Accomplishments Arkansas Department of Higher Education Fall 2002 - Summer 2005





# Dr. Linda Beene, Director

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## PROGRAMS

#### STAR Commission

ADHE launched a new forgivable loan program in August 2004 — State Teacher Assistance Resource (STAR) program — to recruit teachers. A new commission chaired by Lt. Governor Rockefeller oversees this program and helps recruit future Arkansas teachers. STAR provides loans to Arkansas college students or adults wishing to change careers or those interested in becoming teachers who will commit to teaching in designated subject areas and/or in areas of the state with critical teacher shortages. The STAR program required major ADHE computer re-programming and regulation changes to a forgivable loan with collection authority if provisions are not fulfilled.

Providing a quality education for every Arkansas child is a number one priority. There must be an adequate supply of qualified teachers to work with students across Arkansas. This program addresses an ongoing problem that every state faces – a critical shortage of teachers in specific subject areas or geographic regions.

The STAR program provides a \$3,000 per year loan for students pursuing teacher licensure in math, science, special education or foreign languages. It also provides a \$3,000 per year loan for those students who agree to teach in geographic areas determined to have a shortage of teachers. For students who agree to do both, the loan will be \$6,000 per year. The STAR Commission awarded 264 loans for the 2004-05 school year and 408 for the 2005-06 school year. For 2005, 48 student loans totaling \$168,000 are being forgiven indicating success of the program. A public information project to promote the STAR program has also been implemented by ADHE staff.

#### Blue Ribbon Committee on Higher Education

Governor Mike Huckabee appointed 15 Arkansans to the Blue Ribbon Committee on Higher Education in late 2003 to make recommendations to the Governor and Legislature for improving colleges and universities in Arkansas. ADHE staff provided research and data. Phil Ford chaired the committee and represented the Arkansas Higher Education Coordinating Board while Dr. Linda Beene served as an ex-officio member of the committee. The panel examined higher education systems of other states as well as the Arkansas system, and topics of focus included college participation, retention and graduation, research, funding, diversity and economic development.

The Blue Ribbon Committee on Higher Education met seven times between December 2003 and June 2004 and presented recommendations to Governor Huckabee to include: empowering the AHECB with authority over all state funding for higher education; more clearly defining institutional mission and scope; requiring consistency in course work transfer among institutions; changing the funding system from one based strictly on enrollment to one that also includes incentive funding for credit hours completed and institutional performance relative to stated role and scope; expanding scholarship programs, loan forgiveness programs and matching programs for research grants from non-state funds.

#### ADHE Accomplishments Fall 2002 - Spring 2005

The Governor used several of the Blue Ribbon Committee's recommendations in his January 2005 State of the State Address as well as including some in his higher education initiatives for the 85<sup>th</sup> General Assembly.

#### Pathways to Advancement Grant

In early 2000, Pathways to Advancement was a new initiative of the National Governors Association (NGA) Center for Best Practices and FutureWorks Inc. to help states expand postsecondary access and attainment for working adults. The project changes higher education policies and practices to support greater numbers of low-income or low-skilled working adults in gaining postsecondary credentials. Pathways to Advancement was supported by the Lumina Foundation for Education.

Arkansas was one of the six states selected to participate in a two-year "Action Learning Academy." NGA Center, FutureWorks and Academy faculty worked with teams of state officials to:

- Assess current workforce, welfare, education and economic development policies in light of project goals; and
- Develop and implement comprehensive strategies for overcoming individual, institutional, and public policy barriers to increase adult postsecondary access and success.

To encourage the effective engagement of states, the project provided \$50,000 over two years to each participating state to pay for their team's travel to two cross-state Academy meetings and support state-specific research, evaluation and consensus-building activities. In addition, extensive in-state technical assistance and analytical support from the NGA Center, FutureWorks and a team of consultants was available to participating states.

As part of this project, ADHE, together with the Arkansas Departments of Workforce Education, Economic Development and Human Services, the Arkansas Association of Two-Year Colleges, the Southern Good Faith Fund, sought funding from the Arkansas Transitional Employment Board for Temporary Assistance to Needy Families (TANF) funds to develop a comprehensive program that promotes increased educational attainment for adults across Arkansas that will be known as the Career Pathways Program. Through collaboration with existing educational providers and economic development initiatives, a program will be developed that affords adults with the opportunity to be served according to their educational needs. The major objective for participants is to attain a marketable, educational credential.

The program will assist adults who need additional basic skills or are already academically prepared for college level work but lack the resources to attend college. To ensure that participants are prepared for entry/re-entry into the workforce, participants will also receive job readiness education, career counseling and employer contacts. One strategy of the NGA grant for Arkansas is to expand access to Career Pathways by replicating the pilot project offered at Southeast Arkansas College (SEARK) in Pine Bluff and adding best practices of Career Pathways programs as structured in other states. The end result will be the provision of sequential career training and job placement for low-income, TANF-eligible adults.

#### Youth Opportunities Unlimited (YOU) Program

The high academic standard set by the YOU curriculum produced positive results. 2003 *Stanford 9* post-test scores noted an average eight-month gain in basic skill competency for Youth Opportunities Unlimited (YOU) participants. Participants at the University of Arkansas Monticello (UAM) boasted the greatest single gain with more than a one-year increase in Language Arts. This marked the second year in a row that University of Arkansas at Pine Bluff (UAPB) retained all 14-

and 15-year-old teens in the highly structured program. The YOU Follow-up Program was operational at four universities. Intervention for all YOU participants continued monthly, and data collected showed 98 percent of completers were still in school or have graduated. Three institutions hosted YOU Camps last year. Academic progress boasted average gains of 14.5 months in tested areas of math, science, English and reading. Participants at the University of Arkansas - Fayetteville posted an unprecedented average gain in reading of 4.65 years after only six weeks of instruction. Credit for student achievement is given to dedicated faculty, focused curriculum, small classes and individual instruction. In 2005, Y.O.U. camps were held at the University of Arkansas at Monticello and Southern Arkansas University. Y.O.U. participants were recognized at the annual Governor's Day Assembly at Pulaski Technical College.

#### Carl D. Perkins Monitoring Visit

The U.S. Department of Education's Office of Vocational and Adult Education conducted a Carl D. Perkins monitoring/technical assistance visit in summer 2003 focused on all phases of secondary and postsecondary Carl D. Perkins and Tech Prep programs. In addition to ADHE and Department of Workforce Education staff members who provided the monitoring team with programmatic and fiscal information about Carl D. Perkins and Tech Prep, representatives from secondary and postsecondary institutions gave presentations and participated in discussions on "What is working in Arkansas' Perkins Program." In April, 2005, official notification was received from the U.S. Department of Education that the 2003 Perkins monitoring team that visited Arkansas had no findings and required no corrective action. As of March 29, 2005, the U.S. Department of Education closed the site visit file.

#### <u>"Ways In Mentor" Program</u>

Governor Huckabee, chairman of the Southern Regional Education Board (SREB), announced a new SREB online initiative in February 2004 for adults needing help to obtain more education to get a job, keep a job or earn a degree. The "Ways In Mentor" website, <u>www.waysinmentor.org</u>, provides specific services for adults seeking further education, including help in finding courses, applying to colleges and obtaining financial aid.

The site is the product of a partnership between the SREB and Xap Corporation and is especially designed for adults and electronic learners, providing one-stop help and resources for people who need a GED, a college course or a degree program. Similar Mentor sites have been developed in 11 SREB states and 35 states nationally. The site ties in with SREB's *Electronic Campus*, which in six years has grown to more than 8,000 courses and 380 degree programs delivered electronically from colleges and universities in all 16 SREB states.

Arkansas' active members in SREB's *Electronic Campus* at the time of announcement include: UALR, ASU, Southern Arkansas University Tech and Cossatot Community College of the University of Arkansas; colleges previously offering *Electronic Campus* courses are Arkansas Tech University, Ouachita Technical College, Phillips Community College of the University of Arkansas, University of Arkansas Community College at Batesville, University of Arkansas Community College at Hope and the University of Arkansas at Fort Smith.

# <u>I Can Learn</u>

Governor Huckabee invited representatives of two-year colleges, local Workforce Investment Boards and public schools to a meeting in April 2004 for a presentation on *I Can Learn*, <u>www.icanlearn.com</u>, which offers mastery-level algebra curriculum that tracks daily progress of all students. It was designated as one of the "Promising Mathematics Programs" by the U. S. Department of Education. Many colleges around the country have found this program successful in meeting remedial math needs of students, particularly adults, entering college. Future steps include identifying possible additional locations for *I Can Learn* classrooms and funding resources. Two-year colleges including Mid-South Community College, Ouachita Technical College, Phillips Community College of the University of Arkansas, University of Arkansas Community College at Hope, East Arkansas Community College, Rich Mountain Community College, Arkansas State University-Mountain Home, North Arkansas Community College, and South Arkansas Community College have all been using this technology-based intermediate algebra program or will be including it into their 2005 curriculum.

#### Smart Core

Presentations were made in September 2003 regarding "Smart Core", a revised core curriculum for grades 9-12 to enhance student learning outcomes and reduce the need for remediation in colleges and universities. ("Smart Core" is the same as the core curriculum required for unconditional admission to Arkansas universities and colleges.) Higher Education is working to ensure educational adequacy in high-quality teachers, curriculum and assessment systems, concurrent credit, and access to quality technology and delivery systems. The State Board of Education approved "Smart Core" in December 2003.

#### Grant for Prospective Teachers

The Arkansas Higher Education Coordinating Board granted \$733,336 to higher education institutions and partnering local education agencies in the first quarter of 2004 to improve subject matter competence and instructional skills of prospective and current Arkansas elementary and secondary school teachers. Designed to increase the number of highly qualified teachers, especially in math and science, several of the projects included activities to strengthen content and instructional skills. Other programs integrate the use of technology to increase the number of teachers served, especially those in rural areas. The programs focused on districts and schools with a high percentage of students from low-income families, or that have many non-licensed teachers. Funding was provided under Title II of the No Child Left Behind Act of 2001.

# Southern Growth Policies Board Globalization Forum

Dr. Linda Beene and Dr. Ed Franklin, Director of the Arkansas Association of Two-Year Colleges, led a community forum on Globalization at Black River Technical College in Pocahontas on April 29, 2004. The results of the forum were shared with Southern leaders through the Southern Growth Policies Board, a public-private partnership of 14 states, including Arkansas. It brings balanced, innovative, and well-grounded policy advice to its member states. Its board consists of the Governors of each member state, two citizen appointees from each state, and two legislative appointees from each state. Southern Growth Policies Board prepared a report on this and other similar forum results that were presented to the governors and other Southern leaders at the June 13-15, 2004 Conference on the Future of the South.

Individuals in the group represented local business, education and government entities including the Mayor of Pocahontas, the local public school superintendent and representatives of the Chamber of Commerce, the Industrial Training Center and the electric and banking industries. The group discussed holding a similar regional meeting which would include representatives from surrounding counties. They also discussed having presentations and dialogue about globalization at upcoming economic development and industry alliance meetings.

# Hosting Annual Joint Board Meeting and Institutional Trustee Conference, 2003

The Arkansas Department of Higher Education hosted the annual joint meeting of the Higher Education Coordinating Board, the State Board of Education, and the State Board of Workforce Education and Career Opportunities, and the Trustee Conference on September 8, 2003. Beginning in the morning, Senator Jim Argue and Representative Calvin Johnson, co-chairs of the Joint Committee on Educational Adequacy and also chairs of their respective educational committees of the legislature, kicked off the joint board meeting with an analysis of the adequacy report released by the Joint Committee on September 1. The three department directors followed with proposals recommending ways to improve public education. Ray Simon of the Department of Education unveiled "Smart Core," a revised core curriculum 9-12, which he believes will reduce the need for remediation in colleges and universities. ("Smart Core" is the same as the core curriculum required for unconditional admission to Arkansas universities and colleges.) Dr. Linda Beene, Department of Higher Education, focused on the role of higher education in ensuring educational adequacy in three areas: high-quality teachers, curriculum and assessment systems, concurrent credit, and access to quality technology and delivery systems. Dr. Steve Franks of the Department of Workforce Education and Career Opportunities reinforced the Smart Core proposal by detailing successes in his department's career and technical education programs. The program for the annual Trustee Conference in the afternoon featured discussion from a panel of legislators, a panel of business and industry leaders, and a panel of presidents and chancellors on their reactions to the adequacy report.

#### Hosting Annual Institutional Trustee Conference, 2004

Governor Huckabee reiterated his Executive Recommendation, which was very favorable for higher education, to an audience of over 150 trustee members and presidents/chancellors of institutions as well the Higher Education Coordinating Board members on December 14, 2004 during the Annual Trustee Conference. He urged the state's colleges and university leaders to lobby the Arkansas Legislature on behalf of his proposal to increase funding for higher education by more than \$100 million over the next two fiscal years. While addressing the group, Governor Huckabee tied education with economic development, saying that the state's future rests with its ability to provide Arkansans with a proper education. Better-educated workers earn more, he said, giving the state a larger revenue base for existing taxes.

Phil Ford, Chairman of the Higher Education Coordinating Board, welcomed the audience at the Trustee Conference and introduced panel members who commented in the afternoon on the group's role in addressing higher education issues for the 2005 Session. The first panel consisted of Legislators, the second panel consisted of university and college trustee members, and the final panel consisted of college presidents/chancellors.

#### Annual Retention Conferences

The University of Arkansas, Fayetteville, and ADHE hosted the second statewide retention conference in October, 2003. This was a follow-up to the first Arkansas Higher Education Retention Conference held in Fayetteville in October 2000. Almost 40 Arkansas public and independent colleges and universities were represented at the conference by almost 300 attendees. Keynote speakers were Dr. Betsy Barefoot and Mr. John Gardner from the Policy Center on the First Year of College. Funded in part by the Winthrop Rockefeller Foundation, the conference was to improve Arkansas retention and graduation rates by encouraging appropriate personnel on the campuses to become more familiar with current theory and best practices and implement these practices on their campuses.

# AGENCY ACTIVITIES

## Staff Reorganization

An agency reorganization process was conducted in July, 2003. The outcome was more efficient operation by getting similar programs together in an effort to stretch resources even further. Staff members were organized into five separate divisions including Academic Affairs led by Karen Wheeler, Institutional Finance including Financial Aid Programs led by Stanley Williams, Research and Planning led by Ron Harrell, Agency Finance led by Vikki Moore, and Research and Policy Development led by Rebekah Lee. Steve Floyd assumed the Deputy Director role of the entire agency. The Communications Coordinator as well as the Agency Fiscal Manager now report to the Director.

#### Arkansas Electronic Legislative Digest

The Arkansas Electronic Legislative Digest was purchased and implemented systemically by the Department of Higher Education to provide up-to-the-minute information on legislation for all Presidents and Chancellors. The Digest was provided during the Sessions both electronically and on paper each morning to those attending committee meetings and also via the Department's website. The information was very valuable and helped the higher education community stay current on legislative activities as well as convenient tracking of higher education legislation.

#### Mergers of Technical Institutes

In February, 2003, five mergers between technical institutes and institutions of higher education that were approved by their respective boards were brought before the Arkansas Higher Education Coordinating Board for consideration. The technical institutes were under the administration of the Department of Workforce Education and then transferred to coordination by the Higher Education Coordinating Board upon approval to merge with existing higher education institutions. The five mergers include:

- o Quapaw Technical Institute with Garland County Community College to become National Park Community College.
- o Foothills Technical Institute with Arkansas State University-Beebe.
- Cotton Boll Technical Institute with Mississippi County Community College to become Arkansas Northeastern College.
- o Great Rivers Technical Institute with the University of Arkansas at Monticello.
- o Forrest Echoes Technical Institute with the University of Arkansas at Monticello.

#### Building Renovations

In June, 2004, the Department's building lease was due for renewal. Staff reviewed several options for relocating and funding was offered from the building owner for renovations if the lease was renewed. The decision was made to renew the existing lease and use the funds to make improvements to the building. Bids were requested from companies for many different services. The building was professionally cleaned, new carpet was installed and the walls were painted on the third floor, all tile and wood floors were stripped and waxed, new mini blinds were installed in windows and old drapes were removed, water-damaged ceilings and walls were repaired and painted, the conference rooms were painted and cleaned, the kitchen was sanitized and painted, and a new security system was installed on the front doors.

# FINANCIAL AID

- The Academic Challenge Scholarship program for 2002 graduates was reinstated, and the application deadline for 2003 graduates was extended to July of 2003. ADHE awarded 1,722 Academic Challenge awards to the 2002 high school graduates as sophomores who were unable to receive the scholarship in their freshmen year due to state budget cuts, as well as 2,378 awards to 2003 high school graduates. A new on-line application process for the Academic Challenge Scholarship has allowed students to apply quicker than before. Funding is available for every eligible student. In December of 2003, a state legislative audit was conducted on the Academic Challenge Scholarship program. There were no audit exceptions and ADHE was commended for doing an "excellent job" in promoting and administering the program. In studies of other states, it was noteworthy that ADHE administers the program with significantly less staff than that of other states with similar programs. The 2005 General Assembly enhanced the Academic Challenge Scholarship by raising the income limits from \$50,000 to \$60,000, beginning with 2006 freshmen and raised the scholarship amount by \$500 a year for all recipients, including those currently in the pipeline. ADHE extended the application deadline to July 2005 in order to let students and families know of the enhancements. In addition, the statute was changed to reward those Academic Challenge seniors who graduate on time, by exempting them from the full-time enrollment requirement if they are on target to graduate following their eighth semester on the scholarship.
- Funding was restored for the Governor's Distinguished Scholarship program for the class of 2002. This scholarship provides \$10,000 annually in funding to students who remain in Arkansas for college and score at least a 32 on the ACT. In 2002, there were 168 high school graduates who applied for the Governor's Distinguished Scholarship. Of those, 139 stayed in Arkansas for their college education and were eligible for the restored program as sophomores. There may have been students who qualified for the scholarships but who didn't apply by the 2002 deadline, believing funds wouldn't be available. ADHE notified eligible students that \$25,000 in scholarship money was available for the remaining five semesters of their college careers. The figure is based on \$5,000 for the second semester of the sophomore year and \$10,000 per year for the junior and senior years. Governor's Distinguished Scholarships were awarded to 208 eligible 2003 high school graduates. This program was created in 1997 to encourage the state's top students to remain in Arkansas. Prior to the establishment of the program, less than 40 percent of the top students stayed in Arkansas to attend college. That number increased to 86 percent after its implementation. Legislation passed during the 2005 session increased the number of Governor's Scholarships from 25 each year to 75, which will ensure that one recipient in each Arkansas county will receive the Governor's Scholar award.
- During the 2003-05 biennium, over 500 students received the Workforce Improvement Grant designed to serve "working poor" non-traditional students. This grant was created by Act 1796 of 2003, sponsored by Sen. Shane Broadway. Previously, grant programs for adult students working in low-paying, low-skilled jobs with a desire to improve their standard of living were minimal. To be eligible to receive the Arkansas Workforce Improvement Grant Program funds, a person must be age 24 or older, an Arkansas resident and U.S. Citizen, and he/she must exhibit financial need. The maximum award is \$1,800 per year; however, students may receive a lesser amount according to their demonstrated need. The grant is not automatically renewable; students must meet the financial need guidelines each year, as well

as continue to make satisfactory progress toward a postsecondary degree. The program is open to full-and part-time students. Act 2129 of 2005 from a bill sponsored by Sen. Broadway amends the award amount from \$1,800 to \$2,000. Act 2142 of 2005 from a bill sponsored by Sen. Broadway repealed the Arkansas Student Assistance Grant program and appropriated \$3.2 million to the Workforce Improvement Grant program.

- In April of 2004, staff published a Study of State Financial Aid Programs. The study noted that students receiving financial aid graduate at significantly higher rates than those students without state aid, and the Academic Challenge Scholarship Program has significantly changed student behavior since more students than ever are taking college preparatory courses while in high school. Several recommendations were made to enhance the programs and most recommendations came to realization in the 2005 legislative session. Recommendations included:
  - Using the Free Application for Federal Student Aid (FAFSA) to evaluate family income eligibility for the Academic Challenge Scholarship (this will help automate the application process and should provide an increase in the number of freshmen Pell Grant recipients);
  - Requiring the use of electronic high school and college transcripts in evaluating scholarship eligibility (will further automate the process and improve efficiency of the programs); and
  - Repealing the Student Assistance Grant Program and placing the allocated funds into the Workforce Improvement Grant Program.
- During the 2005 legislative session, the Teacher Administrator Grant was amended and enhanced to allow for an additional means to recruit teachers into subject shortage areas. The program will now be called the Teacher Opportunity Program (TOP) and will continue to serve as a program to help teachers gain licensure and remove academic deficiencies. In addition, this program will serve as a collaborative effort with school districts to provide an incentive for existing teachers in Arkansas schools to gain licensure in a subject area. Under this program, ADHE would provide two-thirds of the cost of the education, with the school district to provide the remaining one-third of the cost, up to \$3,000 per year.
- The Arkansas Association of Student Financial Aid Administrators sponsored a call-in television program on AETN in the first quarter of both 2004 and 2005 to answer questions and explain how education after high school can be financed. The program included testimonies from college freshmen and a panel of financial aid administrators from Arkansas' colleges and universities, as well as Melissa Goff representing ADHE.
- In January of 2005, a document imaging system was installed in the financial aid division. This state-of-the-art filing technology will allow staff to image over 100,000 documents that are currently processed each year. Instead of maintaining almost 60 filing cabinets full of paper, the staff will be able to access student files through their desktop computers, which will substantially improve ADHE service to students, parents, high schools, and higher education institutions.
- In May of 2005, the Arkansas Legislative Council approved a contract with Combs & Co. that will allow ADHE to conduct a public information project that will inform students in grades 7-12 and their families of the need to take college preparatory course work in high school and the availability of scholarships if they meet all the requirements.

# INSTITUTIONAL FINANCE

#### Need-Based Funding Model

September 2003 to June of 2004 was devoted to the development of a need-based funding model for public universities. This included a distribution methodology (based upon a need determined by the funding formula) which addressed the most serious equity issues, particularly at universities. For the first time, the funding formula includes an Academic Space Needs Model to determine the funding needs for facilities which will be critical in making capital funding recommendations. The Legislature demonstrated its strong belief that the funding model will accurately determine the needs of the universities well into the future by enacting it into law. For the first time in Arkansas history, funding for public universities will be determined by a need-based formula agreed to by the presidents and chancellors, supported by the Legislature and codified in the Arkansas Code.

#### Retention and Graduation Incentive

Also, for the first time, an incentive funding method has been enacted for public higher education institutions that improve or exceed their statistically determined "anticipated graduation rates." Institutions that improve their retention rates could receive incentive funding as well.

#### University Growth Pool

While the two-year colleges have had a growth pool of positions for some time, the Legislature acknowledged the need during the 2005 session for a growth pool of positions for public universities by passing Act 2172. Universities will have 150 non-classified positions and 150 classified positions to meet the demands of unanticipated growth.

#### Higher Education Bond Program

With the assistance of the Arkansas Development Finance Authority (ADFA) and Senator Kaneaster Hodges, a proposal for a higher education bond issue was developed. The proposal, which must be approved by the electorate, was enacted into law. If approved, it could provide up to \$150 million in new funding for technology upgrades and facilities improvements during the next three years.

#### Cost Accounting

A new "Arkansas Academic Cost Accounting Executive Summary for 2003-04," providing the relative costs of degree programs within an institution and among institutions, has been completed. The underlying program has been updated and an explanation of how the cost allocations are made within the program is now available. The Summary is required for the House and Senate Interim Subcommittee on Education.

#### Fact Book

Institutional Finance prepared the "Fact Book: Arkansas Public Higher Education" in the fall of 2003 and the 2003-04 version was published in September, 2005. The fact book provides historical financial and enrollment data for every institution and is valuable for determining trends over time. The fact book provides five years of data on Auxiliary and Athletic Expenditures and Income. It provides five years of Educational and General Income and Expenditure data so each institution can compare its expenditures by expenditure function to other institutions in the state. The data allows an institution to analyze and evaluate how its expenditures have varied over time. Overall, the fact book is invaluable to the institutions for self-assessment.

## Facilities Audit Program

The Facilities Audit Program (FAP) was completed in the spring of 2004. It is used to conduct a biennial survey of building conditions of each institution. The results are used to develop critical maintenance funding requests and recommendations for the upcoming biennium. The survey is conducted in March/April of each even-numbered year.

# ACADEMIC AFFAIRS

#### Arkansas Rural Nursing Education Consortium (ARNEC)

The Associate of Applied Science in Nursing, offered via distance technology by a consortium of six two-year colleges, was approved by the Arkansas State Board of Nursing and the Arkansas Higher Education Coordinating Board in October 2004. The program is designed for licensed practical nurses and licensed psychiatric technical nurses to complete a registered nursing program. Nursing theory courses are offered via interactive video and clinical instruction occurs at local healthcare facilities. Supplemental clinical instruction is provided using high-tech software for virtual clinical experiences. The six colleges enrolled 52 students in spring 2005.

#### Interdisciplinary/Collaborative Graduate Programs

#### Approved April 29, 2005

 Doctor of Philosophy in Molecular Biosciences at Arkansas State University at Jonesboro

# Approved October 22, 2004

 Master of Science and Doctor of Philosophy in Bioinformatics jointly conferred at the University of Arkansas at Little Rock (UALR) and the University of Arkansas for Medical Sciences (UAMS)

# Approved April 30, 2004

- Doctor of Philosophy in Interdisciplinary Biomedical Sciences at the University of Arkansas for Medical Sciences
- Doctor of Philosophy in Communication Sciences and Disorders jointly conferred at the University of Arkansas for Medical Sciences, the University of Arkansas at Little Rock, and the University of Central Arkansas

# Approved August 6, 2004

- Master of Science in Biomedical Engineering at the University of Arkansas, Fayetteville
- Master of Science in Operations Management at the University of Arkansas, Fayetteville

# Approved February 6, 2004

 Master in Public Service and Graduate Certificate of Public Service at the Clinton School of Public Service jointly conferred by the University of Arkansas at Little Rock, the University of Arkansas for Medical Sciences, and the University of Arkansas, Fayetteville

#### Statewide Transfer System—Act 672 of 2005

Due to the need for seamless transfer, a Statewide Transfer System Committee was formed in the fall of 2004 to begin addressing anticipated 2005 legislative initiatives. The Committee began working in November 2004 and continues to meet on a regular basis to develop a transfer system based on the State Minimum Core Curriculum. Membership is comprised of Chief Academic Officers from six universities and eight colleges. The project will be completed in three phases.

Phase 1: Identify the common courses listed by all institutions as part of the State Minimum Core Curriculum. These courses will be grouped according to discipline, and when possible, given a common ADHE identifier, and cross-referenced with equivalent courses at each institution.

Phase 2: Identify other courses listed by institutions as part of their State Minimum Core Curriculum. Faculty committees that represent various two-and four-year institutions will determine course equivalencies by identifying common student learning outcomes for the courses under consideration. Equivalent courses will be grouped by discipline, and when possible, assigned a common ADHE identifier, and cross-referenced for equivalent courses at each institution.

Phase 3: Identify other freshman and sophomore level courses that have not yet been addressed. Faculty committees that represent various two- and four-year institutions will determine course equivalencies by identifying common student learning outcomes for the courses. Equivalent courses will be grouped by discipline, and when possible, assigned a common ADHE identifier, and crossreferenced with equivalent courses at each institution.

The Committee is in Phase 2 of the three-phase project and is examining courses in the State Minimum Core for maximum transferability between all public institutions in Arkansas. ADHE staff are drafting course descriptions that will be distributed to college and university faculty for comment. After receiving general faculty comments from across the state and making needed revisions, it is anticipated that small faculty groups will convene in spring 2006 to finalize a listing of courses that will be accepted for transfer across all Arkansas public institutions.

# Academic Affairs Policy Revisions

On October 22, 2004 the Arkansas Higher Education Coordinating Board approved the updated Criteria and Procedures for Establishing New Certificate and Degree Programs and Organizational Units. Academic Affairs staff and the CAOs of both two- and four-year schools revised the Criteria and Procedures. Changes included updating definitions with much attention given to clarifying and explaining the program approval process. Distance technology instruction has been included in the policy, and guidelines were streamlined to make the process more efficient for institutions. Arkansas' policies are now comparable to those of other SREB states.

# Distance Learning Consortium

Access to College Courses for Every Student Statewide (ACCESS) is a state consortium of 15 twoyear colleges organized for effective development and delivery of online classes. It facilitates the utilization of web-based technologies to overcome the barriers of time and place for postsecondary education and workforce training faced by many Arkansans. All classes are transferable between member institutions. The AATYC Distance Education webpage provides a listing of distance education courses offered by the two-year colleges. Perspective students can now search for classes by course title or by the college they would like to attend.

# Distance Education Report

The "Status of Distance Education in Arkansas" was published in August 2004, and is available on the ADHE web site. The report presents updated information on the status of distance education activity at two-year and four-year public institutions excluding UAMS. Since distance education data became a part of the state-tracking database in 1999, the percent of total enrollment at two-year colleges enrolled in distance education courses has increased from 3.6 percent in 1999 to 18.2 percent in 2004. The same percent has increased from 2.5 percent in 1999 to 12.8 percent in 2004 at

universities. The report contains numerous other relevant data regarding distance education at the state's public institutions.

# Graduate Education Report

The "Status of Doctoral Education in Arkansas" report was released in April 2004 and is available on the ADHE web site. Special topics included are the (a) correlation between educational attainment and earnings potential, (b) knowledge-based economic development cycle, (c) correlation between graduate education and economic development, and (d) status of doctoral education in Arkansas. Arkansas' rank on the Progressive Policy Institute New Economy Index is also presented.

# Annual Review of Faculty Performance

Results of the "Annual Review of Faculty Performance" indicated that reviews have been conducted by all institutions for the 2004-05 academic year as required by law. Reviews indicated that faculty are meeting or exceeding performance expectations and that the review process is ongoing in keeping with accreditation and AHECB policy.

Institutional Certification Advisory Committee (ICAC) Rules Revision and Automation The Institutional Certification Advisory Committee rules and procedures were formally adopted by the Arkansas Higher Education Coordinating Board in February 2005, and are posted on the ADHE web site. All ICAC forms and applications can now be filed electronically. The new format features separate sections for on-site programs and distance delivery programs, the introduction of fees for ICAC-related duties, the requirement of a surety bond for certified institutions, and extensive appendices and academic definitions with detailed explanations of the various application processes.

# COLLEGE READINESS AND SUCCESS

# ACT High School Feedback Report

ADHE has worked with American College Testing (ACT) to determine data elements needed for an expanded statewide ACT student success report that will contain information on high school graduates' academic performance during their first year of college. The report will enable secondary faculty, administrators, and curriculum designers to pinpoint and address weaknesses and strengths in their curriculum and pedagogy in order to improve college preparation. Data elements will include high school GPA, first fall semester and first year college GPA for entering freshmen, class grades, and student major. Other pertinent data, such as student persistence from the first to the second year and state scholarship information, are currently being gathered by ADHE and will be included in subsequent reports. Postsecondary institutions will begin reporting these data beginning in Summer II of the 2005-2006 academic year.

<u>ACT Collegiate Assessment of Academic Proficiency (CAAP) Content Analysis Report</u> In 2003, ADHE requested that ACT include more Collegiate Assessment of Academic Proficiency (CAAP) data detail in annual reports issued to ADHE and public institutions. The first CAAP content analysis report was sent to the Arkansas Department of Higher Education in fall 2004. The report focuses on particular content modules for each subject tested, e.g., math is divided into prealgebra, elementary algebra, intermediate algebra, coordinate geometry, college algebra, and trigonometry. Further, it indicates where students are scoring well (in the top 25% of their national and local cohort groups), where they are average (in the middle 50% of their national and local cohorts), and where they are falling below average (in the bottom 25% of both the national and local groups). With this information, institutions can identify general education areas in which students are performing well and those where improvement is needed. Analysis of these data enables faculty to make informed decisions with regard to curriculum adjustments and enhancement.

## Education Renewal Zones (ERZ)

At the Department of Education, the Division of Education Renewal Zones (ERZ) was created by Act 106 of the 2nd Extraordinary Session of 2003 to assist schools and colleges to develop guidelines for school improvement strategic plans as well as evaluate and report ERZ activities. An ERZ consists of any public school, education service cooperative, and institution of higher education that establishes inter-local agreements in order to collaborate to improve public school performance and academic achievement. Special focus is on the state's most academically distressed public schools and smaller schools and districts. The function of the ERZ is to concentrate and coordinate resources, expertise, technical assistance, and distance technology to enhance the curriculum and professional development. The Arkansas Department of Education is charged with ERZ oversight with assistance from the ADHE staff. ERZ strategic plans are being reviewed and finalized for Year One of the grant cycle.

#### Associate of Arts in Teaching (AAT)

The AAT degree for middle school education in the areas of math/science and language arts/social studies is now offered at all 22 two-year institutions and one university. In spring 2005, approximately 700 students were enrolled. A committee comprised of ADHE staff, chief academic officers, and other institutional staff finalized the curriculum for the AAT P-4 option, which was approved by Arkansas Higher Education Coordinating Board at its July 2005 meeting.

# DATA COLLECTION AND REPORTING

Since October 2002 the Arkansas Higher Education Information System (AHEIS), with extensive data concerning students, courses, faculty, awards and other facets of higher education, has been heavily used for data and policy analysis supporting the decision-making process. The AHEIS system has continued to grow and evolve to address the changing landscape of higher education policy issues with pertinent and timely data providing a basis for public and independent policy analysis. (Note: Arkansas was recently recognized by the National Center for Education Statistics as one of only eight states with a data system including data on independent institutions of higher education.) The AHEIS data system is composed of more than 600 data files submitted each year by Arkansas' 44 public and independent universities and colleges. AHEIS is also used to support the federally-mandated Integrated Postsecondary Education Data System (IPEDS) and the Southern Regional Data Exchange from which national and regional higher education studies are derived.

AHEIS is the basis for several annual statewide publications and studies and numerous ad hoc studies and reports. Statewide publications include the *Annual Fall Enrollment Book* consisting of over 50 graphs and tables pertaining to enrollment at the 44 public and independent universities, the *Annual Degrees and Certificates Awarded Book* consisting of more than 85 tables and graphs pertaining to the 44 public and independent universities and colleges, the *Annual Student Semester Credit Hour and Full-time Equivalent Enrollment Book* consisting of more than 45 tables and graphs, and the *Annual Study of Retention and Graduation Rates.* Several annual reports presented to the Arkansas Higher Education Coordinating Board each year are derived from the AHEIS and are included in many Board agenda items. The AHEIS data system is taking on an even greater importance as Arkansas begins to link economic growth to specific degree program clusters and high-demand occupations.

# LEGISLATION

# 84<sup>th</sup> General Assembly, 2003

- Senate Resolution 12 requested a subcommittee of the Arkansas Legislative Council to study distribution of funds among higher education institutions. The primary focus was to learn the process and key components of the Coordinating Board's funding recommendations with the goal of solving inequities. ADHE staff presented information related to the interest of the committee in equity (usually defined as dollars funded per full-time equivalent student).
- Institutions recovered some of the funding lost after 9/11/01.
- An amendment to ADHE's biennial appropriation added three positions and \$235,000 for salaries and benefits. A second amendment restored \$100,500 each year to ADHE operating expenses.
- Act 1463 of 2003 directed the Arkansas Department of Higher Education (ADHE) to work in consultation with Arkansas colleges and universities to develop a performance reporting system for higher education in Arkansas. In September 2003, ADHE staff and a committee of two- and four-year institutional representatives from academic affairs, student affairs, finance, institutional research, and other campus and system administrators began working to identify data elements to include in the Performance Reporting System in keeping with the legislative mandate. ADHE reviewed and analyzed higher education performance reporting systems used in other states and incorporated the best aspects of those plans. The Performance Reporting Committee completed its work in April 2004. ADHE staff presented suggested data elements to the Legislative Liaisons in May 2004 and the Executive Council in June 2004 for their review. Recommended changes were made and presented to the Performance Reporting Committee in late June 2004. More than 150 data elements were identified by the higher education community for possible inclusion in the Performance Reporting System. Some data elements were dropped from consideration because there is no standard objective means to report outcomes, while others were thought to be too limited in focus. As proposed, the higher education performance reporting system is designed to provide the General Assembly and the public with information about public institutions. The information will assist policy makers and prospective students and their parents to judge the extent to which public institutions are effectively and efficiently accomplishing their missions. Objective data will be reported on an institutional, state, and national level to provide information about Arkansas' performance in the following areas:
  - Participation
  - Preparation
  - Affordability
  - Workforce Development and Customized Training
  - Educational Outcomes

The Performance Reporting System was approved by the Legislative Council as well as the House and Senate Education Committees prior to the 2005 legislative session.

- A bill to establish a pre-paid tuition plan in Arkansas was referred for interim study. The plan would guarantee that contributors could lock-in future tuition at current levels through the plan's market performance. The tuition rate guarantee would be backed by the state, so that in the event that a gap occurs between the market performance of contributions and future tuition costs, the state would make up the difference.
- \$3.2 million was appropriated for UALR's Cyber College.
- The two-year college position growth pool was approved to consist of 100 classified positions up to Grade 26 that are to be used by two-year colleges, with the recommendation of ADHE and approval of the Personnel Committee and Legislative Council, if their personnel needs exceed their number of approved positions because of excessive and unanticipated growth.

- The Personnel Committee approved 721 new provisional positions for use by public institutions with grant funding.
- Act 1791 of 2003 created the Two-Year College and Technical Study Committee to make recommendations to the AHECB on the mission, role and scope of the technical institutes and two-year colleges. Kaneaster Hodges represented the Arkansas Higher Education Coordinating Board, Dr. Linda Beene represented ADHE, and Dr. Coy Grace and Dr. Janet Smith were also members. The Committee's final report, "Moving Forward," included the history of the state's current system of colleges and universities; an overview of technical institutes and two-year colleges; an examination of the current system of institution funding; mission, role and scope of the institutions; and P-16 partnerships.
- Under Act 109 of the Second Extraordinary Session of 2003, ADHE is responsible for staff support for the Commission for Coordination of Education Efforts (ACCEE). Membership includes several higher education representatives, four of whom were appointed by the Presidents Council. They are: Dr. Charles Dunn, Dr. Milo Shult, Dr. Glen Fenter, John Barnes, and Florine Tousant-Milligan. Other membership positions must be appointed by the Governor, Speaker of the House, President Pro Tempore or other organizations. Three subcommittees (Alignment, Finance and Credit) were created to address the tasks listed in legislation. The Commission elected officers and reviewed several Southern Regional Education Board (SREB) resources. The ACCEE meets quarterly. In March 2005, Joan Lord, SREB policy director, made a presentation regarding college readiness and policies across SREB states. She highlighted P-16 efforts of Kentucky, Georgia and Louisiana. Ideas emphasized for Arkansas' consideration were: teacher preparation; clear definitions of college and work success; dual credit/concurrent enrollment; student information systems/tracking; and student nurturing programs. Some states are using assessment tools as instruments to aid students in college readiness. Thus far, each individual state has developed its own tool, which is an expensive endeavor. Lord recommended that the ACCEE members identify issues where a significant difference could be made quickly, such as teacher support and alignment of curriculum across the state. She also stressed the importance of making as many changes as possible through policy rather than statute, because the process will be one of trial and error.
- Act 102 of the Second Extraordinary Session of 2003 created the Concurrent Enrollment Course Approval Panel to "ensure that each student has an adequate education . . . and access to a rigorous and substantially equal curriculum." Each school district is required to provide high school students with the opportunity to enroll in at least one advanced placement course in the four core areas of English, math, science and social studies. The legislation requires the appointment of three persons by the director of the Department of Education and three persons appointed by the director of the Department of Higher Education. Appointments include Dr. Joel Anderson, chancellor, University of Arkansas at Little Rock; Dr. Barry Ballard, president, Ouachita Technical College; James Brown, Central High School; Dr. Glen Fenter, president, Mid-South Community College; Barbara Prichard, director of Gifted & Talented Education, Fayetteville Public Schools; and Jaime Rollans, Mills High School.

The Concurrent Enrollment Approval Panel met in October 2004 and named Dr. Fenter as chairman. Scott Smith, general counsel for the Department of Education, highlighted provisions of Act 102. Concurrent courses do not count toward the 38 units districts must offer, but they do count toward the 21 units required for graduation. A Department of Education representative stated that 3,759 Arkansas students received college course credit while in high school and 739 received credit from out-of-state colleges or universities. It was cited that the state paid for the training of 700 AP teachers in 2003, 500 in 2004, and also pays for most of the exams. Dr. James said that in some schools the numbers of courses and students will determine

whether a school can sustain AP and concurrent classes and will become a major issue. Dr. Fenter discussed options for a model that would open up all courses for students. Discussion included the value of AP vs. college-credit courses. Dr. Fenter suggested research of other states facing this same issue would be helpful as well as trends in AP and concurrent enrollment statewide and nationally. Dr. Steve Floyd presented six agreed-upon issues from a meeting of state officials, school superintendents, and college and university representatives about AP and concurrent enrollment. Neither the State Board of Education nor the AHECB have adopted the issues, nor was the committee asked to consider this list as part of any recommendation that the group might adopt.

# 85<sup>th</sup> General Assembly, 2005

#### Executive Recommendation for 2005 Legislative Session

The Executive Recommendation was presented to the Legislature regarding higher education and the institutional budget requests in November, 2004. The Executive Recommendation for 2006-07 was \$6,946,558 less than the AHECB's recommendation. However, the forecasted increases in the Education Excellence Trust Fund (EETF) and Workforce 2000 (WF2000) fund meant that the total biennial funding for higher education, if fully realized, will slightly exceed the Board's recommendation. Some institutions could receive less than the Board recommendation if they are not participants in one or both of the EETF and WF2000 funds.

The recommendations were a major step in addressing equity issues for the institutions on a fouryear schedule. This is the first time in recent memory that the Executive Recommendation has been so close to the AHECB's recommendation. The Governor urged the state's college and university leaders to influence the Arkansas Legislature on behalf of his proposal to increase funding for higher education by more than \$100 million over the next two fiscal years.

Governor Huckabee's proposal would increase funding for state colleges and universities by \$53.9 million in fiscal 2006 and another \$49.2 million in fiscal 2007, part of the institutions' proposed \$1.3 billion Education and General Budget for the biennium. That request would increase funding for higher education by eight percent annually, but it comes at a time of tough competition for state dollars. Governor Huckabee said there are funds available in the state's budget for higher education, and he pointed to forecasts of an improving state economy that will enhance public coffers.

He also pointed to a new funding formula agreed upon by the AHECB to fund institutions the same amount for teaching the same class. Such an agreement has never been reached before among leaders of the state's colleges and universities. He tied education with economic development. The state's future rests with its ability to provide Arkansans with a proper education. Better-educated workers earn more, giving the state a large revenue base for existing taxes.

Arkansas Higher Education institutions received the largest increase in state funding in almost a decade. They received an estimated \$41.25 million in total new funding for fiscal year 2006 and an additional \$39.7 million for fiscal year 2007 based upon the Department of Finance and Administration's April forecast. This amounts to almost \$81 million in new funding for the biennium. Additionally, institutions are expected to receive some funding from the General Improvement Fund, which can be used for one-time purposes rather than base operating fund.

Higher Education has not received significant funding for capital improvements since 1997. However, for the new biennium, the legislature approved taking a new higher education bond issue to the electorate for a vote. If approved by the electorate, these bonds could provide up to \$150 million for technology upgrades, facilities maintenance and renovations, and new construction relating to need. Depending on when the election to approve the sale of the bonds is held, these funds could be available in fiscal year 2007.

Governor Huckabee included higher education as one of his three major initiatives for the 2005 Regular Session. The following are acts pertaining to ADHE passed in the 85<sup>th</sup> General Assembly. The Governor's Legislative Package bills are denoted with asterisks.

- Act 265\* filed by Sen. Higginbothom requires establishment of "Centers of Excellence," defined as partnerships of two or more institutions of higher education working with regional economic developers to address the workforce education and training needs of the regions.
- Act 502\* filed by Sen. Capps requires the Department of Economic Development to provide a yearly evaluation of the state's overall economic goals for use by the Higher Education Dept. in conducting a review process relating to economic needs of the state.
- Act 672\* filed by Sen. Trusty creates a statewide policy related to transfer agreements among colleges and universities.
- Act 971 filed by Rep. Abernathy authorizes two-year colleges to compensate employees for unused sick leave at retirement.
- Act 1014 filed by Rep. Mack requires college advisors to provide students with a signed, written eight-semester course of study recommending a sequence of course requirements for completion of a bachelor's degree.
- Act 1045 filed by Sen. Hill appropriates \$11,650,000 to institutions of higher education from the General Improvement Fund for critical maintenance, equipment and library resources.
- Act 1241 filed by Rep. Dickinson to increase the maximum number of Governor's Scholarships and requires one \$4,000 scholarship be awarded to a student from each county.
- Act 1256 filed by Rep. Goss allows higher education institutions to give additional consideration in admission to the nursing or health career program to applicants from rural, medically underserved areas of the state who are interested in serving that community.
- Act 1282\* filed by Sen. Baker and Rep. Maloch authorizes the Development Finance Authority to issue higher education general obligation bonds for technology and facility improvements at state institutions of higher education.
- Act 1358\* filed by Sen. Higginbotham and Rep. Kenney appropriates \$20 million to the Higher Education Department from the General Improvement Fund for the creation of regional Centers of Excellence at Arkansas Colleges and Universities.
- Act 1429\* filed by Sen. Bisbee creates a funding formula for allocation of funds to universities.
- Act 1430 filed by Sen. Womack prohibits credit card solicitations in an academic building or within 100 feet of an academic building on a university or college campus.
- Act 1468 filed by Sen. Horn expands the eligibility for graduate nurse study loans to include applicants who desire to practice "advanced practice nursing" in an Arkansas community.
- Act 1497\* filed by Sen. Capps and Rep. Saunders appropriates \$85,000 to ADHE from the General Improvement Fund for conducting a statewide role and scope study.
- Act 1531 filed by Rep. Abernathy requires the Higher Education Department to establish a growth pool of 200 nonclassified positions, and requires the Finance and Administration Department to establish a growth pool of 100 classified positions, for use by colleges.
- Act 1760\* filed by Sen. Bisbee creates a funding formula for distributing state funds to the twoyear colleges.
- Act 1795\* filed by Sen. Bookout limits college and university spending for academic, merit and performance scholarships to 30 percent of the institution's unrestricted educational, general tuition and fee income.

- Act 1869 filed by Rep. J. Hutchinson increases the number of authorized motor vehicles for various institutions of higher education.
- Act 1973 filed by Sen. Baker makes contributions to the Arkansas Tax-Deferred Tuition Savings Program deductible from state income tax.
- Act 1974\* filed by Sen. Bryles creates a funding incentive program for institutions of higher education based on graduation and retention rates.
- Act 2011 filed by Sen. Jeffress sets income limits for families of students qualifying for Academic Challenge scholarships and increases the amount of the award.
- Act 2127 filed by Sen. Broadway expands the current Missing in Action/Killed in Action Survivor Scholarship Program to include spouse or child.
- Act 2129 filed by Sen. Broadway amends the Workforce Improvement Grant program which is targeted to the working poor and non-traditional students. The award amount limit is raised from \$1,800 to \$2,000.
- Act 2142 filed by Sen. Broadway repeals the Arkansas Student Assistance Grant program and appropriates \$3.2 million to the Workforce Improvement Grant program.
- Act 2172\* filed by Rep. Lamoureux requires the Higher Education Department to establish a growth pool of 150 nonclassified positions, and requires the Finance and Administration Department to establish a growth pool of 150 classified positions, for use by universities.
- Act 2195 filed by Rep. Stovall provides funding for the AATYC Workforce Training Consortium and AATYC Career Assessment Consortium via ADHE.
- Act 2196 filed by Rep. Mahony creates the Teacher Opportunity Program (TOP) and revamps the current Teacher Administration Grant Program to provide forgivable loans to current teachers who want to pursue licensure in a critical subject shortage area.
- Act 2197 filed by Rep. Mahony to collect special reports on students who pass courses with a "B" or above, but fail the end-of-course proficiency tests.
- Act 2200 filed by Rep. Thyer amends the number of provisional positions for institutions of higher education.
- Act 2203 filed by Rep. Petrus requires Arkansas high schools and colleges to provide electronic transcripts to ADHE for use in determining scholarship eligibility by May 1, 2007.
- Act 2214 filed by Rep. Burris sets income limits for families of students qualifying for Academic Challenge scholarships and increases the amount of the award.
- Act 2288 filed by Sen. Broadway requires an adjustment of athletic transfer from unrestricted Education and General budget based upon the consumer price index.

#### \*Denotes Governor's Package Bills