

ARKANSAS INSTITUTIONS OF HIGHER EDUCATION
CERTIFICATION OF ADEQUATE FUNDS AND APPROPRIATION FY2019-2020

Institutions of Higher Education		Certification
<i>Certifications are due by February 28th of each year, or "upon release of the previous year's audit by Legislative Audit to the Chief Fiscal Officer of the State and the Legislative Council" (ACA 6-62-109). Some institutions have submitted their certification prior to the release of their final audit report.</i>		
180	Arkansas Northeastern College	X
130	Arkansas Tech	X
120	ASU - Beebe	X
125	ASU - Jonesboro	X
177	ASU - Mid-South	X
128	ASU - Mountain Home	X
129	ASU - Newport	X
675	Black River Technical College	X
685	College of the Ouachitas	X
170	East Arkansas Community College	X
100	Henderson State*	
175	National Park College	X
185	North Arkansas College	X
198	Northwest Arkansas Community College	X
687	Ozarka College	X
193	South Arkansas Community College	X
691	Southeast Arkansas College	X
115	Southern Arkansas University - Tech	X
105	Southern Arkansas University	X
168	U of A - Community College at Batesville	X
167	U of A - Community College at Hope-Texarkana	X
689	U of A - Community College at Morrilton	X
677	U of A - Cossatot Community College	X
135	U of A - Fayetteville	X
195	U of A - Ft. Smith	X
145	U of A - Little Rock	X
150	U of A - Medical Sciences	X
155	U of A - Monticello	X
190	U of A - Phillips Community College	X
160	U of A - Pine Bluff	X
693	U of A - Pulaski Technical College	X
192	U of A - Rich Mountain	X
165	University of Central Arkansas	X

Bureau of Legislative Research - March 2, 2020

*Attached to this report is a letter from Henderson State explaining their inability to execute certification of solvency as well as the unsigned certification



January 9, 2020

Mr. Larry Walther
Arkansas Department of Finance & Administration
401 DFA Building, 1509 W. 7th
Little Rock, AR 72203-3278

Legislative Council
State Capitol Building, Room 315
Little Rock, AR 72201

To Whom It May Concern:

We are unable to execute our certificate of solvency for this fiscal year. The Arkansas Department of Higher Education (ADHE) approved a \$6 million advance from the state's Budget Stabilization Trust Fund for Henderson State University (HSU) in July 2019. HSU ended the 2018-2019 fiscal year with a deficit of \$4.9 million, which was largely driven by approximately \$3.7 million in unpaid student accounts and a budget that was not adjusted to reflect overestimated revenues and growing expenses.

The University has implemented corrective actions to better align expenses to revenue and has worked through a memorandum of understanding with the Arkansas State University System to establish priorities and reporting mechanisms to rebuild operational stability. The HSU Board of Trustees voted unanimously on November 21, 2019 to execute a merger agreement with the ASU System. Actions include a 3 percent reduction for non-classified staff and faculty salaries, effective January 1, 2020, as well as a 4 percent reduction to TIAA-CREF retirement match contributions that was effective November 1, 2019.

Please let me know if you have questions.

Sincerely,

Acting President
Henderson State University



HENDERSON
STATE UNIVERSITY

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To Whom It May Concern:

In compliance with §6-62-109, we certify that as of December 31, 2019, Henderson State University had sufficient appropriations and funds available, or that will become available, to meet all current and anticipated obligations during the fiscal year ending June 30, 2020, for the payment of the obligations when they become due.

President
Henderson State University

Johnny Hudson, Chair
Henderson State University Board of Trustees