

The University of Central Arkansas Board of Trustees convened in a regularly scheduled meeting at 10:00 a.m., December 13, 2013, in the Board of Trustees Conference Room in Wingo Hall with the following officers and members present:

Chair:	Mr. Victor Green
Vice Chair:	Ms. Kay Hinkle
Secretary:	Mr. Brad Lacy
	Mr. Bunny Adcock
	Ms. Elizabeth Farris
	Mr. Bobby Reynolds
	Ms. Shelia Vaught

MINUTES

Minutes of the October, 2013, Board meeting and the November 6, 2013 teleconference meeting, were unanimously approved as submitted upon a motion by Bunny Adcock and second by Brad Lacy.

INTRODUCTIONS

Pursuant to Board Policy No. 607, "University Improvement Fund", as chair of the Board, Victor Green reported that he was giving \$18,000 to the UCA Police Department; \$2,500 to the Physical Plant; and \$4,500 to the Staff Senate. His letter is attached to these minutes.

President Courtway introduced Miss UCA, Makenzie Moore and Warren Readnour, general counsel.

ACTION AGENDA

Greek Village Phase I Exterior Housing Designs and Lots

This agenda item involves the placement of the Greek houses on the University's property on Donaghey and Augusta Avenues, and the design for the detached Greek houses to be built on those lots. It will also describe the selection process of the five sororities of those houses.

Lots: Attached to this write-up is a site map showing the location of the five sorority houses as well as the location of the first phase of the National Pan-Hellenic Council (NPHC) community center to house the NPHC sorority chapter rooms. The five sorority houses will be built on Lots 1 - 5, with three houses on Donaghey Avenue and two on Augusta Avenue.

Exterior Design of Sorority Houses: Five exterior design options were presented by Caradine Companies Architecture to the Greek Village Steering Committee. The Greek Village Steering Committee was composed of Ronnie Williams, Diane Newton, Rick McCollum, Larry Lawrence, Velton Daves, Wendy Holbrook, Lindsey Osborne, Gary Roberts, and Scott Isenga.

Of the five exterior designs presented to the steering committee, three were selected and presented to the executive staff for their consideration. The second document attached to this write-up shows the exterior design of the three houses facing Donaghey Avenue. Designs 3, 4, and 5 were selected by the committee for Greek Village Phase I. These designs were forwarded to the executive staff for their recommendation and are presented for the Board's approval.

Design D-5 will be built on Lot 1; Design D-3 will be built on Lot 2; Design D-4 will be built on Lot 3; Design D-3 will be built on Lot 4; and Design D-5 will be built on Lot 5. So, if approved by the Board of Trustees, the exterior designs will have been approved for each lot.

Lot Selection Process: While it is not necessary for the Board of Trustees to take action on the lot selection process, it is important that this matter be brought to the Board's attention so any questions may be answered.

The selection process agreed upon by the sororities is as follows:

The sororities will each submit a ranked list of the 5 available lots. The steering committee will review them, and if no two sororities want the same lot (with pre-determined house design), then each sorority will receive their desired lot.

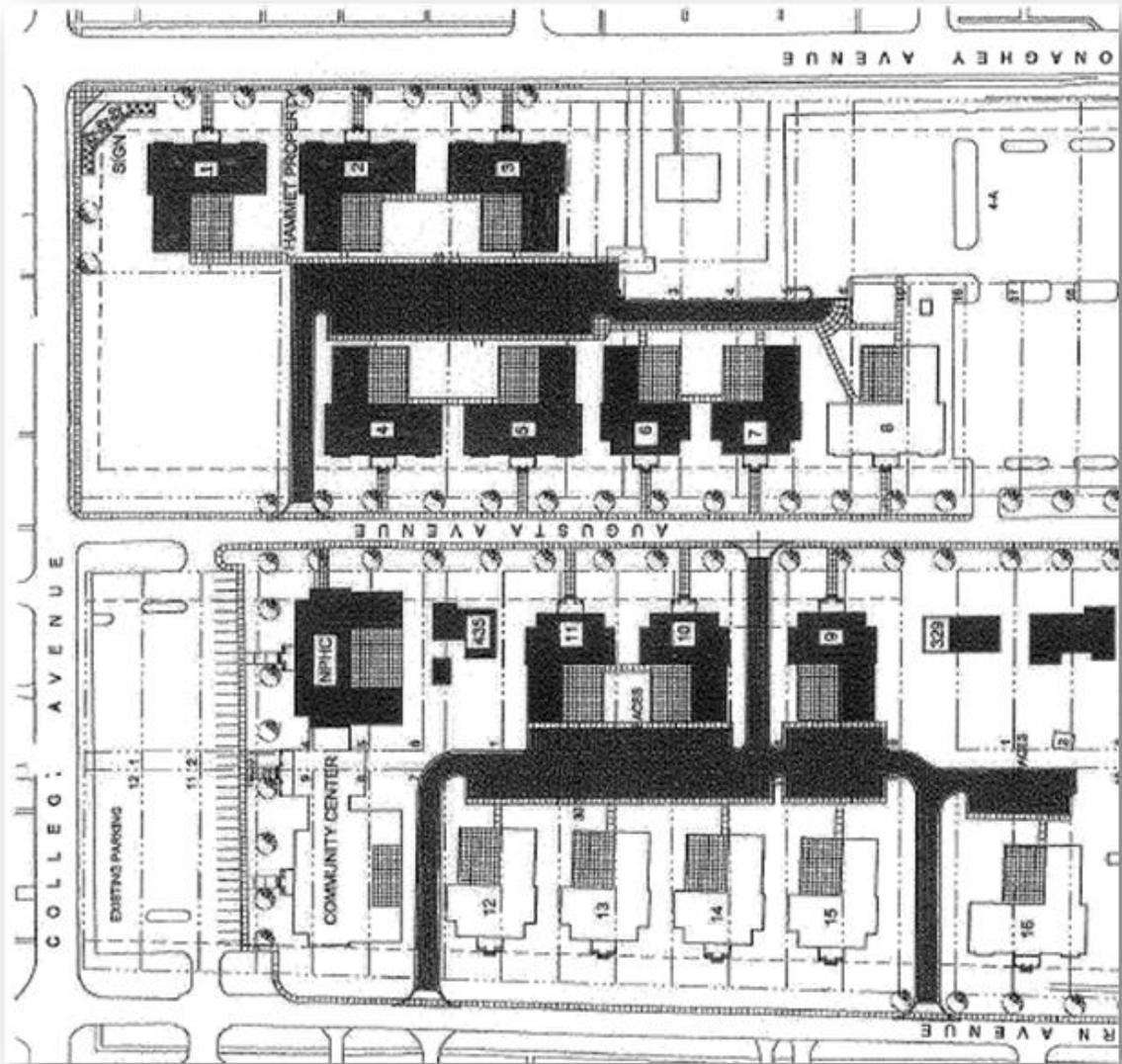
The problem will occur, however, if two or more sororities rank one lot as the same priority. In that event, a tie breaker has been agreed upon. The names of the sororities involved in the tie breaker will be placed in a bowl and a third party will blindly draw. The sorority drawn out of the bowl would be the sorority who would receive the lot involved in the tie breaker. This process would be followed until all five lots are taken.

This process has been approved by the NPHC, as well as the sorority members of the UCA Greek Alumni Advisory Board.

The trustees asked the exterior of the five sorority house designs all be different instead of having designs 3 and 5 used twice. They also requested that the exterior of design 5 be revised because it was too plain. President Courtway said that five designs will be sent electronically for the Board to consider. The Board will decide on the designs at the February meeting.

The following resolution was unanimously adopted upon motion Bobby Reynolds and second by Shelia Vaught:

“BE IT RESOLVED: That the Board of Trustees approves lots 1 through 5 for the placement of the sorority houses to be constructed in Greek Village Phase I.



University of Central Arkansas™

Donaghey View



D - 4

D-3

D-5

“Contract Review Procedures” - Board Policy No. 416

Pursuant to Board Policy No. 416, “Contract Review Procedures,” the administration must seek Board approval for (i) any contract which will require the expenditure by the University of funds (at any time) in excess of \$250,000; or (ii) any contract with a term exceeding one (1) year, unless the Office of General Counsel certifies, in writing, that the contract may be terminated by the University on the giving of written notice of ninety days or less.

The administration is seeking Board approval for the following contract:

- Agreement between the University of Central Arkansas and Polk Stanley Wilcox Architects, LTD, for the preliminary design of a multi-story building located on the east side of Donaghey Avenue between South Boulevard and Martin Street.

Therefore, the president recommends to the Board of Trustees the following resolution:

“BE IT RESOLVED: That the Board of Trustees authorizes the administration to enter into a contract with Polk Stanley Wilcox Architects, LTD, for the purposes set forth above.”

UNIVERSITY OF CENTRAL ARKANSAS

REASON FOR REQUIRING BOARD REVIEW AND ACTION:
(Board Policy #416)

Contract with a term exceeding one year

SUMMARY

1. Parties: University of Central Arkansas and Polk Stanley Wilcox Architects, LTD.
2. Purpose: To provide architectural and engineering services for the preliminary design and specifications of a multi-story mixed-use retail and student housing building located on the east side of Donaghey Avenue.
3. Term: January 6, 2014 to June 30, 2015.
4. University Funds to be paid: \$650,000 (\$615,000 + \$35,000 for expenses).
5. Funds Received: None.
6. Public Bid/Purchasing Approval: A Request for Qualifications was issued on September 10, 2013. Fourteen proposals were submitted, and four firms were interviewed on October 24, 2013. A committee of six selected Polk Stanley Wilcox

Architects, LTD.

7. Special Provisions/Terms/Conditions: The method of financing was considered by the Department of Higher Education and Arkansas Legislative Council Review Committee on August 26, 2013 and approved on September 23, 2013. The Professional Consultant Services Contract has been submitted to the Arkansas Legislative Council for review at the December meeting.
8. Approval/Notification to UCA Foundation: N/A.

Form prepared by: Warren Readnour, General Counsel

Date: December 4, 2013

Board Elections

(i) Officers

The following officers were unanimously elected upon motion by Bunny Adcock and a second by Bobby Reynolds:

- Kay Hinkle, Chair
- Brad Lack, Vice Chair
- Shelia Vaught, Secretary

(ii) “President’s Residence Advisory Committee” - Board Policy No. 209

Board Policy No. 209 established the President’s Residence Advisory Committee. It is an advisory committee to the Board of Trustees and is charged with responsibility to review any proposed architectural, structural or landscaping changes to the president’s house and surrounding grounds; and as part of such review, the committee is to consider the costs involved and the sources/uses of any funds to be expended.

The Board must fill two positions on the committee. One is a Board member to replace Trustee Elizabeth Farris. The other is one of the three at-large positions appointed by the Board, and currently held by Ms. Jane Arthurs to expire on December 31, 2013.

The following resolution was unanimously adopted upon motion Bunny Adcock and second by Brad Lacy:

“BE IT RESOLVED: That Shelia Vaught, a member of the University of Central Arkansas Board of Trustees is hereby appointed as the Board’s representative to the President’s Residence Advisory Committee to serve for a term of one year beginning January 1, 2014; and

“BE IT FURTHER RESOLVED: That Jane Arthurs is hereby appointed by the Board of Trustees to serve on the President’s Residence Advisory Committee, for a term of three years beginning January 1, 2014.”

**UNIVERSITY OF CENTRAL ARKANSAS
BOARD POLICY**

Policy Number: 209

Subject: President’s Residence Advisory Committee

Date Adopted: 02/2012 Revised: 12/12

Establishment of Committee: There is hereby established a standing committee of the University of Central Arkansas to be known as the “President’s Residence Advisory Committee.”

Purpose of the Committee: The purpose of the committee is to (a) review any proposed changes to the president’s house and grounds, as more specifically set forth herein, (b) review the estimated costs thereof and the sources and uses of funds to make any such improvements, and (c) make recommendations, as the committee determines are appropriate, to the Board of Trustees. The committee is advisory only and shall not be deemed to be a governing body for any purpose.

Membership of the Committee/Meetings: The committee shall be composed of nine persons as follows:

- One member of the Board of Trustees of the University of Central Arkansas;
- One person designated as the representative from the UCA Faculty Senate;
- One person designated as the representative from the UCA Staff Senate;
- One person designated as the representative from the UCA Student Government Association;
- One person designated as the representative from the UCA Alumni Association,
- One person designated as the representative from the UCA Foundation, Inc.; and
- Three persons initially selected by the Board of Trustees of the University of Central Arkansas, none of whom shall be employees of the University. Any vacancy of a member appointed by the UCA Board of Trustees shall be filled by action of the Board of Trustees.

The director of the UCA Physical Plant shall be an ex-officio, non-voting member of the committee.

A member's term shall begin on January 1st of each year and shall end on December 31st of the year such member's term expires.

The member of the UCA Board of Trustees shall serve a one-year term on the committee. Effective January 1, 2013, the member designated by the UCA Student Government Association shall serve a one-year term. All other members shall serve three-year terms, with the initial terms of the members staggered and drawn by lot.

The committee members shall be selected by their respective groups listed above, and the names of the committee members shall be provided to the chair of the Board of Trustees by December 15, of each year. Members of the committee may be reappointed. The committee shall elect its own chair. The committee shall hold at least one meeting each calendar year. Special meetings may be called by the chair, or upon request of any two members of the committee. At least two days notice of any meeting shall be provided to each member.

Charge to and Powers of the Committee; Advisory Recommendations: The committee is charged with full authority to review any and all proposed changes to the president's house and adjacent grounds, with such authority to include, but not be limited to, review and recommendations concerning any proposed architectural or structural changes to the house (interior or exterior) and grounds. This includes additions, renovations, removal or cutting of trees (except for normal, routine and customary pruning and landscaping, or planting of flowers and shrubs), as well as other areas inside the public areas of the house. This review shall not be deemed to include routine maintenance to the house, or routine planting and landscaping to the grounds.

As part of its work, the committee is to review the proposed costs involved, and shall review the sources of funds to make any such proposed changes.

Action by the Committee/Approval Required by Board of Trustees: No renovations, alterations or changes to the public areas of the interior of the house, or any part of the exterior of the house, nor any permanent change to the landscaping of the grounds adjacent to the house shall be made except (a) upon the recommendation of the committee after its review, and (b) a report approved by the Board of Trustees setting forth the changes and approving the cost involved and the funds to be expended.

Exceptions for Emergencies and Personal Areas: Notwithstanding the foregoing, the personal areas of the house may be painted, carpeted, etc., as the residing family may determine, but not to exceed \$5,000 in the aggregate for any fiscal year from public funds unless reviewed by the committee and approved by the Board of Trustees. In addition, if in the reasonable opinion of the vice president for finance and administration and the director of the Physical Plant, repairs are needed as a result of any emergency or an act of God, then such repairs may be made, but notification shall be provided to the chair of the Committee and the chair of the Board of Trustees.

(iii) Audit Committee” - Board Policy No. 213 (Election of One Member for 2014)

Board Policy No. 213 established an Audit Committee of the Board of Trustees.

The Audit Committee is composed of three members of the Board. Under the Board policy, the UCA Office of Internal Audit reports directly to the Audit Committee, and then to the UCA Board of Trustees.

Pursuant to Policy No. 213, for calendar year 2013 and years thereafter, the Board of Trustees is to select one person to serve a one-year term on the Audit Committee. **It is necessary for the Board of Trustees to elect one person to serve a one-year term on the Audit Committee (for calendar year 2014).**

The other appointments to the Audit Committee are (a) the Board appointment made in January of the applicable year by the Governor of the State of Arkansas to a full seven-year term on the Board of Trustees and such person shall serve a two-year term on the Audit Committee and (b) the continuing member from the prior year.

Currently, Mr. Lacy is the chair of the Audit Committee; Ms. Vaught is serving due to her appointment to the Board in January 2013 and will continue for 2014; and Mr. Adcock was elected as the Board’s appointee for 2013.

The policy also provides that any elections by the Board of Trustees shall occur at the last Board meeting of each calendar year with such persons taking office on the first day of the following calendar year.

It is necessary for the Board to select one of its members to serve on the Audit Committee for 2014. The other two members of the Audit Committee for 2014 will be (a) Ms. Shelia Vaught, who will serve a second year and (b) the trustee appointed by the Governor of Arkansas in January 2014 for a full seven-year term.

The following resolution was unanimously adopted upon motion Shelia Vaught and second by Brad Lacy:

“BE IT RESOLVED: That Bunny Adcock is hereby selected to serve as a member of the Audit Committee for calendar year 2014.”

UNIVERSITY OF CENTRAL ARKANSAS
BOARD POLICY

Policy Number: 213

Subject: Audit Committee

Date Adopted: 05/09 Revised: 02/10, 08/11, 09/12

AUDIT COMMITTEE

1. **Creation of Audit Committee.** There is hereby created a committee of the University of Central Arkansas Board of Trustees (“Board”) to be known as the “Audit Committee.”
2. **Members of the Audit Committee.** The Audit Committee shall be composed of three (3) members of the Board.

The members of the Audit Committee shall be elected and shall serve terms as follows:

- (a) For calendar year 2012, two members of the Board of Trustees shall be elected by the Board and shall serve a term of one-year. The third member of the Audit Committee shall serve a two-year term and shall be that person appointed by the Governor of the State of Arkansas to a full seven-year term on the Board of Trustees beginning January 15, 2012.
- (b) For calendar year 2013 and years thereafter, the Board of Trustees shall elect one person to serve a one-year term on the Audit Committee. The other appointment to the Audit Committee for that year shall be the Board appointment made in January of the applicable year by the Governor of the State of Arkansas to a full seven-year term on the Board of Trustees and such person shall serve a two-year term on the Audit Committee. (The third member shall be the continuing member from the prior year.)

Any elections by the Board of Trustees shall occur at the last Board meeting of each calendar year with such persons taking office on the first day of the following calendar year.

The Chair of the Board of Trustees shall never be a member of the Audit Committee. If for any reason, the Chair of the Board of Trustees is in line to be a member of the Audit Committee, a vacancy shall be declared for such position, and the full Board of Trustees shall elect a replacement to serve.

3. **Chair of the Audit Committee.** The members of the Audit Committee shall select a chair for the committee. The Chair of the Audit Committee shall be responsible for calling meetings of the committee, and shall also meet with the director of internal auditing, any independent accountants, and management separately to discuss any matters the Chair deems necessary or required.
4. **Purpose; Scope of Responsibility of the Audit Committee.** The purpose of this committee shall be to aid and assist the University, the Board, and the Office of Internal Audit. Nothing herein shall be deemed to abrogate any authority or responsibility of the Arkansas Division of Legislative Audit.

The Audit Committee shall consider and recommend to the Board matters of policy relating to internal and external audits and such other matters as may be referred to it by the President or the Board. Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information which will be provided to the Legislature and others, the systems of internal controls which management and the Board have established, and the audit process.

The Audit Committee shall have the power to authorize, oversee and/or conduct investigations into any matters within the Audit Committee's scope of responsibilities.

5. **Meetings of the Audit Committee.** The Audit Committee shall meet at least four times per year, with each such meeting occurring prior to the regularly-scheduled meeting of the Board. The Audit Committee may meet more frequently as circumstances require. The Audit Committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.
6. **Responsibility for Office of Internal Audit.** The Office of Internal Audit of the University of Central Arkansas shall report directly to the Audit Committee, and no office, department or employee of the University of Central Arkansas shall have any oversight responsibility for, nor exercise supervisory control over, the Office of Internal Audit. Provided, however, administrative responsibility for salaries, budget, travel, and other operating expenses shall be handled by the General Counsel, subject to the approval of the Chair. In addition, the Office of Internal Audit shall provide drafts of audits to the General Counsel and to the members of the audit committee.
7. **Specific Responsibilities of the Audit Committee.** In meeting its responsibilities, the Audit Committee is expected to:
 - a. Provide an open avenue of communication between the internal auditors, any independent accountant (if utilized), management of the university and the Board of Trustees.
 - b. Review and update the responsibility of the Audit Committee, subject to approval by the Board of Trustees.
 - c. If necessary or required, recommend to the Board any independent accountants to be nominated, approve the compensation of the independent accountants, and review and approve the discharge of the independent accountants. Independent accountants are ultimately accountable to the Board and to the Audit Committee.
 - d. Review and concur in the appointment, replacement, reassignment, or dismissal of the director of internal auditing, or any staff person of such office.
 - e. Confirm and take or recommend any appropriate actions to assure the independence of the internal auditor, and if required, any independent accountants. Obtain disclosures regarding the accountants' independence as required by generally accepted government auditing standards and discuss with the accountants all significant relationships to

determine the accountants' independence.

- f. Inquire of management, the director of internal auditing, and the independent accountants about significant risks or exposures and assess the steps management has taken to minimize such risk to the University of Central Arkansas.
 - g. Consider, in consultation with the independent accountants and the director of internal auditing, and approve the audit scope and plan of the internal auditors and the independent accountants.
 - h. Review with the director of internal auditing and the independent accountants the coordination of audit effort to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
 - i. Consider and review with the independent accountants and the director of internal auditing the adequacy of internal controls including computerized information system controls and security.
 - j. Review with management, the internal auditors, and if necessary any independent accountants, any of the following matters following an examination:
 - i. The financial statements and related footnotes and consider whether they are consistent with information known to committee members.
 - ii. The independent accountants' audit of the financial statements and their report thereon.
 - iii. Significant accounting and reporting issues, recent pronouncements, and complex or unusual transactions during the audit period under review.
 - iv. Significant findings and management responses thereto.
 - v. Any significant changes required in the internal auditors' or independent accountants' audit plan.
 - vi. Any serious difficulties or disputes with management encountered during the course of the audit.
 - vii. Such other matters related to the conduct of the audit, which are to be communicated to the Audit Committee under generally accepted auditing standards.
8. **Review with Director of Internal Audit.** Consider and review with management and the director of internal auditing:

- a. Significant findings during the year and management's responses thereto.
 - b. Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.
 - c. Any changes required in the planned scope of their audit plan.
 - d. The internal auditing department's budget, staffing and organizational structure of the department.
 - e. The department's compliance with Institute of Internal Auditor's Standards of Professional Practice of Internal Auditing.
 - f. Review legal and regulatory matters that may have a material impact on the financial statements and related compliance policies.
9. **Report to Board of Trustees.** Report Audit Committee actions to the Board with such recommendations, as the Audit Committee may deem appropriate.

REPORTS

Institutional Report Card – Steve Runge, Provost and Vice President for Academic Affairs, updated the Board on the University's key performance indicators. The report is attached to these minutes.

Financial Update – Diane Newton, Vice President for Finance and Administration, reported on the University's finances. A copy of the unrestricted/unallocated cash chart is attached to these minutes.

2014 Board Meeting Dates:

- February 21
- March 27-28 Board retreat
- April 25 budget workshop
- May 30
- August 15
- October 10
- December 12

Lewis Science Center – Gene Caston with Stuck Associates reported to the Board on their assessment of Lewis Science Center in regards to renovations and additions. His power-point presentation is attached to these minutes.

Donaghey Avenue Corridor – Mayor Tab Townsell gave a presentation on the City of Conway’s ideas for a Donaghey Avenue Corridor. A copy of his power-point presentation is attached to these minutes.

EXECUTIVE SESSION

Executive session, for the purpose of considering personnel matters, was unanimously declared upon motion by Elizabeth Farris with a second by Shelia Vaught.

OPEN SESSION

The following resolution was unanimously adopted upon motion by Bunny Adcock with a second by Brad Lacy:

“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.

Kay Hinkle made a motion asking that President Courtway prepare a resolution to be presented at the February meeting thanking Victor Green for his service as chair. The motion was seconded by Bobby Reynolds and was unanimously adopted by the Board.

There being no further business to come before the Board, the meeting was adjourned upon motion by Elizabeth Farris and second Brad Lacy.

**The University of Central
Arkansas Board of Trustees**

**Victor Green
Chair**