivering the instruction via the web.
- In the spring semester 2004, the university has 857 students enrolled in 53 on-line courses. (521-Beebe, 322-Heber Springs, and 14-LRAFB)
- The \$20 flat fee does not provide adequate support funds to assist with the delivery of on-line courses.
- Using a \$10 per credit hour fee in lieu of the flat fee would increase the revenue by 50%.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is authorized to change the Internet Fee to a \$10 per credit hour fee beginning with the fall semester 2004.

Richard Bell, Secretary

Mike Medlock, Chair

Arkansas State University
Board of Trustees
May 7, 2004
Resolution 04-24

EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay 501-882-8300

ACTION ITEM: Arkansas State University-Beebe requests board approval to charge a \$35 fee for the private Applied Voice and Applied Piano courses beginning with the fall semester 2004.

ISSUE: The Arkansas State University Board of Trustees must approve all student fee changes.

BACKGROUND:

- The university will offer Applied Voice and Applied Piano in the fall semester 2004.
- The one credit hour courses will include 15 private instruction sessions.
- The applied courses will provide one component toward a college level music program.
- Revenue is needed to offset the cost of the private instructor and the equipment.
- The university proposes a \$35 fee for the one hour Applied Voice and Applied Piano.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is authorized to charge a \$35 fee for private Applied Voice and Applied Piano courses beginning with the fall semester 2004.

Richard Bell, Secretary

Mike Medlock, Chair

EXECUTIVE SUMMARY

Contact: Pat Bailey, 870-508-6102

ACTION ITEM: Arkansas State University-Mountain Home requests the authority to offer the Associate of Applied Science in Respiratory Therapy and a Proficiency Certificate in Phlebotomy beginning August 2004.

ISSUE: The Arkansas State University Board of Trustees must approve all new academic degree programs before they can be submitted to the Arkansas Higher Education Coordinating Board.

BACKGROUND:

- The proposed Associate of Applied Science degree in Respiratory Therapy is a 65 semester hour program that is designed to meet the growing demand for professionals in this field. Respiratory therapy is one of the fastest growing professions, and the need for respiratory therapists is expected to double in the next five years. The primary responsibility of a respiratory therapist is to care for patients with deficiencies and abnormalities of the cardiopulmonary system. Respiratory therapists are needed in hospitals and other health-related facilities twenty-four hours per day, seven days per week. The national average median salary for this occupation is \$34,000.
- The proposed Certificate of Proficiency in Phlebotomy is a seven semester hour program that is designed to meet the growing demands from the public, physicians, hospitals, and other health-related facilities. The primary function of a phlebotomist is to collect, test, and transport blood and other laboratory samples. Phlebotomists are in high demand, and vacancies have increased significantly. The need for trained personnel in this area is very important because their skills are needed twenty-four hours per day, seven days per week. The national average hourly wage for a phlebotomist is \$7 to \$10 per hour.
- Baxter Regional Medical Center, located in Mountain Home, will partner with ASU-Mountain Home to offer both of these programs. The hospital will provide equipment, clinical experience, and financial support to ensure that the programs are successful.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Mountain Home be authorized to offer the Associate of Applied Science in Respiratory Therapy and the Proficiency Certificate in Phlebotomy beginning fall 2004.

Richard Bell, Secretary

Mike Medlock, Chair

**ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES**

RESOLUTION

A Resolution for the recognition of significant contributions to
Arkansas State University

By

Larry Lacewell

WHEREAS, the Board of Trustees has retained to itself the authority to name facilities of the University in honor of individuals who have significantly distinguished themselves through service and support to the nation, the state, the community, or the University; and

WHEREAS, Larry Lacewell served as the head football coach and director of athletics for 11 seasons; and

WHEREAS, Larry Lacewell's first full-time coaching job was at Arkansas State in 1960; and

WHEREAS, Larry Lacewell joined Arkansas State as an unpaid volunteer assistant in 1978, and assisted the 1978 team to go 7-4 and to win a share of the Southland Conference championship. In that season, ASU's defense was ranked seventh nationally in total defense and first in all SLC defensive categories; and

WHEREAS, Larry Lacewell was named head coach in 1978 and officially became athletic director in July, 1979. Lacewell advanced to the NCAA I-AA playoffs four straight years (1984-87) and played in the 1986 national championship game; and

WHEREAS, Larry Lacewell went on to capture league titles in 1985 and 1986 and was consistently nationally ranked in the I-AA polls; and

WHEREAS, Larry Lacewell was named Southland Conference Coach of the Year in 1985 and 1986 and District V Coach of the Year in 1986; and

WHEREAS, Larry Lacewell holds the record for the most wins by an ASU football coach and an overall record of 69-58-4; and

WHEREAS, Larry Lacewell was inducted into the ASU Hall of Honor in 1987 and into the Arkansas Hall of Fame, he coached five All-Americans (Carter Ray Crawford was named twice), 23 Honorable Mention *Associated Press* All-American picks, a Conference Player of the Year and 24 all-conference players.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Arkansas State University, that the football locker room in the ASU Football Complex on the Jonesboro Campus shall be named and henceforth known as

The Larry Lacewell Locker Room

DULY ADOPTED AND APPROVED this 7th day of May 2004

Leslie Wyatt, President

Mike Medlock, Chair

Florine Tousant Milligan, Vice Chair

Richard Bell, Secretary

Dallas Wood, Member

Mike Gibson, Member