

The Board of Trustees of the University of Central Arkansas convened in a teleconference meeting at 10:00 a.m., Friday, October 10, 2008, with the following officers and trustees present for the call:

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 meeting was called to order by Chairman Sims, who stated that there were two items for the Board's consideration: (i) University Request for Advancement/Line Credit and (ii) University Calendar.

University Request for Advancement/Line of Credit

Operational revenues of the university are cyclical in nature with tuition and fees being collected primarily in September and January. State funding is not adjusted based on increased student enrollment until two years after the fact in most cases. In addition, during the current fiscal year, category B of the Revenue Stabilization Act ("RSA") has been reduced, thereby diminishing the overall amount to be distributed to the university during this fiscal year. Also, some cash funds of the university currently held by Wachovia Bank in the "common fund" are being held temporarily.

The months of December and June are typically the months in which the university experiences its lowest cash balances. The university also experiences cash shortages because it is required to incur expenses for such items as federal grants, state scholarships and payrolls that are reimbursed from federal and state sources at a later date.

The administration is requesting authorization to (a) request from the Department of Finance and Administration an advance of amounts to be distributed to the university under the Revenue Stabilization Act (approximately \$3.6 million), with such advance to be repaid from distributions to be made to the university by the DF&A in June of 2009, and (b) extend until June 30, 2009, and continue to utilize a line of credit through the National Bank of Arkansas (authorized in early 2007) that will allow the university to draw funds as necessary in any amount up to \$6,000,000. The purpose of the request is to help maintain a level cash flow for operations of the university for this fiscal year.

The following resolution was unanimously adopted upon motion by Scott Roussel with a second by Mike Stanton:

ABE IT RESOLVED: That the Board of Trustees authorizes the president or his designated representative to (a) request an advance from the Department of Finance and Administration in the amount permitted under Section 19-5-501 of the Arkansas Code, and (b) extend from March 12, 2009, until June 30, 2009, a \$6,000,000 line of credit through the National Bank of Arkansas, previously authorized by the Board of Trustees, and continue to utilize such line of credit as needed for the efficient operations of the university, and (c) take such steps and execute such documents as may be required under Arkansas law to obtain the consents and approvals necessary to secure the advance from the Department of Finance and Administration, and extend and draw on such line of credit.”

Revision to University Calendar/December-January

The Administration is requesting a slight change in the university calendar for the months of December 2008 through January 2009. Currently, university employees are to work on Friday, December 19, 2008, and the university will then close for the Christmas holidays and employees are to return to work on Friday, January 2, 2009.

After review and discussion by the senior staff and other offices, such as the Office of the Registrar, the Administration requests that the holiday schedule be revised to work on Monday, December 22, 2008, and then return to work on Monday, January 5, 2009. This means the university employees will work the same number of days.

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

“RESOLVED: That the university calendar is hereby modified so that the offices of the university close at the close of business on Monday, December 22, 2008, and re-open on Monday, January 5, 2009.”

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

Randy Sims, Chair

Harold Chakales, Secretary

