

AGENDA
ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES
March 9, 2007
10:00 a.m.
Newport Campus

- I. Call to Order
Mr. Mike Gibson, Chair
- II. Approval of the Minutes of Meetings
January 10, 2007
- III. President's Report
Reports of the Officers
- *IV. Agenda
 - Resolution authorizing ASU-Jonesboro to increase the residence life and meal plan rates by 4.8%.
 - Resolution authorizing ASU-Jonesboro to implement a \$5 per credit hour fee to fund a new student recreational center on the Jonesboro campus.
 - Resolution authorizing ASU-Jonesboro to borrow a sum sufficient to construct two new residence hall projects, address major deferred maintenance needs for existing residence halls, construct a new student recreation center on campus, and refund an existing housing issue to achieve interest savings.
 - Resolution approving ASU-Jonesboro to offer a waiver of the out-of-state portion of the tuition costs in the form of a scholarship to all graduate students who meet stated criteria.
 - Resolution approving ASU-Jonesboro to offer a waiver of the out-of-state portion of tuition costs in the form of a scholarship to undergraduate students who meet stated criteria.
 - Resolution approving ASU-Jonesboro to enroll ASU-Jonesboro graduates at the bachelor's level and beyond, who are not Arkansas residents, and their dependents at Arkansas resident tuition and fee rates.
 - Resolution approving ASU-Jonesboro to offer the Bachelor of Science in Radiologic Sciences with Emphasis in Magnetic Resonance Imaging.
 - Resolution approving ASU-Jonesboro to offer the Bachelor of Applied Science.
 - Resolution authorizing ASU-Beebe to revise the Promotion, Retention, and Tenure Policies and Procedures.

- Resolution approving ASU-Mountain Home to offer the Certificate of Proficiency and Technical Certificate in Banking.
- Resolution approving ASU-Mountain Home to offer the Certificate of Proficiency in Medication Assistant-Certified.

V. Executive Session

*VI. Approval of Personnel Actions

VII. Other Business

*VIII. Adjournment

*Action Items

Arkansas State University
Board of Trustees
March 9, 2007

The Arkansas State University Board of Trustees met on Friday, March 9, 2007, in the Merchants and Planters Room of the Student Community Center on the Newport campus. Chair Mike Gibson called the meeting to order at 10:07 a.m. Board members present were: Mr. Mike Medlock, Vice Chair; Col. Dallas Wood, Secretary; Mrs. Florine Tousant Milligan; and Mr. Jim Pickens. Father Russell Snapp, rector of St. Paul's Episcopal Church, delivered the invocation.

Minutes

Upon motion by Col. Wood, second by Mr. Pickens, the minutes of January 10, 2007, were approved.

AYES: Gibson, Wood, Medlock, Milligan, Pickens

NAYS: None

Campus Reports

Newport

Chancellor Larry Williams reported:

- Enrollment set a spring record of 1,018 or a 7% increase with a total headcount enrollment of 1268 or 1.8% increase over spring semester 2006. This is attributed to the dedicated faculty and staff.
- Ms. Tillie Adams was recognized for her completion of an Associate of Arts degree in Liberal Arts. Ms. Adams took advantage of the senior citizen tuition waiver to obtain the degree. Former United States Senator Kaneaster

Hodges of Newport drafted the bill for this waiver. Mr. Hodges, now chair of the Arkansas Higher Education Coordinating Board, delivered remarks concerning Act 1975 number 678, which provides free tuition to senior citizens throughout the state.

- Dr. Allen Mooneyhan was recognized as president-elect of Arkansas Association of Two-Year Colleges.
- The Arkansas Delta Training and Education Consortium (ADTEC) will receive a national recognition award by the Southern Growth Policies Board for innovative leadership. The award will be presented on June 3-5 in St. Louis, Missouri. Arkansas was chosen from a group of 13 states for the award. ASU-Newport joined ADTEC this past year and as part of current legislation will be receiving \$200,000 to assist in implementing various manufacturing programs to meet curriculum needs of industries.
- On February 23, 2007, Ms. Emily DeRocco, assistant secretary of the United States Department of Labor, along with Governor Mike Beebe and Congressman Marion Berry presented an award of \$5.1 million for an Arkansas Delta Workforce Innovations Regional Economic Development (ADWIRED) grant to the 12 Delta counties involved in the proposal, which includes Arkansas State University-Jonesboro and Newport. The first \$500,000 will be used for the development of the program over the next 12 to 14 months. This will be followed by \$4.5 million to be divided among the participating institutions. The focus of those funds are for the Arkansas

Delta Workforce Innovation Regional Economic Development Academies, which asks that colleges and universities partner with industry and philanthropic organizations to look at innovative approaches in meeting the needs for new and existing business in the Delta with an emphasis on technology.

Beebe

Chancellor Eugene McKay reported:

- On January 18, 2007, the Practical Nursing program received an award from the State Board of Nursing for having a 100% pass rate on the National Licensure Exam for Practical Nurses for the past five years. Ms. Gail Burton of the ASU-Searcy campus is the program director.
- Phase I construction at the Searcy campus is underway with Phase II to begin as soon as Phase I is completed. At this time, an architect is being selected to assist in the planning of Phase II.
- The Heber Springs campus building is well under construction with an expectation to be in the building by the fall 2007.
- On March 29-31, ASU-Beebe will host an 80th anniversary celebration. Created in 1927, it is the oldest two-year college in the state. In 1955, it was the first branch campus to become part of a system when it joined ASU.

- Preliminary planning is underway for the construction of a new facility to house the Veterinary Technology program approved in December 2005. Beginning in the fall, students will be housed in temporary facilities.

Mrs. Milligan asked if there was a method of sharing the tools, techniques, and strategies behind the success of the Practical Nursing program with other campuses. Dr. McKay said there was none in place at this time, but that he would follow up and share that information. Dr. Wyatt stated that the State Board of Nursing maintains records which indicate that all of the ASU campuses are at the top of the charts, including Jonesboro which has a 92% licensure.

Jonesboro

Chancellor Robert Potts stated:

- The campus has been selected to be included in an inaugural cohort of the Higher Learning Commission Assessment Academy. Because of this, no interim report will be needed in March 2008. Work is now being completed in the areas of shared governance and strategic planning to prepare for a HLC follow-up visit on March 3-4, 2008.
- Enrollment in both undergraduate and graduate levels is up. The application and admittance counts are well above last year's numbers.
- There are a record number of students living on campus. A resolution is being submitted today for approval to construct new residence halls to meet the growing demand.

- The consulting services of the Compass Group have been selected to assist with the development of the capital campaign. They have begun to work with the Advancement staff and others to plan the details of the campaign.
- Total Foundation assets are over \$42 million.
- The Athletic Department will generate a significant amount of revenue in football for the 2007 season with six home games in Jonesboro. The men's and women's basketball teams represented ASU well at the Sun Belt Conference in Lafayette, LA.
- A committee will be appointed to study the mascot issue.

Mountain Home

Chancellor Ed Coulter reported:

- Ms. Carol Gresham was introduced as the new Vice Chancellor for Development.
- Several students and staff will travel to Tampa, Florida, to attend the American Association of Community Colleges (AACC) 87th Annual Convention. Chancellor Coulter is the current chair of the AACC Board of Trustees.
- A brief PowerPoint presentation depicted the origin and future of the campus. In order to speed up the building process, an MOF (Method of Finance) has been submitted to the state and has been approved that the Allied Health facility will be paid for without the bond money, because the bond money has not yet been finalized. A bid opening for the facility will be

held on April 3 with a groundbreaking ceremony tentatively scheduled for May 2.

- An article "Ethics...Who's Watching?" by Chancellor Coulter was published in the *Community College Journal* which included a survey, "Rating the Most Ethical Occupations." College teachers ranked eighth in the combined percentage of Americans describing ethics as "very high" or "high."
- Spring enrollment is down by 30 students, which is directly related to the December 2006 graduation of 122 students. A table was referred to that gave the December graduation rates from 1998-2006. While the graduation of 122 students is phenomenal, it is hard to replace that number of students. Col. Wood asked if there was a tracking mechanism in place to track those 122 students to see if they go on to ASU, another four-year institution or to work. Chancellor Coulter responded that tracking is done by the Jonesboro campus, but that every effort is made to encourage students to continue their education at ASU.

SYSTEM

President Les Wyatt introduced Robert Evans, Executive Director for Governmental Relations for comments:

- A resolution has been enacted to extend the 86th General Assembly to March 30 or 31. One of the most significant tax reforms passed was the repeal of 3% sales tax on groceries. In general revenue, decisions were made based on the cost of secondary education due to the Lakeview

adequacy study. The determination for the school funding formula has passed the Senate and now goes to the House. Another key item is the cost of academic facilities. Studies done by the Academic Facilities Taskforce released this week indicate that funding will come from the surplus General Improvement Fund (GIF), which is \$456 million for secondary facilities in the state. These were the three key areas to be addressed prior to developing the Revenue Stabilization Act and the General Improvement Fund distribution. They have occurred because of the cohesive efforts of the Governor and legislators. The Governor's executive balanced budget recommendation is still intact, it remains hopeful that the recommendation of 10% new funding for higher education or \$64 million and 10% rolling base plus 4% in the second biennium will pass. The next item to be discussed will be what to do with the remainder of surplus of the General Improvement Fund. The Governor has introduced capital project recommendations that have been incorporated with the joint budget bills. All the recommendations for ASU campus projects such as the Jonesboro campus replacement of Wilson Hall are included. Currently \$16 million has been indicated for disposal. Mr. Evans recognized many area legislators for their efforts to obtain funding and introduce and support legislation that will benefit the state, region, and the entire ASU System of campuses.

President Wyatt continued:

- Two specific areas under discussion by the Legislature that affect all campuses, textbooks and the relationship of university bookstores that sell textbooks and personnel staffing issues, have been closely monitored.
- A recommendation has been made by Governor Beebe to create a University Center at Mid-South Community College in West Memphis. This is a portion in the language of the funding for the ADWIRED program. There are two University Centers in Arkansas, one in Blytheville and the other in Fort Smith. The University Center at Fort Smith, now recognized as University of Arkansas Fort Smith, is a four-year baccalaureate institution. The program at Blytheville, which was formerly a part of the University Center placed at Mississippi County Community College, still exists. Neither of these centers were ever funded by the state. Funding issues for the University Centers were addressed in 1995 with the then chair of the Department of Higher Education. Governor Beebe now proposes a new degree center at West Memphis and to fund that institution with a \$2 million appropriation from the General Improvement Fund. The concept of the new University Center will be to provide baccalaureate degrees that will be in addition of the two-year degrees offered by Mid-South Community College. The concern is that ASU has been the only provider of baccalaureate, masters, and doctoral programs in the 1st District of East Arkansas. The introduction of other universities in the area is considered to be in direct competition with programs offered by

ASU. ASU also has benefited from the transfer relationship of students who matriculate from the two-year institutions in Blytheville, West Memphis, Forrest City, Newport, Beebe, and Mountain Home. The intrusion of many providers may allude to the capability of ASU to meet the needs of these students. Funding also is an issue. ASU has worked hard to develop programs at the two-year campuses at the expense of funding for the Jonesboro campus. Separate funding is needed in the development of these programs which historically enroll over 6,000 students and produced more than 250 graduates from those programs. Discussions with the Governor, state representatives, the Department of Higher Education, and Dr. Glen Fenter, President of Mid-South Community College are on-going.

- Many individuals from the ASU campuses have met with elected officials and their staffs in Washington, DC, in an effort to keep before them the list of needs of ASU and the funding necessary to meet those needs as the 2007 budgets are compiled.
- Economic development activities continue as ASU and all the campuses work collectively with prospective industries to provide specialized instruction which will aid their efforts in procuring a well-trained workforce.
- A document is being compiled to define board accountability. In January 2007, the Association of Governing Boards (AGB) issued a report on the subject. In the coming months, information will be shared and a response will be formulated.

- ASU's Office of Publications and Creative Services recently won three awards at the District IV CASE (Council for Advancement and Support of Education) conference in Dallas. In Category 60, "Institutional Identity Programs," the "Powering Minds" Branding Campaign received the first place Gold level Grand Award.

- **Agenda**

- Resolution authorizing ASU-Jonesboro to increase the residence life and meal plan rates by 4.8% effective fall 2007 semester.

The proposal is below average of increases of the past seven years and is consistent with increases being requested by all other campuses in Arkansas. It also will be used to build and develop a reserve for emergency maintenance situations related to housing.

Upon motion by Mrs. Milligan, second by Col. Wood, Resolution 07-10 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution authorizing ASU-Jonesboro to implement a \$5 per credit hour fee to fund a new student recreational center on the Jonesboro campus.

Chancellor Potts provided copies of letters from the SGA and the Faculty Senate. He recognized Tiffny Frazier, president of the Student Government Association. The SGA has voted on and approved the financial support for this project because it will allow ASU to remain competitive with other institutions in

attracting and retaining students as well as encouraging students to maintain a healthy lifestyle. The Faculty Senate chose not to take a formal position on the issue and listed the following concerns: Fees are already excessive and could have a negative impact on enrollment; a per hour fee is not the best type of fee as students who carry more hours will pay more in fees; and this fee could adversely affect the universities ability to assess other fees to meet academic needs in the future. Chancellor Potts recommended approval.

Upon motion by Col. Wood, second by Mrs. Milligan, Resolution 07-11 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution authorizing ASU-Jonesboro to borrow a sum sufficient to construct two new residence hall projects, address major deferred maintenance needs for existing residence halls, construct a new student recreation center, and refund an existing housing issue to achieve interest savings.

Record increased enrollment has created a need for more housing. The proposal includes a provision to provide 198 bed apartment complex, a new 240 bed honors hall, and a 65,000 square foot student recreation center, as well as \$2 million to address major deferred maintenance needs for existing residence halls. These facilities will be parallel with the construction of new academic buildings such as a new business building, renovation of Chickasaw, and the possibility of a

new nursing building, and the probability of an academic replacement for Wilson Hall.

Mr. Jennus Burton, vice president for Finance and Administration, said the maximum amount would be \$40.4 million for all the projects. Each one of the housing projects must stand on their own and meet the 120% test and they do. The student recreation center price is guaranteed by the \$5 per hour fee for the bond repayment and the extra \$2 per hour will be used to operate the facility. In terms of debt service, there is a large capacity for E&G bonds, but each housing bond must stand on its own. Funding for E&G can be 25% of tuition and fees and is estimated at 11-12%.

Upon motion by Mr. Medlock, second by Mr. Pickens, Resolution 07-12 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution to approve ASU-Jonesboro to offer a waiver of the out-of-state portion of the tuition costs in the form of a scholarship to graduate students who meet stated criteria.

The proposal affects only the Jonesboro campus as the two-year institutions will have separate proposals because of the differences in criteria. Dr. Susan Allen, vice chancellor for Research and Academic Affairs, stated that this is a marketing tool to increase the number of graduate students.

Upon motion by Mr. Pickens, second by Mrs. Milligan, Resolution 07-13 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution to approve ASU-Jonesboro to offer a waiver of the out-of-state portion of the tuition costs in the form of a scholarship to undergraduate students who meet stated criteria.

A resolution to waive the out-of-state portion of tuition costs in the form of a scholarship was approved September 26, 2006. This resolution is to clarify that the scholarship is available to undergraduate students who meet the criteria.

Upon motion by Col. Wood, second by Mr. Pickens, Resolution 07-14 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution approving ASU-Jonesboro to enroll ASUJ graduates at the bachelor's level and beyond, who are not residents of Arkansas, and their dependents, at Arkansas resident tuition and fee rates, effective July 1, 2007.

This proposal will remove the two-year waiting period which currently exists.

Upon motion by Mrs. Milligan, second by Col. Wood, Resolution 07-15 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution approving ASU-Jonesboro to offer the Bachelor of Science in Radiologic Sciences with Emphasis in Magnetic Resonance Imaging, effective August 2007.

Upon motion by Mr. Pickens, second by Mrs. Milligan, Resolution 07-18 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution approving ASU-Jonesboro to offer the Bachelor of Applied Science (BAS) in Manufacturing Technology, effective August 2007.

The degree will allow students who have completed an Associate of Applied Science or other similar associate degrees to be able to apply those degrees toward the requirements for a bachelor's degree. The degree has been requested by industrial prospects. The resolution will be modified by removing the "Associate of Arts in Teaching" in the second line of the background section.

Upon motion by Mr. Pickens, second by Col. Wood, Resolution 07-17 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution authorizing ASU-Beebe to revise the Promotion, Retention, and Tenure Policy and implement changes to be effective July 1, 2007.

Chancellor Eugene McKay stated that when the Searcy campus became part of the ASU-Beebe campus they were awarded the same rights and opportunities as other ASU-Beebe employees. This proposal will provide a structured process for faculty who seek tenure to develop a six-year tenure development plan. It also increases the tenure schedule from a five-year to a six-year pre-tenure track. Tenure will provide job security for faculty and will help the university retain the best instructors. Dr. Wyatt said that the Board has given allowances for variations among the two-year campuses and that the Beebe campus has had a tenure policy in place for many years. ASU-Newport has recommended a small number of tenured faculty and ASU-Mountain Home has none.

Upon motion by Mrs. Milligan, second by Mr. Pickens, Resolution 07-18 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution approving ASU-Mountain Home to offer the Certificate of Proficiency and Technical Certificate in Banking (Basic) beginning August 2007.

Upon motion by Mr. Pickens, second by Col. Wood, Resolution 07-19 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

- Resolution approving ASU-Mountain Home to offer the Certificate of Proficiency in Medication Assistant-Certified (MA-C) beginning August 2007.

Upon motion by Mrs. Milligan, second by Mr. Medlock, Resolution 07-20 was approved.

AYES: Gibson, Medlock, Wood, Milligan, and Pickens

NAYS: None

Upon motion by Col. Wood, second by Mr. Pickens, the Board voted to retire into executive session at 11:40 a.m.

AYES: Gibson, Medlock, Wood, Milligan, Pickens

NAYS: None

Mr. Gibson 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."

The Board reconvened at 12:36 p.m.

Upon motion by Mr. Pickens, second by Mr. Medlock, the academic appointments for Jonesboro and Beebe were approved.

AYES: Gibson, Medlock, Wood, Milligan, Pickens

NAYS: None

Upon motion by Mrs. Milligan, second by Col. Wood, the nonacademic appointments for Jonesboro, Beebe, Mountain Home, and Newport were approved.

AYES: Gibson, Medlock, Wood, Milligan, Pickens

NAYS: None

Upon motion by Mr. Medlock, second by Mr. Pickens, the nonacademic reassignments of duty for Jonesboro and Beebe were approved.

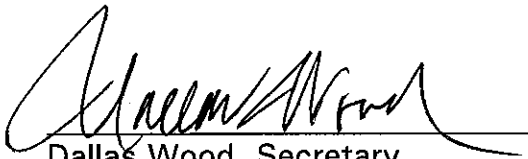
AYES: Gibson, Medlock, Wood, Milligan, Pickens

NAYS: None

With no further business and upon motion by Mr. Pickens, second by Mr. Medlock, the meeting adjourned at 12:38 p.m.

AYES: Gibson, Medlock, Wood, Milligan, Pickens

NAYS: None


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Rick Stripling (870-972-2048)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests authorization of a 4.8% increase in residence life rates and meal plan options for the 2007-2008 academic year.

ISSUE: Arkansas State University-Jonesboro requests additional revenue sources to fund increases in the costs to operate the residence facilities and dining services.

BACKGROUND:

- Installation and maintenance of security technology systems continue to significantly affect the residence life budget.
- Cost of living increase of 3% is anticipated for full-time employees for the 2008 fiscal year.
- As the age of our facilities continue to increase, more and more funds are spent maintaining/renovating the buildings and the systems that run the facilities; such as, mechanical, electrical, and climate.
- A reserve for repair, replacement, and renovation is needed for our aging plant.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to increase the residence life and meal plan rates by 4.8% effective for the fall 2007 semester.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Rick Stripling (870-972-2048)

ACTION ITEM: Arkansas State University-Jonesboro requests authorization to implement a \$5 per credit hour fee to begin in Summer II 2007. Monies collected from this fee will be used to fund a facility for non-academic recreation opportunities on the ASUJ campus.

ISSUE: Arkansas State University-Jonesboro requires additional revenue sources to fund the construction of a student recreational facility.

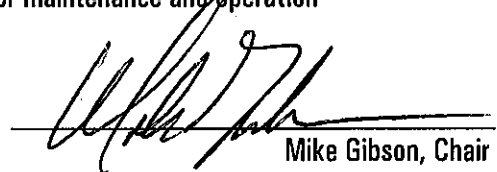
BACKGROUND:

- Fitness and health issues continue to be a major concern for college students, faculty, and staff.
- The current recreation facility, the Health, Physical Education and Sports Sciences (HPESS), is more than 30 years old and was originally constructed for the sole purpose of academic use which limits the time available for recreational use.
- The HPESS fitness facilities are very limited. The Fitness Club, located in the Student Union, is not large enough to accommodate the ASUJ student population.
- Recruitment efforts will be enhanced by ASUJ's ability to offer facilities already available on the campuses of our direct competitors. University of Central Arkansas, University of Arkansas, Henderson State, and Southeast Missouri State have recently built new recreation centers or are in the process of building such facilities.
- Retention rates are shown to increase when students are satisfied with college life and academic success. Studies show that involvement in co-curricular activities helps student develop friendships and enhances their social lives.
- Based on estimated credit hour production, the \$5 per credit hour fee will generate approximately \$1.15 million annually.
- When the building is complete the fee will increase to \$7 per credit hour for maintenance and operational purposes.
- The Student Government Association has voted on and approved the financial support for this project.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is authorized to implement \$5 per credit hour fee to fund a new student recreational center on the ASUJ campus. The fee will be effective in Summer II 2007. Upon completion of the facility, the fee will increase to \$7 per credit hour for maintenance and operation


Dallas Wood, Secretary


Mike Gibson, Chair

Executive Summary

Contact: Jennus Burton (870-972-3303)

Action Item: ASU-Jonesboro requests authorization to borrow a sum sufficient to construct two new residence hall projects, address major deferred maintenance needs for existing residence halls, construct a new student recreation center on campus, and refund an existing housing issue to achieve interest savings.

Issue: ASU-Jonesboro requires additional funding to complete the construction of a 198 bed apartment complex, a 240 bed honors hall, and a 65,000 square foot student recreation center, as well as \$2 million to address major deferred maintenance needs for the existing residence halls. ASU may be able to refund the outstanding March 1, 1999 Housing System Revenue Bonds to achieve interest savings. ASU will borrow these funds and repay them over time.

Background:

- ASU-Jonesboro has a need to construct and furnish two new residence halls to meet additional student demand. The two projects will provide additional 438 on-campus bed spaces to meet growing demand for student housing. The two projects will be an honors hall and an apartment-style project much like the existing Collegiate Park project. The honors hall would contain approximately 46,700 square feet and cost approximately \$7.2 million, while the new apartment project would contain approximately 80,200 square feet and cost approximately \$11.4 million.
- There is a current deferred maintenance backlog for residence life of approximately \$9 million. The high priority deferred maintenance projects for residence life would cost approximately \$2.2 million. ASU will address the deferred maintenance backlog by financing \$2 million now, using existing funding of \$216,000 and by producing approximately \$400,000 annually in capital renovation reserves. The high priority projects for residence life that will be addressed immediately upon completion of the bond sale are as follows:
 - Arkansas Hall Elevator Modification \$252,000
 - Arkansas Hall Roof Replacement 216,000
 - Kays Hall Elevator Modification 384,000
 - Kays Hall Roof Replacement 216,000
 - Kays Hall Steam Boiler Replacement 240,000
 - University Hall Cooling Tower Replacement 240,000
 - University Hall Domestic Hot Water Tank and Boiler Replacement 200,000
 - University Hall Elevator Modification 252,000
 - University Hall Roof Replacement 216,000
 - Total \$2,216,000

Executive Summary

Contact: Jennus Burton (870-972-3303)

- The estimate for constructing and furnishing the student recreation center project is \$15 to \$17 million. The student recreation center, depending on final construction costs, would house racquetball courts, basketball courts, indoor and outdoor pools, and other recreation spaces.
- ASU requires additional funds defined as capitalized interest to pay the debt service on the two residence life projects estimated as follows:
 - Honors Hall (estimated for 1½ years) \$750,000
 - New Apartments (estimated for 2 years) \$1,500,000
- The capitalized interest will be added to the bond issuance to size it so that construction costs and debt service costs will be paid until the units are occupied by paying students. ASU has used this financing technique to build its last few residence life projects.
- The Board issued its Housing System Revenue Bonds dated March 1, 1999, for the purpose of constructing the Collegiate Park apartments. It is likely that these bonds can be refunded with interest rate savings, now or in the future, by the issuance of refunding bonds. Based on current interest rates, it may be possible to achieve approximately \$20,000 annually in lower debt service.
- ASU will combine the student recreation center construction and furnishing costs; the deferred maintenance costs; and the cost of construction, furnishings and financing the two residence life projects into one bond issue to take advantage of lower costs of issuance. The total new bond issue size is estimated at \$37.4 to \$40.4 million. By combining these bonds into one issue, ASU will take advantage of lowering the fixed costs associated with selling the bonds, e.g., bond counsel fees, rating agency fees, offering statement printing fees, etc.
- The bond issue would be sold for 30 years at a rate not to exceed 5.05%. ASU would like to sell the bonds as early in calendar year 2007 as possible to take advantage of the lowest interest rates in the tax-exempt debt market in some 47 years. The Federal Reserve Bank, through Ben Bernanke's recent testimony, has decided to leave the bank borrowing rate unchanged; however, they did indicate that there are signs of some inflation on the horizon and this could signal a change in their interest rate philosophy by raising the bank borrowing rate. ASU would like to get the lowest interest rate possible in the market to keep the costs of the project at their lowest level to save our students money on the rental rate.

Executive Summary

Contact: Jennus Burton (870-972-3303)

- The apartment project facility would be built on 5 acres or less that ASU acquired from the Arkansas State College Foundation a few years ago. This location is outside the 10-minute walking distance of the Student Union. Consequently, the apartments will have small kitchens to allow food preparation. The new honors hall would be located between Kays Hall and University Hall. This distance is well within the 10-minute walking distance of the Student Union so this residence hall will require a meal plan. This will allow students who use the new facility to take advantage of the meal plan available in the Student Union.
- ASU-Jonesboro will need to hire a bond counsel and bond underwriter to structure, manage, and sell the long term bonds to finance these projects. ASU-Jonesboro will use Friday, Eldredge & Clark to act as bond counsel, and Stephens, Inc to act as underwriter for the issue. ASU will negotiate issuance costs to assure that they are reasonable and that they reflect costs of universities of similar size and with similar rate risk.
- The estimated annual debt service for the new bond issue (excluding the refunding bonds), at 30 years, for no more than 5.05% interest is \$2,446,810 to \$2,643,100. Residence Life would be responsible for \$22 million to \$ 23.4 million in bonds; or \$1,439,300 to \$1,530,900 in annual debt service. The student recreation center would be responsible for \$17 million in bonds; or \$1,112,200 in annual debt service. The student recreation center would be supported with an hourly fee charged to all students of \$5 per semester credit hour beginning July 1, 2007. Another hourly fee of \$2 per semester credit hour for operating costs will be assessed when the building opens. The opening could occur in the fall 2008 or spring 2009. The Student Government Association has voted on and approved the financial support for this project.
- The new residence life and student recreation center projects would be funded with auxiliary bonds, and they meet the Arkansas Department of Higher Education (ADHE) debt service test of 120% revenue compared to expense when other auxiliary net profits are included.
- This issue will need to be sent to ADHE for approval if the Board of Trustees approves these issues. The next regularly scheduled ADHE meeting is April 27, 2007, at Northwest Community College at Bentonville.

Executive Summary

Contact: Jennus Burton (870-972-3303)

- The new bonds shall mature over a period not greater than thirty (30) years. Moreover, the underwriters discount shall not be more than 1.2% of the principal amount thereof.

Recommendation/Resolution:

Be it resolved that Arkansas State University is authorized to issue bonds in an amount not to exceed \$40,400,000 for the purpose of permanent financing of future construction and furnishings of two new residence life facilities, \$2 million in critical deferred maintenance projects for residence life, future construction and furnishings for a new student recreation center, and other capital improvements. Furthermore, the ASU-System is authorized to engage the firm of Friday, Eldredge & Clark as bond counsel, and Stephens, Inc as the financial advisor and underwriter.

Be it further resolved that Arkansas State University is authorized to issue refunding bonds for the purpose of refunding the March 1, 1999, Housing System Revenue Bonds, provided that (1) the net present value interest savings equals not less than \$200,000, (2) the principal amount of the refunding bonds does not exceed \$8,100,000, (3) the average interest rate for the refunding bonds does not exceed 5.0% per annum, and (4) the underwriter's discount does not exceed 1.0%.

The chair of the Board, the president of the University, and the vice president for Finance and Administration are authorized to execute such writings and take such action as may be appropriate to cause the bonds to be issued, including without limitation, and with respect to each issue, the execution and delivery of a trust indenture or trust indentures, a Bond Purchase Agreement with the underwriter, a continuing disclosure agreement in compliance with the Securities and Exchange Commission Rule 15c2-12, and an Official Statement.

All prior resolutions in conflict with this new issue debt are hereby repealed to the extent of such conflict.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen (972-2030)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer a waiver of the out-of-state portion of tuition costs in the form of a scholarship to all graduate students who meet the following criteria:

- Graduate students with a cumulative undergraduate GPA of 3.000 or higher
- Attendance at ASUJ beginning on or after August 20, 2007
- Attend ASUJ with 6 or more hours of graduate level courses (Fall or Spring semester) or 3 or more hours of graduate level courses (summer terms)
- Residents of any one of the 49 states in the United States other than Arkansas or resident of any of the U.S. territories

ISSUE: The Board of Trustees must approve a differential tuition structure for out-of-state students who meet the criteria stated. Board of Trustees Resolution 06-36 passed in September 2006 allowed for the approval of out-of-state tuition waivers for undergraduate students. Graduate students should not be precluded from the same opportunity.

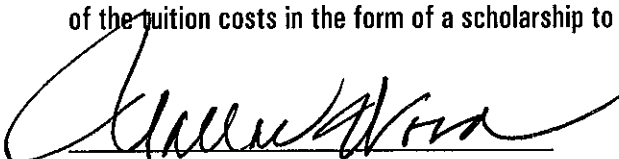
BACKGROUND:

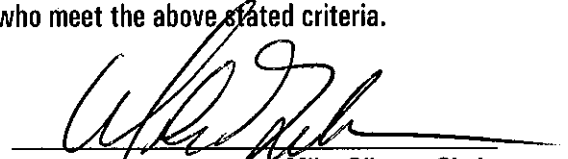
Recruitment of graduate students could be enhanced if ASUJ is able to promote the tuition cost for out-of-state graduate students as the same tuition cost for in-state students.

A similar policy was implemented for undergraduate students September 26, 2006.

RECOMMENDATION/RESOLUTION

Be it resolved that Arkansas State University-Jonesboro is approved to offer a waiver of the out-of-state portion of the tuition costs in the form of a scholarship to graduate students who meet the above stated criteria.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Rick Stripling 870-972-2048

ACTION ITEM:

Arkansas State University-Jonesboro (ASUJ) requests approval to offer a waiver of the out-of-state portion of tuition costs in the form of a scholarship to undergraduate students who meet the following criteria:

- High school grade point average of 3.000 or higher
- ACT composite score of 24 or higher or comparable SAT score
- Attendance beginning on or after August 20, 2007
- Attend ASU-J as a full-time student
- Resident of any one of the 49 states in the United States other than Arkansas or resident of any of the U.S. territories
- Student-athletes who receive athletic financial aid must meet NCAA requirements by ranking in the upper 10 percent of their high school graduating class or achieving a core-course grade-point average of at least 3.500 and achieve minimum ACT sum score of 105 or a minimum SAT score of 1200

ISSUE:

The Board of Trustees must approve a differential tuition structure for out-of-state undergraduate students who meet the criteria stated.

BACKGROUND:

- A resolution to waive the out-of-state portion of tuition costs in the form of a scholarship was approved by the ASU Board of Trustees on September 26, 2006. This resolution is to clarify that the scholarship is available to undergraduate students. A conditional statement regarding student-athlete eligibility for the scholarship has also been added.
- Recruitment initiatives could be enhanced if ASU-J is able to promote the tuition cost for out-of-state undergraduate students at the same tuition cost for in-state undergraduate students.
- Many states, including all six states bordering Arkansas, offer lottery-related scholarships for students who attend in-state colleges. This proposed waiver would allow ASU-J to lessen the cost difference for non-Arkansas residents who choose to attend ASU-J.
- Students may not be a recipient of any other ASU institutional scholarships.

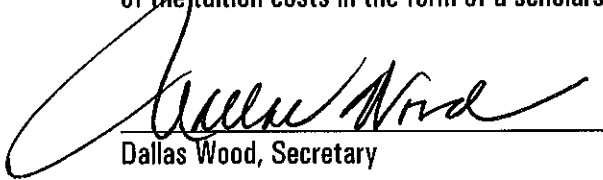
EXECUTIVE SUMMARY

Contact: Rick Stripling 870-972-2048

- Walk-on student-athletes who are not receiving athletic financial aid can receive this out-of-state waiver only by meeting the institutional requirements.
- This benefit is not available to students who attend ASU-J during the summer unless the student attended ASU-J full-time the previous spring semester.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer a waiver of the out-of-state portion of the tuition costs in the form of a scholarship to undergraduate students who meet the stated criteria.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen (870-972-2030)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to establish conditions upon which all ASUJ alumni who are non-residents of Arkansas can attend Arkansas State University-Jonesboro at Arkansas resident rates.

ISSUE: The Board of Trustees must approve tuition and fees policies of Arkansas State University-Jonesboro, and therefore, to extend resident tuition to all ASUJ alumni equally, including prior graduates who re-enroll, Board action is required.

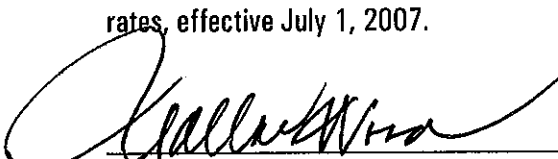
BACKGROUND:

This resolution will permit Arkansas State University-Jonesboro graduates at the bachelor's level and beyond, who are not residents of Arkansas, and their dependents to enroll at Arkansas State University-Jonesboro at Arkansas resident general registration tuition and fee rates.

Previously, graduates of the Jonesboro campus and their dependents who lived outside Arkansas were permitted to register at the ASUJ campus at Arkansas resident general tuition and fee rates, only if they had not enrolled in the university for a period of two years, following degree completion. This resolution will remove the two-year waiting period for ASU-J graduates.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to enroll ASUJ graduates at the bachelor's level and beyond, who are not residents of Arkansas, and their dependents, at Arkansas resident tuition and fee rates, effective July 1, 2007.



Dallas Wood, Secretary



Mike Gibson, Chair

Arkansas State University
Board of Trustees
March 9, 2007
Resolution 07-16

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen (870-972-2030)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer the Bachelor of Science in Radiologic Sciences with Emphasis in Magnetic Resonance Imaging (BSRS-MRI), effective August 2007.

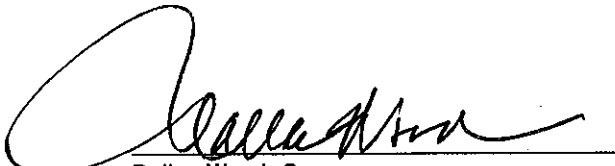
ISSUE: The Board of Trustees must approve any new program prior to seeking approval from the Arkansas Higher Education Coordinating Board.

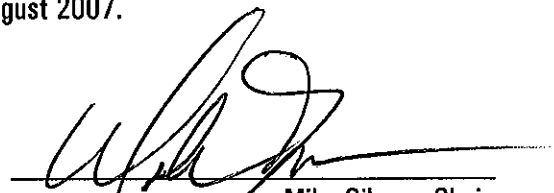
BACKGROUND:

The BSRS Emphasis in Magnetic Resonance Imaging will provide for the increasing need for trained specialists in this rapidly growing area of the health sciences. Once accredited, the program will be one of only four such accredited programs in the United States. The program will require core courses within the Bachelor of Science in Radiologic Sciences program and additional specialized MRI coursework and practicum. The addition of this emphasis area will allow ASUJ to offer a full range of specializations within the Radiologic Sciences program and assist in meeting the demands for qualified magnetic resonance imaging professionals within the state and region.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer the Bachelor of Science in Radiologic Sciences with Emphasis in Magnetic Resonance Imaging, effective August 2007.


Dallas Wood, Secretary


Mike Gibson, Chair

Arkansas State University
Board of Trustees
March 9, 2007
Resolution 07-17

EXECUTIVE SUMMARY

Contact: Dr. Susan Allen (870-972-2030)

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to offer the Bachelor of Applied Science (BAS), effective August 2007.

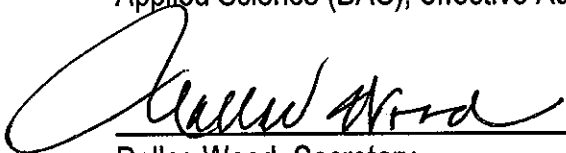
ISSUE: The Board of Trustees must approve any new program prior to seeking approval from the Arkansas Higher Education Coordinating Board.

BACKGROUND:

The Bachelor of Applied Science (BAS) degree will allow students who have completed technical career training via an Associate of Applied Science or other similar associate degrees to apply their entire associate degree (excluding remedial/developmental courses) toward the requirements of a bachelor's degree. The program is designed to help meet the need of growing industries in northeastern Arkansas and throughout the state with individuals who are technically trained with workplace leadership and management skills. This demand is increasing as new manufacturing companies are recruited into the region.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to offer the Bachelor of Applied Science (BAS), effective August 2007.



Dallas Wood, Secretary



Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay, (501) 882-8300

ACTION ITEM: Arkansas State University-Beebe requests the authority to revise its Promotion, Retention, and Tenure Policies and Procedures. The revised policies and procedures apply to all ASU-Beebe faculty at all of its campuses and sites.

ISSUE: Promotion, retention, and tenure (PRT) are awarded by the Board of Trustees acting through the president of the university based on recommendations of the chancellor; therefore, changes in PRT policy must be approved by the ASU Board.

ASU-Beebe's current Promotion, Retention, and Tenure Policies and Procedures were last revised in 2002 prior to the merger of ASU-Searcy into ASU-Beebe in July 2003. In late 2002, a merger agreement between Arkansas State University-Beebe and Foothills Technical Institute (now ASU-Searcy, *A Technical Campus of ASU-Beebe*) was signed by the president of Foothills Technical Institute, the president of the FTI Board of Directors, the chancellor of ASU-Beebe, the president of Arkansas State University, and the chair of the ASU Board of Trustees. One of the items of the merger agreement (item 11) was "Upon the merger, FTI employees become ASU-Beebe employees and, therefore, have the same rights and opportunities as other ASU-Beebe employees"

To implement this agreement, it is necessary to revise the Promotion, Retention and Tenure Policies and Procedures to include the faculty members at the Searcy campus.

BACKGROUND:

The Tenure and Promotions Review Committee at ASU-Beebe reviewed the Promotion, Retention, and Tenure Policies and Procedures and recommended revision.

This revision will accomplish several objectives:

- Defines and strengthens promotion and tenure criteria for all faculty, including academic transfer and technical/occupational.

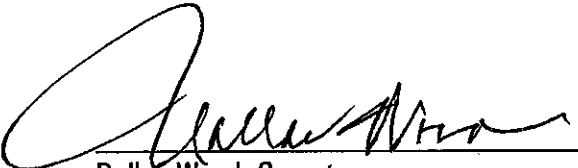
EXECUTIVE SUMMARY

Contact: Dr. Eugene McKay, (501) 882-8300

- Provides a structured process for faculty who seek tenure to develop a six-year tenure development plan, with annual reviews, a comprehensive mid-track review after three years, and an extensive review in the sixth year to validate accomplishment of requirements.
- Creates Tenure and Promotions Review Committees.
- Changes tenure schedule from a five-year to a six-year pre-tenure track.
- Implements a substantive Post-Tenure Review Process.
- Encourages professional development by rewarding progress through promotion incentives.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is authorized to revise the Promotion, Retention, and Tenure Policy and implement changes to be effective July 1, 2007.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Dr. Pat Bailey, 870-508-6102

ACTION ITEM: Arkansas State University-Mountain Home requests approval to offer a Certificate of Proficiency and a Technical Certificate in Banking (Basic) beginning August 2007.


ISSUE: The Arkansas State University Board of Trustees must approve academic certificates.

BACKGROUND:

- The development of the proposed Certificate of Proficiency and Technical Certificate in Banking (Basic) were requested by the banking community in Mountain Home and Flippin. There are currently 11 banks in Mountain Home, and each bank has at least two locations. An advisory committee comprised of members of the local banking community helped in the development of the degree.
- The proposed certificates will provide the instruction required for students to enter the banking industry in non-executive positions. In addition, these certificates are appropriate for individuals working in the field who would like to upgrade their skills and knowledge. The proposed Certificate of Proficiency will consist of 15 semester credit hours with the Technical Certificate consisting of 30 semester credit hours.
- This goals and objectives of these instructional programs focus on banking essentials, i.e., the role of banking in the U.S. economy and the purpose of specific banking functions. Through the study of accounting and economics, students will receive a foundation for better understanding the banking industry.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University Mountain Home be approved to offer the Certificate of Proficiency and Technical Certificate in Banking (Basic) beginning August 2007.


Dallas Wood, Secretary


Mike Gibson, Chair

EXECUTIVE SUMMARY

Contact: Pat Bailey, 870-508-6102

ACTION ITEM: Arkansas State University-Mountain Home requests approval to offer a Certificate of Proficiency in Medication Assistant-Certified (MA-C) beginning August 2007.

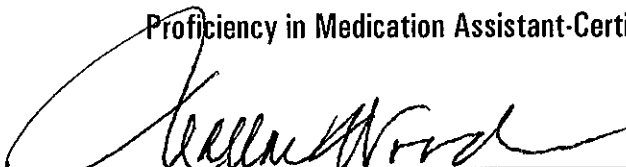
ISSUE: The Arkansas State University Board of Trustees must approve academic certificates.

BACKGROUND:

- Those earning the Medication Assistant-Certified (MA-C) are certified by the Arkansas State Board of Nursing to administer certain nonprescription and legend drugs in nursing homes. Eligible students must have an earned high school diploma or equivalent and they must be a Certified Nursing Assistant (CNA) with minimum work experience of at least one continuous year.
- The Certificate of Proficiency in Medication Assistant-Certified is an instructional training program that will consist of 105 clock hours (7 semester hours) of didactic study and skills lab practices.
- This certificate will prepare students to successfully pass an Arkansas State Board of Nursing certification examination.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University Mountain Home is approved to offer the Certificate of Proficiency in Medication Assistant-Certified (MA-C) beginning August 2007.


Dallas Wood, Secretary


Mike Gibson, Chair

ARKANSAS STATE UNIVERSITY-JONESBORO
ACADEMIC APPOINTMENTS
(List Prepared for the Media)
March 9, 2007

CHANG, ERICK
Instructor in Management
Effective: August 16, 2007

COCCHIARA, FAYE
Instructor in Management
Effective: August 16, 2007

HUNT, C. SHANE
Instructor in Marketing
Effective: August 16, 2007

**ARKANSAS STATE UNIVERSITY-BEEBE
RECENT ACADEMIC APPOINTMENTS**

(List Prepared for Media)

March 9, 2007

BAILEY, PAT

**Temporary Instructor of English
Arkansas State University-Beebe
Effective Date: January 1, 2007**

CUNNINGHAM, DEBBIE

**Assistant Professor and Director Veterinarian Technology Program
Arkansas State University-Beebe
Effective Date: December 1, 2006**

LILES, JANET

**Instructor of Pharmacy Technology
Arkansas State University-Beebe
Effective Date: January 1, 2007**

SELVIDGE, C. LEE

**Temporary Instructor of Spanish
Arkansas State University-Beebe
Effective Date: January 1, 2007**

ARKANSAS STATE UNIVERSITY-JONESBORO
NON-ACADEMIC APPOINTMENTS
(List Prepared for Media)
March 9, 2007

PITTMAN, DEREK

Head Women's Soccer Coach

Effective: January 4, 2007

SILAS, MATTHEW

Architect

Effective: October 23, 2006

SPAFFORD, DAVID C.

Assistant Athletic Director for Development

Effective: January 8, 2007

**ARKANSAS STATE UNIVERSITY-BEEBE
RECENT NON-ACADEMIC APPOINTMENTS**

(List Prepared for Media)

March 9, 2007

BERRY, JOE

Academic Coordinator for Upward Bound Initiative

Arkansas State University-Beebe

Effective Date: January 22, 2007

**RECENT NON-ACADEMIC APPOINTMENTS
ARKANSAS STATE UNIVERSITY MOUNTAIN HOME
March 9, 2007
(Prepared for the Media)**

GRESHAM, CAROL MILLER
Vice Chancellor for Development
Effective: January 8, 2007

KNIGHT, SHARON K.
Grant Writer
Effective: March 5, 2007

**Arkansas State University-Newport
Recent Non-Academic Appointments
(List for Media)
March 9, 2007**

BARCH, DAVID

Title: Community Outreach
Effective: February 1, 2007

**ARKANSAS STATE UNIVERSITY-JONESBORO
NON-ACADEMIC REASSIGNMENTS OF DUTY**

(List Prepared for the Media)

March 9, 2007

BARNER, MARIA

FROM: Accounting Supervisor I
TO: Program/Project Specialist/ABI
EFFECTIVE: February 1, 2007

VALENTINE, CHRISTY

FROM: Faculty/College of Business
TO: Director of Development
EFFECTIVE: January 8, 2007

WARREN, DEANNA

FROM: Accounting Supervisor I
TO: Program/Project Specialist/Banner Administration
EFFECTIVE: January 16, 2007

**ARKANSAS STATE UNIVERSITY-BEEBE
NON-ACADEMIC REASSIGNMENT OF DUTY**

(List Prepared for Media)

March 9, 2007

JOHNSON, CAROL

FROM: Student Development Specialist

TO: Director of Advancement and Continuing Education at ASU-Heber Springs

Effective Date: January 1, 2007

YELDER, LINDA

FROM: Assistant Director of Financial Aid

TO: Director of Financial Aid

Effective Date: February 1, 2007