

It is with deep concern, profound sorrow, and love for the university we serve, that we propose the resolution below. We ask that you consider its validity objectively:

Whereas in May 2018 HSU's tenured faculty passed a vote of "No Confidence" in the administration of President Glendell Jones for multiple reasons including excessive spending, significantly increasing the university's debt, and depletion of our financial reserves, all leading to a decline in our Higher Learning Commission financial rating (out of a possible rating of 10) from 2.5 to .8;

Whereas as the Higher Learning Commission noted a year ago, HSU has "incurred budgetary woes" since FY2015 and FY2016" (*Arkansas Democrat-Gazette*, May 15, 2018, Page 3B);

Whereas HSU saw a deficit of \$1.6 million in FY17 (following a transfer from reserves of \$1.8 million), prompting a letter of concern to the university president from the Faculty Senate, including unanswered requests for accountability (Faculty Senate Minutes, October 18, 2017);

Whereas HSU had a deficit of \$3.2 million in FY18, prompting the no confidence vote by tenured faculty;

Whereas the university is in a still worse financial crisis for FY19, with immediate survival only possible with a \$6 million emergency loan, due in repayment in less than a year;

Whereas the administration has eliminated the university's fund balance from its place of "health" at 20% of the budget (Faculty Senate Minutes, November 19, 2014), or about \$11 million;

Whereas the administration has depleted the university's reserve fund such that, as recently reported, there is "no reserve fund for either the coming or the current fiscal year" (*Democrat-Gazette*, June 26, 2019, page 7A);

Whereas the HLC warned the administration that its deficit spending plans for FY17 to FY20 would drive our net unrestricted reserves, \$2.9 million as of June 2016, into a "negative net position" (HLC, "Panel Analysis of Financial Report," February 7, 2018);

Whereas the administration's depletion of resources has resulted in Moody's downgrading of its auxiliary enterprises revenue bonds (totaling \$31 million of rated debt) from A3 to Baa2 (Moody's Investor Services, July 2, 2019);

Whereas the administration has failed to collect student tuition and fee dollars in the amount of \$4.5 million in FY19 alone, allowing students who owe the university as much as \$4,800 to continue without clearing these bills (*Democrat-Gazette*, June 26, 2019, Page 7A), while also increasing scholarship payouts since FY15 by over \$3.4 million dollars (*Democrat-Gazette*, June 26, 2019, Page 7A), an increase of 39%; and

Whereas in May 2019 the administration presented the university's Board of Trustees with a draft budget report indicating surpluses of \$26,653 for FY19 and \$4,825 for FY20 (*Democrat-Gazette*, June 26, 2019, page 7A), thus misleading at least some board members (one has stated that "the board had 'assumed a million-dollar line of credit would take care of' the problem" [*Democrat-Gazette*, June 28, 2019, page 5B]); now therefore be it

Resolved, by the faculty of Henderson State University:

1. that it has **No Confidence** in President Glendell Jones;
2. that the HSU Board of Trustees shall immediately remove President Jones from office “for cause”: mismanagement of the university’s financial resources, a lack of transparency to constituencies concerning the university’s financial woes, and misleading the Board of Trustees relating to the university’s financial crisis; and
3. that given the no confidence vote of May 15, 2018, no current senior administrator be named interim President of the university.