

AGENDA
ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES
September 18, 2020
2:00 p.m.
WebEx

- I. Call to Order
Stacy Crawford, Chair

- *II. Approval of the Minutes of Past Meetings
June 4, 2020
August 12, 2020

- III. President's Report

- *IV. Agenda
 - Proposed ASU System Resolutions
 - Resolution approving the ASU System to establish a Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense Policy

 - Proposed ASU-Jonesboro Resolutions
 - Resolution approving ASU-Jonesboro to apply for a grant from the Arkansas Department of Human Services to continue participating in the Child and Adult Care Food Program
 - Resolution approving ASU-Jonesboro to name the new 3D arts building the Windgate Center for Three-Dimensional Arts
 - Resolution approving ASU-Jonesboro to name the student studio in the Windgate Center for Three-Dimensional Arts the Rea Charitable Trust Student Studio

 - Proposed ASU-Beebe Resolution
 - Resolution approving ASU-Beebe to revise the Faculty Handbook

- V. Executive Session

- *VI. Approval of Personnel Actions

- VII. Other Business

- *VIII. Adjournment

*Action Items

EXECUTIVE SUMMARY

Contact: Jeff Hankins 501-660-1000

ACTION ITEM: The Arkansas State University System seeks approval to establish a Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense Policy.

ISSUE: The Board of Trustees must approve all System policies.

BACKGROUND:

- The Arkansas State University System desires to establish a policy to protect the long-term financial health of campuses of the System by providing to the Board of Trustees consistent reporting of the total student accounts receivable, allowance for doubtful accounts, and bad debt expense for all campuses, in order to ensure the effective administration of accounts receivable.
- A copy of the Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense Policy is attached to this resolution.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense Policy is approved, effective January 1, 2021.

Christy Clark, Secretary

Stacy Crawford, Chair

ASU System Policy

Effective Date: 1/01/2021

Subject: Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense

Purpose

The Student Accounts Receivable, Allowance for Doubtful Accounts, and Bad Debt Expense Policy is designed to protect the financial health of the System campuses and to meet the following objectives:

- Guidance for evaluating and accounting for the uncollectible portion of student accounts receivable, including writing off uncollectible receivables and calculating an uncollectible receivable estimate
- Consistency for all campuses in reporting the total student accounts receivable, allowance for doubtful accounts, and bad debt expenses to ensure the effective administration of accounts receivable

Definitions

Student Accounts Receivable: Amounts owed by a student as a result of enrolling at the University. This includes, but is not limited to, amounts for tuition, fees, fines, books, supplies, housing, and meal plans.

Allowance for Doubtful Accounts: Reasonable estimate, based on historical collections or other reasonable rationale, of the amount of accounts receivable that will become uncollectible. This amount is reflected as a contra-asset on the statement of net position.

Write-Off Process: Process to remove an amount owed to the University from the receivable balance after a collection process has been followed. The balance is no longer considered an asset and is not reflected in the financial statements.

Bad Debt Expense: The recognition in the financial records of the write-off process and the adjustment required to bring the allowance for doubtful accounts to its required balance.

Policy Statement

Collections

A receivable becomes past due if payment is not received by the payment due date. A concerted effort should be made to collect accounts. Each campus is responsible for establishing written collection procedures for accounts receivable.

Collection activities include any collection activities authorized by law.

Allowance for Doubtful Accounts

The process of calculating the estimate for uncollectible balances requires a rational estimate that follows Generally Accepted Accounting Principles (GAAP). Each campus will use the allowance method in which estimates of the uncollectible accounts are applied as a percentage of outstanding accounts receivable as of June 30. The goal in recording the Allowance for Doubtful Accounts is to present, as accurately as possible, the net realizable value of accounts receivable on the University's financial statements.

Write-Off Process

While routinely executing collection procedures, some student accounts receivable will be determined to be uncollectible. Accounts should be written-off the University's financial accounting records when the collection process has been completed and management determines the receivable to be uncollectible. Each campus maintains the criteria and guidelines establishing the point at which receivables become uncollectible, and each campus is responsible for consistently performing the write-off of receivables. The abatement (write-off) of student accounts receivable shall be governed by Arkansas Code Ann. §19-2-306, as well as by the guidelines established by the Chief Fiscal Officer of the state.

This ensures an accurate net receivables balance and is an important element of financial reporting. Amounts written-off are no longer reflected in the University's financial records; however, administrative and academic records will continue to reflect the student's enrollment and default status. Financial holds will be placed on the release of academic transcripts/records.

Reporting

Based on audited financial statements and other financial records, the System will report annually to the Board of Trustees the following information:

- Total Accounts Receivable
- Total Student Accounts Receivable
- Allowance for Doubtful Accounts
- Net Student Accounts Receivable
- Total Amount Written-Off
- Bad Debt Expense
- Student Accounts Aging Report

(Adopted by the Arkansas State University Board of Trustees on September 18, 2020, Resolution 20-XX.)

Arkansas State University
Board of Trustees
September 18, 2020
Resolution 20-32

EXECUTIVE SUMMARY

Contact: Len Frey (870) 972-3033

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to apply for a grant from the Arkansas Department of Human Services to continue participating in the Child and Adult Care Food Program (CACFP).

ISSUE: A resolution from the Board of Trustees is required to apply for this grant.

BACKGROUND:

- The CACFP provides food services to approximately 600 children in the Arkansas Delta Region.
- The Department of Childhood Services in the College of Education and Behavioral Sciences participates in this program.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to apply for a grant from the Arkansas Department of Human Services to continue participating in the Child and Adult Care Food Program.

Christy Clark, Secretary

Stacy Crawford, Chair

**ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES**

A Resolution Recognizing the Significant Contributions of
the Windgate Foundation
to Arkansas State University-Jonesboro

WHEREAS, the Board of Trustees has retained unto itself the authority to name facilities and programs of the University; and

WHEREAS, the Windgate Foundation and its trustees are respected leaders in the community and supporters of Arkansas State University-Jonesboro and the students we serve; and

WHEREAS, the Windgate Foundation has made significant contributions to Arkansas State University-Jonesboro of a magnitude worthy of special gratitude and lasting recognition, including a financial gift to construct a new building on campus dedicated to the 3D arts;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Arkansas State University, that the new 3D arts building on the campus of Arkansas State University Jonesboro shall be known henceforth as the:

Windgate Center for Three-Dimensional Arts

DULY ADOPTED AND APPROVED this 18th day of September 2020

Stacy Crawford, Chair

Price Gardner, Vice Chair

Christy Clark, Secretary

Tim Langford, Member

Niel Crowson, Member

Charles L. Welch, President

**ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES**

A Resolution Recognizing the Significant Contributions of
the Rea Charitable Trust
to Arkansas State University-Jonesboro

WHEREAS, the Board of Trustees has retained unto itself the authority to name facilities and programs of the University; and

WHEREAS, the Rea Charitable Trust and its trustees are respected leaders in the community and supporters of Arkansas State University-Jonesboro and the students we serve; and

WHEREAS, the Rea Charitable Trust has made significant contributions to Arkansas State University of a magnitude worthy of special gratitude and lasting recognition, including a financial gift to enhance our 3D program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Arkansas State University, that the student studio in the Windgate Center for Three-Dimensional Arts on the Arkansas State University-Jonesboro campus shall be known henceforth as the:

Rea Charitable Trust Student Studio

DULY ADOPTED AND APPROVED this 18th day of September 2020

Stacy Crawford, Chair

Price Gardner, Vice Chair

Christy Clark, Secretary

Tim Langford, Member

Niel Crowson, Member

Charles L. Welch, President

EXECUTIVE SUMMARY

Contact: Jason Goodner (501) 882-8830

ACTION ITEM: Arkansas State University-Beebe (ASUB) requests approval to revise the Faculty Handbook.

ISSUE: The Board of Trustees must approve all revisions to handbooks.

BACKGROUND:

- The Arkansas State University-Beebe Faculty Handbook was last approved in 2010. Policies and procedures have now been updated to reflect current policies, procedures, and organizational structure. The following is a summary of the changes:
 - Sections I – VIII: All faculty and staff positions referenced in the handbook have been revised to reflect the current organizational structure of the college.
 - Section III: Redundant personnel policies were removed as they now appear in the ASU System Policy Manual and are accessible via www.asusystem.edu.
 - Section IV: Language was revised to specifically clarify sections of *Teaching Loads* and *Work Week – Office Hours*.
 - Section V: Language was revised to clarify the timeline for applying for promotion in the section: *Academic Rank for Faculty Requiring a Master’s Degree or Above*.
 - Appendix A – Updated ASUB Organizational Chart webpage link.
 - Appendix B – Revised to reflect the current Faculty Senate Constitution.
- Driven by the college’s faculty senate, the revised handbook was approved through the shared governance process, and the faculty-at-large voted in favor of adopting the revised handbook.
- ASU System legal counsel has reviewed the revised handbook.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University-Beebe Faculty Handbook is approved as revised, effective September 18, 2020.

Christy Clark, Secretary

Stacy Crawford, Chair