

AGENDA
ARKANSAS STATE UNIVERSITY SYSTEM
BOARD OF TRUSTEES
March 10, 2023
10:00 a.m.
ASU Three Rivers Campus

- I. Call to Order
Jerry Morgan, Chair

- *II. Approval of the Minutes of Past Meetings
December 9, 2022
January 30, 2023

- III. President's Report
Reports of the Chancellors

- *IV. Agenda
 - Proposed ASU System Resolutions
 - Resolution approving the ASU System to adopt a Debt Management Policy
 - Resolution approving the ASU System to proceed with the New Nursing Building Capital Project at ASU Three Rivers

 - Proposed Arkansas State University (A-State) Resolutions
 - Resolution approving A-State to proceed with establishing a College of Veterinary Medicine, and to offer the degree of Doctor of Veterinary Medicine
 - Resolution approving A-State to modify its lease agreement with Cobblestone Village Good Guild, Inc., d/b/a NEA Sports Club, and to enter into separate lease agreements with Elm Street Center, Inc. and Aggie Road Center, Inc.
 - Resolution approving A-State to apply for federal grant funding from the Transportation Alternatives Program for support of the Campus Loop Trail in Jonesboro
 - Resolution approving A-State to name the Scarlet to Black Program, the "Kays Foundation Scarlet to Black Program for Financial Independence"

 - Proposed ASU-Beebe Resolution
 - Resolution approving ASU-Beebe to offer a Certificate of Proficiency in Medication Assistant-Certified

 - Proposed ASU-Newport Resolution
 - Resolution approving ASU-Newport to apply for federal grant funding from the Transportation Alternatives Program for support of a campus loop trail

- Proposed ASU Three Rivers Resolution
 - Resolution approving ASU Three Rivers to confer the Honorary Associate of Applied Science Degree in General Technology upon Chester Fort

- Proposed Henderson State Resolutions
 - Resolution approving Henderson State to offer a Bachelor of Science degree in Natural Sciences
 - Resolution approving Henderson State to offer a Bachelor of Science degree in Secondary Education, with a focus on Math Education
 - Resolution approving Henderson State to grant an easement to Entergy Arkansas, LLC

V. Executive Session

*VI. Approval of Personnel Actions

VII. Other Business

*VIII. Adjournment

*Action Items

Arkansas State University System
Board of Trustees
March 10, 2023
Resolution 23-02

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System seeks approval to adopt a Debt Management 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 and to maintain proper debt management across the System.
- A copy of the Arkansas State University System Debt Management Policy is attached to this resolution.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System Debt Management Policy is approved, effective immediately.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

ASU System Policy

Effective Date: March 10, 2023

Subject: Debt Management

Purpose

The Arkansas State University System (System) Debt Management Policy (Debt Policy), in coordination with the System's Bond Financing Post-Issuance Compliance Policy, establishes guidelines for the prudent use and management of debt.

Debt financing is a source of funding that allows the System to finance the cost of capital improvements for one of its component institutions over a period of time, typically related to the useful life of the asset.

The System may use debt financing for academic, administrative, and auxiliary facilities and equipment, as well as any other infrastructure needs or property acquisitions that are consistent with strategic priorities. Decisions regarding appropriate use of debt should be balanced to ensure the System's financial health – as well as the health of the System institutions – while also considering the effects of current decisions on future costs of capital and operating budgets. Adherence to the following policies will ensure that risks associated with debt issuance are effectively managed.

Procedures

A. Affordability

1. When issuing debt, the System will seek a source of funding available commensurate with the most favorable financial terms, conditions, and risks that are consistent with the System's capital structure and financing requirements.
2. External borrowings will be coordinated to the extent practicable, so that multiple project needs can be accomplished in a single borrowing, thereby reducing issuance costs.
3. All debt-financed projects must have an identified revenue stream (or cost reduction) and must be supported by an achievable plan of finance to provide debt service coverage and meet any new or increased operating cost.
4. The cost of debt-financed capital acquisitions should be charged to the future users of the capital asset over the period in which the debt is outstanding and over the asset's useful life, as legally permitted. The System may, however, issue debt for a term shorter than the asset's useful life.

5. All debt payments will be prioritized and provided for in the annual operating budget.

B. Budget Structure

1. In general, fixed-rate debt will be utilized. However, the System may utilize variable-rate debt when appropriate for a particular financing plan, taking into consideration bond market conditions, the System's liquidity position, and risks associated with variable rate debt (including interest rate risk, remarketing risk, and liquidity renewal risk).
2. The use of capitalized interest will only be considered for projects whose identified funding stream will not be able to immediately generate sufficient revenues to repay debt. In those instances, interest will not be capitalized for a period in excess of the construction period, plus three months.
3. The System's debt capacity will be determined from time to time, recognizing it as a subjective measure. Consideration should be given to bond-rating agencies and related industry guidelines. The System recognizes that strategy and mission must be the primary drivers of its use of debt. Additionally, considerations will be given to ensure that component institutions' proportional share of the consolidated long-term debt is equitable.

C. Risk Management

1. The System will not default on its bond covenants and obligations. Meeting debt-service obligations will be prioritized over competing budgetary needs of the System and institutions, including the use of reallocations and reductions, when required.
2. The System will consider refinancing outstanding debt only when savings for the refinancing, measured on a net present value basis, are positive, or when the refinancing accomplishes other strategic objectives, including budgetary relief or reducing or eliminating future risks.
3. Negative financial covenants and restrictions will be minimized to the extent possible, taking into consideration the long-term capital requirements of the System.
4. The System's cash-flow procedures will be managed to ensure timely payment of debt service.
5. Compliance with debt reporting and financial covenants will be closely monitored and adhered to by the System Chief Financial Officer (CFO) with validation by external auditors.

6. The following risks should be addressed before issuing debt:

Change in Public/Private Use

The change in the public/private use of a project, which is funded by tax-exempt funds, could potentially cause a debt issue to become taxable.

Default Risk

The risk that revenues for debt-service payments are not all received by the due date.

Liquidity Risk

The risk that the System will not be able to meet its current and future cash-flow collateral needs, both expected and unexpected, without materially affecting its daily operations or overall financial condition.

Interest Rate Risk

For variable rate debt, the risk that interest rates will rise, on a sustained basis, above levels that would have been set if the issue had been fixed.

D. Financing Procedures

1. The CFO of the System will have responsibility for any debt financing and issuances of debt and will coordinate all related activities with the campuses. This includes drafting the authorizing resolution for approval by the System Board of Trustees. Additionally, the CFO of the System will be responsible for coordinating with the Arkansas Department of Higher Education's Institutional Finance Division to obtain approval of the economic feasibility.
2. The System Office of General Counsel has responsibility for all legal actions relating to any debt financing, including reviewing all documents and legal opinions, and determining the role of external legal counsel.
3. The institution responsible for a proposed project will provide the CFO of the System with the following information:
 - Total project cost
 - For auxiliary supported projects:
 - a. At a minimum, five-year pro forma showing all available revenues, expenses, and net revenues available to pay debt service;
 - b. A coverage ratio calculation within the pro forma applied to each project, whereby revenues for the project exceed expenses by a minimum of 25 percent;
 - Project time schedule;
 - Budget plan for increased operating costs;
 - Other information, as requested.
4. The System CFO, in conjunction with the campuses, will work with selected underwriters, financial advisors, bond counsel, rating agency, and General Counsel to develop all necessary financial resolutions, policies, procedures, projections, and documents needed to successfully finance a project before the sale of bonds.

E. Procedures and Approvals for Refinancing

1. The System CFO will assure that any issuance of debt is structured cost effectively and in the best interest of the System, taking into consideration the Debt Management Policy and the Bond Financing Post-Issuance Compliance Policy.
2. The System Office of General Counsel will assure that all legal opinions, bond documents, disclosure documents, and any other required legal materials are satisfactory.
3. The System CFO, in consultation with the System Office of General Counsel, will assure that all materials necessary for the Board to complete its review of the financing are provided to the Board in a timely manner.
4. The Board will approve the bond purchase agreement and other financing documents.

F. Post-Issuance Compliance

The Board of Trustees of the System borrows through the issuance of tax-exempt bonds to finance acquisition and construction of, and improvements to, many of its facilities and other capital projects. Investors in tax-exempt bonds are willing to accept a lower coupon rate because interest earned on the tax-exempt bonds is exempt from state and federal income tax. This exemption translates into a lower cost of capital for the System. However, various requirements must be satisfied for tax-exempt bonds to maintain their tax-exempt status.

This section explains the guidelines and practices that the System follows to comply with rules and regulations relating to tax-exempt bonds and is not intended to supersede the existing Post-Issuance Compliance Manual. Compliance is required, both upon issuance of the bonds and during the post-issuance phase, which extends through, and beyond, the life of the bonds. An exception to these guidelines may only be authorized by the System CFO, in consultation with relevant System bond counsel, based on a determination that such exception will not jeopardize the tax-exempt status of the applicable bond issue.

1. Roles, Responsibilities, and Procedures
 - a. Campus Post-Issuance Compliance Officer – In accordance with System Policy “Bond Financing Post- Issuance Compliance,” each institution in the System shall designate a representative. The duties of this compliance officer include, but are not limited to, the following:
 - i. Assure that tax-exempt bond proceeds are spent on the projects specified within the financing documents;
 - ii. Maintain appropriate documentation for allocations of bond-financing proceeds to expenditures and copies of requisitions, draw schedules, invoices, and cancelled checks related to bond proceeds spent during the construction period;

- iii. Assure that bond proceeds are spent within the timeline provided by the Internal Revenue Service (IRS) guidelines for tax-exempt financing;
 - iv. Assure that the IRS private-use limitations are maintained for the life of the financing;
 - v. Provide for arbitrage yield calculations, monitor any restrictions, and assure compliance with IRS regulations;
 - vi. Provide timely reporting.
- b. School and Department Responsibilities - Institution or department senior finance officers have certain responsibilities with respect to capital projects and facilities financed with tax-exempt bonds. These individuals play a critical role in ensuring compliance with the Guidelines, and they are responsible for the accuracy and completeness of information provided to their Institution Post-Issuance Compliance Officer regarding the utilization of space. In addition, they are responsible for ensuring that their departments retain records for the appropriate timeframe. The Senior Finance Officers are designated by the respective University Post Issuance Compliance Officer.

2. Recordkeeping

The System seeks to comply with regulatory record-retention requirements. Good record retention and documentation provide evidence of compliance and are the foundation of a successful bond compliance program. The System Office will also retain all records relating to debt transactions for as long as the debt is outstanding, plus three years after the final redemption date of the transaction. In the event that any debt is refunded, the records shall be kept for the life of the refunding bonds, plus three years.

3. Generally Accepted Accounting Principles (GAAP)

The System will comply with the standard accounting practices adopted by the Financial Accounting Standards Board and the Governmental Accounting Standards Board when applicable. The System CFO shall establish operating procedures with respect to the maintenance of relevant records and shall oversee compliance with such operating procedures.

4. Arbitrage Compliance

Arbitrage arises when proceeds from a bond issue are invested and the yield on the investments is greater than the yield on the bonds. Negative arbitrage arises when the investment yield is less than the yield on the bonds. The Internal Revenue Service (IRS) Code contains requirements relating to arbitrage, yield restriction, and rebate that must be satisfied to ensure bonds do not lose tax-exempt status.

a. Yield Restriction

Unless there is an exception permitted by the IRS Code, the arbitrage rules generally prohibit proceeds of a bond issue from being invested in a yield in excess of the bond yield. Bond counsel should be consulted before investing bond proceeds above the bond yield.

b. Rebate

Even if an exception to yield restriction applies and arbitrage is earned on an issue, the excess earnings must be remitted to the U.S. Treasury Department unless an exception to rebate applies.

The System's objective is to invest bond proceeds to the bond yield or higher, while minimizing arbitrage rebates to the extent permissible by rebate exceptions. Negative arbitrage is to be avoided. The System CFO works in conjunction with the University Post-Issuance Compliance Officer to establish operating procedures with respect to arbitrage investment limitations and rebate requirements on behalf of the System. The System CFO shall oversee compliance with such operating procedures to avoid any investment or rebate compliance errors.

5. Expenditures and Assets

The System CFO will coordinate compliance for this area and, in consultation with the University Post-Issuance Compliance Officers, may designate individuals on each/any campus to assist in achieving and maintaining compliance.

6. Allocation of Proceeds

Allocation of bond proceeds to capital projects is an important element in the ongoing compliance effort. The default methodology used for making an allocation of bond proceeds is "specific tracing," meaning the proceeds are deemed to be spent on the expenditures to which they are traceable. The System CFO will prepare, or have prepared, an allocation certificate to memorialize the expenditure of bond proceeds (and other funding sources, if any) on relevant projects. The System CFO reviews and updates fields, as necessary, until the bond proceeds are fully allocated and all projects have been fully funded.

The System typically allocates equity or taxable debt to the portion of a project used for private use (if any exists), to minimize the private use of a bond, as documented in the allocation certificate.

7. Private Use

- a. Definition: Private Use (PU) means the use of bond-financed property in a trade or business by any person or entity other than the System. PU is measured separately for each outstanding bond issue. Any proposed Private Use Projects should be reported to the System CFO, who will consult with outside Bond Counsel.
- b. Definition: Capital Lease is a contract entitling a lessee to the temporary use of an asset and has the economic characteristics of asset ownership for accounting purposes.
- c. Any public-private partnerships, which are bond-financed and which the System is ultimately responsible to pay down debt for, will be considered as part of the System debt capacity and reported to the rating agencies.

- d. Examples of Private Use:
- i. Leases of System property to non-System entities;
 - ii. Noncompliant management or service contracts;
 - iii. Noncompliant sponsored research agreements;
 - iv. Naming-rights arrangements with a private user.

Note: According to IRS regulations, activities are only PU if they are carried out in a tax-exempt, bond-financed space.

- e. Monitoring Private Use:
- i. It is the System's general policy that PU in tax-exempt financed facilities should be avoided. It is also the System's current practice to finance capital projects with a layer of non-tax-exempt debt, including the System funds or taxable debt where PU is expected to occur.
 - ii. At the time of tax-exempt bond issuance, the System CFO, with the assistance of the Institution Post-Issuance Compliance Officers, will assess and quantify any potential PU in capital projects and confirm that the equity contributions to the respective projects will be sufficient to cover such PU. The System CFO, in consultation with the Institution Post Issuance Compliance Officers, will establish a process for identifying and tracking existing PU for purposes of calculating, at least annually, the percentage of PU being conducted in bond-financed, per-project, and per-bond issue.
 - iii. The Institution Post-Issuance Compliance Officers, in consultation with the System CFO, will each establish a process for their campus to review and approve/reject proposals that would result in PU being carried on in a tax-exempt, bond-financed space. Full information must be gathered prior to such decision-making, including the details and location of the (proposed) activity, the financing structures of the facilities in question, and information about other potential PU in those facilities. PU activity may be approved by the System CFO only if:
 - The capital project has enough equity (i.e., non-tax- exempt debt) to allow the potential PU to be fully allocable to equity;
 - Any allocation of potential PU to equity must not use a majority of equity funding available for that project.

- f. Remedial Action:
- Each System Institution department using tax-exempt debt is responsible for notifying the University Post-Issuance Compliance Officer, or designee, before there is a change in use of the project or facility financed with tax-exempt debt. In the event that such a change in use may result in excessive PU for a bond issue, the System may avail itself of rules under Treasury Regulation Section 1.141-12, which provides for "remedial action" by redemption or defeasance of nonqualified bonds. Remedial action, when properly taken, preserves the tax exemption of interest on the bonds. Failure to meet remedial action may result in significant penalties which will be borne by the institution or department.

In limited circumstances, remedial action may be taken by applying disposition proceeds to other qualifying capital expenditures.

The System will seek advice of bond counsel if remedial action may be required. To the extent that a potential violation of PU rules arises that cannot be corrected through remedial action, or in the event of a potential arbitrage violation, the System will seek the advice of borrower and/or bond counsel concerning its alternatives, which may include approaching the IRS under the Voluntary Closing Agreement Program (VCAP).

8. This Section G shall be read and interpreted consistent with the existing Post-Issuance Compliance Policy Manual of the System. In the event of a conflict, the provisions of the Post-Issuance Compliance Policy Manual shall control.

(Adopted by the Arkansas State University System Board of Trustees on March 10, 2023, Resolution 23-XX.)

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System (ASU System) requests approval to proceed with the New Nursing Building Capital Project at Arkansas State University Three Rivers.

ISSUE: The Board of Trustees must approve all capital projects.

BACKGROUND:

- The ASU System is requesting approval to construct a new nursing building on the Arkansas State University Three Rivers campus. This new building will accommodate an increase in Practical Nursing and Registered Nursing slots, as well as new programs for Certified Nursing Assistants and Emergency Medical Technicians.
- The capital project, estimated to total \$8,000,000, will be funded entirely through federal grant funds.
- A copy of the Capital Project Proposal Form is attached to this resolution.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System is approved to proceed with the New Nursing Building Capital Project at Arkansas State University Three Rivers.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

ASU System Capital Project Proposal Form

In accordance with Board policy, "capital project" means a new construction, renovation, or remodeling project with a projected cost exceeding \$1,000,000. Campus officials shall complete a Capital Project proposal form and submit to the President for review and recommendations. The President will submit Capital Project proposals to the Board of Trustees for approval. Forms should be submitted electronically to the System Vice President for Finance.

Institution:	Arkansas State University Three Rivers	Date:	2/15/23
Project Name:	New Nursing Building		

Project Description: (in detail)

ASUTR plans to utilize \$8,000,000 of federally appropriated funds to construct a new 20,000 sq. ft. nursing building. This facility will accommodate an increase in PN & RN slots, as well as new programs for C.N.A. and EMT.

Estimated Date of Commencement:	03/15/23
Estimated Date of Completion:	Summer 2024
Total Project Cost Estimate:	\$8,000,000

Please provide the detail of cost estimate below:

	<u>Estimated Project Cost</u>	
Construction: <i>(Include cost of built-in equipment)</i>	6,432,000	
Architect/Engineer Fees:	385,920	6.0%
Contingencies: <i>[Not to exceed 10% of Construction and A&E]</i>	681,792	10.0%
Land Purchases:	0	
Movable Equipment and Furniture:	500,288	
Total Cost of Project:	8,000,000	

Please provide detail of planned sources of funding:

Source	<u>Amount</u>	<u>Percentage</u>
General Improvement:		0.0%
Institutional Reserves:		0.0%
Institutional Operating Funds:		0.0%
Federal Grant Funds:	8,000,000	100.0%
Special Revenue Funds:		0.0%
Foundation or Other Private Monies:		0.0%
Loan Proceeds (if approved):		0.0%
Total Proposed Funding:	8,000,000	100.0%

Notes:

Before the passage of the Omnibus Act with the \$8 million in capital funding, Lewis Architects had been selected as the design professionals for the planned expansion of the existing nursing building. A Minor Capital Project Proposal Form for the design phase of the expansion was approved in May of 2022. ASUTR will no longer expand the existing nursing building, but plans to retain Lewis Architects for the design of a new nursing building.

EXECUTIVE SUMMARY

Contact: Len Frey (870) 972-3535

ACTION ITEM: Arkansas State University (A-State) requests approval to proceed with establishing a College of Veterinary Medicine, and to offer the degree of Doctor of Veterinary Medicine (DVM).

ISSUE: The Board of Trustees must approve the addition of new academic units and the offering of new degrees.

BACKGROUND:

- The veterinary medical profession is currently facing a workforce crisis that includes historic shortages of veterinarians, veterinary nurses/technicians, and veterinary specialists. The state of Arkansas is one of only 19 states, which remain without either a wholly owned and operated college/school of veterinary medicine or a veterinary college/school that is operated jointly with another state. Graduates of this proposed program will be qualified to work as veterinarians in Arkansas and elsewhere.
- Students wishing to receive this degree must complete a four-year program of study leading to the DVM degree.
- This program will seek approval from the A-State Graduate Council, the Arkansas Division of Higher Education, and will pursue accreditation by the American Veterinary Medical Association Council on Education (AVMA-COE).

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University is approved to proceed with establishing a College of Veterinary Medicine, and to offer the degree of Doctor of Veterinary Medicine.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: Arkansas State University (A-State) requests approval to modify its lease agreement with Cobblestone Vintage Good Guild, Inc., d/b/a NEA Sports Club, and to enter into separate lease agreements with Elm Street Center, Inc. and Aggie Road Center, Inc.

ISSUE: The ASU System Board of Trustees approves lease agreements.

BACKGROUND:

- In 2015, A-State entered into a 10-year lease agreement with NEA Sports Club to dispense alcoholic beverages in certain areas of Centennial Bank Stadium and other designated A-State campus locations. The lease was modified and extended in 2021.
- Since that time, NEA Sports Club has raised more than \$150,000 for the Arkansas State University Red Wolves Foundation, Inc., and has provided enhanced services at premium seating areas at sporting events, as well as during concerts in First National Bank Arena.
- Beginning in 2021, A-State and NEA Sports Club began looking at options to enhance the services originally contemplated in the initial agreement.
- NEA Sports Club wishes to modify the lease agreement in order to authorize additional areas of service in Centennial Bank Stadium, including service throughout the entire stadium.
- Subject to additional approval by the Jonesboro City Council and the Alcoholic Beverage Control administration, NEA Sports Club wishes to transfer and expand its service at Tomlinson Stadium to Aggie Road Center, Inc., and transfer its service at First National Bank Arena to Elm Street Center, Inc.
- NEA Sports Club, Aggie Road Center, and Elm Street Center share the same Board of Directors and the same nonprofit purpose of providing benefits to the A-State Red Wolves Foundation.
- The new lease agreements will begin on the effective date and will remain in effect for 10 years.

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University is approved to modify its lease agreement NEA Sports Club, to pursue additional service options in Centennial Bank Stadium, and to enter into separate lease agreements with Elm Street Center, Inc. and Aggie Road Center, Inc. The Executive Vice Chancellor for Finance & Administration and COO of A-State is authorized to execute documents to effect this agreement.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

EXECUTIVE SUMMARY

Contact: Len Frey (870) 972-3033

ACTION ITEM: Arkansas State University (A-State) requests approval to apply for federal grant funding from the Transportation Alternatives Program for support of the Campus Loop Trail in Jonesboro.

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

BACKGROUND:

- A-State understands that federal Transportation Alternatives Program funds are available at 80% federal participation and 20% local match/in-kind labor to develop or improve the Campus Loop Trail.
- Federal funds are available for this project on a reimbursable basis, requiring work to be accomplished, as well as proof of payment, prior to actual monetary reimbursement.
- The Campus Loop Trail, using federal funding, will be open and available for use by the general public and will be maintained by A-State for the life of the project.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University is approved to apply for federal grant funding from the Transportation Alternatives Program for support of the Campus Loop Trail in Jonesboro. The ASU System Board of Trustees pledges its full backing and hereby authorizes the Arkansas Department of Transportation to initiate action to implement this project. A-State will participate in accordance with its designated responsibility, including maintenance of this project. The A-State Executive Vice Chancellor for Finance and Administration & COO is hereby authorized and directed to execute all appropriate agreements and contracts necessary to expedite the construction of the above-stated project, effective immediately.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

**ARKANSAS STATE UNIVERSITY SYSTEM
BOARD OF TRUSTEES**

A Resolution Recognizing the Significant Contributions of
the Kays Foundation
to Arkansas State University (A-State)

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

WHEREAS, the Kays Foundation and its board members are respected leaders in the community and supporters of A-State and the students we serve; and

WHEREAS, the Kays Foundation has made significant contributions to A-State of a magnitude worthy of special gratitude and lasting recognition, including transferring an endowment from the discontinued Kays Foundation Women’s Health Residency Program to the Scarlet to Black Program for Financial Independence, to help provide economic autonomy to, and improve the financial health and literacy of, students having monetary difficulty at A-State;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Arkansas State University System, that the Scarlet to Black Program at A-State shall be known henceforth as the:

Kays Foundation Scarlet to Black Program for Financial Independence

DULY ADOPTED AND APPROVED this 10th day of March 2023

Jerry Morgan, Chair

Steve Eddington, Vice Chair

Robert G. Rudolph Jr., Secretary

Paul Rowton, Member

Price Gardner, Member

Christy Clark, Member

Gary Harpole, Member

Charles L. Welch, President

EXECUTIVE SUMMARY

Contact: Jason Goodner (501) 882-8830

ACTION ITEM: Arkansas State University-Beebe (ASUB) requests approval to offer a Certificate of Proficiency in Medication Assistant-Certified.

ISSUE: The Board of Trustees must approve the offering of any new degree program.

BACKGROUND:

- ASU-Beebe proposes adding a Certificate of Proficiency (CP) in Medication Assistant-Certified (MA-C) to support its portfolio of workforce education programs in Allied Health Professions and Nursing. The CP will be a 12-semester, credit-hour credential. The CP in MA-C will introduce students to curricula in basic medication administration by certified nursing assistants or patient care technicians. Arkansas State Board of Nursing Guidelines will be utilized as qualifying entry into the program. Students who complete the CP in MA-C will be eligible to take the Medication Assistant Certification exam for the state of Arkansas.
- No new funding is required.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Beebe is approved to offer a Certificate of Proficiency in Medication Assistant-Certified, effective fall semester of 2023.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

EXECUTIVE SUMMARY

Contact: Adam Adair (870) 512-7801

ACTION ITEM: Arkansas State University-Newport (ASUN) requests approval to apply for federal grant funding from the Transportation Alternatives Program for support of a campus loop trail.

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

BACKGROUND:

- ASUN understands that federal Transportation Alternatives Program funds are available at 80% federal participation and 20% local match/in-kind labor to develop or improve a campus loop trail.
- Federal funds are available for this project on a reimbursable basis, requiring work to be accomplished, as well as proof of payment, prior to actual monetary reimbursement.
- The campus loop trail, using federal funding, will be open and available for use by the general public and will be maintained by ASUN for the life of the project.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Newport is approved to apply for federal grant funding from the Transportation Alternatives Program for support of a campus loop trail. The ASU System Board of Trustees pledges its full backing and hereby authorizes the Arkansas Department of Transportation to initiate action to implement this project. ASUN will participate in accordance with its designated responsibility, including maintenance of this project. The ASUN Executive Vice Chancellor/CFO is hereby authorized and directed to execute all appropriate agreements and contracts necessary to expedite the construction of the above-stated project, effective immediately.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

**ARKANSAS STATE UNIVERSITY SYSTEM
BOARD OF TRUSTEES**

A Resolution Conferring
the Honorary Associate of Applied Science Degree in General Technology
upon Chester Fort

WHEREAS, the Board of Trustees of the Arkansas State University System has adopted procedures for awarding honorary degrees upon individuals who have made an extraordinary difference in the lives of so many; and

WHEREAS, the procedures adopted by the Board provide that honorary degrees are to be conferred upon persons who serve as models worthy of emulation and respect. Nominees must have achieved the highest levels of excellence as scholars, artists, professionals, philanthropists, or public servants, and must have demonstrated personal integrity and concern for the public good; and

WHEREAS, procedures require that nominations for such a degree be reviewed and approved by the Honorary Degree Committee and must also receive the recommendation of the chancellor; and

WHEREAS, Chester Fort has been nominated for an honorary associate degree from Arkansas State University Three Rivers, and this nomination has been properly reviewed and recommended by the Honorary Degree Committee, the chancellor of Arkansas State University Three Rivers, and the president of the Arkansas State University System;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Arkansas State University System, that Chester Fort shall be granted the honorary degree, Associate of Applied Science in General Technology, from Arkansas State University Three Rivers and that said degree shall be conferred upon him during commencement exercises on May 16, 2023.

DULY ADOPTED AND APPROVED this 10th day of March 2023

Jerry Morgan, Chair

Steve Eddington, Vice Chair

Robert G. Rudolph Jr., Secretary

Paul Rowton, Member

Price Gardner, Member

Christy Clark, Member

Gary Harpole, Member

Charles L. Welch, President

EXECUTIVE SUMMARY

Contact: TaLisha Givan (870) 230-5187

ACTION ITEM: Henderson State University (HSU) requests approval to offer a Bachelor of Science degree in Natural Sciences.

ISSUE: The Board of Trustees must approve the offering of any new degree.

BACKGROUND:

- The Bachelor of Science degree in Natural Sciences provides a pathway for students who desire to explore the world through the natural sciences (biology, chemistry, and physics). This degree plan serves students pursuing prerequisites for medical school, dental school, pharmacy school, dental hygiene school, veterinary school, optometry school, and physical therapy school. The students expected to enroll in this program are those currently interested in biology and chemistry, medical school, and other professional pathways, and students who are seeking future STEM degrees.
- The proposed degree is designed to serve students in engineering, nursing, education, and pre-professional programs. The biology, chemistry, and mathematics courses in this curriculum are required for one of these maintained programs. This degree should increase enrollments in courses necessary for other degrees that might otherwise have low enrollment.
- The program includes 120 hours. It meets the math requirement for the B.S. degree with either 12 hours in mathematics or 6 hours in mathematics and 8 hours in physics (which is applied math-intensive). It includes 50 hours in the sciences (meeting the 30 hours in the discipline requirement), with 16 hours at the 3000/4000 level. Within the 120 hours, there are enough free electives to fulfill the minor requirement (12-18 hours).
- The program will undergo regular assessment to determine its effectiveness. Externally, requirements for pre-professional programs will be reviewed every three (3) years to ensure that the tracks meet the professional program prerequisites. Internally, course pass-rates will be reviewed every two (2) years. Courses that have pass-rates lower than 75% will undergo significant review to implement changes in pedagogy, content knowledge, or student support resources (such as tutoring and supplemental instruction). Program data will be maintained and reviewed on student recruitment, student retention, and graduation rates. Information on graduate job placement will be maintained. At this point, the program proposal has been reviewed externally by the UAMS College of Pharmacy and the UAMS College of Medicine. An additional review has been requested from the NYIT College of Osteopathic Medicine. External program reviews should be performed by similar bodies once every five (5) years to ensure that the learning outcomes remain relevant to the career fields served by the program.

EXECUTIVE SUMMARY

Contact: TaLisha Givan (870) 230-5187

- At this time, the program has the space and equipment necessary to offer all courses listed. No new faculty are required for this proposed program as it is only comprised of current course offerings.

RECOMMENDATION/RESOLUTION:

Be it resolved that Henderson State University is approved to offer a Bachelor of Science degree in Natural Sciences, effective fall semester of 2023.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

EXECUTIVE SUMMARY

Contact: TaLisha Givan (870) 230-5187

ACTION ITEM: Henderson State University (HSU) requests approval to offer a Bachelor of Science degree in Secondary Education, with a focus on Math Education.

ISSUE: The Board of Trustees must approve the offering of any new degree.

BACKGROUND:

- The Bachelor of Science degree in Secondary Education is a 120-hour degree of college-level academic work, which can be completed in eight (8) semesters. In addition to the required courses listed for a B.S.E. in Secondary Education, all students must complete the Liberal Arts Core requirements as specified by the University.
- Currently, Mathematics Education is a part of the Applied Professional Science and Technology learning community and is a teach-out program. Given the great need for secondary educators state-wide, the Health, Education, and Social Sustainability (HESS) learning community is proposing a secondary degree with a math emphasis that could eventually expand to other areas, such as Secondary Science, Secondary English, and Secondary Social Studies.
- The B.S.E. degree in Secondary Education program will attract prospects, like those who are currently enrolled in our B.S. Mathematics with Licensure teach-out degree, housed under the Applied Professional Science and Technology learning community. The B.S.E. in Secondary Education degree will be housed within the HESS, alongside other educator-licensure programs. Additionally, the program will have a heavier focus on education coursework and with fewer, but better aligned math courses, which may be more appealing to future math educators, while maintaining the rigor and addressing the changing state math competencies. Given the changing landscape of teacher licensure in the state of Arkansas, a degree in Secondary Education provides a crucial pathway to teacher licensure in mathematics.
- Each year the U.S. Department of Education asks states to identify teacher Academic Shortage Areas. These shortage areas are considered to be areas of high need in public schools. Teachers who prepare for, and license in, shortage areas may be eligible for financial incentives such as grants and loan-forgiveness options. In December 2020, the Arkansas Department of Education's Division of Elementary and Secondary Education designated subjects, including math and science, that always

EXECUTIVE SUMMARY

Contact: TaLisha Givan (870) 230-5187

have teacher shortages. This year, more than 400 Arkansas educators have emergency teaching permits, allowing them to teach with just a bachelor's degree (without completed licensure requirements). Some schools are lacking teachers to fill open positions. It is imperative that Henderson State University continue to offer a route to teacher licensure in the area of Mathematics Education. The average teacher salary in Arkansas is around \$50,666.

- The program learning objectives are consistent with, and will be assessed through, the following:
 - National Council of Teachers of Mathematics (NCTM) Council for the Accreditation of Educator Preparation (CAEP) Standard 1: Content Knowledge, Geometry and Trigonometry Domain
 - InTASC Standard 4: Content Knowledge and Standard 5: Application of Content Knowledge
 - Program Goals: Fluency, Problem Solving, Communication, Content Pedagogy
 - Liberal Arts/General Education Learning Goals: Analytical and Critical Thinking Skills, Written Communication Skills, Quantitative Reasoning Skills
 - University Learning Goals: Technology; Maturation; Contribution; Speak and Write, Logically and Critically; Physical Universe
- This proposed program will require one new full-time faculty member to be hired at \$65,000 for the 2023 academic year.

RECOMMENDATION/RESOLUTION:

Be it resolved that Henderson State University is approved to offer a Bachelor of Science degree in Secondary Education, with a focus on Math Education, effective fall semester of 2023.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

EXECUTIVE SUMMARY

Contact: Charles Ambrose (870) 230-5062

ACTION ITEM: The Arkansas State University System requests approval for Henderson State University (HSU) to grant an easement to Entergy Arkansas, LLC.

ISSUE: The ASU System Board of Trustees must approve all easements on System property.

BACKGROUND:

- Entergy Arkansas, LLC has requested a 10-foot electrical easement for underground facilities that cross a portion of the HSU campus, as it relates to the Highway 67 Arkansas Department of Transportation widening project. This electrical easement will run in front of the Barkman House.

- The legal description of the location of the easement is stated below:

230 feet, more or less, as built, along and adjacent to the easterly right-of-way line of N. 10th Street, 356 N. 10th Street SW, SE Section 17-T7S-R19W

**Approximate location 34.1251/-93.00569 to 34.1291/-93.0569
In conjunction with ARDOT Project # 070442**

- The easement is attached to this resolution.

RECOMMENDATION/RESOLUTION:

Be it resolved that Henderson State University is approved to grant an easement to Entergy Arkansas, LLC, as described above.

Robert G. Rudolph Jr., Secretary

Jerry Morgan, Chair

(114)

PAYMENT CALCULATION SHEET

Property Owner: Hansen and Strain

Linear feet new ^{UNDERGROUND} easement 230 ft X \$ 2.00 per foot \$ 460.00

Tree Damage:

Large Tree _____ X \$ _____ \$ _____

Medium Tree _____ X \$ _____ \$ _____

Small Tree _____ X \$ _____ \$ _____

Timber _____ X \$ _____ per acre \$ _____

Anchors _____ X \$ _____ per anchor \$ _____

Stump Grinding _____ x \$ _____ \$ _____


Other _____ \$ _____

Total Payable to Landowner \$ 460.00

By Agent W B Harrell 1/19/23

Wayne B. Harrell
Right-of-Way Services

Phone: 870-310-6500
wharrell2@ipa.net
El Dorado, AR 71730

Agent for:
 entergy

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Right of Way Instrument for UNDERGROUND FACILITIES

STATE OF ARKANSAS
COUNTY OF CLARK
WO# 21909310

This RIGHT OF WAY INSTRUMENT was prepared by Entergy Arkansas, LLC 425 W. Capitol, Little Rock, AR 72201

KNOW ALL MEN BY THESE PRESENTS THAT: Henderson State University in consideration of ten dollars, and other good and valuable consideration, I (we) hereby grant unto ENTERGY ARKANSAS, LLC. its successors and/or assigns, the right and servitude and easement 10 feet in width to construct, operate, improve, maintain and remove underground electric distribution facilities consisting of conduits and cables with the necessary appurtenances for the distribution of electric current, (together with overhead poles, wires and other appurtenances *if such is required* in connection with the underground electric facilities) with the right of access to the facilities for maintenance, repair and operation thereof, together with Rights of Way, all as hereinafter set forth, upon, over, under and across the property which I (we) own, or in which I (we) have an interest in the county of Clark, State of Arkansas and more particularly described as follows:

230 feet, more or less, as built, along and adjacent to the easterly right-of-way line of N. 10th Street, 356 N. 10th Street SW SE Section 17 T7S R19W

Approximate location 34.1251/-93.00569 to 34.1291/-93.0569

In conjunction with ARDOT Project # 070442

The right is hereby granted to remove or trim trees or other vegetation that interfere with any of the facilities of ENTERGY ARKANSAS, LLC. No buildings or other structures (except fences) shall be placed on or across the servitude. Any buildings or other structures constructed adjoining said servitude will maintain required distances from the wires and facilities of Entergy Arkansas, Inc., as provided for in the provisions of the National Electrical Safety Code.

IN WITNESS WHEREOF, Grantor has executed this right-of-way Instrument on this _____ day of _____, 20_____.

Grantor(s): Henderson State University

By: X

Title: _____

Acknowledgement

STATE OF _____ COUNTY OF _____

BE IT REMEMBERED that on this day come before me, the undersigned Notary Public, within and for this county and state aforesaid, duly commissioned and acting _____, to me well known as the Grantor in the forgoing instrument and acknowledged that he/she/they had executed the same for the consideration, uses and purposes therein mentioned and set forth.

Witness my hand and seal as such Notary Public this _____ day of _____, 20_____.

(SEAL)

Notary Public

(Seal)