

The Board of Trustees of the University of Central Arkansas convened in regular meeting at 2:00 p.m. Friday, July 25, 2008, in the Board of Trustees Conference Room in Wingo Hall with the following officers and members present

Chair: Mr. Randy Sims
Vice Chair: Mr. Rush Harding, III
Secretary: Dr. Harold Chakales
Mrs. Patricia Bassett
Mrs. Kay Hinkle
Mr. Scott Roussel
Dr. Mike Stanton

MINUTES

The minutes of the May 2, 2008, Board meeting and the June 17, 2008, teleconference meeting were unanimously approved as submitted upon a motion by Mrs. Bassett with a second by Dr. Chakales.

INTRODUCTIONS AND ANNOUNCEMENTS

President Hardin introduced the following new faculty and staff members:

- Dr. Lance Grahn – Provost and Dean of Faculty
- Dr. Leonard Seawood – Dean of Academic Outreach
- Dr. Scott Payne – Chair, Department of Writing
- Ms. Anne Wallace Creighton – President, UCA Foundation Board

PRESIDENT'S REPORT

President Hardin reported on the following items:

- Apology for mistakes made regarding bonus and FOIA
- Enrollment and growth rate of UCA
- College of Business building
- Update on move to D-I athletics

- Surgery – eye cancer

EXECUTIVE SESSION

Executive session, for the purpose of considering personnel matters, was unanimously declared upon motion by Scott Roussel with a second by Patricia Bassett.

OPEN SESSION

Open session was unanimously declared upon motion by Mr. Harding with a second by Mr. Roussel.

The following resolution was unanimously adopted upon motion by Mr. Harding with a second by Mr. Roussel:

“BE IT RESOLVED: That the Board of Trustees hereby approves the personnel list presented in executive session, provided however, that the administration is authorized to make corrections and changes of a clerical nature.”

Chairman Sims read a statement and apology from the Board, which is attached to these minutes.

Chairman Sims stated that no action was taken to accelerate the \$300,000 bonus for President Hardin. The original deferred compensation package of \$60,000 per year for five years was still in effect.

STATEMENTS BY THE PRESIDENTS OF THE FACULTY SENATE AND STAFF SENATE

Copies of statements by Kurt Boneicki, President of the Faculty Senate and Carol Daves, President of the Staff Senate are attached to these minutes.

ACTION AGENDA

Resolution of Appreciation for Keith Atkinson, Interim Provost – The following resolution was unanimously adopted upon motion by Scott Roussel with a second by Kay Hinkle:

Resolution

WHEREAS, Dr. Keith Atkinson has loyally served the University of Central Arkansas for over seven years, first coming to the university in 2001 as Professor and Chair of the Department of Accounting; and

WHEREAS, Dr. Atkinson was promoted to Associate Provost with oversight of academic budgeting in January 2006; and

WHEREAS, Dr. Atkinson became Interim Provost and Dean of Faculty on July 15, 2007; and

NOW THEREFORE BE IT RESOLVED, by the Board of Trustees of the University of Central Arkansas as follows:

DR. KEITH ATKINSON IS HEREBY RECOGNIZED BY THE UNIVERSITY OF CENTRAL ARKANSAS BOARD OF TRUSTEES FOR HIS OUTSTANDING SERVICE AS A FACULTY MEMBER, AS AN ADMINISTRATOR, AND AS INTERIM PROVOST OF THE UNIVERISTY OF CENTRAL ARKANSAS. THE BOARD RECOGNIZES THAT AS INTERIM PROVOST, DR. ATKINSON PROVIDED CONSISTANT LEADERSHIP, TRUST, STABILITY AND VISION TO THE UNIVERSITY. WITHOUT HIS EXTRAORDINARY LEADERSHIP, THE UNIVERSITY WOULD NOT HAVE MADE THE SUCCESSFUL TRANSITION FROM ONE PROVOST TO THE NEXT.

and be it further

RESOLVED, that this resolution be made a part of the minutes of the University of Central Arkansas Board of Trustees meeting.

Witness our hands and seal this _____ day of _____, 2008.

Randy Sims, Chair

Dr. Harold Chakales, Secretary

Honorary Doctorate Degree (Board Policy 262) - The Honorary Doctorate is the highest academic honor awarded by the university. It is bestowed in recognition of outstanding contributions to society through intellectual, professional, scientific, artistic, or public service efforts. In granting an honorary degree, the University of Central Arkansas acknowledges excellence and provides an example to members of the university community.

The Honorary Doctorate in Communication to be awarded posthumously to Will Counts has been approved by all appropriate committees and administrators.

The following resolution was unanimously adopted upon motion by Scott Roussel with a second by Harold Chakales:

“BE IT RESOLVED: That the Board of Trustees hereby approves Will Counts to be awarded the Honorary Doctorate in Communication.”

RESOLUTION

WHEREAS, Will Counts graduated from Arkansas State Teachers College, now the University of Central Arkansas, in 1953; and

WHEREAS, Will Counts had an outstanding career in photojournalism and teaching; and

WHEREAS, Will Counts was a photojournalist for the Arkansas Democrat from 1957-1960 and covered the integration crisis at Little Rock Central High School under Governor Orval Faubus; and

WHEREAS, Will Counts' picture of Alex Wilson, the black reporter, being kicked in the stomach was nominated for the Pulitzer Prize and is said to be what influenced President Eisenhower to send in the 101st Airborne; and

WHEREAS, Will Counts' 1957 photograph of Hazel Bryant Massery and Elizabeth Eckford was named one of the best 100 photos of the century by the Associated Press; and

WHEREAS, While Will Counts was a visiting professor at the University of Central Arkansas in 1997, he and his wife, Vivian, were instrumental in arranging a reunion of Massery and Eckford and his pictures of the reconciliation were displayed prominently during commemoration of the fortieth anniversary of the desegregation of Little Rock Central High School; and

WHEREAS, On November 9, 1999, President Clinton presented the "Little Rock Nine" the Congressional Gold Medal minted with Will Count's picture of them entering LRHS in 1957; and

WHEREAS, Will Counts has had, to date, six students receive seven Pulitzer Prizes; and

WHEREAS, Will Counts was the author of the first article on photojournalism to be published in *The Encyclopedia Britannica* in 1968;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Central Arkansas does hereby confer the Honorary Doctor of Communication degree posthumously to Will Counts; and be it further

RESOLVED, that these resolutions be made a part of the minutes of the University of Central Arkansas Board of Trustees.

Adopted this 25th

Day of July, 2008

In Conway, Arkansas

Randy Sims, Chairman

Harold Chakales, Secretary

New Degree: BA Interdisciplinary Liberal Studies - The College of Liberal Arts proposes a BA program in Interdisciplinary Liberal Studies (ILS). The proposed program combines the insights and perspectives of several different disciplines, focuses on the deliberate cultivation of the arts of inquiry, and will expand its students' power to communicate and reason. The program furthers a core aim and interest of the College of Liberal Arts – education for responsible and enlightened citizenship. Beyond this core concern, it is well-established that a liberal arts education is excellent preparation for many professional fields.

The ILS program will open up two opportunities for study not currently available to students at UCA. Building on an explicit core of liberal studies, this program will provide an opportunity for students to pursue a course of study that emphasizes a specific area of interdisciplinary liberal arts inquiry or to design an individualized focus of interdisciplinary study consistent with the principles of a liberal education. Students will pursue a program of study not available through any single discipline in the College of Liberal Arts, or any college, at UCA.

The ILS program will require a total of 124 hours. The major itself comprises the ILS foundation (21 SCH) and a choice of two focuses (27–30 SCH for either focus): (1) a formally structured interdisciplinary focus (current options: Anthropology, Asian Studies, Gender Studies, Latin American Studies, or Southern and Arkansas Studies); or (2) a student/faculty-designed, interdisciplinary focus. The first focus allows students to pursue existing interdisciplinary minors as liberal studies focuses. The second focus creates a unique opportunity for motivated students to develop a specialized interdisciplinary area of study in conjunction with a faculty mentor.

The proposed program requires the development of one new core course, with the remainder of the program drawn from existing programs. Thus, no significant new costs will be incurred to initiate the program.

All appropriate university councils and administrators have recommended approval of the BA in Interdisciplinary Liberal Studies.

The following resolution was unanimously adopted upon motion by Rush Harding with a second by Harold Chakales:

“BE IT RESOLVED: That the Board of Trustees hereby approves the BA in Interdisciplinary Liberal Studies.”

Right-of-Way and Easement for the City of Conway (Gross Anatomy Lab) - The City of Conway has requested that the university grant a 15-foot wide right-of-way and easement to provide electric service to the Gross Anatomy Lab, which is under construction. Also, for a six-month period during the construction phase, the city has requested a 40-foot easement for the purpose of providing a work area for building and laying of the utilities.

The right-of-way and easement would grant the city the authority to enter upon the property to make such excavations and perform other work as they deem necessary.

The following resolution was unanimously adopted upon motion by Rush Harding with a second by Scott Roussel:

"BE IT RESOLVED: That the Board of Trustees approves the following right-of-way and easement."

RIGHT OF WAY AND EASEMENT

UNIVERSITY OF CENTRAL ARKANSAS

To

THE CITY OF CONWAY, ARKANSAS

KNOW ALL MEN BY THESE PRESENTS:

That We, University of Central Arkansas, (GRANTORS), for and in consideration of the sum of One Dollar, to us paid by the City of Conway, Arkansas, a City of the first class, (GRANTEE), cash in hand, the receipt of which is hereby acknowledged, do hereby grant, bargain, sell and convey unto said GRANTEE, its successors and assigns, forever, a right of way and easement 15 feet wide on, over, across and under the following described lands, owned by us and situated in Faulkner County, Arkansas, to-wit:

A 15-foot easement is to center on Electric and CATV utilities to be installed across the following described property: Being a part of the University of Central Arkansas in the City of Conway, Faulkner County, Arkansas, and beginning on the East side of Marion Ross Drive at 242 feet South of the intersection of Bruce Street and Marion Ross Drive, and extending East / North / East a distance of 30 feet, then East a distance of 120 feet, between the proposed Gross Anatomy Lab and existing Meadors Hall, connecting to an existing Padmount Transformer. This property being a part of the SE ¼, of the SE ¼, of Section 11, T-5-N, R-14-W, in the City of Conway, Faulkner County, Arkansas, on the University of Central Arkansas Campus, providing service to the Gross Anatomy Lab.

Said right of way and easement shall be located upon and over such portion of the above described lands as has been, or may be hereafter selected by the GRANTEE.

And for said sum we do further grant, sell and convey unto said GRANTEE, its successors and assigns for a term of six months from and after the start of construction on the herein described lands, a right of way and easement forty (40) feet wide on, over, across, through and under the aforesaid lands, for the purpose of providing a construction and work area for building and laying of utilities and that this right of way and easement shall be located upon and over such portion of the above described lands as has been or

may hereafter be selected by the officers or agents of said GRANTEE; it being understood and agreed that the said GRANTEE, or its successors or assigns, shall have the right to enter upon the above described lands at such time as it or they may deem proper to make such excavations and do such other work as it or they deem proper and necessary for the laying, relaying, maintaining, repairing, or replacing of utilities and appliances incident thereto, but it is expressly understood and agreed that the said GRANTEE, or its successors or assigns, shall be liable to the GRANTORS herein, or their heirs or assigns, for any and all damage that may be done in the prosecution of said work to any crops, fences or other improvements upon said lands, and that should it be necessary to go through any fences upon said lands, the said GRANTEE shall rebuild same immediately in as good condition as same were before.

Page 2 - Right of Way and Easement

TO HAVE AND TO HOLD the same unto the said GRANTEE, and unto its successors and assigns, forever, with full right of ingress and egress at all times in, upon, over or under and to said lands for the purposes aforesaid.

WITNESS our hands and seals this ____ day of _____, 2008.

ACKNOWLEDGMENT

STATE OF ARKANSAS

County of Faulkner.

BE IT REMEMBERED, That on this day came before the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, University of Central Arkansas to me well known as the GRANTORS in the foregoing instrument, and acknowledged that they had executed the same for the consideration and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this ____ day of _____, 2008.

Notary Public

My Commission Expires:

Rights-of-Way and Easements for the City of Conway (Baseball Field) - The City of Conway has requested that the university grant two easements in connection with the construction project occurring at the baseball complex. The requests are for a 15-foot wide right-of-way and easement to provide a water line and a sewer line to the baseball field concessions and restrooms. Also, for a six-month period during the construction phase, the city has requested a 40-foot easement for the purpose of providing a work area for building and laying of the utilities.

The right-of-way and easement would grant the city the authority to enter upon the property to make such excavations and perform other work as they deem necessary.

The following resolution was unanimously adopted upon motion by Rush Harding with a second from Scott Roussel:

"BE IT RESOLVED: That the Board of Trustees approves the following rights-of-way and easements."

RIGHT OF WAY AND EASEMENT

UNIVERSITY OF CENTRAL ARKANSAS

To

THE CITY OF CONWAY, ARKANSAS

KNOW ALL MEN BY THESE PRESENTS:

That We, University of Central Arkansas, (GRANTORS), for and in consideration of the sum of One Dollar, to us paid by the City of Conway, Arkansas, a City of the first class, (GRANTEE), cash in hand, the

receipt of which is hereby acknowledged, do hereby grant, bargain, sell and convey unto said GRANTEE, its successors and assigns, forever, a right of way and easement 15 feet wide on, over, across and under the following described lands, owned by us and situated in Faulkner County, Arkansas, to-wit:

A 15-foot easement is to center on an 2-inch Water Main to be installed across the following described property: Being a part of the University of Central Arkansas Campus Property in the City of Conway, Faulkner County, Arkansas, and beginning on an existing 2-inch Water Main that is serving apartments West of the UCA Baseball Field and being approximately 560-feet North of Bruce Street center line and 600-feet East of Farris Road center line, the water main is to extend to the East 80-feet ending with a 2-inch flushing post hydrant. This property being a part of the NE ¼, of the SE ¼, of Section 11, T-5-N, R-14-W, in the City of Conway, Faulkner County, Arkansas, on the University of Central Arkansas Campus, providing service to Baseball Field Concessions and Restroom Facilities.

Said right of way and easement shall be located upon and over such portion of the above described lands as has been, or may be hereafter selected by the GRANTEE.

And for said sum we do further grant, sell and convey unto said GRANTEE, its successors and assigns for a term of six months from and after the start of construction on the herein described lands, a right of way and easement forty (40) feet wide on, over, across, through and under the aforesaid lands, for the purpose of providing a construction and work area for building and laying of utilities and that this right of way and easement shall be located upon and over such portion of the above described lands as has been or may hereafter be selected by the officers or agents of said GRANTEE; it being understood and agreed that the said GRANTEE, or its successors or assigns, shall have the right to enter upon the above described lands at such time as it or they may deem proper to make such excavations and do such other work as it or they deem proper and necessary for the laying, relaying, maintaining, repairing, or replacing of utilities and appliances incident thereto, but it is expressly understood and agreed that the said GRANTEE, or its successors or assigns, shall be liable to the GRANTORS herein, or their heirs or assigns, for any and all damage that may be done in the prosecution of said work to any crops, fences or other improvements upon said lands, and that should it be necessary to go through any fences upon said lands, the said GRANTEE shall rebuild same immediately in as good condition as same were before.

Page 2 - Right of Way and Easement

TO HAVE AND TO HOLD the same unto the said GRANTEE, and unto its successors and assigns, forever, with full right of ingress and egress at all times in, upon, over or under and to said lands for the purposes aforesaid.

WITNESS our hands and seals this ____ day of _____, 2008.

ACKNOWLEDGMENT

STATE OF ARKANSAS

County of Faulkner.

BE IT REMEMBERED, That on this day came before the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, University of Central Arkansas to me well known as the GRANTORS in the foregoing instrument, and acknowledged that they had executed the same for the consideration and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this ____ day of _____, 2008.

Notary Public

My Commission Expires:

RIGHT OF WAY AND EASEMENT

UNIVERSITY OF CENTRAL ARKANSAS

To

THE CITY OF CONWAY, ARKANSAS

KNOW ALL MEN BY THESE PRESENTS:

That We, University of Central Arkansas, (GRANTORS), for and in consideration of the sum of One Dollar, to us paid by the City of Conway, Arkansas, a City of the first class, (GRANTEE), cash in hand, the receipt of which is hereby acknowledged, do hereby grant, bargain, sell and convey unto said GRANTEE, its successors and assigns, forever, a right of way and easement 15 feet wide on, over, across and under the following described lands, owned by us and situated in Faulkner County, Arkansas, to-wit:

A 15-foot easement is to center on an 8-inch Sewer Main to be installed across the following described property: Being a part of the University of Central Arkansas Campus Property in the City of Conway, Faulkner County, Arkansas, and beginning on an existing Sewer Main that is adjacent to the west side of the UCA Baseball Field and being approximately 517-feet North of Bruce Street center line and 670-feet East of Farris Road center line, the sewer main is to extend to the East 137-feet and then turn North Easterly extending 41-feet intercepting existing waste water flow. This property being a part of the NE ¼, of the SE ¼, of Section 11, T-5-N, R-14-W, in the City of Conway, Faulkner County, Arkansas, on the University of Central Arkansas Campus, providing service to Baseball Field Concessions and Restroom Facilities.

Said right of way and easement shall be located upon and over such portion of the above described lands as has been, or may be hereafter selected by the GRANTEE.

And for said sum we do further grant, sell and convey unto said GRANTEE, its successors and assigns for a term of six months from and after the start of construction on the herein described lands, a right of way and easement forty (40) feet wide on, over, across, through and under the aforesaid lands, for the purpose of providing a construction and work area for building and laying of utilities and that this right of way and easement shall be located upon and over such portion of the above described lands as has been or may hereafter be selected by the officers or agents of said GRANTEE; it being understood and agreed that the said GRANTEE, or its successors or assigns, shall have the right to enter upon the above described lands at such time as it or they may deem proper to make such excavations and do such other work as it or they deem proper and necessary for the laying, relaying, maintaining, repairing, or replacing of utilities and appliances incident thereto, but it is expressly understood and agreed that the said GRANTEE, or its successors or assigns, shall be liable to the GRANTORS herein, or their heirs or assigns, for any and all damage that may be done in the prosecution of said work to any crops, fences or other improvements upon said lands, and that should it be necessary to go through any fences upon said lands, the said GRANTEE shall rebuild same immediately in as good condition as same were before.

Page 2 - Right of Way and Easement

TO HAVE AND TO HOLD the same unto the said GRANTEE, and unto its successors and assigns, forever, with full right of ingress and egress at all times in, upon, over or under and to said lands for the purposes aforesaid.

WITNESS our hands and seals this ____ day of _____, 2008.

ACKNOWLEDGMENT

STATE OF ARKANSAS

County of Faulkner.

BE IT REMEMBERED, That on this day came before the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, University of Central Arkansas to me well known as the GRANTORS in the foregoing instrument, and acknowledged that they had executed the same for the consideration and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this ____ day of _____, 2008.

Notary Public

My Commission Expires:

Fees – International Programs (Board Policy No. 635) - Current Board policy assesses a student activity/administration fee of \$100 per fall and spring semester and \$50.00 per summer semester for all international students. The fee covers the costs of student activities that are unique to international students and includes an amount to cover cost of administering international students.

The administration proposes to increase the fee to \$250.00 per fall and spring semester and to \$100.00 per summer semester beginning with the spring 2009 semester. While it is acknowledged that this is a significant increase, there are several reasons for the increase. The University has seen a significant growth in the international student population over the last five years. It is anticipated that there will be over 500 international students enrolled in the fall of 2008 and the additional enrollment requires additional services to be provided. The current staff

and budget are set at a level to handle approximately 200 international students. If we hope to maintain the current enrollment and continue to increase the international enrollment, this proposed fee increase will be essential. Also, with the ongoing concern over homeland security, there are increasing demands on the staff in International Programs to report information about our international students. It should be noted that with the recent Board approval of the policy waiving out-of-state tuition costs for on-campus residency, the overall cost of attendance for the majority of the University's international students has actually declined. Thus, this fee increase should not be detrimental to future international enrollment.

Finally, the university needs to acquire a new software program to calculate the taxes owed by international students. The program will likely cost \$10,000 for the initial purchase and an additional \$5,000.00 per year for updates. There is no budget to cover this cost. This software program will work with the Banner system that the university has acquired.

The following resolution was unanimously adopted upon motion by Scott Roussel with a second by Kay Hinkle:

“BE IT RESOLVED: That the Board of Trustees adopts the proposed revisions to Board Policy No. 635, ‘Fees – International Programs.’”

Capital Projects: Lewis Science Center Roof - Pursuant to Board Policy No. 407, the Board must approve any construction project that exceeds \$150,000. The administration proposes renovations to the Lewis Science Center roof by covering approximately 70% of the southern roof with a low pitch metal roof. This project will decrease utility costs, stop leaks and will allow an attic space to be created which is critical to fume-hood replacement in the future. The initial estimate of this project is approximately \$325,000.00.

For many years, the Lewis Science Center roof has had various leaks at different locations throughout the older, southern portion of the building. Patching the roof has been the method used for many years instead of replacement. The Physical Plant does not believe that further patching of the roof is a viable option at this time.

The following resolution was unanimously adopted upon motion by Rush Harding with a second by Scott Roussel:

“BE IT RESOLVED: That the Board of Trustees authorizes the administration to proceed with development of plans for the renovation of the Lewis Science Center roof at an estimated cost of \$325,000.00, to hire design professionals, to solicit bids for construction and to make contract awards in accordance with law.”

Fee Waiver – Employees (Board Policy No. 623) - The administration proposes to extend the discount for university employees taking graduate courses at the university to an 80 % discount on in-state registration and some fees. The discount is currently 50%. The change is proposed to be effective with the fall 2008 semester. This will make the discount that same as for undergraduate courses. However, the graduate discount is only available to employees, not their spouses and dependents.

The Staff Senate recommended this change to the Fringe Benefits Committee, which then endorsed the recommendation.

The following resolution was unanimously adopted upon motion by Mike Stanton with a second by Patricia Bassett:

“BE IT RESOLVED: That the Board of Trustees approve the following revision to Board Policy No. 623, ‘Fee Waiver – Employees.’”

Real Estate Exchange and Ground Lease - The university is in discussion with HDR PROPERTIES, LLC., (HDR) for a property exchange ultimately resulting in the university entering into a long-term ground lease for the construction of student housing with HDR. HDR currently owns property on Augusta and Western streets (7 plus lots with 3 homes) and proposes to exchange ownership of those properties for the right to build student housing units on university owned property at 530 Donaghey consisting of a residential structure and approximately 4.8 acres. This is the same property considered for housing improvements four years ago.

The university, in conjunction with the Arkansas Building Authority, will prepare a master apartment lease effective fall 2009. UCA will manage the property and HDR will remain the owner of the ground lease and the improvements. At the end of the ground lease (term and annual fee to be determined), the university will have the right of first refusal to purchase the apartment units at fair market value.

The legal description of the property that the university will acquire on Augusta and Western Streets is as follows:

All of Lots 11, 12, 13, 14, 15 and 16 of Block 2, J.E. Little Subdivision to the City of Conway, Arkansas; and all of Lot 4 and the North 25 feet of Lot 5, Block 2, J.E. Little Subdivision to the City of Conway, Arkansas.

The university property to be traded has the street address of 530 Donaghey, with the legal description as follows:

The N ½, NW ¼, SW ¼, NW ¼, Section 13, T5N, R14W

Faulkner County, Arkansas.

The plans and specifications for the apartment units to be constructed will be in compliance with the university's structural requirements and functional specifications with commensurate parking.

The property exchange will allow the university to gain properties on Augusta and Western Streets that are critically situated for university growth while simultaneously providing new student housing in close proximity to the campus.

The following resolution was unanimously adopted upon motion by Scott Roussel with a second by Patricia Bassett:

“BE IT RESOLVED: That the Board of Trustees authorizes the administration to enter into a property exchange with HDR PROPERTIES, LLC., of the aforementioned properties and execute a ground lease with HDR PROPERTIES, LLC., in order for HDR PROPERTIES, LLC., to construct approximately 100 apartment units to be leased back to the university as residential housing.”

Bond Issue -

RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$_____ BOARD OF TRUSTEES OF THE UNIVERSITY OF CENTRAL ARKANSAS STUDENT FEE REVENUE REFUNDING BONDS, SERIES 2008A; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE SECURING THE BONDS; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT; PLEDGING CERTAIN REVENUES TO THE PAYMENT OF THE BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the Board of Trustees (the “Board”) of the University of Central Arkansas (the “University”) has determined that it is feasible to refund certain of its prior issued Student Fee Capital Improvement & Refunding Bonds, Series 2003A and

Recreational Facilities Allocated Revenue Bonds, 1997 Series C in order to recognize certain savings from more favorable interest rates (the "Refunding Program"); and

WHEREAS, the Board has determined that the Refunding Program can best be financed by the issuance of student fee revenue refunding bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the University of Central Arkansas:

Section 1. The Board hereby authorizes the issuance of its Student Fee Revenue Refunding Bonds, Series 2008A, in the aggregate principal amount of not to exceed \$_____ (the "Bonds"). The Bonds shall have an average aggregate annual percentage yield that does not exceed _____ percent (___%). The maturity of the Bonds shall not extend beyond the final maturity date of the bonds to be refunded under the Refunding Program.

Section 2. The Bonds shall have the final principal amount (subject to the limitations contained in Section 1 above), designations, terms, maturities, bear interest at such rates and shall be secured as set forth in a Supplemental Trust Indenture for the Bonds (the "Indenture"), dated as of August 1, 2008. The form and content of the Indenture shall be and the same hereby is in all respects authorized, approved and confirmed, and the Chairman, President and the Secretary of the Board shall be and they hereby are authorized, empowered and directed to execute and deliver the Indenture for and on behalf of the Board to the Trustees (identified hereinafter) for the security of the Bonds, respectively, and the interest thereon, including necessary counterparts, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall to them, with the advice of the President and Bond Counsel, seem necessary, desirable or appropriate (their execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions or deletions therein from the form and content of the Indenture now before this meeting) and that from and after the execution and delivery of the Indenture, the Chairman, the Secretary, the President or the President's designees are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 3. In connection with the issuance of the Bonds, it will be necessary to enter into certain additional agreements, and to execute and deliver certain other documents, certificates and instruments, including but not limited to an agreement governing the compliance by the University with certain tax requirements (the "Tax Regulatory Agreement"), an agreement providing for continuing disclosure (the "Continuing Disclosure Agreement"), an agreement specifying the terms of the purchase of the Bonds by the Underwriter (the "Bond Purchase Agreement") and other

miscellaneous agreements and instruments (collectively, the "Related Documents"). Upon the completion of the Related Documents with such changes and modifications as are deemed necessary and the approval of the Related Documents, including any such changes, by the President or his designee, the Chairman, President and the Secretary of the Board, together with one or more vice presidents designated by the President, are hereby authorized and directed to execute each of the Related Documents. The Chairman of the Board, the Secretary of the Board and the President of the University are authorized to execute such other certificates, documents and other writings, and to take such other actions as may be appropriate to cause the Bonds to be issued and otherwise to carry out the terms and purposes of this Resolution.

Section 4. The Series 2008A Bonds shall be secured by a pledge of that portion of the general tuition and fees paid by students attending the University in each Bond Year equal to 110% of the aggregate principal and interest due on the Bonds for such bond year and on any parity bonds (including the Board's Student Fee Refunding and Construction Revenue Bonds, Series 1998, dated December 1, 1998, the Board's Student Fee Revenue Refunding Bonds, Series 2004A, the Board's Student Fee Revenue Refunding Bonds, Taxable Series 2004B, each dated July 1, 2004, the Board's Student Fee Revenue Refunding Bonds, Series 2006B, dated March 31, 2006, the Board's Student Fee Revenue Refunding Bonds, Series 2006E, dated April 1, 2006, and the Board's Student Fee Revenue Capital Improvement Bonds, Series 2007B, dated June 1, 2007) (the "Series 2008A Pledged Revenues").

Section 5. A Preliminary Official Statement has been submitted to this meeting of the Board, and the Board hereby approves the use of the Preliminary Official Statement and final Official Statement, and the same hereby are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement and final Official Statement in connection with the sale of the Bonds is hereby in all respects authorized, approved and confirmed, and the Chairman, the Secretary, the President or the President's designee be and hereby are authorized, empowered and directed to execute and to deem final the final Official Statement in the name and on behalf of the Board with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate (execution thereof to constitute conclusive evidence of the Board's approval of any and all changes, modifications, additions or deletions therein from the form and content of the form of Preliminary Official Statement now before this meeting) to be delivered for use in connection with the sale of the Bonds, and the Chairman, the Secretary, the President or the President's designee are hereby authorized, empowered and directed to do all such acts and things necessary to carry out and comply with the provisions of the final Official Statement.

Section 6. The Board hereby ratifies the engagement of Jack Nelson Jones Fink Jiles & Gregory, P.A., Little Rock, Arkansas as Bond Counsel ("Bond Counsel"), and Crews & Associates, Inc., Little Rock, Arkansas, as Underwriter ("Underwriter").

Section 7. The Board hereby ratifies the engagement of Bank of the Ozarks, Little Rock, Arkansas as Trustee pursuant to the terms of the Indentures (the "Trustee").

Section 8. The Board hereby authorizes the President or his designee to negotiate the terms and conditions of agreements with, and to the extent already negotiated, hereby ratifies the terms and conditions of agreements with Bond Counsel, the Trustee and the Underwriter, and to execute such documents as they determined are necessary and, in the best interests of the Board appropriate (execution thereof to constitute conclusive evidence of the Board's approval of any and all agreements, changes, modifications, additions or deletions therein).

The above resolution was unanimously adopted upon motion by Scott Roussel with a second by Patricia Bassett. Rush Harding abstained from voting.

Mary Ellen Crow Estate – Sale of Home - In February of 2008, the University received a gift from the Mary Ellen Crow Estate. The estate includes a house located on approximately 1.65 acres with an address of 23139 Highway 20, Elaine, AR, and approximately 21 acres of farmland adjacent to the house, as well as other assets.

The administration is requesting approval to sell the house and 21 acres adjacent to the house and to deposit the proceeds of the sale into a restricted scholarship account as required by the donor.

The following resolution was unanimously adopted upon motion by Rush Harding with a second by Kay Hinkle:

“BE IT RESOLVED: That the Board of Trustees authorizes the administration to take the necessary actions as required by the State of Arkansas and university policies to sell Mrs. Crow’s house located on 1.65 acres and 21 acres adjacent to the house and to place the proceeds of the sale into a restricted scholarship account as required by the donor.”

Other (than pension) Postemployment Benefits - At the teleconference held by the Board on June 17, 2008, the Board modified Board Policy Nos. 512 and 516. These changes were initiated as the result of Governmental Accounting Standards Board (GASB) Statement 45. These changes, unless revised by the Board, will take effect on January 1, 2009, and will result in reducing the retirement benefits paid to current and future retirees. An actuarial firm hired by the university calculated a cost of \$1.6 million assuming no change in retirement offerings.

Subsequent the Board's action in June, the Faculty Senate and the Staff Senate expressed concern about the changes and the Fringe Benefits Committee met about this issue. On July 17, the Fringe Benefits Committee adopted a resolution recommending to the President and the Board that payments toward supplemental health care benefits (a portion of the benefits reduced by the Board's vote in June) be reinstated as a lump payment to retirees currently receiving the supplemental health care payment of \$73.00 per month. The cost to the university to reinstate this benefit to the 70 current retirees over the age of 65 is approximately \$136,407.00.

The Fringe Benefits Committee also noted that it was "in the process of reviewing information regarding reinstatement of current retiree dental and life insurance coverage, as well as supplemental payments and dental and life insurance coverage for current retirees who are not yet 65, employees in the phased retirement program, and future retirees, and plans to forward additional recommendations to the Board for the November 7 meeting."

The following resolution was unanimously adopted upon motion by Scott Rousell with a second by Kay Hinkle:

"BE IT RESOLVED: That the Board of Trustees approves the reinstatement of supplemental health care benefits beginning January 1, 2009, through a lump-sum payout to retirees currently receiving that benefit at an estimated cost of \$136,407.00;

BE IT FURTHER RESOLVED: That the staff is instructed to work with the Fringe Benefits Committee by providing any information necessary for discussion and options pertaining to the provision of health, dental, life and supplemental insurance benefits to current and future university retirees."

The Board voted unanimously to suspend the rules to consider a resolution on health insurance.

Health Insurance

Based upon the renewal proposal zero percent increase (0 %) received from United HealthCare (UHC), it is recommended that the health insurance contract be renewed with UHC for 2009. The University Fringe Benefits Committee met and recommended renewal with UHC

for 2009. For 2009 premiums and benefits will remain unchanged with the university paying 85 % of employee-only, 60 % of employee + one and 55 % of family coverage.

Life Insurance

Based upon a renewal proposal of zero percent increase (0 %) received from MetLife, it is recommended that the life and accidental death insurance contract be renewed with MetLife for 2009. The University Fringe Benefits Committee met and recommended renewal with MetLife for 2009. For 2009 premiums and benefits will remain unchanged with the university paying 100% of the premium for employees at one times their annual salary (minimum coverage \$25,000; maximum coverage \$250,000). Employees may also purchase additional coverage up to three times their annual salary (maximum coverage \$350,000).

Long-Term Disability Insurance

Based upon a renewal proposal of zero percent increase (0 %) received from MetLife, it is recommended that the long-term disability (LTD) insurance contract be renewed with MetLife for 2009. The University provides LTD insurance for employees at no cost to the employees.

Dental Insurance

Delta Dental has proposed a renewal increase of 5% for dental coverage for 2009. For 2009 benefits will remain unchanged with the university paying 100% of the premium for employee only coverage, 60% of two-party and 42% of family coverage.

The renewal rates for the Long-Term Disability and the Dental Insurance coverage were not received until this week. Therefore, the University Fringe Benefits Committee did not have time to meet, discuss and vote on the renewals. The approval for these renewals is being requested of the Board at this July meeting so that Human Resources can hold the open enrollment period in October rather than in late November and contingent on approval by the Fringe Benefits Committee.

The following resolutions were unanimously adopted upon motion by Rush Harding with a second by Mike Stanton:

“BE IT RESOLVED: That the administration is authorized to establish a contract with United Healthcare for health insurance coverage for the period of January 1, 2009 through December 31, 2009;

BE IT FURTHER RESOLVED: That the administration is authorized to establish a group life/accidental death insurance contract with Metropolitan Life Insurance Company for the period January 1, 2009 through December 31, 2009;

BE IT FURTHER RESOLVED: That the administration is authorized to establish a group long-term disability insurance contract with Metropolitan Life Insurance Company for the period January 1, 2009 through December 21, 2009, contingent on approval by the Fringe Benefits Committee;

BE IT FURTHER RESOLVED: That the administration is authorized to establish a dental agreement with Delta Dental for the period January 1, 2009 through December 31, 2009, contingent on approval by the Fringe Benefits Committee.”

There being no further business to come before the Board, the meeting was adjourned upon motion by Scott Roussel with a second by Patricia Bassett.

Randy Sims, Chair

Harold Chakales, Secretary

