

**President's Mid-Quarter Update
to the Board of Trustees
February 9, 2026**

This report serves to provide members of the Ozarka College Board of Trustees with information regarding Ozarka College activities and accomplishments.

Upcoming Events of Interest

- February 9 4-H Awards Banquet
- February 11 Sr. High Quiz Bowl
- February 11 NAESC/Superintendents Board Meeting
- February 16-March 3 Izard County Primary Election
- March 2 Spring 2026 Student Services Transfer Fair
- March 6 AR Grazing Lands Coalition (AGLC) Annual Conference
- March 7 Ladies Luncheon
- March 10 HS Student Mock Interviews
- March 11 Elementary Quiz Bowl
- March 18-19 Nursing Spring Conference
- March 31 NAESC K-6 Regional Science Fair

Previous Events of Interest

- February 5 Cake Decorating Class
- January 30 Regional Candidates Showcase
- January 17 ICARE Talent Show
- January 14 Jr. High Quiz Bowl
- January 6 LPN to RN Transition and LPN Program Orientation

COLLEGE GOVERNANCE & CURRENT POINTS OF INTEREST

Spring Enrollment

Spring enrollment increased 5% headcount (3% FTE) over Spring 2025. The current student mix reflects 55% Concurrent/High School Tech students and 45% adult learners. This shift aligns with statewide trends and the Governor's policy incentives encouraging high school students to complete accelerated coursework, earn up to 30 college credit hours, and pursue associate degrees prior to graduation. Administration anticipates this enrollment composition to continue.

College Budget and Mid-Year Review

The College remains in a strong financial position at mid-year. As detailed in the CFO's report, revenue performance and expenditure controls remain aligned with 2025–2026 projections.

The administration has completed the mid-year budget review and reallocated approximately \$100,000 in underutilized funds to reserve for unfunded institutional priorities. This action is

timely given emerging facilities needs, including the Student Services Center HVAC issue outlined below.

Budget development for the coming fiscal year is underway. While final HVAC options are still under evaluation, the proposed budget framework maintains consistent priorities: revenue stability, fiscal discipline, and progress toward deferred maintenance master planning objectives.

Student Services Center HVAC Status

The HVAC failure in the Student Services Center continues to be a challenge for the campus community. The College has engaged an independent engineering firm to assess system performance, maintenance history, and both mechanical and electronic components. This review will provide clearer findings and viable long-term solutions. Administration's priority is identifying a cost-effective and sustainable path forward. Additional information will be provided at the March Board meeting.

State and Regional Policy Landscape

The administration is actively engaged with local and state officials to monitor evolving policy considerations affecting the College. Particular attention is being given to Stone and Searcy County dynamics to ensure institutional preparedness and responsiveness to local needs.

Ozarka is coordinating efforts with regional school districts to optimize concurrent enrollment strategies, supporting both College enrollment goals and district letter grade outcomes.

Additionally, administration is staying connected with the Arkansas State Chamber of Commerce and state economic development leaders in anticipation of the potential passage of Issue 3, which would allow the creation of local economic development districts and expanded tax incentives for industry recruitment and workforce development.

Upcoming Board Meeting Dates

- Thursday, March 19, 2026
- Thursday, May 21, 2026

Tentative Discussion Items for Next Board of Trustees Meeting

- Academic Planning
- Infrastructure Updates:
 - SSC HVAC
 - Administration Bldg Roof
 - Spring Bid Processes
- May Board Retreat – Hot Springs, America

Tentative Action Items for Next Board of Trustees Meeting

- End-of-Month and Year-to-Date Financial Reports
- Reappointment of Full-Time Administration, Faculty and Classified Staff for the 2026-2027 Fiscal Year

- Approve Provisional Positions for the 2026-2027 Fiscal Year

Kudos

- Big thanks to Chris Mosely and the Admissions team on last minute enrollments.
- Kudos to David Mitchell and Jeremy Nicholson on their work on new strategies for student success.
- Big shout out to Shane Kinion and Phillip Qualls for their jump to action during the recent winter weather event to pre-treat surfaces and perform prompt snow removal in the days after the storm.
- Congratulations to Jamie Qualls for her selection as the Employee of the Quarter for October-December 2025.

AREA HIGHLIGHTS

Academics

Dr. Chris Lorch, Provost

- Wrapped up last semester strong and began the current semester with a modest increase in enrollment.
- Worked with academic leadership on new curriculum.
- Met with Division Chairs and Campus Directors on enrollment strategies.
- Met with the new TRIO director on new strategies to serve more students through the program.

Student Services

Zeda Wilkerson, Vice President

- Career Pathways - Within the last quarter, CPI implemented a successful peer mentorship pilot that increased student engagement and accountability, alongside improved employment tracking and follow-up processes.
- Perkins - Successfully submitted EYPR Narrative, Data Report, and Reconciliation Report. With surplus funds, purchased six new welders, a freeze dryer, an airway management system, and automotive scan tool software. Awarded partial reserve grant fund award and purchased aviation simulation software by combining reserve funds with unallocated Perkins funds.
- Registrar's Office - Marked Fall 2025 graduates, and printed Fall 2025 Diplomas and provided to Kelly for distribution; Completed Mid-Year Expenditure report for Career Coach Grant.
- Conducted Fall midterm advising meetings. Currently compiling TRIO Annual Performance report which is due February 18.

Operations and Infrastructure

Scott Pinkston, Vice President

- Aviation
 - Began the spring semester with the highest enrollment total for Spring (44 total).
 - Piper Seminole returned to service.

- Information Systems
 - Completed the Fall End of Term reporting to ADHE.
 - Submitted the Winter IPEDS collection reports (due February 4) - Cost II, Student Financial Aid (SFA), Graduation Rates (GR), 200% Graduation Rates, Admissions and Outcomes Measures.
 - Assisted with Fall end of term financial aid file submissions to ADHE.
 - Continuing work on file layout changes for the state-level AASIS S4 conversion, which will allow financial transaction reporting to DFA.
 - Continue active monitoring and analysis of the SIEM (Security Information and Event Management) system to detect, investigate, and respond to potential security threats, anomalies, and system vulnerabilities across campus networks and servers.
 - Moved all student services personnel into temporary locations for the SSC HVAC issues.
- Maintenance and Physical Plant
 - New sidewalk from campus to housing.
 - Sidewalk/parking lot snow/Ice removal, thanks to Shane Kinion and Phillip Qualls.
 - Lighting upgrades on campus offices.
 - December event setup/tear down for both campus and community events.

Advancement and Workforce Development

Marcus Orf, Vice President

- Completed the Skilled Trades Renovation at Melbourne.
- Completed the addition onto the Mountain View Tech Center.
- Brecken Jones has been hired for the Marketing Specialist position.
- Hosted Casino Night. (A. Killian)
- Hosted the Christmas Event. (A. Killian)
- Foundation Board Meeting (A. Killian)
- Blue and You Food Pantry Grant received and started. (D. Cole)

Satellite Campuses

- Ash Flat
 - New Student Open House – January 8
 - Poll Worker Training – January 22
- Mountain View
 - Met with Kerry Montz, Stone County Chamber of Commerce, about possibly hosting a C of C Meet and Greet event – January 15
 - Attended Stone County Chamber of Commerce Meet and Greet at the Dulcimer Shop – January 15
 - Enrollment Strategy meeting – Melbourne – January 16
 - Ladies Luncheon Committee meeting – January 21
 - Fall class scheduling meeting with MVHS – February 3

- Hosted JH Quiz Bowl Competition with 11 schools attending – February 6

Staff Council

Valerie Long, Staff Council Vice President

- Staff Council is coordinating with the Registrar's Office to plan a professional development presentation in conjunction with advisor training in April.

Finance

Amber Rush, Vice President of Finance

- As of January 31, 2026, the College's unrestricted funds reflect a positive net income, despite the fact that a significant portion of tuition and fee revenue, as well as January general revenue, has not yet been collected. Expenditures are tracking approximately 5% lower than at the same point last fiscal year, indicating continued emphasis on disciplined and controlled spending through mid-year.
- Overall, the College remains financially stable at the midpoint of the fiscal year, with improved operating margins, expenditures in line with expectations, and revenues generally tracking as anticipated for FY 2026.
- The Finance Office has completed all year-end reporting requirements, including W-2 and 1099 processing, as well as 1098-T filings. Looking ahead, legislative auditors are expected to arrive on campus in the coming weeks. During the spring semester, the College will also be issuing and managing several requests for proposals (RFPs), including bidding for beverage and snack vending services across all campuses, procuring an on-call architect for upcoming capital projects, and soliciting bids for the Administration Building roof replacement.

Monthly Financial Reports

Ozarka College
Unrestricted Current Funds
July 1, 2025 through January 31, 2026

	Approved 2025 - 2026 Budget	Revised 2025 - 2026 Budget	Actual Revenue/Expense	Month to Date Revenue/Expense	Year to Date Revenue/Expense	Budgeted Balance to Collect or Balance to Expense	Percentage Realized To Date
Revenues:							
Tuition & Related Fees	2,405,135	2,405,135		34,925	1,265,733	1,139,402	52.63%
Program & Course Related Fees	1,841,880	1,841,880		7,415	851,281	1,010,599	45.13%
Testing Services	261,290	261,290		5,526	58,409	202,881	22.35%
Sales Tax Proceeds	658,224	658,224		16,972	232,104	426,120	35.26%
Interest Income	68,049	68,049		0	49,884	18,165	73.31%
Other Income	86,000	86,000		1,154	38,596	47,484	44.81%
General Revenue	3,193,318	3,193,318		0	1,943,300	1,220,018	61.38%
Workforce 2000 Funding	1,271,840	1,271,840		0	741,807	529,933	58.33%
Tech Center Revenue	160,935	160,935		0	0	160,935	0.00%
Auxiliary Income - Culinary Cafe	6,800	6,800		534	6,737	(137)	102.08%
Auxiliary Income - Student Housing	75,000	75,000		5,000	45,994	29,006	61.32%
Total Unrestricted Revenues	10,018,271	10,018,271		71,625	5,223,885	4,794,386	52.14%
Expenses:							
Regular Salaries	4,980,026	4,980,026		348,402	2,599,316	2,360,707	52.41%
Extra Help Salaries	78,800	78,800		5,518	45,795	33,006	58.12%
Fringe Benefits	1,676,221	1,676,221		117,392	798,336	676,885	47.69%
Supplies & Services	2,148,572	2,148,572		122,497	1,031,394	1,115,178	48.05%
Travel	94,785	94,785		2,022	26,368	68,427	27.82%
Utilities	520,800	520,800		33,527	273,637	277,203	49.68%
Capital Outlay	166,658	166,658		0	0	166,658	0.00%
Bond Payments	364,400	354,400		0	306,659	417,741	86.53%
Total Unrestricted Expenditures	10,018,271	10,018,271		629,357	5,082,407	4,935,864	50.73%
Net Income or (Loss)						141,478	

Orzarks College
Unrestricted Current Funds - Fiscal Comparison
July 1, 2026 through January 31, 2026

	2025 - 2026 Budget		2025 - 2026 Fiscal Year		2024 - 2025 Fiscal Year	
	Revenue	Expense	Revenue	Expense	Revenue	Expense
					Year to Date	Year to Date
Revenues:						
Tuition & Related Fees	2,405,136		1,265,733		2,291,900	1,162,246
Program & Course Related Fees	1,841,880		831,281		1,679,980	667,089
Testing Services	261,290		58,400		261,290	53,608
Sales Tax Proceeds	650,224		232,104		679,380	334,791
Interest Income	68,049		49,884		45,500	30,608
Other Income	86,000		38,598		104,520	48,519
General Revenue	3,183,318		1,953,300		3,248,285	2,057,440
Workforce 2020 Funding	1,271,040		741,907		1,271,040	635,920
Tech Center Revenue	160,935		0		252,165	0
Auxiliary Income - Culinary Cafe	6,600		6,737		6,500	4,500
Auxiliary Income - Student Housing	75,000		45,904		96,000	51,826
Total Unrestricted Revenues	10,016,271		5,223,885		9,937,260	5,067,246
Expenses:						
Regular Salaries	4,960,025		2,599,318		5,070,040	2,753,588
Extra Help Salaries	78,800		45,795		78,800	22,461
Fringe Benefits	1,676,221		793,386		1,689,830	849,123
Supplies & Services	2,146,572		1,031,394		2,036,665	997,031
Travel	94,786		26,365		88,275	26,848
Utilities	560,800		273,537		519,450	285,119
Capital Outlay	156,656		0		51,000	0
Bond Payments	354,400		306,659		356,400	598,979
Total Unrestricted Expenditures	10,016,271		6,002,407		9,937,260	5,500,949
Net Income or (Loss)						(433,600)
						141,478

Ozarka College
Restricted Funds
July 1, 2025 through January 31, 2026

		Approved 2025 - 2026 Budget	Adjustments to 2025 - 2026 Budget	2025 - 2026 Budget	Revised Month to Date	Actual Revenue/Expense	Actual Year to Date Revenue/Expense	Budgeted Balance to Collect or Balance to Expense
Student Aid Revenues								
AR Challenge Awards		240,000		240,000	2,500	133,750	106,250	
AR Concurrent Challenge		250,000		250,000	-	154,245	95,755	
AR Workforce Challenge		50,000		50,000	-	6,400	43,600	
AR Future Grant		1,250,000		1,250,000	1,600	745,643	504,357	
Federal Work Study		29,937		29,937	2,879	10,937	19,900	
PELL Grant		2,750,000		2,750,000	-	1,235,325	1,514,675	
FSEOG Awards		50,000		50,000	-	25,000	25,000	
Student Loans - Federal		700,000		700,000	-	345,407	354,893	
Miscellaneous Scholarships		A	50,000	50,000	-	26,550	23,450	
		<u>5,319,937</u>	<u>50,000</u>	<u>5,369,937</u>	<u>6,879</u>	<u>2,683,257</u>	<u>2,685,880</u>	
Federal Grant Revenues								
Career Pathways Initiative		399,344	C	(15,950)	383,384	33,200	94,118	289,276
Carl Perkins		116,400			116,400	9,018	54,441	61,959
Direct & Equitable Grant		45,800			45,800	-	18,733	27,067
Delta Workforce		40,000			40,000	-	-	40,000
TRIO Grant		331,500			331,500	23,498	163,888	167,812
Federal Grant Revenues		<u>933,044</u>	<u>(15,950)</u>	<u>917,094</u>	<u>65,723</u>	<u>331,181</u>	<u>535,913</u>	
State Grant Revenues								
Adult Basic Education Grant		173,458		173,458	-	66,350	107,108	
Career Coach		208,000		208,000	14,167	65,050	122,950	
Education & Training Grant		22,975		22,975	1,058	8,939	14,036	
General Adult Education Grant		109,000	A	252,180	109,000	6,432	47,232	61,768
Career Tech Grant		1,200,000		1,200,000	252,160	-	165,500	56,880
Hired Grant		1,713,433		252,160	1,965,893	321,786	680,379	
State Grant Revenues		<u>7,966,414</u>	<u>285,210</u>	<u>8,252,624</u>	<u>343,444</u>	<u>963,451</u>	<u>362,621</u>	
Total Restricted Revenues		<u>7,966,414</u>	<u>285,210</u>	<u>8,252,624</u>	<u>416,046</u>	<u>3,977,888</u>	<u>3,635,115</u>	

	Approved 2025 - 2026 Budget	Adjustments to 2025 - 2026 Budget	2025 - 2026 Budget	Revised 2025 - 2026 Budget	Month to Date Revenue/Expense	Year to Date Revenue/Expense	Actual Revenue/Expense	Actual Year to Date	Budgeted Balance to Collect or Balance to Expense
Student Aid Expenditures									
AR Challenge Awards	240,000		240,000	2,500	133,750	106,250			
Arkansas Concurrent Challenge	250,000		250,000	-	154,245	95,755			
AR Workforce Challenge	50,000		50,000	-	6,400	43,600			
AR Future Grant	1,250,000		1,250,000	1,500	745,643	504,357			
Federal Work Study	29,937		29,937	377	11,314	18,624			
PELL Grant	2,750,000		2,750,000	(2,345)	1,255,325	1,514,075			
FSEOG Awards	50,000		50,000	-	25,000	25,000			
Student Loans - Federal	700,000		700,000	-	345,407	354,593			
Student Loans - Private	-		-	-	-	-			
Miscellaneous Scholarships	-		-	-	-	-			
Student Aid Expenditures	5,319,937	50,000	50,000	5,369,937	2,031	2,653,634	2,653,634	2,653,634	2,653,634
Federal Grant Expenditures									
Career Pathways Initiative	399,344	C	(15,950)	383,394	21,780	163,684	229,710		
Carri Perkins	116,400			116,400	10,777	65,219	51,181		
Correctional	-		-	-	-	-	-		
Direct & Equitable Grant	45,800		45,800	11,300	34,734	11,066			
Delta Workforce	40,000		40,000	-	47,390	(7,390)			
TRIO Grant	331,500		331,500	17,483	181,372	150,128			
Federal Grant Expenditures	933,044	(15,950)	(15,950)	917,094	61,341	482,399	434,985	434,985	434,985
State Grant Expenditures									
Adult Basic Education Grant	173,458		173,458	9,467	90,653	82,805			
Career Coach	208,000		208,000	16,090	113,972	94,028			
Education & Training Grant	22,975		22,975	-	8,939	14,036			
General Adult Education Grant	108,000		108,000	8,175	69,558	39,442			
Career Tech Grant	A	252,160	252,160	14,328	168,340	85,820			
HIRED Grant	1,550,000		1,550,000	275,212	835,591	714,409			
State Grant Expenditures	2,063,433	252,160	2,315,593	323,273	1,285,063	1,030,540	1,030,540	1,030,540	1,030,540
Total Restricted Expenditures	8,316,414	286,210	8,602,624	386,645	4,451,085	4,151,539	4,151,539	4,151,539	4,151,539

A = Grant Awarded after budget was prepared
 B = Grant Awarded after start of fiscal year
 C= Grant Award adjusted after budget was prepared
 D = Carryforward from previous year