



June 17, 2022

Dear Campus Community,

Six months ago, the long-term survival of Henderson was at risk and we did not know if we would make payroll this summer. We outlined the need to restore fiscal integrity, utilize a modified cash budget, and develop a strategic resource allocation model.

We have taken many difficult steps as a university community to improve our overall cash position—including furloughs, 90-day hiring freeze, spending controls, salary rollbacks, position eliminations, and vendor contract renegotiations. We have endured a tough season. The impact of furloughs, cost containment efforts, and the difficult decisions made during financial exigency continue to be felt throughout our campus.

Financial Progress

Despite these challenges, we have made significant progress in improving our cash position as we move to the end of the fiscal year on June 30 and can share positive progress:

- **Furloughs will end July 1. This change will be effective with your July 15 paycheck.**
- We are projected to end the fiscal year with \$3.7-\$5 million in cash, which will support summer payroll and help the university transition into the fall semester.
- We have achieved \$8,015,000 in total savings since January 2022 through the university's modified cash budget, spending controls, position management, and vendor contract renegotiations.
- Revised modified cash budgets are now available at <https://www.hsu.edu/futureofhenderson>.

Cost Containment Measures Initiated Since January 2022

- Position Management: \$895,000
- FY22 Academic Restructuring: \$2,200,000
- Vendor Contract Renegotiations: \$2,400,000
- Hiring Freeze/Salary Savings: \$2,520,000
- Total: \$8,015,000

The Future of Our Learning Community

We continue to be resourceful and focus on serving students even as we define the future of Henderson State University as a learning community. Academic program directors are working on visioning and positioning statements for each academic meta-themes. *Please look for an invitation in the coming weeks to join discussions about this important work to imagine and launch our learning communities.* We also are welcoming new students to Heart Start while also reaching out to current students to

provide assistance as we get closer to the fall semester. The energy at our Heart Start sessions is an encouraging reminder of how our work empowers students, their families, and our communities.

Partnerships that Define Long-Term Sustainability

We are working closely with the Arkansas Department of Education and with multiple educational partners to establish a P-20 initiative—empowering more students to transition from school to work in high-demand careers. We are also one of the participants from Arkansas in a three state partnership with Complete College America to build a new student success continuum through its Policy, Equity and Practice Initiative.

A major investment in support of our commitment to improve student success outcomes, the Caddo Center has entered into the construction phase for renovations with grant funding provided by the Arkansas Natural and Cultural Resources Council (ANCRC). Admissions offices will be the anchor to create a one-stop shop for students. The ANCRC recently announced an additional \$1.4 million grant to move forward with the next phase of improvements to include financial aid, advising, and housing offices in Caddo Center.

We are in various levels of discussion with sister institutions in the Arkansas State University System to expand learning opportunities across our geographic areas and to build the size and shape of our academic program moving forward. This will include expanding academic programs that have traditionally been offered at Henderson to new locations and markets. This also will include providing Henderson students with access to new degree options, especially graduate degrees, by utilizing instructional resources in collaboration with system institutions.

We will work closely with Arkansas State University Three Rivers to support workforce development in Clark County. We also are exploring how we could work together to increase the number of two and four-year degrees earned in our service area.

While we still have much work to do, I am encouraged by the conversations in progress and by the willingness to explore opportunities that will directly benefit students. Please watch for additional updates as we continue work through the summer to improve cash position and launch a learning community built on partnerships to define the future of Henderson.

Joining you in service,



Chuck Ambrose

Henderson's Strategic Resource Allocation Model

