



## Arkansas Department of Higher Education

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Asa Hutchinson  
Governor

Maria Markham, Ph.D.  
Director

July 1, 2019

Mr. Larry Walther, Director  
Arkansas Department of Finance and Administration  
1509 West 7<sup>th</sup>, Room 401  
Little Rock, AR 72201

Mr. Glen Jones, President  
Henderson State University  
P.O. Box 7532  
Arkadelphia, AR 71932

Dear Mr. Walther and Mr. Glen Jones:

Henderson State University has requested an advancement by the Department of Finance and Administration (DF&A) from the Budget Stabilization Trust Fund. They are requesting \$6,000,000. The advancement will be used to balance the cash flows of the University.

In accordance with A.C.A. §19-5-501, this loan will be repaid by June 30, 2020.

I recommend that this advancement be approved so that funds will be available for FY 2020. Further, based upon the discussion with the Governor, DF&A, and HSU, I recommend that the board of HSU open a discussion to consider HSU joining a university system. This will allow HSU to maintain its history and distinct identity but would provide improved financial controls and other advantages. Please report back to me on the board discussion. I also strongly recommend that HSU submit by October 1, 2019 to the Higher Education Coordination Board a plan outlining controls and strategies to ensure long-term financial viability and guard against future necessity to access the Budget Stabilization Trust Fund.

Sincerely,

A handwritten signature in cursive script that reads "Maria Markham".

Maria Markham, Ph.D.  
Director