



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**OFFICE OF BUDGET**  
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September 5, 2024

Senator Jonathan Dismang, Co-Chair  
Representative Frances Cavanaugh, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: Henderson State University Request

Dear Co-Chairs:

I am forwarding for review and approval by ALC the attached letter from Henderson State University requesting deferment of the payment on its loan from the Budget Stabilization Trust Fund due on December 1, 2024 in the amount of \$958,333.33. If the request is approved, no payment would be due in 2024, and \$958,333.33 would then be due each December 1 commencing in 2025 through 2030.

Based on discussions with Henderson State officials and personnel from the ASU system office, and a review of Henderson State's projected cash flow for the 2024-2025 fiscal year, DFA believes the request has merit. Governor Sanders supports the deferment and requests your favorable consideration of this matter.

Sincerely,

James L. Hudson  
Secretary

Attachment(s)



September 4, 2024

Secretary Jim Hudson  
Arkansas Department of Finance & Administration  
401 DFA Building, 1509 W. 7th  
Little Rock, AR 72203-3278

Dear Secretary Hudson:

Henderson State University is requesting to modify the repayment schedule for the outstanding loan received from the Budget Stabilization Trust Fund in fiscal year 2020, to the following schedule:

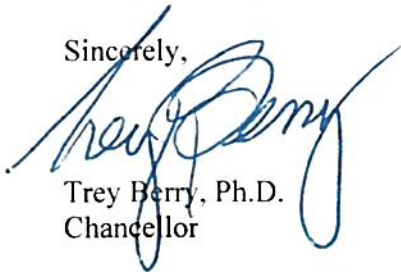
- (1) December 1, 2025 - \$958,333.33
- (2) December 1, 2026 - \$958,333.33
- (3) December 1, 2027 - \$958,333.33
- (4) December 1, 2028 - \$958,333.33
- (5) December 1, 2029 - \$958,333.33
- (6) December 1, 2030 - \$958,333.33

As you are very aware, I inherited a challenging situation when I arrived nine months ago on the Henderson campus. While significant improvements and several very difficult decisions have been made during 2024, we are still in need of more time to achieve significant progress toward stabilization and growth. Several years ago, our staff and faculty experienced large cuts to their salaries and retirement benefits. Most of these cuts will never be reinstated for these state employees.

I fully believe that our recruitment efforts are starting to pay dividends, but it will take time to aid us in realizing this movement toward stability.

We appreciate your assistance in this matter.

Sincerely,



Trey Berry, Ph.D.  
Chancellor