

**MINUTES OF A MEETING**



**September 27 and 28, 2006**

**CALL TO THE AUDIENCE ..... 2**

**CONSENT AGENDA ..... 2**

**\*Minutes..... 2**

**RESOURCES COMMITTEE CONSENT ..... 2**

**\*Approval of a Cooperative Agreement from the National Institutes of Health (NIH), National Institute of Allergy & Infectious Disease (NIAID) (ASU) ..... 2**

**\*Approval of New Award from the University of New Mexico (ASU) ..... 2**

**\*Approval of Cooperative Agreement from the National Science Foundation (NSF), Directorate for Education & Human Resources (EHR) (ASU) ..... 2**

**\*Approval of New Award from the W. K. Kellogg Foundation (ASU)..... 3**

**CAPITAL COMMITTEE CONSE ..... 3**

**\*Research Park Ground Lease Amendment (ASU) ..... 3**

**\*Approval of a 10-year Lease with Paramount Partners L.L.C. for Property Located in the Arizona Business Park in Phoenix (NAU)..... 3**

**\*Family and Consumer Sciences Building, Project Approval (UA)..... 3**

**\*Veterinary Science and Microbiology Building Heating, Ventilation and Air Conditioning (HVAC) Improvements Phase 1, Project Implementation Approval (UA)..... 3**

**\*Authorization to Purchase Real Property at 1240 East Mabel Avenue, Tucson, (UA)..... 4**

**\*Authorization to Purchase Real Property at 1235 North Mountain Avenue, Tucson (UA)..... 4**

**\*Research Park Annual Report for FY 2006 (ASU) ..... 4**

**PROGRAMS COMMITTEE CONSENT ..... 4**

**\*Approval of the University of Arizona College of Medicine Statement of Institutional Commitment for Graduate Medical Education ..... 4**

**IT/AZUN COMMITTEE CONSENT..... 4**

**\*ASU Biodesign Institute Project..... 4**

**\*UA Core Commitment to Kualii Research Administration Project ..... 5**

**STRATEGIC PLANNING COMMITTEE CONSENT..... 5**

**\*Arizona Board of Regents 2006-2007 Action Plan ..... 5**

**ADMINISTRATIVE BUSINESS CONSENT..... 5**

**\*Approval of Regents Awards for Outstanding Service to Higher Education..... 5**

**RESOURCES COMMITTEE ..... 5**

- Revised FY 2007-2011 Technology and Research Initiative Fund (TRIF) Budgets ..... 5
- FY 2008 State Operating Budget Requests ..... 7
- 2006 Annual Personnel Report for the Arizona University System..... 8
- Approval of Reappointment of and Multiple-Year Employment Contract for John D. Haeger, President of Northern Arizona University (NAU) ..... 9
- Appointment of Vice President for Planning, Budget and Institutional Effectiveness (NAU)..... 10
- Appointment of Vice President for Global Engagement (ASU) ..... 10
- Appointment of Vice President and University Technology Officer (ASU)..... 10

**CAPITAL COMMITTEE ..... 11**

- FY 2008-2010 Capital Improvement Plans (CIPs)..... 11
- Approval of FY 2007 Capital Development Plan (CDP) (NAU)..... 12
- Residential Life Building Renewal Phases 3 & 4, Project Implementation Approval (UA)..... 12
- Arizona State University Police Department (ASU PD) Facility and Barrett College and South Campus Academic Village Site Preparation, Project Implementation Approval (ASU)..... 13
- Polytechnic Academic Complex, Project Implementation Approval (ASU)..... 13
- Request for Authority to Enter into One or Two Ground Lease Agreement(s) with American Campus Communities (ACC), a private developer, to construct and operate Student Housing on the Tempe campus ..... 14

**REPORT FROM THE PRESIDENT OF NORTHERN ARIZONA UNIVERSITY..... 15**

**RECOGNITION OF STUDENT FROM NORTHERN ARIZONA UNIVERSITY ..... 16**

**PROGRAMS COMMITTEE ..... 16**

- FY 2006-2007 Annual Report on Centers and Institutes..... 16
- Academic Program Requests (ASU, NAU) ..... 17
- Annual FY 2006 Student Financial Aid Report and FY 2007 and FY 2008 Student Financial Aid Plans..... 18
- Designation of Northern Arizona University Yuma as a Regional Branch Campus..... 19

**REPORT FROM THE ARIZONA FACULTIES COUNCIL ..... 19**

**PUBLIC AWARENESS COMMITTEE ..... 19**

- Commission on the Future of Higher Education..... 19
- Report from the ABOR Task Force on Textbook Costs ..... 21

**UPDATE ON THE UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE - PHOENIX..... 21**  
**IT/AZUN COMMITTEE..... 21**  
    **Report from the IT/AZUN Committee ..... 21**  
    **Lease of ASU’s Educational Broadband Service (EBS) Excess Bandwidth  
    to Sprint for a period of 30 years..... 22**  
**INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND  
MEMBERS OF THE COUNCIL OF PRESIDENTS ..... 22**  
**ADJOURNMENT..... 23**

**MINUTES OF A MEETING  
ARIZONA BOARD OF REGENTS  
September 27 and 28, 2006**

A meeting of the Arizona Board of Regents was held September 27 and 28, 2006, in the Northern Arizona University, University Union. President Bulla called the meeting to order at 1:25 p.m. on Thursday, September 27, 2006.

Present:       Regent Fred Boice  
                  Regent Robert Bulla  
                  Regent Ernest Calderón  
                  Regent Dennis DeConcini  
                  Regent Fred DuVal  
                  Regent Edward Hermes  
                  Regent Anne Mariucci  
                  Regent Christina Palacios  
                  Regent Gary Stuart  
                  Regent Mary Venezia

Absent:         Governor Janet Napolitano  
                  Superintendent Tom Horne

Also present were President John Haeger, Dr. Elizabeth Grobsmith, Dr. M. J. McMahon, Dr. Kathe Shinham, Mr. Mark Neumayr, and Dr. Patricia Haeuser, Northern Arizona University; President Robert Shelton, Ms. Edith Auslander, Mr. George Davis, Ms. Judith Leonard, Mr. Joel Valdez, and Ms. Carla Nunn, University of Arizona; President Michael Crow, Dr. Christine Wilkinson, Mr. Paul Ward, Mr. Rich Stanley, and Dr. Elizabeth Capaldi, Arizona State University; Executive Director Joel Sideman, Acting Board Counsel Nancy Tribbensee, Secretary to the Board Peggy Martin, Dr. Art Ashton, Mr. Michael Hunter, Mr. Ted Gates, Ms. Stella Galaviz, Ms. Cathy McGonigle, Ms. Stephanie Jacobson, Mr. Mark Denke, Ms. Anne Barton and Mr. Dan Anderson, Central Office; and Dr. Marcus Ford, Arizona Faculties Council

**All lists, reports, summaries, background materials, and other documents referred to in these minutes can be found in the September 27 and 28, 2006, Documents Files.**

Regent Hermes led the Pledge of Allegiance.

Regent Bulla introduced and welcomed Regent DuVal. Regent Bulla stated that Regent DuVal is president of the consulting firm, DuVal and Associates, which advises clients in Washington, D.C., as well as state capitols across the country. Regent DuVal served as senior staff to former Arizona Governor Bruce Babbitt where his portfolio included the Arizona Board of Regents. He served for seven years in the Clinton Administration in Washington, D.C. Regent Bulla stated that Regent DuVal served on the Board of the Children's Action Alliance and has served on the Casa Grande Medical Center Foundation Board, the Strategic Planning Committee for Flagstaff Medical Center, the Board of Prescott College, the Board of Desert Botanical Garden and the Board of Valley Big Brothers/Big Sisters. Regent DuVal grew up in Tucson, attended the University of Arizona and earned his law degree at Arizona State University.

## **CALL TO THE AUDIENCE**

ALBERT SANDOVAL: representing the Tri University Classified Staff Council. Mr. Sandoval stated that the Tri-University Classified Staff Council thanked the current and past university presidents for their support of the classified staff councils at each University. He further stated that the Council wanted to recognize the commitment of each university to reduce the burden of employee related expenses. He stated that each universities decision to absorb a higher percentage of benefit package costs reflects the universities' commitment to ensure benefit package costs to not erode recent salary increases. The Council also wanted to thank the Arizona Board of Regents for their commitment to provide competitive wages for classified staff.

## **CONSENT AGENDA**

Items on the Consent Agenda that are marked in these minutes with an asterisk (\*) were considered as consent matters and were unanimously adopted upon the motion of Regent Boice, seconded by Regent DeConcini.

### **\*Minutes**

The January 27, 2006, Special Executive Session minutes, the June 22 and 23, 2006, Executive Session minutes, the August 10 and 11, 2006, Regular Meeting minutes as amended, and the August 10, 2006, Retreat minutes were approved.

## **RESOURCES COMMITTEE CONSENT**

### **\*Approval of a Cooperative Agreement from the National Institutes of Health (NIH), National Institute of Allergy & Infectious Disease (NIAID) (ASU) (Board Agenda Item #8)**

The Board approved Arizona State University's request for authorization to approve a cooperative agreement from the National Institutes of Health (NIH), National Institute of Allergy & Infectious Disease (NIAID) #U01 AI061253.

### **\*Approval of New Award from the University of New Mexico (ASU) (Board Agenda Item #9)**

The Board approved Arizona State University's request for authorization to approve a new award from the University of New Mexico #3R32M.

### **\*Approval of Cooperative Agreement from the National Science Foundation (NSF), Directorate for Education & Human Resources (EHR) (ASU) (Board Agenda Item #10)**

The Board approved Arizona State University's request for authorization to approve a cooperative agreement from the National Science Foundation (NSF), Directorate for Education & Human Resources (EHR) #0602425.

**\*Approval of New Award from the W. K. Kellogg Foundation (ASU) (Board Agenda Item #11)**

The Board approved Arizona State University's request for authorization to approve a new award from the W. K. Kellogg Foundation #P0111416.

**CAPITAL COMMITTEE CONSENT**

**\*Research Park Ground Lease Amendment (ASU) (Board Agenda Item #17)**

The Board approved Arizona State University's request for an amendment of the ground lease by and between the Arizona Board of Regents and ASU Research Park for the purpose of providing for payment of all rents to ASU directly and removing the designation of Arizona State University Foundation as trustee. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval of the amendment and further directed the naming of a representative from the Arizona Board of Regents to the ASU Research Park Board of Directors.

**\*Approval of a 10-year Lease with Paramount Partners L.L.C. for Property Located in the Arizona Business Park in Phoenix (NAU) (Board Agenda Item #18)**

The Board approved Northern Arizona University's request for authority to enter into a 10-year lease with Paramount Partners L.L.C. for approximately 39,950 square feet of space located in the Arizona Business Park in Phoenix. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

**\*Family and Consumer Sciences Building, Project Approval (UA) (Board Agenda Item #19)**

The Board approved the University of Arizona's request for Project Approval for the completion of the Family and Consumer Sciences Building project with a total estimated project cost of \$22M. Funding will be provided entirely by gifts, and the operations and maintenance costs will be supported by university General Fund allocations. This project received Project Implementation Approval in March 2006. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

**\*Veterinary Science and Microbiology Building Heating, Ventilation and Air Conditioning (HVAC) Improvements Phase 1, Project Implementation Approval (UA) (Board Agenda Item #20)**

The Board approved the University of Arizona's request for Project Implementation Approval for the Veterinary Science and Microbiology Building HVAC Improvements, Phase 1 project with a total estimated project cost of \$2.3M. The initial \$0.7M has been funded by System Revenue Bonds. The remaining \$1.6M has been funded from FY 2006-07 State building renewal funds. This project received System Revenue

Bond Sale Approval in March 2005. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

**\*Authorization to Purchase Real Property at 1240 East Mabel Avenue, Tucson, (UA) (Board Agenda Item #21)**

The Board approved the University of Arizona's request for authority to purchase real property at 1240 East Mabel Avenue from the UA Foundation. The 3,691 square foot property is in the center of the north campus planning area and is a multi-tenant rental. The purchase price of \$899,900 will be funded from university reserve funds to be reimbursed by proceeds from future land sales. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

**\*Authorization to Purchase Real Property at 1235 North Mountain Avenue, Tucson (UA) (Board Agenda Item #22)**

The Board approved the University of Arizona's request for authority to purchase real property at 1235 North Mountain Avenue from the UA Foundation. The 2,259 square foot property is in the north campus planning area and is a multi-tenant rental. The purchase price of \$649,900 will be funded from university reserve funds to be reimbursed by proceeds from future land sales. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

**\*Research Park Annual Report for FY 2006 (ASU) (Board Agenda Item #23)**

The Board accepted the ASU Research Park Annual Report for FY 2006. The Capital Committee reviewed this item at its September 7, 2006, meeting.

## **PROGRAMS COMMITTEE CONSENT**

**\*Approval of the University of Arizona College of Medicine Statement of Institutional Commitment for Graduate Medical Education (Board Agenda Item #28)**

The Board approved the UA College of Medicine written statement of institution commitment to The Accreditation Council for Graduate Medical Education (ACGME), the national accrediting agency for graduate medical education (GME), which mandates that institutions sponsoring residency and fellowship training programs have a written statement of institutional commitment that is supported by the governing authority.

## **IT/AZUN COMMITTEE CONSENT**

**\*ASU Biodesign Institute Project (Board Agenda Item #32)**

The Board approved Phase II of ASU's Biodesign Institute audio-visual project called The Collaboratorium.

**\*UA Core Commitment to Kuali Research Administration Project (Board Agenda Item #33)**

The Board approved the University of Arizona's Kuali Research Administration Project.

**STRATEGIC PLANNING COMMITTEE CONSENT**

**\*Arizona Board of Regents 2006-2007 Action Plan (Board Agenda Item #34)**

The Board approved its 2006-2007 Action Plan.

**ADMINISTRATIVE BUSINESS CONSENT**

**\*Approval of Regents Awards for Outstanding Service to Higher Education (Board Agenda Item #35)**

The Board approved the recommendations of the Regents Award Selection Committee to present the 2006 Regents Awards for Outstanding Service to Higher Education to Mary Lou and Ira Fulton, Greater Phoenix Leadership, and Robert Wick.

**RESOURCES COMMITTEE**

Regent Calderón chaired this portion of the meeting

**Revised FY 2007-2011 Technology and Research Initiative Fund (TRIF) Budgets (Board Agenda Item #1)**

Bill Grabe, NAU and Leslie Tolbert, UA, joined the meeting for this presentation.

Regent Calderón stated that the Board was being asked to approve revised Technology and Research Initiative Fund (TRIF) budgets for FY 2007-2011. Regent Calderón then asked each of the presidents to present his requests.

President Haeger went through his requests. He stated that there were essentially two items, both closely linked. The first item for which NAU is requesting funding is to build health professions expansion both on the Flagstaff campus and then ultimately in Phoenix. NAU believes there is an extraordinary state need for not just the medical school in Phoenix, but also for a whole range of health professions that are not currently offered by any public higher education institution in the State of Arizona. The request is to look at expanding existing health programs on the Flagstaff campus. NAU turned down 500 fully qualified students who wanted access to health profession programs. President Haeger stated that NAU believes this is an important expansion to take to Phoenix. It is a collaboration with the UA and ASU. It will be a complement to the building of the medical school in Phoenix offering a full range health profession programs. The initial TRIF money would provide seed funding to put NAU on the course to get those projects done. The second piece of the request is to help NAU with the lease of a building in Phoenix which will provide the starting ground for their health program in Phoenix. The building has existing classrooms and has high visibility. NAU's

current lease space on 3<sup>rd</sup> Street in Phoenix will, if this property is acquired, move into this property.

President Crow went through his requests. President Crow stated that Arizona State University had made the decision that their strategy in science and technology would be as a collaborator. ASU would be an institution attempting to work with and gain relationships with a number of organizations and in particular in areas related to biomedical oriented research. From that partnership perspective our TRIF requests for this year call for additional investments being made in the joint efforts with the University of Arizona College of Medicine-Phoenix to accelerate the planning for the Phoenix Biomedical Campus, and to accelerate the planning for facilities, one of which is referred to as the Medical Education Building, one of which is the Arizona Biomedical Collaborative Building II. Beyond that ASU has requested funding for a joint research initiative program with the University of Arizona that will include in every proposal, at least, faculty members from the UA and ASU, and hopefully elsewhere. In addition ASU is proposing to accelerate the evolution of the biomedical informatics department which is the central contribution that ASU will be making to the College of Medicine-Phoenix. Finally the foundational investment is the Biodesign Institute which is the principle means by which ASU drives collaboration with all of the other clinical groups that ASU is working with.

President Shelton went through his requests. President Shelton stated that the University of Arizona is also requesting funds to accelerate the planning for the Phoenix Biomedical Campus along with ASU. The second request is also in the biomedical and health sciences again focusing on the Phoenix Biomedical Campus and moving forward with the College of Medicine, enabling the UA to bring Pharmacy and other disciplines to that location. The UA is matching the ASU request for funds for a cooperative, competitive research program. This will be important to promote collaborations between UA and ASU and NAU and other organizations, but will also provide a strong foundation as the universities position themselves to compete for the next clinical and translational award out of the federal government. Additional funds have been requested to support Arizona clinical and translational research efforts. The UA seeks to use some of the TRIF moneys for matching funds at the McKnight Brain Institute. These are dollars that the UA has in hand in the form of a pledge, a matching fund pledge, and it is believed that the TRIF moneys will have an immediate return on investment if used in this manner. The UA also seeks funds from TRIF to improve the number of students in the graduate and professional programs at the College of Nursing. The UA is also requesting funds for Translational Environmental Research, which emphasizes the need to bring many components on campus to look at sustainable growth in arid land environments. The UA also seeks to put \$1.5 million into the venture fund where the UA can award the very best ideas focused on TRIF funding.

Regent Boice stated that he thinks that the work that is being done with TRIF money is laudable, but he wants to see business plans.

Regent Hermes asked about the Center for the Future of Arizona. Regent Calderón stated that he had met with Dr. Coor to discuss this issue. Regent Calderón stated that this was going to be a very imaginative website. Dr. Coor will be coming back to the Board with his business plan in January. Regent Calderón stated that he wanted to approve the first \$125,000 and then make a determination about the other \$125,000 after seeing a business plan. Further he stated that Dr. Coor had stated that he would accept \$200,000 in year two

and \$150,000 in year three with the option of coming back to the board for the full \$250,000 if his plans show the need.

Upon motion by Regent DeConcini, seconded by Regent Hermes, the Board unanimously approved the university and central office proposals for use of over-realized FY 2006 and unbudgeted FY 2007-2011 Technology and Research Initiative Fund revenue for FY 2007, as presented in the executive summary and that the Board request that the universities present any additional and/or modified business plans and brochures to the Board at its January 2007 meeting, at which time the Board will consider the proposed FY 2008-2011 budgets.

### **FY 2008 State Operating Budget Requests (Board Agenda Item #2)**

Gale Tebeau joined the meeting for this presentation.

Regent Calderón stated that the Board was being asked to approve the FY 2008 State Operating Budget requests. Following Board approval, the budget requests will be forwarded to the Governor and the Legislature.

Gale Tebeau stated that this request of \$133.6M is \$24M more than what was included in the preliminary budget presented in August due to the adjustments to the 22:1 enrollment growth formula, performance funding requests and the addition of the Phoenix Biomedical Campus. \$133.6M is a 9.6% increase over the base budget and 13.9% increase over the general fund. \$50M of this budget is for the continuation budget request, of which the largest component is the 22:1 formula. ASU's 22:1 formula is \$17M, and NAU's is nearly \$5M. ASU's fall 2006 student enrollment grew by nearly 2200 FTE. NAU is also experiencing significant growth. NAU is showing a 5.2% student FTE increase. The UA saw a slight decrease of about 261 FTE. There is one component of the FY 2008 budget that hasn't been finalized. In 2005 legislation was passed that prohibited state funding from being used for students that exceeded the 155 credit hour threshold. The deduction taken last year was an over-deduction. The universities and the central office are working with the JLBC staff on working out a methodology for how to account for the student credit hour threshold limitation.

President Haeger commented on how his final budget request differed from his preliminary budget. President Haeger stated that NAU made some adjustments in their strategic investments. NAU is asking the state under a health professions expansion program for \$4M. To begin to offer programs that are not currently being offered in this state, the state needs to invest in the start-up costs. NAU also believes that education and research infrastructure is critical to the continuing health of NAU. It is not by accident that the increase in enrollment is due to the support of the Board and the legislature which allowed NAU to begin rebuilding the Flagstaff campus. President Haeger stated that he felt NAU was about 1/3 of the way done with the rebuilding, but there is still a lot of work to do. NAU is asking the state for \$5M which would provide for debt service to construct a high technology academic facility as well as the health professions complex on the Flagstaff campus. President Haeger stated that once NAU decided to divide the Water Institute into the continuation budget, there was another part of the budget for the funding for the Ecological Restoration Institute which has been at the university a number of years, is one of the most significant applied research institutes and permanent state funding is needed to keep them developing solutions to forest fires in the State of Arizona.

President Crow focused on five points which differ from earlier presentations. He stated that ASU was successful in continuing to manage enrollment growth and the enrollment growth numbers reflect that challenge. 6,600 students are taking courses on the downtown campus, 3,000 FTE's, 2,500 fulltime students who are attending only on the downtown campus. There is a 50% rate of increase in the freshman class per year on the Polytechnic campus. 35% rate of growth in the Polytechnic campus per year. Enrollment growth for ASU is essential. President Crow stated that the Regents had asked ASU to increase their nursing production and they have doubled it. The performance based numbers reflect that increase. President Crow stated that one variant number is reflected in the fact that the UA and ASU have come to an agreement on how to proceed with the expansion of the Phoenix Biomedical Campus which includes the University of Arizona College of Medicine – Phoenix expansion as well as the expansion of the Arizona Biomedical Collaborative and other things. The \$5,250,000 marker is reflective of the consensus between the two universities about what it will take to accelerate the development of that campus. Finally, relative to the strategic investment item number one for ASU, it is the highest priority and it is called investment in student success. Last year ASU received a 17% increase in its funding from the State of Arizona and relative to the amount of dollars available per student from the State of Arizona, the position of ASU deteriorated. The rate of growth at ASU is so rapid that the ASU's position relative to resources available from the state per student continues to decline. It is an issue that requires attention. The request for \$15,000,000 is what the university needs to be successful, it is for the expansion of the faculty, academic advising capacity, decrease class sizes, improve graduation and retention rates. The \$15,000,000 figure is only ¼ of the need. ASU needs \$60,000,000 to do what it needs to do. This is a four-year effort to make up the \$60,000,000 basis.

President Shelton then gave his presentation. There are only two items that have changed from the UA's initial presentation. The first item is the \$5,250,000 request to continue project planning at an accelerated pace for the entire Phoenix Biomedical campus in collaboration with ASU. President Shelton then stated that the University of Arizona's undergraduate enrollment is up, but graduate and international enrollment is down. The freshman class is the largest and most diverse class ever. There was a loss of some students at the UA South campus and that matter is being addressed.

Upon motion by Regent Hermes, seconded by Regent DeConcini, the Board unanimously approved the FY 2008 State Operating Budget Requests, as presented in the executive summary and directed the Central Office staff to submit the request to the Governor and the Legislature by October 2, 2006.

### **2006 Annual Personnel Report for the Arizona University System (Board Agenda Item #3)**

Gale Tebeau joined the meeting for this presentation.

Regent Calderón stated that the Board was being asked to review and approve the statutorily required 2006 Annual Personnel Report for the Arizona University System. Regent Calderón stated that the HR Committee had reviewed this item at its September 20, meeting.

Ms. Tebeau stated that the amount that commands the most attention is the amount of the projected unmet need by the end of FY08. This is the amount needed to bring faculty

salaries up to the 50<sup>th</sup> percentile of their peers and all other staff to the average of the market. Total unmet need is estimated in FY08 to be approximately \$110M. This is a decrease of approximately \$18M from FY07, so progress is being made.

Regent Bulla suggested that he believed the Board may want to address some of the dimensions of the report and how it is reported for next year's submission.

Regent Mariucci stated that she wondered if the impact of the report could be made stronger if it was amplified to include the financial impact of bringing our faculty-to-student ratios up to the 50<sup>th</sup> percentile. She further stated that it concerned her that the universities salaries were so uncompetitive.

President Crow stated that he wanted the Board to know that the students at the universities have been very firm about faculty and staff salaries and have been consistently helping to make salaries a priority.

Regent DeConcini stated that he wondered if there is a way to do something public relations-wise with this, possibly hold a press conference and point out some of the problems that the universities face. Regent DeConcini also stated that he suggested that the UA and NAU consider adopting a minimum pay rate for classified staff similar to what ASU has adopted.

Regent Bulla stated that the HR Committee would be working with the universities to try to get a game plan on compensation. Regent Bulla said the HR Committee would be pursuing a strategic plan to improve compensation over the next five years.

President Shelton offered a broad nationwide perspective on this topic. Each of the universities is faced with the same dilemma which is: do you pay a few people more or do you fill more positions with less pay. It is a serious problem and it is a nationwide issue.

Regent Calderón stated that he believed there was consensus on the issue and that the Board needs to find a way to tell the story and to tell it better.

Upon motion by Regent DeConcini, seconded by Regent Mariucci, the Board unanimously approved the 2006 Annual Personnel Report as presented in the executive summary and directed the Central Office staff to submit the report to the Joint Legislative Study Committee on State Employee Compensation by October 2, 2006.

#### **Approval of Reappointment of and Multiple-Year Employment Contract for John D. Haeger, President of Northern Arizona University (NAU) (Board Agenda Item #4)**

Regent Calderón stated that the Board was being asked to authorize the reappointment of and multiple-year employment contract for Dr. John D. Haeger as President of Northern Arizona University for the period July 1, 2007, through June 30, 2010. The HR Committee reviewed this item at its September 20 meeting.

Upon motion by Regent Calderón, seconded by Regent DeConcini, the Board unanimously authorized the reappointment of and multiple-year employment contract for Dr. John D. Haeger, President of Northern Arizona University, for the period of July 1, 2007, through June 30, 2010, at an annual salary of \$300,000, in accordance with the terms and conditions as

presented in the executive summary and that the Board President be authorized to execute the multiple-year contract, including an addendum that sets forth specific performance incentives as described in the executive summary.

Regent Bulla, on behalf of the Board, extended congratulations to President Haeger. He stated that President Haeger has served admirably for the past five years and commended President Haeger on all of the progress that has occurred over those five years.

Regent Calderón then stated that Regent Bulla would be presenting the next three items.

**Appointment of Vice President for Planning, Budget and Institutional Effectiveness (NAU) (Board Agenda Item #5)**

Regent Bulla stated that the Board was being asked to approve the appointment of Dr. Patricia N. Haeuser to the position of Vice President for Planning, Budget and Institutional Effectiveness at Northern Arizona University. The Human Resources Committee reviewed this appointment at its September 20 meeting.

President Haeger stated that Dr. Haeuser has become a key member of his team at NAU and this promotion recognizes her enormous contribution to the revitalization of NAU.

Upon motion by Regent Bulla, seconded by Regent Stuart, the Board unanimously approved the appointment of Dr. Patricia N. Haeuser to the position of Vice President for Planning, Budget and Institutional Effectiveness at Northern Arizona University, at an annual salary of \$160,000, as presented in the executive summary.

**Appointment of Vice President for Global Engagement (ASU) (Board Agenda Item #6)**

Regent Bulla then stated that the Board was being asked to approve the appointment of Anthony Rock to the position of Vice President for Global Engagement at Arizona State University. The Human Resources Committee reviewed this appointment at its September 20 meeting.

President Crow stated that Mr. Rock brings focused talent, skill and energy, 30 years of foreign service, and many other levels of expertise to coordinate this position and establish a global presence for ASU. The Vice President for Global Engagement will manage the International Program Office, the Pan-American Initiative and the China Initiative.

Upon motion by Regent Bulla, seconded by Regent Boice, the Board unanimously approved the appointment of Anthony Rock to the position of Vice President for Global Engagement at Arizona State University, effective October 1, 2006, at an annual salary of \$200,000, as presented in the executive summary.

**Appointment of Vice President and University Technology Officer (ASU) (Board Agenda Item #7)**

Regent Bulla stated that the Board was being asked to approve the appointment of Dr. Adrian Sannier to the position of Vice President and University Technology Officer at Arizona State University.

President Crow stated that Dr. Sannier will be leading the University's strategic planning process for University information technology including the responsibility for the information technology staff, budget and operations.

Upon motion by Regent Bulla, seconded by Regent DeConcini, the Board unanimously approved the appointment of Adrian Sannier to the position of Vice President and University Technology Officer at Arizona State University, effective October 1, 2006, at an annual salary of \$201,525, as presented in the executive summary.

Regent Calderón then updated the Board on the tuition outreach that the Board will be doing this fall. The Board's plan is to hold discussions in various ways, including focus groups, with parents, alumni, students, the legislature, and the Governor's office.

President Crow stated that NACUBO had recognized Carol Campbell as the 2006 Distinguished Business Officer of the Year.

## **CAPITAL COMMITTEE**

Regent Boice chaired this portion of the meeting.

Ted Gates, Kathe Shinham, Carol Campbell and Joel Valdez joined the meeting for this presentation.

### **FY 2008-2010 Capital Improvement Plans (CIPs) (Board Agenda Item #12)**

Regent Boice stated that the Board was being asked to review and approve the universities' FY 2008-2010 Capital Improvement Plans. Upon approval, the CIPs will be forwarded to the Governor, no later than October 15, as required by state statute. The Capital Committee reviewed the CIPs at its September 7, 2006, meeting and recommended Board approval.

Carol Campbell reported on Arizona State University's CIP plan. The first year of ASU's Plan includes seven new university projects at an estimated cost of \$81.3M, three new third-party projects, and a building renewal request of \$24.2M.

Upon motion by Regent Boice, seconded by Regent DuVal, the Board unanimously approved Arizona State University's FY 2008-2010 Capital Improvement Plan as presented in the executive summary.

Kathe Shinham reported on Northern Arizona University's CIP plan. The first year of NAU's Plan includes three new projects at an estimated cost of \$56.9M and a building renewal request of \$8.9M.

Regent Hermes asked whether the Recreation Center Expansion would require an extension of the student recreation fee and will the fee need to be higher than the current fee. Kathe Shinham responded that they were currently planning to just extend the term and not increase the fee.

Upon motion by Regent Boice, seconded by Regent Mariucci, the Board unanimously approved Northern Arizona University's FY 2008-2010 Capital Improvement Plan as presented in the executive summary.

Joel Valdez reported on the University of Arizona's CIP plan. The first year of the UA's Plan includes one new project at an estimated cost of \$62.1M and a building renewal request of \$37.4M.

Upon motion by Regent Boice, seconded by Regent Calderón, the Board unanimously approved the University of Arizona's FY 2008-2010 Capital Improvement Plan as presented in the executive summary.

**Approval of FY 2007 Capital Development Plan (CDP) (NAU) (Board Agenda Item #13)**

Kathe Shinham joined the meeting for this presentation

Regent Boice stated that Northern Arizona University was requesting approval of its FY 2007 Capital Development Plan.

Kathe Shinham stated that the Plan proposes two new projects: The New High Technology Academic Facility at an estimated cost of \$45.5M and the University Union Dining Expansion project at an estimated cost of \$7M. The university also proposes an increase to the previously approved Health Professions project budget and the elimination of the Yavapai College project in lieu of a leased location in Prescott. The Capital Committee reviewed this item at its September 7, 2006, meeting and recommends Board approval.

Upon motion by Regent Boice, seconded by Regent Calderón, the Board unanimously approved Northern Arizona University's FY 2007 Capital Development Plan as presented in the executive summary.

**Residential Life Building Renewal Phases 3 & 4, Project Implementation Approval (UA) (Board Agenda Item #14)**

Joel Valdez joined the meeting for this presentation.

Regent Boice stated that the University of Arizona was requesting Project Implementation Approval for the Residence Life Building Renewal, Phases 3 and 4 projects with a total estimated project cost of \$17.7M and \$4.17M, respectively.

Joel Valdez stated that both phases of this project will be funded by System Revenue Bonds with debt service paid from Residence Life Auxiliary Enterprise proceeds. JCCR has given this project a favorable review. These projects received Capital Development Plan approval from the Board at its February 2006 meeting and the Capital Committee reviewed this item at its September 7, 2006, meeting and recommended Board approval.

Upon motion by Regent Boice, seconded by Regent DuVal, the Board unanimously approved the University of Arizona's Project Implementation Approval request for the Resident Life Building Renewal Phases 3 and 4 projects, as presented in the executive summary.

**Arizona State University Police Department (ASU PD) Facility and Barrett College and South Campus Academic Village Site Preparation, Project Implementation Approval (ASU) (Board Agenda Item #15)**

Carol Campbell joined the meeting for this discussion.

Regent Boice stated that Arizona State University was requesting Project Implementation Approval for the ASU Police Department Facility, demolition of the existing DPS buildings and Barrett College and South Campus Academic Village site preparation with a total estimated cost of \$18.5M for the total project.

Carol Campbell stated that the project includes the construction of an approximately 38,000sf facility for DPS. ASU's request also includes Project Implementation Approval for the demolition of the existing DPS buildings and site preparation for the Barrett College and South Campus Academic Village project. This project received Capital Development Plan approval from the Board at its June 2006 meeting.

Carol Campbell stated that there has been some concern voiced by a few neighbors. The university is working with the neighbors on their issues and the university will be building a very attractive building that should fit into the neighborhood quite well. Ms. Campbell also discussed the former VNB building and stated that the university has met with various historic/preservation committees regarding the building and believes that a compromise has been reached regarding the saving of the dome on that building. At this time, the plan is to preserve the dome and use it somewhere on the campus.

Regent Hermes stated that he appreciated the efforts on the part of the university regarding preserving the former VNB building. Regent Bulla stated that he had worked with the various concerned parties and was very happy with the compromise that had been reached.

Upon motion by Regent Boice, seconded by Regent Mariucci, the Board unanimously approved Arizona State University's Project Implementation Approval request for the Department of Public Safety Facility, the demolition of the existing DPS buildings, and the site preparation for the Barrett College and South Campus Academic Village project, as presented in the executive summary.

**Polytechnic Academic Complex, Project Implementation Approval (ASU) (Board Agenda Item #16)**

Carol Campbell joined the meeting for this discussion.

Regent Boice stated that Arizona State University was requesting Project Implementation Approval for the Polytechnic Academic Complex with a total estimated project cost of \$103M.

Carol Campbell stated that the project includes the construction of approximately 240,000sf of space in three buildings. Certificates of Participation will fund the project with debt service funded from General Fund appropriations. This project received Capital Development Plan approval from the Board at its June 2006 meeting and the Capital Committee reviewed this item at its September 7, 2006, meeting and recommends Board approval.

Upon motion by Regent Boice, seconded by Regent Mariucci, the Board unanimously approved Arizona State University's Project Implementation Approval request for the Polytechnic Academic Complex, with a total estimated project cost of \$103 million, as presented in the executive summary.

**Request for Authority to Enter into One or Two Ground Lease Agreement(s) with American Campus Communities (ACC), a private developer, to construct and operate Student Housing on the Tempe campus (Board Agenda Item #36)**

Carol Campbell joined the meeting for this discussion.

Regent Boice stated that Arizona State University was requesting Board approval to negotiate and enter into one or two Ground Lease Agreement(s) with American Campus Communities (ACC), a private developer, to construct and operate Student Housing on the Tempe campus.

Carol Campbell stated that there is a profound shortage of student housing on campus. This project contemplates demolition and replacement of Mariposa and Sahuaro Residence Halls. This project will consist of approximately 3,550 beds. With the exception of the dining hall to be located within Barrett College, the projects will be constructed, financed, operated and maintained by ACC. Arizona State University is working to get students out of the neighborhoods and back on the campus. There is approximately 22,000 sf of retail space in this project. The total cost of these projects is approximately \$240 million.

Ms. Campbell then discussed the neighborhood issues. She stated that Arizona State University is and will continue working with the neighbors to get any issues worked out. Some of the concerns from the neighborhood are the view of the parking garage from the west and south sides. The west side issue has been resolved and the south side issue is being worked on. The neighborhoods have expressed concerns about lights and noise and the university is working to mitigate those concerns as well. There is a railroad track between the neighborhood and the area where the campus housing and parking will be located.

Regent Hermes expressed his concern relating to the neighborhood complaints and asked if it might not be best to table this item until the problems are worked out.

Regent Stuart is concerned about the occupancy of other residents of the complex. Are there any other structures on our campuses where there are non-students living? He asked if all of these rooms were going to be subject to leases and would they be long or short term leases. Carol Campbell stated that the leases with all residents would be 12 month leases. President Crow stated that these are the "apartment" sections of the complex, not residence halls. In the residence halls it is students only.

Regent Venezia stated that she is concerned with non-students living in student housing and students concerns about non-students living in the housing with them.

Regent Boice asked if the leases were written yet and Carol Campbell replied that they were not. She stated that the terms had been laid out, but the agreements were not done yet. Regent Boice and Regent DeConcini stated that they would like the final leases to be brought back to the board for approval.

President Crow stated that the university will ultimately determine what this project will look like. The university is working to mitigate the concerns with the neighbors and will design a community which it is proud of and does not cause damage to the relationship with the neighboring communities. President Crow said he thought the leases could be brought back for approval.

Regent Calderón stated that he was inclined to move forward if he can be assured that after the leases are signed the university will continue to interact and work with the neighborhood.

Regent Bulla wants to make sure that the board still has "legal" oversight of this project.

Regent Mariucci stated that she had spent several hours going over this project and this is a flat out exceptionally outstanding landmark capital transaction. It isn't perfect, but the Board must not lose sight of the fact that it is a powerful capital transaction.

Upon motion by Regent DeConcini, seconded by Regent Mariucci, the Board unanimously approved Arizona State University's request to enter into one or two Ground Lease Agreement(s) with American Campus Communities to develop student housing on the Tempe campus, according to the terms and conditions set forth in this executive summary, subject to approval by the full Board and University counsel of the final documents.

The meeting recessed at 4:40 p.m., and reconvened at 9:13 a.m., on Thursday, September 28, 2006.

## **REPORT FROM THE PRESIDENT OF NORTHERN ARIZONA UNIVERSITY**

President Haeger asked Provost Grobsmith to introduce the Deans of the Academic Colleges.

Dean Mason Gerety, College of Business Administration, stated that the College had approximately 1700 students, most of which are undergraduate, residential students. He thanked the Board for their support of the new facility.

Dean Daniel Kain, College of Education, stated that the College had approximately 5600 students. Most of those students are graduate students, more than half of the students are off-campus around the state. The College of Education is number one in the United States for granting master's degrees to Native American students, number five in the US for granting master's degrees to Hispanic students, and always in the top ten for graduating minority students at the baccalaureate level.

Dean Laura Huenneke, College of Engineering and Natural Sciences, stated that the College had approximately 2800 students. The College is comprised of eleven academic departments that span the life, earth, environmental and physical sciences and math and engineering programs. The engineering programs have been ranked among the top 50 in the country in undergraduate programs three years running.

Dean Michael Vincent, College of Arts and Letters, stated that this College brings together the humanities and the arts. The core of the College's activities is in undergraduate education.

Dean David Patton, Consortium of Professional Schools, stated that this school includes Forestry, Hotel and Restaurant Management, Nursing and Health Professions. The Consortium is a one of a kind unit in the Arizona university system. The Consortium has approximately 2700 students.

## **RECOGNITION OF STUDENT FROM NORTHERN ARIZONA UNIVERSITY**

Regent Bulla introduced Megan Porter, an NAU senior from Albuquerque, majoring in exercise science. He stated that Megan was to be commended for maintaining a 3.81 GPA while playing the forward position on the women's basketball team. Regent Bulla stated that Mega was a three-time Academic All-Big-Sky Conference honoree, and a three-time recipient of NAU's Golden Eagle Scholar-Athlete Award. As a sophomore Megan earned honorable mention in the All-Big Sky Conference. She is a three-time Big Sky Player of the Week, and as a junior was named to two All-Tournament teams, including being named MVP of the 2005 NAU Thanksgiving Tournament. Megan is an excellent representative for NAU's student-athletes. Megan and her teammates are active volunteers in the Flagstaff community.

Megan stated the she considers the athletic department her family. The take good care of the athletes. Her teammates are like her sisters. She stated that academics were taken very seriously by the athletes at NAU. The professors at NAU work with the athletes and are very understanding of the loads that they carry.

## **PROGRAMS COMMITTEE**

Regent Stuart chaired this portion of the meeting.

### **FY 2006-2007 Annual Report on Centers and Institutes (Board Agenda Item #24)**

Stephanie Jacobson, George Davis, Liz Grobsmith and Betty Capaldi joined the meeting for this presentation.

Regent Stuart stated that the Board was being asked to accept the FY 2006-2007 Annual Report on Centers and Institutes. This is the first annual report on the universities' plans for establishing new centers and institutes and disestablishing or otherwise changing existing ones.

Regent Stuart indicated that this new process will delegate authority to the universities to develop their centers and institutes but the chair of the Programs Committee would be in contact with the provosts as the units are developed to ensure Board oversight and the Board would be presented with an annual report.

Stephanie Jacobson stated that the report would have two parts. The first is that the universities provide an overview of the centers and institutes that had been approved in the previous year, including the justification for the establishment of new centers, information on

both the internal and external costs. The key piece is that the universities will provide an overview of the new plans for the upcoming year. The Board would receive more global information regarding what they plan to establish.

Provost Capaldi then discussed ASU's plan. She stated that centers were often created to get grants and donors. ASU is a transdisciplinary university that tries to take strengths from various academic units and focus them on problems and to do that they often create a center or an institute.

Provost Grobsmith then discussed NAU's plan. NAU's research and service centers were examined along with all academic units a year or so ago to ascertain the appropriate location within the proposed academic structure. Almost all centers and institutes were moved to be under the umbrella of the colleges and schools which were reduced from ten to six. NAU has since been more deliberate about beginning new units. NAU reviews carefully what centers and institutes they initiate and moving ahead only with those which NAU believes aligns with its mission and can be sustained.

Provost Davis then reported on the UA's plan. The UA has established centers such as the McKnight Institute, the Rehnquist Center, and the Hanson Institute. The UA also has thematic institutes.

Upon motion by Regent Stuart, seconded by Regent Calderón, the Board unanimously accepted the FY 2006-2007 Annual Report on Centers and Institutes.

Regent Calderón asked about the Rehnquist center and its funding. Provost Davis stated that the funding for the center includes reallocation of funding for two positions. Private fund raising is taking place and the university believes that federal money will be forthcoming.

Regent Calderón formally asked that the Board be provided with copies of minutes or other information that helps show what the funding plans were and are for this center. Regent Calderón is worried about the source of funding and whether the university will be able to fund this center at the appropriate level if it does not receive the federal funds. Regent Calderón stated that he does not want the funding of this center to fall on the students.

### **Academic Program Requests (ASU, NAU) (Board Agenda Item #25)**

Stephanie Jacobson, Betty Capaldi and Liz Grobsmith joined the meeting for this presentation.

Regent Stuart stated that the Board was being asked to authorize the following academic program requests: (1) Arizona State University's BA in Literature, Writing, and Film (East College/Polytechnic) and (2) Northern Arizona University's Master of Science in Engineering (Engineering and Natural Sciences).

Upon motion by Regent Stuart, seconded by Regent DeConcini, the Board unanimously authorized the academic program requests of ASU and NAU as described in the executive summary.

**Annual FY 2006 Student Financial Aid Report and FY 2007 and FY 2008 Student Financial Aid Plans** (Board Agenda Item #26)

Mark Denke, John Nametz, David Bousquet and Christie Norwood joined the meeting for this presentation.

Regent Stuart stated that the Board was asked to approve the FY 2006 Annual Report on Student Financial Aid for the Arizona University System. The report provides a summary of the financial aid distribution for FY 2006 and contains information on gifts as well as self-help support. The report also includes the Financial Aid Plans for FY 2007 and FY 2008.

Mark Denke reported that in 2005 university financial aid was one of four state programs that went under a strategic program area review by the JLBC and the OSPB. As a result of this review several recommendations were made for reporting on financial aid expenditures. These recommendations were included in HB 2873 and passed in the 2006 legislative session. In 2005-2006 total financial aid from all sources in the university system amount to \$933M. Over the last three years total financial aid awarded increased \$214M. A large portion of this increase came from institutional aid, including tuition scholarships. The largest source and type of financial aid awards came federal student loans – approximately 38%; and the smallest source came from state funding – approximately .20%. 90,172 students received some form of financial aid in fiscal year 2006. The number of enrolled undergraduate students receiving aid increased 3,018 students over the last three years. During the same time the number of minority undergraduate students receiving aid increased by 9%. The average percentage of need met for undergraduate students demonstrating need was 63%, a 5% increase over last year. Of all the undergraduate students with need that were awarded aid, 35% were minority students. Student indebtedness was also reviewed. Undergraduate debt increased slightly over the last three years from \$17,061 to \$17,173, meanwhile the average amount of graduate debt has increased to \$33,806. Total AFAT distribution for FY 2006 amounted to \$5.5M. Board policy requires the universities to submit annual financial aid plans which are intended to give a general picture of estimated amounts and goals for financial resources. The universities also set-aside 14% of tuition revenues for need-based financial aid. The total set-aside estimate for the university system for FY 2008 is \$52.4M.

John Nametz then reported on current financial aid issues and challenges facing the universities. The universities will be facing a challenge regarding federal aid changes with loan limits which are going up. This can be good news, but will also increase the student debt at graduate. Legislation from the federal level, called the AC/Smart Grants, will affect Pell Grant recipients. The AC Grant is given to freshman and sophomores. Freshman are eligible for \$750, sophomores are eligible for \$1,300. Sophomores have to maintain a 3.0 GPA in their freshman year to continue eligibility. The Smart Grant is \$4,000 and is given to juniors and seniors in specified majors. Students must have a 3.0 GPA and be Pell eligible to receive this grant. Also the AFAT budget increased from approximately \$5.5M in school year 05-06 to an estimated budget of \$11M for school year 06-07.

Upon motion by Regent Stuart, seconded by Regent DeConcini, the Board unanimously accepted the FY 2006 Annual Report on Student Financial Aid and the Financial Resources Aid Plans for FY 2006 and FY 2007 for the Arizona University System.

**Designation of Northern Arizona University Yuma as a Regional Branch Campus**  
**(Board Agenda Item #27)**

Regent Stuart stated that the Board was being asked to approve the designation of Northern Arizona University Yuma as a regional branch campus. President Haeger stated that NAU has been in Yuma for 20+ years. It is a significant part of NAU's distance outreach, but it has not been a defined regional campus. NAU needs to start hiring faculty that will have its base in Yuma, and invest in new programs. This is an area where NAU needs to begin to provide much more accessible programming to students in that area.

Upon motion by Regent Stuart, seconded by Regent Calderón, the Board unanimously approved the designation of NAU Yuma as a regional branch campus.

**REPORT FROM THE ARIZONA FACULTIES COUNCIL**

Dr. Marcus Ford reported that the Arizona Faculty Council met September 27 and 28. The Council talked about faculty and staff salaries and talked about the cost of textbooks. The Council also talked about exploring working relationships with community colleges on issues of mutual interest. Further, they talked about the "academic bill of rights." Faculty salaries at all three state universities are an issue.

**PUBLIC AWARENESS COMMITTEE**

**Commission on the Future of Higher Education (Board Agenda Item #29)**

Cathy McGonigle joined the meeting for this presentation.

Regent Boice stated that the Board would now hear a presentation on the final report of the Commission on the Future of Higher Education.

Cathy McGonigle stated that the Commission on the Future of Higher Education which was established by the Secretary of Higher Education, Margaret Spellings, completed its work in August.

Ms. McGonigle presented the major findings and recommendations in the final report. The Commission was focused on how best to improve the country's system of higher education. The Commission met for a year and held forums and meetings around the country and heard testimony from around the country.

Ms. McGonigle stated that the hotly debated topics were mandatory testing of college students, creation of national unit record database, revamping the accreditation system, overhauling the financial aid system and instituting price and cost controls. The creation of a national unit record database would allow states to track an individual student's progress from K-12 throughout the student's college education.

The Commission had difficulty reaching a consensus. Eighteen of the nineteen members finally supported the final report. One member, the President of the American Council on Education, did not endorse the report.

The findings of the Commission were too fee prepare for and complete higher education, access is limited by lack of information and financial barriers, there is a dysfunctional financing system, the financial aid system is confusing and complex, the quality of learning is moving in the wrong direction, there is inadequate transparency and accountability, there is too little innovation and there is excessive regulation.

The recommendations from the Commission were based in the following six broad areas. Financial Aid: The entire system needs to be restructured; need to increase average Pell Grant award to 70% of average in-state tuition at four-year public institutions; need to replace FAFSA form; need to change financial aid for transfer and part-time students; and need to consolidate federal grant programs.

Student Preparation and Persistence: Need to align K-12 graduation standards with higher education; need early assessment initiatives to ensure students on track for college; need federal support for those not learning at grade level, need to redesign NAEP test, providing disaggregated state-by-state data; and need removal of barriers to student mobility.

Cost Control, Productivity, and Supply: Need to curb growth of college costs and prices; need to tie tuition increases to growth in median family income over five-year period; need more public information about costs and prices; need financial incentives to control costs; need to increase usage of technology; and accreditation needs to focus more on results and quality rather than process and inputs.

Accountability and Transparency: Need a national unit record database; need standardized testing of student learning; need consumer-friendly database; need interstate comparisons of student learning; National Assessment of Adult Literacy should be conducted at five year intervals, providing state-by-state results; and performance outcomes should be the core of accreditation.

Innovation and Quality Improvement: Revitalize Fund for the Improvement of Postsecondary Education; Disseminate and promote best practices; need broad federal support of innovative practices; need course redesign programs, such as the National Center for Academic Transformation; and need incentives for development of open-source and open-content projects.

Lifelong Learning: Need expansion of distance learning, workplace learning and alternative scheduling programs; and need national strategy to provide more opportunities for adult learners.

Global Competitiveness: Need federal and state investments in education and research in STEM fields and other areas; need greater emphasis on international education, including foreign language; need to encourage students from diverse populations into the health care pipeline and STEM professions; and need to address immigration policies relating to international students. Many of these issues are being addressed by ABOR, the universities and Governor Napolitano's P-20 Council.

Ms. McGonigle reported that Secretary Spelling says this report will result in actual changes. Others are not so sure. There will be hearings in September with rule-making process to follow. Congress has a large role in this process. Congress will have to approve additional spending and Reauthorization of the Higher Education Act.

After a discussion Regent Boice asked the Presidents to come back to the Board with input regarding how the Regents should react to this report and advise the Board how they believe the Board should proceed.

**Report from the ABOR Task Force on Textbook Costs (Board Agenda Item #30)**

Regent Boice then stated that Regent Hermes will update the Board on the activities of the ABOR Task Force on Textbook Costs.

Regent Hermes stated that the Task Force consisted of two administrators, one faculty member, and one student from each of the universities and Regents Stuart and Hermes. The mission of the Task Force is to evaluate the rising cost of textbooks from the student perspective. The goal is to figure out what is driving the increased cost of textbooks. The first meeting of the committee will be tomorrow.

**UPDATE ON THE UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE - PHOENIX**

Regent Stuart gave an update to the Board on the University of Arizona College of Medicine – Phoenix. Regent Stuart stated that on October the 10 there will be an Opening Celebration. At this time there are over 400 confirmed RSVP's. Regent Stuart thanked David Harris for all of the work that he has done on this project.

Regent Stuart highlighted the new Department of Biomedical Information at ASU which will be a strong bioinformatics component within the Phoenix program curriculum and the new Department of Basic Medical Science which now has thirteen professors who will be responsible for completing development of the new curriculum.

Presidents Crow and Shelton stated that things were moving on track. The LCME is going to accredit the school, the buildings are done, and the first class is coming in. The early doubters are now seeing tangible evidence that this is going to happen and more and more people are coming on board. President Crow stated that the uniqueness of the approach in Arizona needs to be understood by everyone. Arizona decided not to build multiple medical schools but to engage the whole university community in one medical school.

**IT/AZUN COMMITTEE**

Art Ashton and Adrian Sannier joined the meeting for this presentation.

**Report from the IT/AZUN Committee (Board Agenda Item #31)**

Regent Palacios reported that the IT/AZUN Committee met Wednesday, September 20 and the Committee received the annual report from AZUN and approved the line-item 2006-2007 AZUN budget for \$4.1M. Phase 1 of the AZUN portal development activity is on track to meet its revised completion date this November. Further the Committee approved the university IT Annual Reports and Implementation plans. Annual IT expenditures are over \$210 million. IT projects for ASU and UA were reviewed by the Committee and were on the Board's consent agenda for approval.

Regent Palacios also stated that the Committee heard a presentation by the university Chief Information Technology Officers in a Study Session held yesterday about current and possible future IT collaboration activities. The study session will help define the parameters of an RFP for an external IT consultant to provide advice to the Committee on a number of IT matters. The draft RFP should be brought to the Committee in November.

**Lease of ASU's Educational Broadband Service (EBS) Excess Bandwidth to Sprint for a period of 30 years (Board Agenda Item #37)**

Art Ashton and Adrian Sannier joined the meeting for this presentation.

Regent Palacios stated that the Board was being asked to approve Arizona State University's plan to lease excess EBS bandwidth to Sprint for a period of 30 years.

Upon motion by Regent Palacios, seconded by Regent Mariucci, the Board unanimously approved Arizona State University's plan to enter into a contract to lease EBS bandwidth to Sprint.

**INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND MEMBERS OF THE COUNCIL OF PRESIDENTS**

The Regents thanked President Haeger, NAU, and all of the staff for a job well done in hosting this Board meeting.

**ADJOURNMENT**

The meeting adjourned at 11:45 a.m.

SUBMITTED BY:

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Peggy Martin  
Secretary to the Board

APPROVED BY:

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Robert B. Bulla  
President

ATTEST:

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Anne Mariucci  
Assistant Secretary