



**AUDIT and FISCAL
RESPONSIBILITY COMMITTEE
of the
BOARD OF TRUSTEES**

**Meeting Agenda
(Fiscal Responsibility Only)**

September 25, 2025

2404 North University Avenue / Little Rock, Arkansas 72207-3608 / 501-686-2901

University of Arkansas, Fayetteville / University of Arkansas at Little Rock / University of Arkansas at Pine Bluff
University of Arkansas for Medical Sciences / University of Arkansas at Monticello/ Division of Agriculture / Criminal Justice Institute
Arkansas Archeological Survey/ Phillips Community College of the University of Arkansas / University of Arkansas Community College at Hope-Texarkana
University of Arkansas Community College at Batesville / Cossatot Community College of the University of Arkansas
University of Arkansas Community College at Morrilton / University of Arkansas at Fort Smith
University of Arkansas – Pulaski Technical College / University of Arkansas Community College at Rich Mountain
Arkansas School for Mathematics, Sciences and the Arts / University of Arkansas Clinton School of Public Service / University of Arkansas Grantham
University of Arkansas East Arkansas Community College

The University of Arkansas is an equal opportunity/affirmative action institution.

AGENDA FOR THE AUDIT AND FISCAL RESPONSIBILITY COMMITTEE
UNIVERSITY OF ARKANSAS BOARD OF TRUSTEES
UNIVERSITY OF ARKANSAS, FAYETTEVILLE
DON TYSON CENTER FOR AGRICULTURAL SCIENCES, WALDRIP HALL
FAYETTEVILLE, ARKANSAS
3:15 P.M., SEPTEMBER 25, 2025

1. Consideration of Request for Approval of the Committee Minutes of the Meeting held May 21, 2025 (Action)

AUDIT SECTION

2. Consideration of Request for Approval of Fiscal Year 2026 Audit Plan Update Report (Action)
3. Update on losses identified through the Internal Audit process (Information)
4. Other Business

FISCAL RESPONSIBILITY SECTION

5. Consideration of Request for Approval of Reimbursement Resolution, UAF (Action)
6. Consideration of Request for Approval to Issue Refunding Bonds, UAPTC (Action)

September 4, 2025

TO MEMBERS OF THE AUDIT AND
FISCAL RESPONSIBILITY COMMITTEE:

Scott Ford, Chair
Ted Dickey
Ed Fryar
Jeremy Wilson
Chairman Kelly Eichler, Ex-Officio

Dear Committee Members:

Chancellor Charles Robinson, University of Arkansas, Fayetteville (UAF), is seeking approval of a reimbursement resolution to plan to issue bonds in the amount not to exceed \$128.2 million. As UAF has incurred certain costs related to accomplishing the projects described below, the Board expresses its intent to reimburse certain funds and accounts for all such expenditures related to the projects. The Board intends to issue the bonds pursuant to a definitive resolution to be subsequently adopted for this purpose. The proceeds of the bonds will be used to primarily fund acquisition, construction, furnishing, and equipping of the Maple Hill Central residence hall (the "Maple Hill Central Project"); the acquisition, construction, equipping, and installation of a heating hot water mini-plant to serve the Maple Hill District and other related campus district heating capacity improvements and utility infrastructure upgrades (the "Utility Project"); and the acquisition, construction, improvement, renovation, equipping and/or furnishing of other capital improvements and infrastructure and the acquisition of various equipment and/or real property for the Fayetteville Campus.

Chancellor Robinson and Vice Chancellor for Finance and Administration Ann Bordelon will be available at the meeting to answer any questions. Attached is the proposed resolution. I recommend approval.

Sincerely,



Jay B. Silveria
President
Charles E. Scharlau Presidential Leadership Chair

Attachment

2404 North University Avenue / Little Rock, Arkansas 72207-3608 / 501-686-2505

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RESOLUTION

EXPRESSING THE INTENT OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS TO ISSUE BONDS AND TO REIMBURSE FROM THE PROCEEDS OF BONDS CERTAIN COSTS INCURRED FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF CAPITAL IMPROVEMENTS FOR THE FAYETTEVILLE CAMPUS OF THE UNIVERSITY OF ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Trustees of the University of Arkansas (the "Board") is authorized under the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 6, Chapter 62, Subchapter 3 (the "Act") to borrow money for the purpose of acquiring, constructing and equipping capital improvements for use by the University of Arkansas System (the "System"); and

WHEREAS, the Board has determined and hereby finds and declares that there is a need for financing certain capital improvements on or for the Fayetteville campus of the University of Arkansas (the "Fayetteville Campus"), including, but not limited to, the following: (a) the acquisition, construction, furnishing, and equipping of the Maple Hill Central residence hall (the "Maple Hill Central Project"); (b) the acquisition, construction, equipping, and installation of a heating hot water mini-plant to serve the Maple Hill District and other related campus district heating capacity improvements and utility infrastructure upgrades (the "Utility Project"); and (c) the acquisition, construction, improvement, renovation, equipping and/or furnishing of other capital improvements and infrastructure and the acquisition of various equipment and/or real property for the Fayetteville Campus (together with the Maple Hill Central Project and the Utility Project, the "Project"), which Project the Board hereby finds and declares is proper and suitable for the Fayetteville Campus and the System and for the Fayetteville Campus's and the System's educational purpose; and

WHEREAS, the Board does not have the funds to accomplish the Project, but can obtain all or a portion of the necessary funds by the issuance of revenue bonds (the "Bonds"), under the authority of the Act; and

WHEREAS, it is anticipated that proceeds of the Bonds to be issued for the Maple Hill Central Project and the Utility Project will be supplemented with funds from other sources, including reserves and other available funds of the Fayetteville Campus; and

WHEREAS, the Board intends that prior to the issuance of the Bonds certain costs relating to the Project will be incurred and paid from certain funds and accounts established and administered by the Fayetteville Campus or the System; and

WHEREAS, the Board wishes to express its current intent to reimburse certain funds and accounts for all expenditures related to the Project from the proceeds of the Bonds and desires that, with respect to the Bonds, such reimbursement comply with Treasury Regulation Section 1.150-2 (the "Regulation") so that proceeds of the Bonds will be deemed spent when such reimbursement is made; and

WHEREAS, the Board intends to issue the Bonds pursuant to a definitive resolution to be subsequently adopted for this purpose;

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

Section 1. The Board currently contemplates that the Project will include the capital improvement projects described above.

Section 2. The Board intends to issue the Bonds for the purpose of financing and/or reimbursing a portion of the costs of the Project. The Board expects that not to exceed \$128,200,000 in aggregate principal amount of Bonds will be issued for the Project. The proceeds of the Bonds are expected to also provide funds to pay the costs of issuing the Bonds and to fund capitalized interest (if necessary or desirable). The Bonds will not be issued until the final terms of the proposed issuance have been presented to and approved by the Board. The Bonds shall be secured by a pledge of tuition, certain student fees, and certain other auxiliary revenues from the Fayetteville Campus.

Section 3. The Bonds may be issued as part of one or more bond issues to be subsequently presented to and approved by the Board.

Section 4. The President of the System and other appropriate officials are hereby authorized to present such information as they deem appropriate to the Arkansas Higher Education Coordinating Board for its advice with respect to the economic feasibility of the Project.

Section 5. Costs incurred in accomplishing the Project prior to the issuance of the Bonds will be paid from certain funds and accounts established and administered by the Fayetteville Campus or the System. The Board intends to use certain proceeds from the issuance of the Bonds to reimburse such accounts. This Resolution shall constitute an "official intent" for purposes of the Regulation.

Section 6. The provisions of this Resolution are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Resolution.

Section 7. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

September 5, 2025

TO MEMBERS OF THE AUDIT AND
FISCAL RESPONSIBILITY COMMITTEE:

Scott Ford, Chair
Ted Dickey
Ed Fryar
Jeremy Wilson
Chairman Kelly Eichler, Ex-Officio

Dear Committee Members:

Chancellor Summer DeProw, University of Arkansas Pulaski Technical College (UAPTC), is seeking approval of a resolution to refund the Student Tuition and Fee Refunding Revenue Bonds, Series 2015 with outstanding principal of \$16,210,000 with the optional redemption by the Board without penalty. The purpose of the potential refinancing is for debt service savings.

The bonds are authorized to be refunded if the transaction produces an aggregate net present value savings of at least 3% of the principal balance of the Series 2015 Bonds being refunded. The bonds shall be issued in an aggregate principal amount not greater than the amount needed to accomplish the Refunding and to pay the estimated costs of issuing the Bonds accomplishing the Refunding. The refunded bonds final maturity date will be no later than the final maturity date of the Series 2015 Bonds.

Chancellor DeProw and Vice Chancellor for Finance Rita Fleming will be available at the meeting to answer any questions. Attached is the proposed resolution with the underwriter selection to be made by the Board. I recommend approval.

Sincerely,



Jay B. Silveria
President
Charles E. Scharlau Presidential Leadership Chair

Attachment

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RESOLUTION
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ARKANSAS

AUTHORIZING THE ISSUANCE OF BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS STUDENT TUITION AND FEE REVENUE
BONDS (UNIVERSITY OF ARKANSAS – PULASKI TECHNICAL COLLEGE)
FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS;
AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS; AND
PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Trustees of the University of Arkansas (the "Board") is authorized under the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 6, Chapter 62, Subchapter 3 (the "Act"), to borrow money for the purpose of acquiring, constructing and equipping capital improvements for use by the University of Arkansas System (the "System") and to refund bonds issued under the Act or under any other law to finance such capital improvements; and

WHEREAS, prior to the merger of Pulaski Technical College into the System, the Board of Trustees of Pulaski Technical College (the "PTC Board") issued its Student Tuition and Fee Refunding Revenue Bonds, Series 2015 (the "Series 2015 Bonds") to refinance capital improvements for Pulaski Technical College; and

WHEREAS pursuant to the Agreement of Merger and Plan of Transition dated as of July 28, 2016 by and between the Board and the PTC Board, the System became the successor obligor under the trust indenture securing the Series 2015 Bonds and assumed the obligations of the PTC Board on the PTC Board's outstanding bonded indebtedness, including the Series 2015 Bonds, not as general obligations of the Board, but solely as secured by the original pledge of revenues securing such bonded indebtedness; and

WHEREAS, the Series 2015 Bonds are in the outstanding principal amount of \$16,210,000, and the Series 2015 Bonds are subject to optional redemption without penalty at any time; and

WHEREAS, it has been found and determined, based on the advice of the staff of the System and the University of Arkansas – Pulaski Technical College ("UAPTC"), that the Board can, based on current market conditions, recognize net present value savings by the refunding of all or portions of the outstanding Series 2015 Bonds (the "Refunding"), and that the Refunding should be financed by the Board's Student Tuition and Fee Revenue Bonds (University of Arkansas – Pulaski Technical College) (the "Bonds"), the proceeds of the sale thereof to be used for accomplishing the Refunding and paying the costs of issuing the Bonds; and

WHEREAS, the Bonds are to be secured pursuant to a Trust Indenture dated as of the dated date of the Bonds (the "Indenture"), between the Board and Bank OZK, as trustee (the "Trustee"); and

WHEREAS, in order to proceed with the Refunding, it is necessary for the Board (a) to authorize the issuance and marketing of the Bonds; (b) to authorize the President of the System to deem final a Preliminary Official Statement for the Bonds and to authorize its use; (c) to authorize the pricing of the Bonds and the execution of a Bond Purchase Agreement for the Bonds with the Underwriters (as hereinafter defined) in connection therewith; and (d) to authorize the execution of the Indenture and related documents, all relating to the security and issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS:

Section 1. After receiving advice from and the recommendation of the Vice President for Finance and Chief Financial Officer of the System and the Vice Chancellor for Finance of UAPTC, all or any portion of the Series 2015 Bonds may be refunded if such refunding would produce an aggregate net present value savings of at least three percent (3%) of the principal balance of the Series 2015 Bonds being refunded. In the event that such net present value savings threshold is met, the Bonds are hereby authorized to be issued to accomplish the Refunding of the Series 2015 Bonds selected for the Refunding. The Bonds shall have a final maturity date not later than the final maturity date of the Series 2015 Bonds being refunded. The Series 2015 Bonds shall be called for redemption on the date the Bonds are issued or the earliest practicable date thereafter.

The Bonds shall be issued in an aggregate principal amount not greater than the amount needed to accomplish the Refunding and to pay the estimated costs of issuing the Bonds and accomplishing the Refunding, including the payment of fees to Bond Counsel (as hereinafter defined), the Underwriters, the financial advisor and other professionals engaged by or on behalf of the Board to accomplish the issuance of the Bonds and the Refunding.

All Bonds shall have a description in the name that shall indicate the year in which the particular Bonds are issued and may contain a letter designation selected by the Vice Chancellor for Finance of UAPTC, which shall be in sequential order after taking into account other bonds previously issued in such year.

The Bonds may be divided into multiple series if taxable and tax-exempt bonds are being issued, if advantageous for planning purposes or if necessitated for federal income tax purposes, as determined by the President of the System. Each series shall have a series name that reflects such series as "Refunding" and each series may have a series name that reflects if such series is taxable for federal income tax purposes.

Section 2. The Bonds shall be general obligations only of the Board, and the Bonds shall be secured by a pledge of the gross revenues derived from the student tuition and fees payable by the students of UAPTC.

Section 3. In order to provide for the issuance of the Bonds and to prescribe the terms under which the Bonds will be secured, executed, authenticated, accepted and held, the Chair, Secretary, and Assistant Secretary of the Board and the President of the System are hereby authorized to execute all documents necessary for the issuance of the Bonds, including, without limitation:

- (a) the Indenture to be dated as of the date of the Bonds issued thereunder, between the Board and the Trustee, setting forth the terms and conditions of the Bonds and providing for the issuance of the Bonds;
- (b) a Bond Purchase Agreement between the Board and the Underwriters, setting forth the purchase price and the other terms and conditions upon which the Bonds will be sold to the Underwriters; and
- (c) a Continuing Disclosure Agreement between the Board and the Trustee, setting forth certain obligations of the Board to make continuing disclosure of financial information and certain events to the secondary municipal marketplace, as set forth in Rule 15c2-12 of the Securities and Exchange Commission.

The Indenture, the Bond Purchase Agreement, and the Continuing Disclosure Agreement for the Bonds shall be in substantially the form heretofore distributed to representatives of the System and UAPTC and made available to the Board with such changes as shall be approved by the Chair or the President. The Board recognizes that certain revisions may be made to the Indenture, the Bond Purchase Agreement and the Continuing Disclosure Agreement prior to the issuance of the Bonds, and hereby authorizes the Chair or President to approve and accept such revisions, the signature of either on the Bond Purchase Agreement, the Indenture, and the Continuing Disclosure Agreement to constitute proof of their acceptance of such revisions. Specifically, the President or the Chair is each hereby authorized to accept the final maturity schedule, interest rates, and reoffering yields for the Bonds if such officer deems such rates, yields, and maturity schedule to be appropriate and within the authority granted by this Resolution and execute the Bond Purchase Agreement with the Underwriters. Prior to the sale of the Bonds, the President or the Chair is hereby authorized to confer with Bond Counsel in allocating the principal amount of such Bonds between tax-exempt bonds and taxable bonds for federal income tax purposes.

The President is hereby authorized to negotiate an Underwriters' discount with the Underwriters that is not in excess of ____% of the par amount of the Bonds. The purchase price may include original issue premiums and discounts in such amounts as may be approved by the President.

Section 4. The Board hereby authorizes the use of a Preliminary Official Statement in the marketing of the Bonds and authorizes the production of an Official Statement for the Bonds. The Preliminary Official Statement is hereby approved in substantially the form heretofore distributed to representatives of the System and UAPTC and made available to the Board. The Board recognizes that certain revisions may be made to the Preliminary Official Statement prior to its delivery to prospective purchasers of the Bonds, and hereby authorizes the Chair or the President to approve and accept such revisions, the signature of either on each such Preliminary Official Statement to constitute proof of acceptance of such revisions. The Board hereby authorizes the President to "deem final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission the Preliminary Official Statement with such revisions as may be accepted by the President. The Board hereby further authorizes and approves the production of a final Official Statement of the Bonds, and authorizes and directs the President to execute and deliver each

Official Statement, in such form as he deems acceptable, in connection with the issuance of the Bonds.

Section 5. The Chair, Secretary, and Assistant Secretary of the Board, the President of the System, and the Vice Chancellor for Finance of UAPTC are hereby authorized and directed to do any and all lawful things to effect the execution and delivery of the Bonds, the Indenture, the Continuing Disclosure Agreement, and the Bond Purchase Agreement, and the execution and delivery of all papers, documents, certificates and other instruments of whatever nature that may be necessary or desirable for carrying out the authority conferred by this Resolution or evidencing the authority and its exercise. The Secretary or Assistant Secretary of the Board is hereby authorized to acknowledge and attest the signatures of the Chair and to execute such other documents as may be required in connection with the issuance of the Bonds.

Section 6. The Board hereby expresses its intent to select _____ as underwriters for the sale of the Bonds (collectively, the "Underwriters"). The Board hereby expresses its intent to retain Friday, Eldredge & Clark, LLP as bond counsel ("Bond Counsel"). The President of the System and Vice President for Finance and Chief Financial Officer of the System, in consultation with the Chancellor of UAPTC and the Vice Chancellor for Finance of UAPTC, are authorized to negotiate the terms and conditions of an agreement with Bond Counsel, including a reasonable fee arrangement, and to execute such agreement as they determine is necessary and in the best interest of the System. If such negotiations are unsuccessful, the President of the System and the Vice President for Finance and Chief Financial Officer of the System, in consultation with the Chancellor of UAPTC and the Vice Chancellor for Finance of UAPTC, are hereby authorized to negotiate with another bond counsel. Upon the conclusion of successful negotiations, Bond Counsel will begin documenting the issuance of the Bonds upon such schedule and in such manner as the President of the System shall direct.

Section 7. The Chair of the Board, the President of the System, and the Vice Chancellor for Finance of UAPTC are each authorized and directed to take all actions and do all things necessary to perform the obligations of the Board under the Bonds, the Indenture, the Bond Purchase Agreement, and the Continuing Disclosure Agreement. The Vice Chancellor for Finance of UAPTC is specifically authorized and directed to make or cause to be made all payments on the Bonds as required by the Indenture. It is acknowledged and approved that the obligations of the Chair of the Board, the President of the System, and the Vice Chancellor for Finance of UAPTC under the Bonds, the Indenture, and the Continuing Disclosure Agreement may be enforced by mandamus as a remedy under applicable Arkansas statutes. For purposes of this Section, the term "Vice Chancellor for Finance of UAPTC" shall include any officer who succeeds to the functions and duties normally performed by the Vice Chancellor for Finance of UAPTC.

Section 8. The provisions of this Resolution are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Resolution.

Section 9. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.