

**MINUTES OF A MEETING**



**April 26, 2007**

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**MINUTES OF A MEETING  
ARIZONA BOARD OF REGENTS  
Thursday, April 26, 2007**

A meeting of the Arizona Board of Regents was held April 26, 2007, in the Arizona State University Memorial Union, Tempe, Arizona

President Bulla called the meeting to order at 10:04 a.m. on Thursday, April 26, 2007.

Present:       Regent Fred Boice  
                  Regent Robert Bulla  
                  Regent Ernest Calderón  
                  Regent Dennis DeConcini  
                  Regent Fred DuVal  
                  Regent Edward Hermes  
                  Regent Anne Mariucci  
                  Regent Gary Stuart  
                  Regent Mary Venezia  
                  Superintendent Tom Horne (morning only)

Absent:         Regent Christina Palacios  
                  Governor Janet Napolitano

Also present were President Michael Crow, Dr. Christine Wilkinson, Ms. Lori Briese, Ms. Carol Campbell, Mr. Rich Stanley, and Dr. Elizabeth Capaldi, Arizona State University; President Robert Shelton, Ms. Edith Auslander, Ms. Judith Leonard, Dr. Patti Ota, Ms. Carla Nunn, Mr. Greg Fahey and Mr. Joel Valdez, University of Arizona; President John Haeger, Dr. Elizabeth Grobsmith, Dr. M. J. McMahon, Mr. Dave Harris, Ms. Kathe Shinham, and Mr. Mark Neumayr, Northern Arizona University; Executive Director Joel Sideman, Secretary to the Board Peggy Martin, Board Counsel Nancy Tribbensee, Dr. Art Ashton, Ms. Kathy Bedard, Ms. Christine Thompson, Ms. Stella Galaviz, Ms. Cathy McGonigle, Ms. Sandra Woodley, Ms. Stephanie Jacobson, Mr. Mark Denke, Mr. Dan Anderson, and Ms. Anne Barton, 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 April 26, 2007, Documents Files.

The Board had a moment of silence in remembrance of the lives lost at Virginia Tech.

Regent Stuart led the Pledge of Allegiance.

Regent Bulla welcomed David Martinez to the meeting. Regent Bulla stated that Governor Napolitano has nominated Mr. Martinez, a student from the UA, to the Board as student regent. Pending Senate confirmation, his term will begin July 1, 2007. David is a Secondary Education senior from Marana, Arizona. He has worked as an intern for Congressman Raul Grijalva and as a student correspondent for Tucson's Arizona Daily Star. He currently works in the Equal Opportunity and Affirmative Action Office at the University of Arizona and serves

as the Election Commissioner for the Associated Students of the University of Arizona. He is a recipient of the University of Arizona Minority Student Achievement Award.

Regent Bulla then welcomed Sandra Woodley, who recently assumed the position of Chief Financial Officer in the Central Office. Sandy comes from Kentucky where she was Vice President for Finance for the Kentucky Council on Postsecondary Education. Prior to that, she worked for the Alabama Commission on Higher Education and Alabama's Legislative Fiscal Office, where she had responsibility for analyzing budgets of Alabama's universities, colleges and two-year colleges. Sandy has a Bachelor of Science in Business Administration and a Master of Business Administration, both from Auburn University. She also has a Doctor of Business Administration from NOVA Southeastern University.

### **CALL TO THE AUDIENCE**

Per Board Policy 1-114, time has been set aside for Call to the Audience, an opportunity for people to address the entire Board in a public setting to express their views or concerns to the Board.

**TOM WAHL**, Student Body President for NAU, stated that he is the new Student Body President and wanted to introduce himself.

**TAMARA CHRISTENSEN**, a grad student at ASU, thanked the Regents for all they do for the families and children of students.

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

Regent Bulla then introduced three students from ASU who spoke about their experiences in the Computer Science Engineering Department in the Ira A. Fulton School of Engineering.

Michel Kinsey stated that he is an undergraduate student in the Computer Science Engineering Department at Arizona State University. He stated that he will be graduating next month with two bachelor's degrees, B.S.E. in Computer Systems Engineering and a B.S. in Computer Science with a cumulative GPA of 4.0. He wants the Board of Regents to know that this department is one of the best in the university. It is a department that works very well, supports and takes care of its students and is the highest quality.

He stated that during the Spring 2007 term he worked with Dr. Yi Chen on discovering critical workflows from log in scientific exploration. His research interests include alternative energy sources for portable systems and efficient energy management via hardware-software synchronization. During his education at ASU, he received a number of awards and scholarships including the CSE Undergraduate Research Scholarship in Fall 2006 and in Spring 2007, and the Ford 2006 Undergraduate Research Scholarship. He stated that he was a member of Phi Kappa Phi honor society, Tau Beta Pi engineering honor society, the National Society of Collegiate Scholars, the Golden Key International honor society; and he has been on the Dean's Undergraduate Honor List from 2004 to 2007. Michel stated that he had just been admitted to Massachusetts Institute of Technology on an M.I.T. Endowed Fellowship to work on his Doctorate in Computer Science beginning in Fall 2007.

Cynthia Sturton who graduated summa cum laude from ASU in December 2006 spoke next. Cynthia stated that she earned her B.S.E. degree in Computer System Engineering. During her time at ASU she worked as tutor and grader for a beginning programming class and then as an undergraduate research assistant. She is starting her graduate studies at Berkley in the fall where she plans to pursue a PhD in computer science.

The final student, Mike Verdicchio stated that he came to ASU in 2001 after graduating high school in Glendale, Arizona. In 2006, he received his B.S.E. in Computer Systems Engineering. During his undergraduate time he began researching bioinformatics problems including visualization of gene regulatory networks. His undergraduate research brought him through three semesters in the Fulton Undergraduate Research Initiative as well as a summer internship at the Translational Genomics Research Institute in downtown Phoenix. Mike is currently a first-year PhD student in SCI studying biomedical informatics problems, while working as a graduate teaching assistant.

## **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 Stuart.

### **\*Minutes**

The January 25 and 26, 2007 Executive Session minutes and the March 8 and 9, 2007 Regular meeting minutes were approved.

## **PROGRAMS CONSENT AGENDA**

### **\*Spring 2007 University Enrollment Report (Agenda Item #5)**

The Board reviewed the university system's Spring 2007 Enrollment Report.

### **\*Appointment of Regents' Professors (UA) (Agenda Item #6)**

The Board authorized the University of Arizona to promote Professors Malcolm Hughes, Michael Marcellin, and Ofelia Zepeda to the rank of Regents' Professor, effective July 1, 2007, with the \$5,000 salary increment that customarily accompanies these appointments.

## **RESOURCES CONSENT AGENDA**

### **\*Appointment to University Medical Center Corporation (UMCC) Board of Directors (Agenda Item #8)**

The Board approved the appointment of David Labiner, M.D., to the Board of Directors for University Medical Center Corporation.

## **CAPITAL CONSENT AGENDA**

**\*Request for Authority to Retain the Services of a Financial Advisor (UA)** (Agenda Item #16)

The Board authorized the University of Arizona to enter into a contract with RBC Capital Markets as the primary consultant, and Public Financial Management, Inc., as the alternate consultant for financial advisor service on debt related matters. The Capital Committee reviewed this item at its April 5, 2007, meeting and recommended Board approval.

**\*Request for Authority to Extend an Existing Lease Agreement with Sky View Apartments (UA)** (Agenda Item #17)

The Board authorized the University of Arizona to extend the current lease agreement with Sky View Apartments for an additional two years. The Capital Committee reviewed this item at its April 5, 2007, meeting and recommended Board approval.

**\*Request for Authority to Sell Certificates of Participation (ASU)** (Agenda Item #18)

The Board authorized Arizona State University to sell Certificates of Participation, to not exceed \$105M, for the purpose of financing the Polytechnic Academic Complex Project. The Capital Committee reviewed this item at its April 5, 2007, meeting and recommended Board approval.

## **PROGRAMS COMMITTEE**

Regent Stuart chaired the Programs Committee.

**Report of the ABOR Task Force on Textbook Costs** (Agenda Item #1)

Carol Campbell, Kathe Shinham, Tom Wahl, Marcus Ford, Erin Hertzog and Mark Denke joined the meeting for this presentation. Regent Hermes, the chair of the Task Force, presented the Board with a report from the ABOR Task Force on Textbook Costs. Regent Hermes introduced the members of the Task Force who were present. Regent Hermes thanked the Task Force members as well as Mark Denke for all of their work.

Regent Hermes stated that the Task Force was to evaluate the escalating cost of textbooks and related materials, provide a report of its findings and to make recommendations to the Board and the universities to help mitigate costs to students. Regent Hermes showed a PowerPoint presentation. Regent Hermes stated that textbook costs were a problem of national interest.

Regent Hermes then stated that the specific issues were price vs. cost, book order processes, new editions and bundling. Price vs. cost data was collected from all Arizona University system bookstores. The data indicated that pricing on common titles is very comparable at all bookstores, pricing variances were not significant and approximately 51% of the titles had a variation of less than one dollar.

A survey of students and faculty was taken regarding various issues.

In regards to the order process, the Task Force reviewed the process whereby instructors submit their required book orders for the following semester and its possible link to overall textbook costs. It was determined that on average, university bookstores received 3-4% of book orders from the faculty by the university deadline, 75.6% of books orders are received after buy-back begins and the bookstores are unable to buy-back textbooks in a timely way for a substantial percentage of the required textbooks. Regent Hermes stated that if we could increase the books from the faculty to 80% by the university deadline there would be a large savings to the students.

Regent Hermes then turned to new editions. He stated that data was collected from faculty regarding the decision making process in response to publishers and textbooks authors producing new updated textbook editions. He stated that 69% of faculty survey respondents said that the primary reason for ordering a new edition is for students to have updated content, faculty rarely have the option of keeping an older version of a text because publishers discontinue old editions when new versions are published, new editions impact the used-book market negatively because students cannot buy a used version.

Regent Hermes stated that bundling refers to the practice of text book publishers selling a book along with additional materials such as CD's or workbooks. He stated that on average students gave bundling a 2 on a scale of 1-5 with 5 being high use and value, 26% of faculty ordered bundled books, but only 35% of the 26% used all bundled materials, and 38% responded they felt that the materials were not useful to students and 32.4% would have just ordered the book if it had been an option.

Regent Hermes stated that it is important for book orders to be placed by faculty in a timely manner so that the bookstores are able to honor the interests of students who desire to buy and sell used textbooks. He further stated that he hoped the Regents would support this effort. The universities are working to get book orders turned in by the deadline.

He stated that the final report and recommendations will be presented at the June 2007 meeting.

Regent Horne stated that there might be some value to using internet books. He thought this might be something the Task Force would want to look into.

Regent DuVal he stated there seemed to be a couple of places where you could get the most return for effort, the first being the difference between fall and spring. The Task Force might want to focus on why they delay in ordering is so dramatic between the two semesters. Second he stated that he suspected that there are repeat offenders and maybe there is a way to focus on the departments that are always late with their orders, it might help.

Regent Bulla asked if there was any reason why the universities couldn't expect 80% compliance from the faculty in getting in timely book orders. Regent Stuart stated that he felt that there would be an increase in the compliance from faculty because he believes they didn't realize there was an issue and now that they are more aware, they will be more diligent.

**Report on Resident Tuition Scholarships for Recipients of a Regents High Honors Endorsement and Request for Technical Change to Criteria (Agenda Item #2)**

Jim Rund, Pat Haeuser, Patti Ota and Stephanie Jacobson joined the meeting for this presentation.

Regent Stuart stated that the Board would receive a report on the first year distribution of Resident Tuition Scholarships for Recipients of a Regents High Honors Endorsement and will be asked to modify the eligibility criteria. He stated that the scholarships are awarded to Arizona high school graduates who excel academically and exceed the standards on the Arizona Instruments for Measuring Success (AIMS) test. The first scholarships were awarded to students this past fall.

Stephanie Jacobson provided a PowerPoint with an overview of the first year of the awards and described the proposed changes to the criteria which the universities and the Arizona Department of Education were recommending.

Stephanie Jacobson stated that the criteria for the scholarship was a minimum B grade in each of the 16 high school core courses, 3.5 GPA or graduate in the top 5% of the class and "exceed standards" on all three AIMS tests or "exceed" on two AIMS tests plus achieve specific scores on two AP/IB tests. The first year of the scholarship (2006) there were over 50,000 students who graduated. 3,076 met AIMS test requirements, 2,489 met all the scholarship requirements and 1,561 enrolled at one of the universities compared to 389 students in 2003.

Ms. Jacobson stated that the modifications to the criteria that were being proposed were necessary because high schools were interpreting the requirements differently and further that parents and counselors felt that students were being discouraged from taking advanced courses.

The universities and central office staff, as well as the Arizona Department of Education, recommend that satisfactory scores on AP and IB tests be added to the criteria as an option to meet course requirements in those subjects for which tests are available, that the GPA be calculated on the 16 core competency courses exclusively, that a conversion table be provided for school districts which use the 5.0 scale for IB/AP/Honors courses, showing the equivalent GPA calculation using the 5.0 scale, based on the number of courses completed with the higher scale and further that beginning with the Class of 2009, the last AIMS test acceptable for the High Honors Scholarship will be the junior year, spring semester administration of the test.

Superintendent Horne expressed his gratitude to the Board of Regents and the universities for utilizing this program. He stated that this program has exceeded anyone's prediction. Students are striving to receive this scholarship by exceeding expectations. This program has been very successful.

Several Regents stated that they felt that the Legislature should be providing more funds for this type of scholarship. President Crow stated that the funds to pay for these scholarships come from tuition. President Haeger stated that he believed this is an area where funds can be solicited.

Upon motion by Regent Stuart, seconded by Regent DeConcini, the Board unanimously approved the changes to the criteria and administration of the Regent High Honors Endorsement Scholarship program as described in the executive summary.

**Approval of Creation of College for Health and Human Services and Disestablishment of the Consortium of Professional Schools (NAU) (Agenda Item #3)**

Regent Stuart stated that the Board was being requested to approve the creation of Northern Arizona University's College for Health and Human Services and to disestablish the Consortium of Professional Schools.

Upon motion by Regent Calderón, seconded by Regent Bulla, the Board unanimously approved the creation of a College for Health and Human Services and the disestablishment of the Consortium of Professional Schools as described in the executive summary.

**Academic Program and Organizational Unit Change Requests and Summary Report on Program and Organizational Changes Approved by the Executive Director (Agenda Item #4)**

Regent Stuart began with NAU's request for an exception to Board policy which limits the number of credits students may transfer in from the community colleges to 64 credits. He stated that NAU was requesting approval to accept up to 90 credits for two options within their interdisciplinary studies degree.

President Haeger stated that this was an important move by Northern Arizona University. This is one pathway to assist with access issues.

Regent Boice stated that he believed maintaining the quality of the degree was very important and the onus is on NAU to do so.

Regent Calderón stated that this policy is consistent with the message that was sent to the community colleges through the JCC.

Regent Bulla stated that he felt that this is the right mix of accountability and follow-up to ascertain that the quality of the degree is maintained.

Upon motion by Regent Calderón, seconded by Regent DeConcini, the Board unanimously approved NAU's request for an exception to Board policy to permit NAU to transfer in up to 90 credits from the community college as described in the executive summary, and that NAU report back to the Board at the 2 year and 4 year mark on the number of students enrolled who transferred in more than 64 credits from the community colleges for this program, the pattern of course-taking, the number of degrees granted, and the impact on accessibility and affordability to baccalaureate degrees in Arizona.

Upon motion by Regent Stuart, seconded by Regent DeConcini, the Board unanimously approved the academic program requests as listed in the executive summary.

The meeting recessed at 11:45 a.m. and reconvened at 2:36 p.m. on Thursday, April 26, 2007.

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

President Crow introduced Sethuraman "Panch" Panchanathan the Director of the Biomedical Informatics Department who gave a brief overview of his department. Panch discussed the School of Computing and Informatics (SCI). This school has 42 faculty members and 1,150 students, 150 of which are PhD students. The school is home to the Department of Computer Science and Engineering and the Department of Biomedical Informatics. He stated that informatics is integral to every student regardless of their major. SCI will support the evolution of computing and informatics as discrete disciplines. The school will respond to needs for partnership and collaboration between computer and information sciences and a broad range of disciplinary areas at ASU. The integration of computer and information sciences with other academic disciplines such as geography, anthropology, public health, urban planning and biology will provide an academic structure to foster new knowledge.

Panch stated that the School of Computing and Informatics is producing the next generation of computer scientists, computer engineers, informaticians, software engineers and knowledge workers emphasizing innovative and integrated programs and new teaching and learning environments. The school creates and applies knowledge in computing and informatics through real-world research that transcends traditional academic disciplines.

President Crow stated that Panch is an example of the team of academic leaders that the university now has in place at every level.

Regent Stuart stated that for anyone who hasn't had the opportunity to meet with Panch at his lab, it is a great experience and everyone should try to find the time to take advantage of this opportunity.

## **RESOURCES COMMITTEE**

Regent Bulla asked Regent Calderón to chair this portion of the meeting. Kathy Bedard, Nancy Tribbensee, Peter Slate, AzTE; Patrick Jones, OTT; and Bill Grabe, NAU joined the meeting for this presentation.

### **FY 2006 University Technology Transfer Reports (Agenda Item #7)**

Regent Calderón stated that the Board would hear presentations on the universities' Technology Transfer Reports, highlighting activities and performance for the fiscal year ending June 30, 2006.

Kathy Bedard stated that she would continue to work on standardizing the Technology Transfer Reports so that the next time reports are due it would be much easier to do comparisons.

Peter Slate presented a report on AzTE. Mr. Slate stated that AzTE, a wholly owned subsidiary of the ASU Foundation, is a private LLC that provides a way to get technology to the market faster, assesses technology, business development, strategic advice and assists with licensing and partnering. In FY 2004-2006 AzTE created 15 spin-out companies; sold 4

companies; and since inception, AzTE has issued 120 patents. AzTE's annual revenues have increased every year. FY 2004 annual revenue was \$1.4 million, FY 2005 annual revenue was \$2.6 million, FY 2006 annual revenue was \$3.8 million and FY 2007 is expected to be \$4.0 million.

Patrick Jones then presented the University of Arizona Office of Technology Transfer Report. UA Office of Technology Transfer (OTT) perfects and manages intellectual property. OTT's FY 2004 annual revenue was \$1,008,621 million, FY 2005 annual revenue was \$1,175,915 and FY 2006 annual revenue was \$1,688,857. OTT had 88 invention disclosures in FY 2006, filed 102 Patent applications, had 15 patents issues, negotiated 42 major agreements and signed 26 licenses/options.

Regent Mariucci left the meeting at 3:15 p.m.

Bill Grabe then presented Northern Arizona University's technology transfer highlights. He stated that NAU was just getting started promoting technology transfer. He stated that they received their first royalty payments in FY 2006, had one patent issued, and increased patent applications to six. He stated that NAU has signed a Memorandum of Understanding with AzTE as a partner for intellectual property development.

Regent Bulla asked if it might be appropriate to bring back the ballot initiative regarding the universities having equity positions in various technology. Patrick Jones stated that he didn't think it was necessary to bring it back at this time.

## **IT/AZUN COMMITTEE**

Regent Bulla stated that Regent Palacios was unable to attend this meeting so he would be conducting the IT/AZUN Committee portion of the meeting. He stated that the IT/AZUN Committee met on April 20th and at that time Charles Moran, President of Moran Technology Consulting, presented his IT Collaborative Opportunities project work plan to the Committee, the Committee was updated on the IT Architecture with an emphasis on the security architecture, the CITO's presented their university IT Strategic Plans, the Committee received progress reports on the ASU Oasis (PeopleSoft) Project which is on schedule, the AZUN Progress report was discussed and the following three projects were forwarded to the Board for approval.

### **Approval for Purchase and Implementation by Arizona Cancer Center of Oncore Oncology Research Management System (UA) (Agenda Item #9)**

Regent Bulla stated that the University of Arizona, Arizona Cancer Center, was requesting Board approval to purchase and implement the Oncore Oncology Research Management System at an estimated cost of \$575,054 over a five-year period. The purpose of this request is to provide a clinical trial management system that will be appropriate for reporting purposes to the National Cancer Institute.

Upon motion by Regent Stuart, seconded by Regent DuVal, the Board unanimously approved the University of Arizona's request to purchase the implement Oncore Oncology Research Management System at an estimated cost of \$575,054 over a five-year period.

**Approval of Institutional Data Warehouse Upgrade (UA) (Agenda Item #10)**

Regent Bulla then stated that the University of Arizona was requesting Board approval to upgrade its Institutional Data Warehouse at an estimated cost of \$503,625 over a five-year period.

Upon motion by Regent Stuart, seconded by Regent DeConcini, the Board unanimously approved the University of Arizona's request to upgrade its Institutional Data Warehouse at an estimated cost of \$503,625 over a five-year period.

**Approval of Oracle Site License Renewal (UA) (Agenda Item #11)**

Regent Bulla stated that the University of Arizona was requesting Board approval to renew the maintenance contract for its Oracle site license at a one-year cost of \$1.5M.

Upon motion by Regent Stuart, seconded by Regent Hermes, the Board unanimously approved the University of Arizona's request to renew the maintenance contract for its Oracle Site License at an estimated cost of \$1.5 million.

**REPORT FROM THE ARIZONA FACULTIES COUNCIL**

Dr. Marcus Ford stated that the Arizona Faculties Council discussed the global climate change issues and the implications for Arizona and faculty assessment of Chairs, Deans and Vice Presidents. The AFC would like to see a Tri-university summit to focus on global climate change. He further stated that the Council discussed the textbook cost issues and was very concerned with some of the data reported by the Task Force. The AFC felt there were several other issues that had not been considered by the Task Force and Dr. Ford would be bringing all of the issues up with the Task Force.

**REPORT FROM THE JOINT CONFERENCE COMMITTEE (JCC) OF THE UNIVERSITIES AND COMMUNITY COLLEGES**

Regent Bulla then asked Regent Calderón to report on the last JCC meeting.

Regent Calderón reported that the JCC met on March 21, 2007 and their next meeting will be May 16, 2007. He stated that the focus this year has been on the implementation of the six recommendations developed by the JCC last year for improving access to affordable baccalaureate degrees. Four of the six recommendations have also been endorsed by the Governor's P-20 Council. The plan for the March meeting was to discuss the implementation of Recommendation #5. This recommendation establishes a pathway for a baccalaureate degree to be offered at a community college, either by a university or, if no university is able or interested, by a community college.

Regent Calderón went on to say that last May, he established a work group to develop detailed guidelines for implementing this recommendation. The eight member work group is comprised of an equal number of members from the community colleges and universities. Earlier in the year, the work group presented proposals of two key steps that will be required for developing a new program. The first was the outline for the study to determine the need.

A local or regional needs analysis will be required for any program that would be considered through this process. The second was the outline for an academic program proposal, which describes the details an institution would need to address in proposing an academic program, once the need is established.

Because of the possibility of legislation to re-establish a statewide community college board, the community college representatives asked to delay any discussion or decision regarding who would have responsibility for approving any proposals for community college issued baccalaureate degrees.

Regent Calderón stated that the JCC received an update on the Governor's P-20 Council regarding the plans for the P-20 Post-Secondary Demand and Feasibility Study for Higher Education in Arizona. The purpose of the study is to establish a baseline for policy determinations for increasing the number of associate and baccalaureate degrees in the state. As of March, the consultant had not been selected, but it has since been announced that the National Council on Higher Education Management Systems was awarded the contract. The report is to be completed by August.

Regent Calderón stated that the final report of the state wide study on Arizona's transfer articulation system will be presented at the May JCC meeting by Hezel Associates. A summary report of that study will be provided to the regents during the summer.

## **PUBLIC AWARENESS COMMITTEE**

Regent Bulla asked Regent Boice to chair this portion of the meeting.

### **Legislative Update (Agenda Item #12)**

Regent Boice stated that the legislative session has passed the 100-day mark, and it looks like there might still be a ways to go before the session ends. He stated that in regards to the budget, everyone is anxiously waiting to hear about next year's appropriation to the university system and the Board is hopeful that their major budget issues will be fully address in the final budget. Christine Thompson presented an update on the budget and proposed legislation.

Christine Thompson reported that it was hoped that the Senate would have a budget in the next week or so. HB2021 regarding fingerprinting for students who are engaged in student teaching or nursing programs, etc., appears to be making its way through the process and should be passed shortly and SB1556 regarding Postdoctoral Scholars being exempted from ASRS participation is making its way through the process as well.

### **Report on Solutions for Arizona's Future (Agenda Item #13)**

Regent Boice then stated that he and Regent DuVal would be updating the Board on Solutions for Arizona's Future. Cathy McGonigle joined the meeting for this presentation.

Regent Boice stated that in March the Board was briefed on Solutions for Arizona's Future, which is the Board's major initiative focused on promoting the value of higher education in

Arizona along with conducting policy research and analysis to address several of the major issues facing the university system.

He stated that as part of the public awareness component, Riester, a full-service marketing and public relations firm, has been hired to assist the Board with planning, developing, and carrying out the public awareness campaign. Riester employs more than 100 people with offices in Phoenix, Los Angeles, Salt Lake City, and Denver. The firm has several special strengths, including an in-house multicultural marketing team and extensive web development and marketing expertise. Riester's client references were excellent. Riester was responsible for the Arizona Department of Health Services "Tumor Causing, Teeth Staining, Smelly, Puking Habit" anti-tobacco effort, which received national recognition.

Regent Boice introduced Tim and Mirja Riester. Tim is President and CEO and Mirja is Executive Director of Context Planning and Integration. Tim and Mirja said they were excited to be working with the Board and very exciting to hear things, like the work the universities want to do regarding climate change, and the work the School of Computing and Informatics is producing. This is exactly the type of information that needs to be publicized.

Regent Boice then turned to Regent DuVal who stated that the Riester firm has an excellent reputation and is known for the quality and creativity of their work. He stated that he is looking forward to working with them on the public awareness campaign and knows that they will do a terrific job.

Regent DuVal then stated that in regards to Solutions for Arizona Future, a great deal has been happening. He stated that the citizen survey is just about ready to go out. The Board should gain a better understanding of how Arizonan's view the value of higher education and how they assess the quality of the programs and services of the universities from this survey. He further stated that the feedback from the survey should help craft the final messages for the public awareness campaign.

The kick-off planning meeting on the public awareness campaign with university staff, ABOR central office and Riester was held last week. The meeting went very well and it appears the campaign is off to a great start. As part of the meeting the university staff briefed everyone on their public affairs programs. Regent DuVal stated that he wanted the Presidents to know that their staff represented them very well and made excellent presentations. He stated that it was gratifying to see the support for this campaign reflected in the way the university staff engaged in the discussion.

Regent DuVal then stated that in regards to policy research and analysis, three workgroups have been formed to study three areas: need-based financial aid; capital needs over the next ten years; and the university system funding formula. The Financial Aid and Capital Needs workgroups have had their first meeting and their work is underway. The Funding Formula Workgroup will be meeting in about one week.

Regent DuVal stated that he hoped to be prepared to discuss the results of the citizen survey and details of the public awareness campaign at the June Board Retreat.

**CAPITAL COMMITTEE**

Regent Boice then continued with the Capital Committee. Dave Harris, Joel Valdez and Rich Stanley joined the meeting for this presentation.

**Request for Authority to Enter into a Lease Agreement with the City of Phoenix, a Sublease Agreement with Capstone Development Corp, and a Project Development Agreement with MSH-ASU, LLC and Capstone Development Corp (ASU) (Agenda Item #14)**

Regent Boice stated that the Board was being asked to authorize Arizona State University to enter into a lease agreement with the City of Phoenix, a sublease agreement with Capstone Development Corp, and a Project Development Agreement with MSH, LLC and Capstone Development Corp, to enable the development of student housing for the ASU Downtown Phoenix campus. This item was reviewed by the Capital Committee at its meeting on April 18, 2007.

Regent Hermes stated that he was very concerned about the rental rate and for that reason was unable to vote in favor of this project. Rich Stanley stated that the rental rate would be \$695/mo for the first year. He further stated that this rate was determined by looking at a variety of things in the downtown area and it was felt that this was a fair and acceptable rental rate.

Upon motion by Regent Boice, seconded by Regent Calderón the Board authorized, with a vote of six in favor, one opposed, Arizona State University to enter into a lease agreement with the City of Phoenix, a sublease agreement with Capstone Development Corporation, and a Project Development agreement with the LLC and Capstone Development Corp concerning the development of student housing on the Downtown Phoenix campus, but such actions are expressly subject to prior confirmation by university and Board counsel, to be submitted to the Board President and the members of the Capital Committee, that all final documents are fully aligned with the terms and conditions set forth in the executive summary. Further, that following this confirmation, the President of the University or the Senior Vice President and University Planner shall take such actions as may be necessary and properly execute the documents on behalf of ASU.

Regent DeConcini left the meeting at 4:00 p.m.

**Request for Authority to Amend the Ground Lease for the Parcel at 1946 East Speedway Boulevard with Sundt Plaza, LLC (UA) (Agenda Item #15)**

Regent Boice stated that the Board was being asked to authority the University of Arizona to amend the ground lease with Sundt Plaza, LLC, for the parcel located at 1946 East Speedway, in Tucson, Arizona, for an additional 57 years. This item was reviewed by the Capital Committee at its meeting on April 5, 2007.

Upon motion by Regent Boice, seconded by Regent Calderón, the Board unanimously authorized the University of Arizona to amend the ground lease with Sundt Plaza, LLC, for the parcel located at 1946 East Speedway, in Tucson, Arizona, for an additional 57 years.

**HUMAN RESOURCES COMMITTEE**

Regent Bulla chaired this portion of the meeting.

**Approval of Multiple-Year Employment Contract for Head Women's Basketball Coach (ASU) (Agenda Item #19)**

Regent Bulla stated that Arizona State University was requesting Board approval of a multiple-year employment contract for Charlie Turner Thorne, Head Women's Basketball Coach.

Upon motion by Regent Bulla, seconded by Regent Hermes, the Board unanimously authorized Arizona State University to enter into a multiple-year employment contract with Charli Turner Thorne, Head Women's Basketball Coach through April 15, 2012, with a salary effective July 1, 2007, of \$350,000 base salary and \$50,000 addition salary, and as further set out in the executive summary.

**UPDATE ON THE UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE – PHOENIX, IN PARTNERSHIP WITH ARIZONA STATE UNIVERSITY**

Regent Stuart updated the Board on the University of Arizona College of Medicine-Phoenix, in partnership with Arizona State University. He stated that Dr. Shortliffe officially assumed his position as Dean of the University of Arizona College of Medicine-Phoenix, in Partnership with Arizona State University. Regent Stuart then stated that the University of Arizona College of Medicine-Phoenix, in Partnership with Arizona State University received accreditation from the Liaison Committee on Medical Education for its new four-year program in downtown Phoenix.

Regent Stuart then stated that on Friday, April 20, the University of Arizona Foundation announced a \$5 million gift from the Virginia G. Piper Charitable Trust, which will be used to establish the Virginia G. Piper Fund for Excellence, a discretionary fund for Dr. Shortliffe. Initially \$3 million of the funds will support the dean's effort to recruit nationally noted faculty. The remaining \$2 million will be used to match future private gifts thus providing a catalyst toward securing additional private support for the medical school campus in downtown Phoenix.

Regent Stuart stated that 600 students were interviewed for the 110 slots in Tucson and 24 slots in Phoenix for first-year medical students. All students were interviewed at both the Phoenix and Tucson campuses and expressed a preference after the interviews for which campus they would like to attend. The students who are accepted and decide to come to the Phoenix campus will start in early August.

Regent Stuart then discussed the continuation of the planning for the Arizona Biomedical Collaborative 2 (ABC 2) building and the education building. ABC 2 will accommodate more than 80 researchers from the UA and ASU as well as other academic researchers in the Phoenix community. The building will also include facilities for clinical research in support of Arizona's application of the NIH Clinical and Translational Science Award. The education facility will allow growth of the College of Medicine to a class size of 150, as well as provide

space for the UA College of Pharmacy; simulation training space for the ASU College of Nursing and Healthcare Innovation; and NAU's Allied Health programs.

Regent Stuart stated that the College of Medicine and Banner have formalized workgroups that are meeting regularly to plan the hospital facilities as well as the working agreements. It is hoped that there will be a formal agreement with Banner in early July.

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

The Regents thanked Arizona State University, President Crow and all of the staff for their hospitality and for making this another great meeting.

**ADJOURNMENT**

The meeting adjourned at 4:15 p.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