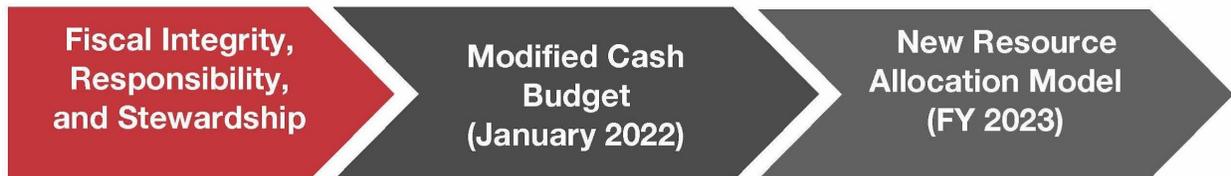




March 3, 2022

Dear Members of the Campus Community,

As we move into March, the next four months will be critically important as we continue to focus on the three elements that we outlined in December to improve cash position and make strategic decisions about our future:



This month is a very difficult one for our community as the shared sacrifices of furloughs and other spending controls go into effect. We will continue to provide updated information and FAQs to help you access information and support.

Progress on Financial Condition

We are making progress on the Fiscal Integrity, Responsibility, and Stewardship component of Henderson's Strategic Resource Allocation Model. The Modified Cash Budget as of February 28, 2022 is now posted online at <https://www.hsu.edu/futureofhenderson>. We are anticipating specific savings in the following categories:

Furloughs: \$1,485,000
Salary Rollbacks: \$458,605
Position Management: \$671,947
Spending Cuts: \$587,777

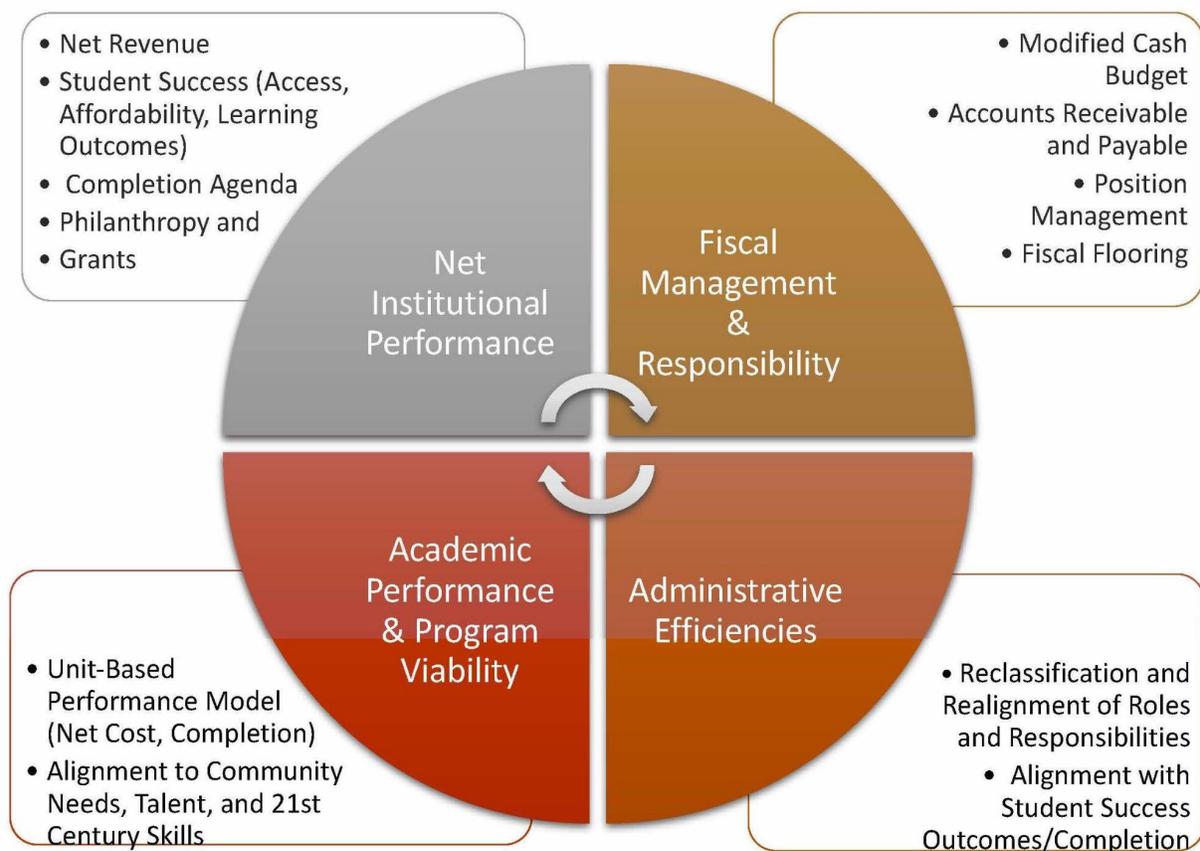
With the help of the Arkansas State University System, significant additional savings are anticipated from a comprehensive review of all institutional contracts, including SSC and Sodexo. We also are evaluating university real estate assets and continue to pursue the possibility of reissuing bonds tied to our long-term debt.

All of these efforts combined will provide critical improvements to our overall cash position through the end of the fiscal year and through the summer months.

Academic Performance and Program Viability

We will soon begin the process of assessing Academic Performance and Program Viability as part of the campus response to the financial exigency process. This is an important element of Henderson's Strategic Resource Allocation Model. This week, the Arkansas State University System engaged the help of the Huron Group to assist us in the process of building an Academic Performance Portfolio. This is a data-informed tool that will help with the restructuring of our academic programs and serve as the tool we will utilize to allocate instructional resources to impact long-term administrative efficiencies and academic effectiveness. This tool is being developed first with Henderson and then will be utilized and replicated across ASU System institutions. The Faculty Senate has identified a committee to assist the campus through our exigency processes.

Henderson's Strategic Resource Allocation Model



I encourage you to review the Reimagining Henderson: Academic Performance and Program Viability memo that is now posted online at <https://www.hsu.edu/futureofhenderson>. This memo provides a more detailed description of one of the most important elements of our Resource Allocation Model, including a roadmap for the remainder of the spring semester and the first steps towards a Reimagined Henderson.

Higher Learning Commission

We continue to be in contact with the Higher Learning Commission regarding our plans for financial exigency. In the spirit of transparency, I am including this correspondence on <https://www.hsu.edu/futureofhenderson> for your review. It is helpful to understand how our work together impacts our institutional accreditation and performance.

There are many resources that are available to you if you have questions or concerns. These include Janet Brewer in Human Resources, Bernadette Hinkle in Finance and Administration, and Tina Hall in Marketing and Communications to help you find the information that you may need. You also can reach out and I will be glad to answer any questions or help identify those that can. Thank you for all that you are doing and will continue to do in support of our students.

Joining you in service,



Chuck Ambrose
Chancellor