

**MINUTES OF A MEETING**



**August 23 and 24, 2007**

## TABLE OF CONTENTS

<b>STRATEGIC PLANNING, BUDGET AND FINANCE STUDY SESSION .....</b>	<b>1</b>
<b>Development of the Strategic Plan for the Arizona University System .....</b>	<b>1</b>
<b>Preliminary FY 2009 State Operating Budget Requests .....</b>	<b>4</b>
<b>University Financial Status Updates.....</b>	<b>5</b>
<b>CONSENT AGENDA .....</b>	<b>6</b>
<b>*Minutes .....</b>	<b>7</b>
<b>RESOURCES CONSENT AGENDA.....</b>	<b>7</b>
<b>*Disclosure of Substantial Interest of University Employees (UA) .....</b>	<b>7</b>
<b>CAPITAL CONSENT AGENDA.....</b>	<b>7</b>
<b>*Approval to Transfer to the City of Tempe, two 22.5 foot wide strips     of property adjacent to Rio Salado Parkway and a Waiver of ABOR     Policy (ASU).....</b>	<b>7</b>
<b>*Authority to Sublease to Phoenix Union High School (PUHS) Alumni     Association Approximately 645 Square Feet of Office Space and Two     Parking Spaces for 30 Years (UA).....</b>	<b>7</b>
<b>TECHNOLOGY OVERSIGHT CONSENT AGENDA .....</b>	<b>8</b>
<b>*OutlookSoft Budget &amp; Planning Software (NAU) .....</b>	<b>8</b>
<b>*Tempe Campus Classroom Mediation Project (ASU) .....</b>	<b>8</b>
<b>*Interactive Television Video (ITV) System Upgrade (NAU).....</b>	<b>8</b>
<b>STRATEGIC PLANNING, BUDGET AND FINANCE COMMITTEE.....</b>	<b>8</b>
<b>FY 2008 Initial All Funds Operating Budget and FY 2008 State     Expenditure Authority.....</b>	<b>8</b>
<b>Final Report on the Board's Action Plan for FY 2007.....</b>	<b>9</b>
<b>CALL TO THE AUDIENCE.....</b>	<b>9</b>
<b>RECOGNITION OF STUDENT FROM UNIVERSITY OF ARIZONA .....</b>	<b>9</b>
<b>REPORT ON THE UA PHOENIX MARS LAUNCH (UA) .....</b>	<b>9</b>
<b>RESOURCES COMMITTEE .....</b>	<b>9</b>
<b>FY 2007 Technology and Research Initiative Fund (TRIF) Annual     Report.....</b>	<b>10</b>
<b>CAPITAL COMMITTEE .....</b>	<b>11</b>
<b>Approval of the Intergovernmental Agreement (IGA) with the City of     Tucson for the Construction of the University of Arizona Science     Center and the Arizona State Museum at Rio Nuevo (UA).....</b>	<b>11</b>

Authority to Enter into a Lease Agreement with the City of Phoenix, a Sublease Agreement with Capstone Development Corporation, and a Project Development Agreement with Downtown Phoenix Student Housing, LLC and Capstone Development Corporation (ASU).....	12
REPORT FROM THE ARIZONA FACULTIES COUNCIL .....	13
REPORT FROM ABOR REPRESENTATIVE TO THE STATE BOARD OF EDUCATION.....	13
REPORT FROM THE PRESIDENT OF THE UNIVERSITY OF ARIZONA .....	14
IT Collaboration Study: Moran IT Consulting Report .....	14
PROGRAMS COMMITTEE.....	15
Learner Centered Education Course Redesign Initiative Grants .....	15
Academic Program and Organizational Change Requests.....	16
TECHNOLOGY OVERSIGHT COMMITTEE .....	18
Report from the Technology Oversight Committee .....	18
OASIS Budget Revision (ASU) .....	19
AUDIT COMMITTEE.....	19
Proposed Addition of Board Policy 6-711, “Internal Control Responsibilities” (First Reading) .....	20
PUBLIC AWARENESS COMMITTEE .....	21
Update on Solutions for Arizona’s Future.....	21
HUMAN RESOURCES COMMITTEE.....	22
Appointment of Vice President for Student Affairs (UA).....	22
Appointment of Vice President and Dean of the New College of Interdisciplinary Arts and Sciences at West Campus (ASU) .....	22
Approval of a Multiple-Year Employment Contract for Women’s Head Basketball Coach (NAU).....	23
Approval of Amendment to Multiple-Year Employment Contract of Softball Coach (UA).....	23
UPDATE ON THE UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE – PHOENIX, IN PARTNERSHIP WITH ARIZONA STATE UNIVERSITY .....	23
ADMINISTRATIVE BUSINESS .....	24
Adoption of Board Meeting Calendar for FY 2009-2010.....	24
INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND MEMBERS OF THE COUNCIL OF PRESIDENTS.....	24
ADJOURNMENT .....	24

**MINUTES OF A MEETING  
ARIZONA BOARD OF REGENTS  
Thursday and Friday, August 23-24, 2007**

A meeting of the Arizona Board of Regents was held August 23 and 24, 2007, in the Student Union Memorial Center, Tucson Arizona.

President Boice called the Study Session to order at 9:02 a.m. on Thursday, August 23, 2007.

Present:       Regent Fred Boice  
                  Regent Robert Bulla  
                  Regent Ernest Calderon  
                  Regent DeConcini  
                  Regent DuVal  
                  Regent Anne Mariucci  
                  Regent David Martinez  
                  Regent Gary Stuart  
                  Regent Mary Venezia  
                  Superintendent Tom Horne (Thursday afternoon only)

Absent:               Governor Janet Napolitano

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

All lists, reports, summaries, background materials and other documents referred to in these minutes can be found in the August 23-24, 2007, Documents Files

**STRATEGIC PLANNING, BUDGET AND FINANCE STUDY SESSION (Board Item #1)**

Regent Bulla chaired this portion of the meeting and welcomed everyone to the Study Session on Strategic Planning, Budget and Finance in the Arizona University System.

**Development of the Strategic Plan for the Arizona University System (Board Item #1.a)**

Sandy Woodley, Dan Anderson, Richard Stanley, Pat Haeuser, and Gene Sander joined the meeting for this presentation.

Regent Bulla stated that the Board would receive a status report on the development of the Strategic Plan for the Arizona University System. Regent Bulla stated that Dr. Woodley has been working with the strategic planning team from the universities and they would discuss the progress being made in developing a strategic plan for the system.

Dr. Woodley provided a quick overview of the work done so far on developing a new funding model for the Board's consideration. She stated that the components/activities were as follows: (1) Build a Macro 2020 Vision and Profile, (2) Develop an initial set of system-wide focus areas for the Strategic Plan, (3) Develop an initial set of institution specific focus areas for the strategic plan, (4) Negotiate short-term and long-term performance targets, (5) Develop a methodology for costing out the long-term strategic plan to 2020, (6) Develop initial draft 2020 Strategic Planning documents (7) Develop short-term strategic Plan (4-year plan with specific strategies; action plans) and (8) Finalize the Strategic Planning Documents with presentations to external stakeholders.

President Shelton stated that he felt one of the major challenges was how to quantify the multiple dimensions on which we serve society. He stated that he wants to continue to focus on whether the universities have the right mix, and the correct balance. He is concerned with how to convey the value and the power of the research enterprise that goes on at the university. Sometimes the value of research is harder to see.

President Crow stated that these processes are always complicated and difficult and believes that it is important that the Regents remember that this is the Board of Regents which governs three universities, and a university in the 21<sup>st</sup> Century is an institution that has to be a teaching, learning and discovery enterprise.

President Haeger stated that the most difficult part of planning is that everyone tends to forget that this state is very young and in about ten years this state will have a population similar to other states that have 18-20 public universities and approximately 15-18 private universities. We need to get our hands around the concept of what is going to happen in this state as it grows. The magnitude of the planning effort and the magnitude of the expense to the state are quite enormous and the state is really just beginning to invest in the higher education system.

Dr. Woodley stated that she felt this process will never be complete. The Board should constantly be putting itself in a position to evaluate and reevaluate based on results or lack of results. She stated that she hoped to deliver at the September meeting the Macro Vision for the broad focus areas and the key indicators that the Board should begin to look at.

Regent Bulla stated that it was very important that the Board think about what it wants to look like in the year 2020. Once the Board decides what it wants to look like, then they can start building the roads that will get us to that point. He stated that Arizona

continues to grow and if the population projections are true, the numbers that the Board will come up with are going to be staggering.

Regent Bulla stated that he was very pleased with the way the Strategic Planning, Budget and Finance Committee was coming together.

Dan Anderson gave a brief overview of the work that has been done to this point and provided some historical perspective about measures that affect the focus areas. Goal 1: Educational attainment means making Arizona a smarter place. The goal is to exceed the national average in the number of Arizona citizens with four-year degrees, ensuring student success for all races, in all areas of the state, and to cover all workforce needs in high need areas. Mr. Rich Stanley presented data to show what has happened at ASU in this area.

Mr. Anderson stated that Goal 2: quality of life and economic development means utilizing the research, economic development and regional stewardship contributions of the universities to create new knowledge which improves the quality of life and adds strength to the economy by diffusion and acceleration of these new ideas into products and services that benefit Arizona citizens. Dr. Gene Sander presented data to show what has happened at the UA in this area.

Goal 3: Educational alignment means providing well coordinated and connected educational opportunities starting in kindergarten, continuing through college and lifelong learning and to enhance teacher education programs to optimize the production of well qualified teachers to meet the workforce needs of Arizona, especially in high need areas. Ms. Pat Haeuser presented data to show what has happened at NAU in this area.

Goal 4: Educational Affordability means to remove financial barriers for students in low income families so they may successfully pursue a four-year degree by maintaining an affordable published price (tuition and fees) and an affordable net price (net of financial aid).

Goal 5: Productive use of resources means to maximize the use of existing resources so that the system can be more productive with the money already available in higher education.

The Regents recognized the excellent work of the committee and acknowledged the extensive amount of work yet to come.

President Boice introduced and welcomed Senators Garcia and Miranda to the Board meeting.

Sandy Woodley then discussed the work on the funding model development. There is a team made up of university and central office people who are looking at and exploring different funding models to bring back to the Board for review. Dr. Woodley discussed

funding models/policies in other states. She stated that there are only five approaches used in the United States to determine funding needs of higher education.

Joel Sideman provided additional context for the strategic plan. He stated that the Board has been asked by the chairs of the Higher Education Committee in the Legislature and by the Governor to look at the potential for having a change in the funding formula. In order for this to be viable for the next legislative session we need to be able to have something prior to the first of the year. The hope is that when we come back to the September meeting we will be able to put more specifics on the table for Regent consideration. But, if there is to be an impact in the next legislative session we need something by the December meeting.

Mr. Sideman also stated that the budget requests that are coming forward for the next cycle are using the same paradigm that is being used now. The budget requests are based on the way things are today and the hope is that when we get into the legislative session the legislature will be taking a serious look at how our funding formula might be changed.

### **Preliminary FY 2009 State Operating Budget Requests (Board Item #1.b)**

Gale Tebeau joined the meeting for this presentation.

Regent Bulla stated that the Board was being requested to review the universities' and central office preliminary FY 2009 State Operating Budget Requests and provide guidance for development of the final budget requests scheduled for approval at the September meeting. He further stated that following the September meeting, the Board-approved budget requests will be forwarded to the Governor and the legislature.

Gale Tebeau stated that the universities' preliminary requests total \$129M, approximately an 8% increase overall and approximately a 12% general fund increase. There are still unknowns in the request largely related to the BioMedical campus. The Central Office request includes \$658,000 increase for AFAT, which represents the 2:1 match, and brings the total state appropriations to \$10.7M. The other major component is for the WICHE program. There is also a placeholder in the Central Office budget for additional student financial aid that the Board may wish to pursue.

President Shelton highlighted several of his budget requests. He stated that enrollment growth was on the rise and based on plans for the future, it should continue to rise each year. President Shelton further stated that all of the items listed in their budget request were critical. President Shelton stated that he believed that all of the strategic investment requests were within the Governor's guidelines. President Shelton then stated that building renewal is an area of serious concern and has been neglected over the last few years.

President Haeger highlighted several of his budget requests. He stated that the Presidents are very appreciative to the Board, the Governor's office and the legislature

for budget monies received last year. He then stated that in regards to the critical infrastructure, even with last year's great budget, the university has very serious issues. He reminded everyone that this is a preliminary budget. NAU sees itself as the economic engine of northern Arizona and rural Arizona and needs to be very conscious of that critical role when requesting funds. He further stated that any funds that NAU requests in a strategic package need to also fill a public agenda. He went on to say that in everything that he is proposing there are identifiable triggers in terms of coming back for more money so that the university can be held accountable. President Haeger stated that building renewal issues do not go away. It is essential that NAU and the other universities receive funds for building renewal.

President Crow highlighted several of his budget requests. He stated that ASU's vision is to establish ASU as the model for a New American University, measured not by who we exclude, but rather by who we include; pursuing research that benefits the public good; assuming major responsibility for the economic, social, and cultural vitality and health and well-being of the community. He stated that all of the budget requests were driven by targeted objectives. Building renewal is important to ASU as well.

Regent DeConcini asked how you know if the state can support two universities doing similar things, such as research. President Crow responded that the University of Arizona is a comprehensive research university with great depth in core disciplines and capability that has been built over 80, 90, 100 years. Arizona is going to have a large population, but they will live in a very concentrated area. So, the value of building a mirrored institution that reflects a similar pathway is limited. The strategy that ASU is taking is to find more areas of interdisciplinary leverage where ASU can build unique initiatives, where they can compliment some of the initiatives and strengths of the University of Arizona. President Crow stated that he believed that market forces would work out what each university became.

Regent Bulla stated that he felt the strategic plan needs to address things like how the universities avoid duplication in all areas. Regent Bulla further stated that as the universities finalize their budgets he believed that a more robust analysis in compensation for faculty salary and for building renewal would be very helpful in communicating the universities needs in these areas. He stated that he thought utility costs needed further explanation because of the impact those costs have.

Gale Tebeau stated that the final budget requests will be developed and brought back to the Board for approval at the September meeting.

### **University Financial Status Updates** (Board Item #1.c)

Sandy Woodley, Carol Campbell, Kathe Shinham and Joel Valdez joined the meeting for this presentation.

Regent Bulla stated that in this item, the Board will discuss a new report that the finance Committee asked the universities to begin preparing last fall. In the past, the Board has

not received reports on the financial status of the universities during the fiscal year. The Board, in fact, did not receive the final audited university financial reports until December following the close of the fiscal year. In order for the Strategic Planning, Budget and Finance Committee to know the financial status during a fiscal year, they are now receiving and reviewing regular financial status updates. During the first 6 months of the fiscal year, the universities will prepare these updates on a quarterly basis and during the final 6 months on a monthly basis.

Sandy Woodley stated that the universities reported their initial projected financial results; actual to date; percentage actual to date of current projected; their current projected for year-end and their final year-end numbers for the prior fiscal year. She stated that there are some things that might be changed in the future, including some projections.

Regent Bulla stated that he was very pleased with this report and appreciated the work of the universities in providing it. There is a summary that tells, at a glance, how the universities project they will end the 2007 fiscal year and as the Board can see all three universities project an increase in net assets.

Regent Bulla stated that an increase in net assets means that the universities have covered their current year expenses with current year revenue, thus avoiding the need to deplete net assets to operate the universities during FY 2007. Although these numbers are preliminary and unaudited, the final reports appear to be good news.

The May 31, 2007 University Financial Status Updates will be presented for Board discussion.

Regent Boice called the regular meeting to order at 11:05 a.m., on Thursday, August 23, 2007.

Regent Calderon led the Pledge of Allegiance.

Regent Boice welcomed George Watson, the new faculty representative to the meeting. He stated that Dr. Watson was a Parents Association professor of political science in the Walter Cronkite School of Journalism and Mass Communication at Arizona State University. He came to ASU in 1969 from Duke University and served his first twenty-five years in the Department of Political Science before coming to the Cronkite School. Dr. Watson has been very active in faculty governance issues, serving as president of ASU's Downtown Phoenix Campus assembly. He is the past president of the International Society for Teaching and Learning Excellence, the 1992 founding director and continuing executive director of Arizona's Wakonse Teaching Fellowship, and a charger member of ASU's Distinguished Teaching Academy.

## **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 DeConcini, seconded by Regent Bulla.

### **\*Minutes**

The April 26, 2007 Executive Session Meeting minutes, May 19, 2007 Executive Session Meeting minutes, June 21, 2007 Regular Meeting minutes, June 21 & 22, 2007 Retreat minutes and the July 2, 2007 Special Meeting minutes were approved.

## **RESOURCES CONSENT AGENDA**

### **\*Disclosure of Substantial Interest of University Employees (UA) (Board Item #5)**

Regent DeConcini raised questions about the ABOR Technology Transfer policy and Regents' understanding of it. Regent Calderon stated that the Resources Committee will research this policy and provide Regents with information regarding the policy.

The Board approved the University of Arizona's request for Associate Professor Douglas Loy, Giovanni Battistini, Raymond Garcia, Professor Farhang Shadman, and Professor Christopher Impey to establish and maintain a substantial equity interest in various businesses while employed at the University of Arizona as shown in the executive summary.

## **CAPITAL CONSENT AGENDA**

### **\*Approval to Transfer to the City of Tempe, two 22.5 foot wide strips of property adjacent to Rio Salado Parkway and a Waiver of ABOR Policy (ASU) (Board Item #8)**

The Board approved Arizona State University's request to transfer to the City of Tempe two 22.5 foot wide strips of property adjacent to Rio Salado Parkway and a waiver of ABOR Policy 7-204.A, ABOR Policy 7-206.B, and ABOR Policy 7-204.E. The Capital Committee reviewed this item at its August 6, 2007 meeting and recommended Board approval.

### **\*Authority to Sublease to Phoenix Union High School (PUHS) Alumni Association Approximately 645 Square Feet of Office Space and Two Parking Spaces for 30 Years (UA) (Board Item #9)**

The Board authorized the University of Arizona to enter into a 30-year sublease with the Phoenix Union High School (PUHS) Alumni Association for approximately 645 square feet of office space and two parking spaces located on the Phoenix Biomedical Campus in Phoenix, to house the PUHS collection of memorabilia. The sublease arrangement is based on the Intergovernmental Agreement provision with the City of Phoenix to

designate space for the PUHS Alumni Association. The Capital Committee reviewed this item at its August 6, 2007 meeting and recommended Board approval.

## **TECHNOLOGY OVERSIGHT CONSENT AGENDA**

### **\*OutlookSoft Budget & Planning Software (NAU) (Board Item #15)**

The Board approved NAU's request to purchase and implement a Business Performance Management System with an anticipated five-year budget of \$1.535M. The Technology Oversight Committee reviewed this item at its August 7, 2007, meeting and recommended Board approval.

### **\*Tempe Campus Classroom Mediation Project (ASU) (Board Item #16)**

The Board approved ASU's request to install video projection, sound and computer capabilities in the 158 Tempe Campus classrooms that are currently not mediated at an estimated cost of \$2.5M. The Technology Oversight Committee reviewed this item at its August 7, 2007, meeting and recommended Board approval.

### **\*Interactive Television Video (ITV) System Upgrade (NAU) (Board Item #17)**

The Board approved NAU's request to upgrade its Interactive Television (ITV) System at an estimated cost of \$659,000 over a five-year period. The Technology Oversight Committee reviewed this item at its August 7, 2007, meeting and recommended Board approval.

## **STRATEGIC PLANNING, BUDGET AND FINANCE COMMITTEE (Chair: Regent Bulla)**

### **FY 2008 Initial All Funds Operating Budget and FY 2008 State Expenditure Authority (Board Item #2)**

Gale Tebeau joined the meeting for this presentation.

Regent Bulla stated that the Board was being asked to review and approve the FY 2008 Initial All Funds Operating Budget, which includes the FY 2008 State Expenditure Authority for the universities and the central office.

Gale Tebeau stated that the All Funds Operating Budget combined the state operating budget and local fund budgets into a comprehensive report that included projected revenues, expenditures, and year end balances for the fiscal year for each university and the central office. She stated that there were no university accounts with a deficit.

Upon motion by Regent Bulla, seconded by Regent Stuart, the Board unanimously approved the FY 2008 Initial All Funds Operating Budget, including the FY 2008 State Expenditure Authority as presented in the executive summary.

### **Final Report on the Board's Action Plan for FY 2007 (Board Item #3)**

This item was removed from the Consent Agenda. Regent Bulla stated that the Board was being asked to review and approved the Final Report on the Board's 2006-2007 Action Plan. Regent Bulla asked that under strategic planning committee the white paper on community colleges prepared by the presidents needs to be given greater prominence.

Upon motion by Regent Bulla, seconded by Regent Palacios, the Board unanimously approved the Final Report on the Board's Action Plan for FY 2007.

The meeting recessed at 11:40 a.m., and reconvened at 1:33 p.m. on Thursday, August 23, 2007.

### **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. There were no speakers.

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

Regent Boice introduced Brian Poe, a student from the University of Arizona who just received his R.N. degree in the College of Nursing's accelerated 14-month program and has now been hired by University Medical Center as a cardiac nurse.

Brian stated that he came to the University of Arizona in 1997. He stated that he did not know what he wanted to do, so he went through several different programs trying to figure it out. He stated that he graduated and discovered that the work he was doing in graphic design was not fulfilling to him. At that time he began looking at his options and he discovered nursing. He stated that the program was amazing. He stated that the students in the program were incredibly motivated.

### **REPORT ON THE UA PHOENIX MARS LAUNCH (UA)**

President Shelton introduced Dr. Peter Smith, the principal investigator of the project, who updated the Board on the UA Phoenix Mars Launch project.

Dr. Smith showed a video and updated the Board on the UA Phoenix Mars Launch project. The launch was August 4, 2007. It is expected that contact will be made May 25, 2008. The mission will last three to six months.

### **RESOURCES COMMITTEE (Chair: Regent Calderón)**

Regent Calderón chaired this portion of the meeting.

#### **FY 2007 Technology and Research Initiative Fund (TRIF) Annual Report (Board Item #4)**

Rick Shangraw, Lee Drickamer, Andrew Comrie, and Kathy Bedard joined the meeting

Regent Calderón stated that the Board was being asked to approve the Technology and Research Initiative Fund (TRIF/Proposition 301) Annual Report for the fiscal year ended June 30, 2007, including the revised budget for FY 2008. The approved report will be submitted to the Governor and Legislature by September 1, 2007, as required by A.R.S. §15-1648(D).

Andrew Comrie highlighted one of the UA's TRIF programs, the UA BIO5 Institute. He stated that the Bio5 Institute brought \$34M into the state in competitive research grant dollars and \$1M in corporate contracts for an ROI of 6.7 on TRIF dollars. He stated that the UA TRIF programs had been reorganized into four categories: Biomedicine and Biotechnology, Optical Sciences and Technology, water and Environmental Sustainability and Education and Infrastructure.

Lee Drickamer highlighted the NAU TRIF programs. NAU started with four projects and has now added four other projects and debt service.

President Crow introduced Rick Shangraw, the new Vice President for Research and Economic Affairs, who would highlight ASU's TRIF programs. President Crow stated that the ASU model for TRIF funding is a 20 year, highly targeted, very large investment fund that is being used to deliver one transformational outcome which is the design, deployment and development of Greater Phoenix's first national lab scale effort. What is meant by that is a laboratory engaged across a broad spectrum of science and technological capability from a platform that will operate at the level of between 3,000 and 5,000 employees engaged in all of the edges of technology from a particular scientific base.

Mr. Shangraw highlighted three of ASU's TRIF projects. He stated that the Center for Infectious Diseases and Vaccinology is working to develop a safe, potent new vaccine to combat bacterial pneumonia, which is the number one cause of death in children around the world. TRIF support, totaling \$3.4M, provided the foundation for several awards which have exceeded \$33M. The Center for Innovations in Medicine recently received nearly \$9 M in grants to work on a preventive vaccine against cancer. TRIF support for this project totaled \$1.8M. The third project that he highlighted was the biofuel partnership with British Petroleum and Science Foundation Arizona. This is a project focused on engineered bacterium to product biodiesel fuel.

Kathy Bedard highlighted one Regent's Innovation Fund Initiative; the Center for the Future Beat the Odds Institute. The funding is being provided for development of the Beat the Odds website.

Regent Boice stated that he is very pleased with where TRIF is today and what is being done with the TRIF funds.

Upon motion by Regent Calderón, seconded by Regent DeConcini, the Board unanimously approved the FY 2007 Technology and Research Initiative Fund Annual Report, including revised TRIF budgets for FY 2008, for submission to the Governor and the Legislature.

### **CAPITAL COMMITTEE** (Chair: Regent Calderón)

Regent Calderón chaired this portion of the meeting.

Regent Calderón stated that the Capital Committee met on August 6, 2007 to consider items on today's agenda. The Committee also met on August 20, 2007, at a special meeting regarding ASU's requested authority on the Capstone Development Corporation.

### **Approval of the Intergovernmental Agreement (IGA) with the City of Tucson for the Construction of the University of Arizona Science Center and the Arizona State Museum at Rio Nuevo (UA)** (Board Item #6)

Bob Smith and Dave Harris joined the meeting for this presentation.

Regent Calderón stated that the University of Arizona was requesting Board approval to enter into an Intergovernmental Agreement (IGA) with the City of Tucson to build the combined Science Center and State Museum Project to be funded by Rio Nuevo District Tax Increment Financing. The Capital Committee reviewed this item at its August 6, 2007 meeting and recommended Board approval.

President Shelton stated that this is the most exciting development of his first year in working with the City of Tucson. This IGA will authorize an extraordinary partnership, a collaboration between the City of Tucson and the University of Arizona. President Shelton introduced Mayor Bob Walkup, Councilwoman Nina Trasoff, Councilman Jose Ibarra, Councilman Steven Leal and Greg Shelko, the Director of Downtown Development. President Shelton stated that each of these individuals have been forthcoming, and terrific partners in the discussion of how the university can contribute to this important development project. President Shelton thanked them for all of their work. Mayor Walkup stated that there is nothing more important today than being at this meeting and talking about this important part of the redevelopment of downtown Tucson. He said that the City of Tucson recognized the importance of the involvement of the university in the City.

President Shelton recognized City Manager Mike Hein who was unable to be at this meeting. Bob Smith then explained the project more thoroughly and showed a PowerPoint. He stated that the UA Science Center and the Arizona State Museum

would be combined into a single, world class facility that will provide the major exhibit elements of both programs, while reducing costs and area needs through shared spaces and resources. The combined facility will also create new opportunities to explore the connections between science and culture throughout the history of the region.

Regent Calderón stated that the Board appreciated the partnership and the City's belief in the university system.

Upon motion by Regent DeConcini, seconded by Regent Boice, unanimously authorized the University of Arizona to enter into and execute the proposed IGA with the City of Tucson for the UA Science Center and the Arizona State Museum within the Rio Nuevo Project, subject to approval as to form by University Counsel and to execute any necessary additional documents to implement the IGA authorized by this resolution.

**Authority to Enter into a Lease Agreement with the City of Phoenix, a Sublease Agreement with Capstone Development Corporation, and a Project Development Agreement with Downtown Phoenix Student Housing, LLC and Capstone Development Corporation (ASU) (Board Item #7)**

Rich Stanley and Dave Harris joined the meeting for this presentation.

Regent Calderón stated that Arizona State University was seeking authorization to enter into a lease agreement with the City of Phoenix, a sublease agreement with Capstone Development Corporation, and a Project Development Agreement with Downtown Phoenix Student Housing, LLC and Capstone Development Corporation and other necessary and proper agreements, documents and instruments to enable the development of student housing for the ASU Downtown Phoenix campus. This item was reviewed and recommended by the Capital Committee on August 20, 2007.

Upon motion by Regent Bulla, seconded by Regent DeConcini, the Board unanimously authorized 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 Downtown Phoenix Student Housing, LLC and Capstone Development Corporation and any and all agreements, documents and instruments as necessary and proper concerning the development and management of student housing on the ASU Downtown Phoenix campus that are in accordance and alignment with the substantive terms and conditions as set forth in the documents submitted to Board Counsel and the Capital Committee on August 15, 2007, subject to university and Board Counsel review and approval, and that the President of the University, the Executive Vice President and Chief Financial Officer, or the Senior Vice President and University Planner, or the Assistant Vice President for University Real Estate Development shall take such actions as may be necessary and proper to execute the documents and instruments on behalf of ASU/ABOR to complete the transactions consistent with the terms set forth in the Executive Summary.

## **REPORT FROM THE ARIZONA FACULTIES COUNCIL**

Dr. Watson provided a report from the Arizona Faculties Council. He stated that the Arizona Faculty Council was a council of elected representatives for faculty governance and shared governance. He stated that the AFC enjoys working with the Regents and is very interested in continuing that relationship. AFC is looking forward to working with the LCE projects. He stated that he felt that the AFC could assist with the Strategic Plan planning.

## **REPORT FROM ABOR REPRESENTATIVE TO THE STATE BOARD OF EDUCATION**

President Haeger reported on the impact of the State Board of Education's expansion of high school requirements for education. The State Board of Education has reached the general consensus to raise the requirements for graduation from high school particularly in math and science. Currently the requirement is for two credits in math that would be raised to four, two credits in science that would be raised to three. Those are very significant alterations in what we expect of graduates from Arizona high schools. President Haeger said that he had three issues. One of the most important issues is that there will be tremendous pressure on the universities to increase the supply of teachers for math and science. In order for this series of requirements to be implemented, more teachers need to be available. The second issue is the only way that the state will change the number of teachers willing to go into math and science is that we are going to have to change the compensation for those teachers. The third issue is the issue of alignment. The current proposal calls for two types of diplomas, a standard diploma which does not perfectly align with university admission standards and a "regents" diploma which aligns perfectly with university admission requirements.

Superintendent Horne stated that he did not believe that the two types of diplomas were going to create a problem. All high school graduates do not go to college and if they did it would be impossible to keep up with the numbers. He believes that the big issue is the teacher shortage. There are more math teachers retiring than are coming into the field. In order to stay even the number of math teachers needs to be increased by about 70 per year. It is going to be hard to achieve that goal. In order to meet a four year math requirement 300 additional teachers will be needed. The P-20 Council originally was thinking that the requirement would start with 2012 freshman. The current proposal before the State Board is to have this rule for students entering in 2009 and he stated that he was skeptical that the teacher shortage could be turned around within that time frame. He stated that he would be willing to compromise at 2010, which will still be a tough goal. Superintendent Horne stated that he felt the Board of Regents needs to let the State Board know what can practically be done in the hopes that it will influence them to do the right thing.

Regent Boice then thanked Regent Bulla for the great job that he did as president of the Board during the past year. Regent Boice stated that Regent Bulla had definitely left his mark on many of the items that the Board is dealing with. He thanked Regent Bulla

for his dedication, his time and his hard work and presented him with a gift to show the Board's appreciation.

The meeting recessed at 3:30 p.m. and reconvened at 9:50 a.m. on Friday, August 24, 2007.

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

President Shelton introduced Joaquin Ruiz, Dean, College of Science and Professor Geosciences who will give a presentation on the Biosphere 2, which is an important part of the research mission of the university.

Dr. Ruiz gave a PowerPoint presentation on the Biosphere 2. He stated that the Biosphere 2 is managed by the University of Arizona and is located in Oracle, Arizona. It is a major regional attraction and serves as a laboratory for controlled scientific studies, an arena for scientific discovery and discussion, and a far-reaching public education center. Research will address issues of global environmental change including issues of global climate change, the fate of water and how energy travels through Earth's ecosystems.

Regent Boice stated that Board Item #13 would be heard next to accommodate Mr. Moran's travel schedule.

### **IT Collaboration Study: Moran IT Consulting Report (Board Item #13)**

Regent Palacios chaired this item.

Charlie Moran joined the meeting for this presentation.

Regent Palacios introduced Charlie Moran, President of Moran Technology Consulting and his staff who have consulted with major university systems in Ohio, California, Utah and other states. In Arizona, they interviewed Board and university personnel to develop a number of IT related recommendations for the universities. Mr. Moran has made several excellent presentations to the ABOR Technology Oversight Committee and today will give a presentation focusing on the recommendations for university collaborative opportunities. This report has previously been reviewed in detail by the Technology Oversight Committee.

Mr. Moran stated that identifying potential collaboration candidates required focusing on those areas that use commodity goods and services – not spending time on competitive services that drive each institution's mission. Mr. Moran stated that he had identified several different initiatives that could be collaborative initiatives as follows: (1) Master Data Warehouse, (2) IT Methodologies, Process and Tools (3) IT Security Scanning, (4) UA Student and HR/Payroll Systems, (5) Cross-ABOR Purchasing Program, (6) Sponsored Research Management Study; (7) Cross-AU Single Chart of Accounts, (8)

Financial Systems Replacement; (9) Budgeting Systems, (10) Academic Tools/Vendor Study and (11) Open Supercomputing Services.

Mr. Moran stated that he recommended tuning the oversight model for the Technology Oversight Committee. The purpose of the Committee should be to provide fiduciary oversight for major Information Technology initiatives at the AUS campuses. The oversight involves reviewing and approving plans for major single and multi- university investments to ensure that they are effectively planned and managed and that they are aligned with major ABOR and/or university goals. The focus of the Committee should be to evaluate, prioritize, approve and monitor any significant systems development, collaborative project or technology infrastructure expenditures in excess of \$500,000; guide, establish, and approve the strategic direction of technology-based applications and services; operate as a forum for the discussion of major issues related to technology, collaborative applications and IT services; and ensure that appropriate technology collaboration is being utilized in support of ABOR's mission and business goals. He also stated that the IT Strategic Plans need to become better integrated with each institution's 5-year strategic plans.

## **PROGRAMS COMMITTEE**

Regent Stuart chaired this portion of the meeting.

### **Learner Centered Education Course Redesign Initiative Grants (Board Item #10)**

Maryn Boess joined the meeting for this presentation.

Regent Stuart asked Regent Palacios to chair this item. Regent Palacios stated that the Board would receive a presentation on the projects approved by the LCE Team for funding under the 2007-09 Learner Centered Education Course Redesign Initiative (LCE CRI). Regent Palacios stated that the Board heard a presentation last January by Dr. Carol Twigg from the National Center for Academic Transformation where she described her nationally known program for redesigning large enrollment undergraduate courses to improve learning while also reducing costs. Dr. Twigg was to bring this model to the universities through the LCE grants program. Following that meeting, the institutions began the process of developing proposals to submit for funding. The LCE Advisory Council, the committee of faculty and administrators who coordinate the grants process, served as the grants review panel, working with Dr. Twigg and her staff. The LCE Team met on August 14 to review the recommendations of the Advisory Council for projects to be fund. The LCE Team was very pleased with the proposals that had been selected and they were unanimously approved. The projects show excellent promise for improving student success in some very key courses and should reduce the per-student cost for delivering courses.

Maryn Boess, grants manager from the central office described the process and highlighted the projects. The process involved faculty and administrators working together to create project teams around courses that they wished to redesign and then

applied for grants to support the proposed two-year redesign projects. The goal of the Learner-Centered Education Course Redesign Initiative (LCE CRI) is to promote increased student learning and cost-effective delivery models in undergraduate courses with large enrollments. To achieve this goal, it was anticipated that 10-15 grants would be awarded to university faculty, through a competitive process, to redesign a select number of large enrollment courses utilizing the NCAT (National Center for Academic Transformation) model.

This initiative runs from January 1, 2007 through September 1, 2009. Projects will be funded with FY 2008 and 2009 LCE monies. Initial start-up costs for NCAT services were available from remaining funds in the 2007 FY LCE budget. The NCAT process requires faculty teams to follow a very structured iterative course redesign development process. 27 university teams participated. Ultimately, the Council chose to recommend funding for 13 of the projects.

The total amount awarded for the 13 projects is \$690,772 for the two-year cycle. The total current annual enrollment for all the proposed redesign courses is 18,696. Project teams estimate a total annual savings of \$1,432,790. The LCE CRI is projected to result in an average savings of \$77/student enrolled.

Ongoing consultation with course teams will be ongoing throughout the two year process. Redesign Pilot Implementation phase will begin in January 2008. There will be ongoing monitoring and reporting with an in-person report from Carol Twigg at the June 2008 meeting. Full implementation will occur in Fall 2008 and the program concludes September 1, 2009, when program evaluations will be conducted and the final report will be produced.

### **Academic Program and Organizational Change Requests (Board Item #11)**

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

Regent Stuart stated that he hoped to have the draft charter of the new Academic Affairs Committee to the Board in September.

Regent Stuart stated that the Board was being asked to approve 6 different requests: 4 from ASU and 2 from NAU. He stated that all of the ASU programs are to be funded through program fees. The Board won't formally take action on the program fees until the December meeting when tuition and fees are determined. However, if the programs are approved as described here, it is a reasonable expectation that the fees will be approved in December.

Regent Stuart asked if this was a new strategy and are these courses different? Provost Capaldi stated that this was a strategy that was increasingly common across the country and very meaningful for Arizona. Masters programs used to be either thesis or non-thesis programs. Now, across the country there is a new category of Masters

Degree which is termed a professional masters degree. There are three categories. One is for students who have an undergraduate, liberal arts degree but need additional skills for a particular job. The MA in Teaching Foreign Languages would be an example of this. This degree will give a person who has a liberal arts degree, the tools to teach a language. Two is where working people want to upgrade their skills. The MA in Intercultural Discourse and Interaction is an example of upgrading skills. It is for working professionals who want to interact globally. This degree will, very frequently, be paid for by the employers. Three is the entry degree to a profession. The MA in Infant Family Practice and in Marriage and Family Therapy are examples of an entry degree in a new field. These degrees deal with behavioral issues in young children, psychological issues of young children, family violence, depression, teen suicide, family interaction problems, etc. Agencies in Arizona are asking for graduates with these degrees. These are entry degrees to clinical professions.

Regent Calderón stated that he had not seen the same level of financial aid being given to graduate students as was given to undergraduate students. Regent Calderón asked if ASU was moving to a private university type model for graduate degrees.

President Crow stated that if ASU were a private university, degrees of this nature would have a \$35,000 tuition price tag plus fees on top of it. This type of program is being offered at a fraction of the price of a private university. President Crow stated that in regards to the graduate student financial aid issue, it was a legitimate concern. He stated that the university did offer financial aid to graduate students, but needed to be able to offer more and the university was continuing to work toward that end, but the Board needed to remember that in a private university there would be no financial aid for this type of program. Provost Capaldi stated that another way they helped to lower the cost was that these programs were accelerated, 18 months where other universities take two to three years and that lowers the cost.

President Haeger stated that there were many health related programs that NAU wants to offer. Since state appropriates are what they are, the only way those programs can be offered is with tuition and fees being charged, but when you look at NAU's price, compared to private universities, we are a bargain.

Regent DuVal wants to make certain that we have established a paradigm for the parameters of fees. He understood that fees would be associated with the return on investment or the salary that you could command once you had the degree. He is not sure these degrees will net a student a salary that justifies the cost of the degree. Maybe the Board needs to establish which types of degrees would justify and fee.

President Crow stated that the vast majority of students were in non-fee programs. The programs that have fees have salaries which will be high enough to justify the fees. He stated that the Board policy allowed the university to set graduate tuition with some market driven factors.

Regent Martinez stated that he felt that students were willing to make an investment in their education. Students have changed their approach in many ways to say that they understand the budget crunches and are willing to work with administrators and look at practical ways to address the issues.

Provost Capaldi agreed to change the implementation requests for the MA in Infant Family Practice and in Marriage and Family Therapy to planning requests. This will allow time for the fee requests to be presented as part of the annual fee setting process in December.

Upon motion by Regent Stuart, seconded by Regent Boice, the Board unanimously approved ASU's request to plan for an MA in Teaching Foreign Languages, an MA in Intercultural Discourse and Interaction and to plan the MAS in Infant Family Practice and the MAS Marriage and Family Therapy with the express understanding that this approval to plan these degrees does not include the program fees that are described in the materials. If the program fees are not approved in December, these programs will not go forward.

Upon motion by Regent Stuart, seconded by Regent Bulla, the Board unanimously approved NAU's request for an organizational change in the College of Health and Human Services to establish the Department of Communication Sciences and Disorders and the Department of Physical Therapy and Athletic Training and to disestablish the School of Health Professions and expedited implementation of a BS in Applied Computer Science.

## **TECHNOLOGY OVERSIGHT COMMITTEE**

Regent Palacios chaired this portion of the meeting.

### **Report from the Technology Oversight Committee (Board Item #12)**

Regent Palacios presented a report on the Technology Oversight Committee meeting held on August 7, 2007. She stated that the ABOR Technology Oversight Committee covered the following items: (1) ASU update on OASIS project activities. Specifically, a detailed report on the payroll system implementation and a request for additional \$6.5 million in funding which is Agenda Item #14. The Committee also received two reports from Fred Estrella, ABOR's OASIS Project oversight consultant; (2) Four IT projects were forwarded to the Board for approval; two from ASU and two from NAU. She stated that Action Item # 16, on the consent agenda, is the NAU OutlookSoft Budget & Planning Software which is the same software that ASU has recently implemented. This is consistent with one of the Moran Report collaboration recommendations; (3) The Committee approved the allocation of \$40,000 of its \$250,000 IT Innovation Fund to continue to support the implementation of SharePoint at the central office, as well as retain consultants to manage the IT architecture project and staff other small research and development projects; (4) Charlie Moran, President of Moran Technology Consulting provided the Committee with his recommendations for university IT

collaborative opportunities. The university CITO's discussed three initial collaborative projects; information security, supercomputer sharing and sharing IT methodologies; (5) There was a discussion regarding the opportunity to review the Committee's charge and the Moran Technology Consultant's recommendations on the Committee's governance practices including additions to the university IT strategic plans; (6) The Committee was updated on the status of the AZUN Portal Development Plan, including the marketing plan and portal budget plans. Also, possible projects that could contribute to increasing production of teachers in Science, Technology, Engineering and Mathematics (STEM) fields, which is a priority of the Governor's P-20 Council, were presented; and (7) The Committee was updated on modifications made to the 2008 Arizona Regents Reach Out Grants RFP which includes giving STEM related proposals a priority.

### **OASIS Budget Revision (ASU) (Board Item #14)**

Regent Palacios stated that he Board was being asked to approve ASU's request for a revision to its OASIS project budget to reflect a \$6.5 million increase from \$24.5M over five years to \$31M over five years. The Technology Oversight Committee reviewed this item at its August 7, 2007, meeting and recommends Board approval.

Regent Calderón asked whether the committee addressed problems that were occurring with this technology and asked what assurances there were that the problems would not be replicated. Regent Palacios stated that the committee discussed the reasons for the increase and how the dollars would be spent and she is comfortable with the progress and the request. Regent Palacios stated that even though the payroll issue is not directly related to the project, the matter was discussed at the committee meeting.

President Crow stated that in regards to the problems that were occurring regarding the payroll issues that this budget request is not related to the issues of the implementation of the new system. It was a known fact that the conversion was going to create some problems, but he felt most of the issues were not with the conversion problems, but with the universities handling of the specific employee problems and that issue has now been resolved.

Regent Bulla stated that even with the \$6M budget increase there is still significant savings with the Peoplesoft project. Dr. Sannier stated that the implementation of this program, in this time frame was miraculous. \$31M and 18 months is well below what originally was anticipated to be a \$100M, 10 year project. Dr. Sannier also complimented Fred Estrella from NAU.

Upon motion by Regent Palacios, seconded by Regent Bulla, the Board unanimously approved Arizona State University's request for a \$6.5 million, five-year budget increase for its OASIS project.

### **AUDIT COMMITTEE**

Regent Mariucci chaired this portion of the meeting

**Proposed Addition of Board Policy 6-711, “Internal Control Responsibilities” (First Reading) (Board Item #18)**

Regent Mariucci stated that during the Audit Committee meetings, as the regents reviewed internal audit reports with staff, the Board occasionally discussed the appearance that responsibility for internal controls was not always clearly defined. In some audit reports, it was clear that management and employees were aware of and were fulfilling their responsibilities to foster an environment geared towards maintaining adequate internal controls.

She stated that on the other hand, in other audit reports, it seemed like the management and employees were acting as though someone else was responsible for internal controls. To address the Committee’s observations, staff presented at the last Committee meeting, a draft policy that provided a ‘stake in the ground’ for the Board’s expectations with respect to internal controls.

A policy and guidelines are being presented today. The policy is very brief, directs the establishment and maintenance of a system of internal controls, and makes the Presidents ultimately responsible for having a system of internal controls. The Guidelines contain the details. The Guidelines can be amended by the Audit Committee, as needed.

The Guidelines document is both educational and instructional in that it defines internal control, and describes five interrelated components of internal control that must be in place: (1) Senior management has to set the tone-at-the-top for how the institution will embrace the internal control environment; (2) Risks of all types – strategic, reputational, financial, legal, human resources, compliance and operational have to be identified and managed; (3) Policies and procedures need to be in place to help control activities needed to address the risks and meet objectives; (4) Management must ensure information is available to support control activities and communicate strongly and often that internal control responsibilities must be taken seriously. Conversely, employees must have a means to communicate significant information to the leadership; and (5) Lastly, the quality of internal control performances must be monitored, with corrective action taken as needed.

A key facet of this policy is that it states very clearly that all employees have a responsibility for internal control. Management and supervisors are charged with promoting adherence to the system of internal control and are responsible for: (1) Setting expectations for individual employee accountability; (2) Ensuring employees receive training related to their internal control responsibilities, and (3) Ensuring these expectations are documented, discussed, evaluated regularly, and included in annual performance evaluations, as appropriate for the employees’ position responsibilities.

Regent Mariucci stated that this policy, which is endorsed by the Audit Committee, is being presented to the Board for a first reading.

### **PUBLIC AWARENESS COMMITTEE (Chair: Regent DuVal)**

Regent DuVal chaired this portion of the meeting. Cathy McGonigle joined the meeting for this presentation.

### **Update on Solutions for Arizona's Future (Board Item #19)**

The Board received an update on Solutions for Arizona's Future. Regent DuVal stated that at the June meeting the Board met with the Governor and she spoke about her desire to see a heightened level of public awareness across the full panoply of education, P-20. The Solutions Team has been working on a Higher Education plan to increase public awareness about the value of higher education and the importance of higher education. The Board has hired Riester to assist with the plan. In the context of the Governor's comments, a broad based coalition of stakeholders, including the Superintendent of Instruction, representatives from the community colleges, representatives from the major Arizona foundations and all of the other major education stakeholders, have been meeting to try and accomplish the Governor's mandate to try and put together a coordinated public awareness campaign that both has timely content and a sense of urgency. The Team has been moving towards how to thematically put together an awareness campaign that accomplishes those goals and have now stopped at water's edge and will not, in the short term, include paid media advertising, although that is something that may be revisited in the future. The Team is moving the architecture and the capacity of a meaningful public awareness campaign with the coalition partners.

Regent DuVal stated that in the short term, the Team is moving forward on an integrated public relations strategy over the fall and into next year, across the system; a presentation, that will be made available to all Regents, that is an energetic slideshow to be used when out and about the state; a website which both describes the value proposition of higher education and provides portals to all of the three universities; and the building of a business coalition that supports the objectives across the state generally and at the legislature specifically.

Regent DuVal stated that the committee recognized that public awareness is a useful goal that is a tool in furtherance of a much more important goal and in that way what we are doing is having robust conversations about the long term funding needs of all of education and with our colleagues we are involved in what that might look like in this session and in upcoming sessions. Specifically the Team and the universities have been looking at long term financial aid issues, long term capital needs and funding formulas and discussing them with legislators as well in the hopes that an elevated public awareness campaign will be matched up to policy outcomes that have some long term meaning for the system.

Regent DuVal stated that he was very grateful to the presidents and the Regents for the support that they have given this project and their commitment to be involved in this ongoing project.

**HUMAN RESOURCES COMMITTEE** (Chair: Regent Bulla)

Regent Bulla chaired this portion of the meeting. Regent Bulla stated that the Human Resources Committee had reviewed these items and moved forward for Board approval.

**Appointment of Vice President for Student Affairs (UA)** (Board Item #20)

Regent Bulla stated that the Board was being asked to approve the appointment of Dr. Melissa M. Vito to serve as the Vice President for Student Affairs at the University of Arizona.

President Shelton stated that he is extremely pleased to be able to appoint Dr. Vito to this role. This is an opportunity for the University of Arizona as they expand the responsibilities vested in this office.

Upon motion by Regent Calderón, seconded by Regent Bulla, the Board unanimously approved the appointment of Dr. Melissa M. Vito to serve as the Vice President for Student Affairs at the University for a fiscal year salary of \$210,000, and as presented in the Executive Summary.

**Appointment of Vice President and Dean of the New College of Interdisciplinary Arts and Sciences at West Campus (ASU)** (Board Item #21)

Regent Calderón stated that the Board was being asked to approve the appointment of Dr. Elizabeth Langland to serve as Vice President and Dean of the New College of Interdisciplinary Arts and Sciences at Arizona State University at the West campus.

President Crow stated that he is extremely pleased to be able to appoint Dr. Langland to serve as the Vice President and Dean of the New College of Interdisciplinary Arts and Sciences at Arizona State University at the West Campus.

Upon motion by Regent Calderón, seconded by Regent Venezia, the Board unanimously approved the appointment of Dr. Elizabeth Langland to serve as the Vice President and Dean of the New College of Interdisciplinary Arts and Sciences at Arizona State University at the West campus for a fiscal year salary of \$218,000, and as presented in the Executive Summary.

**Approval of a Multiple-Year Employment Contract for Women’s Head Basketball Coach (NAU) (Board Item #22)**

Regent Calderón stated that the Board was being asked to approve a multiple-year employment contract for Laurie Kelly as the women’s head basketball coach at Northern Arizona University for the period July 1, 2007 through June 30, 2010.

President Haeger stated he is very happy to be able to recommend Coach Kelly for her second three year appointment as the women’s head basketball coach.

Upon motion by Regent Bulla, seconded by Regent Calderón, the Board unanimously approved the multiple-year employment contract for Laurie Kelly as the women’s head basketball coach at Northern Arizona University for the period July 1, 2007 through June 30, 2010, at a base salary of \$99,365, and as presented in the Executive Summary.

**Approval of Amendment to Multiple-Year Employment Contract of Softball Coach (UA) (Board Item #23)**

Regent Calderón stated that the Board was being asked to approve an amendment to the multiple-year employment contract for John M. (Mike) Candrea, Head Softball Coach at the University of Arizona, to provide for a part-time temporary alternative duty assignment to permit him to serve as Head Coach of the 2008 Olympic Softball Team.

President Shelton stated that this amendment to Coach Candrea’s contract will allow him to serve as the Coach of the United States Women’s Softball Team for the 2008 Olympics.

Upon motion by Regent Bulla, seconded by Regent Calderón, the Board unanimously approved the amendment to the multiple-year employment contract for John M. (Mike) Candrea, Head Softball Coach at the University of Arizona, to provide for a part-time temporary alternative duty assignment to permit him to serve as Head Coach of the 2008 Women’s Olympic Softball Team, as presented 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 there are 24 real, live students in the classrooms on the Phoenix Biomedical Campus, working to become Arizona’s future physicians. There are 110 first-year medical students in Tucson, for a total of 134 students. He stated that this is the largest class ever in 40 years.

Regent Stuart stated that the negotiations for clinical facilities were continuing. He stated that the selection team was currently reviewing proposals to design two more

new facilities for the campus – the Medical Education Building and the ABC 2 building. The new ABC 2 space will have dedicated research space for the UA and ASU, as well as shared core research support and space for the work of the Clinical and Translational Science Award.

He stated that the Executive Steering Committee, comprised of both Banner and UA College of Medicine leadership, is still hard at work trying to work out the final arrangements.

## **ADMINISTRATIVE BUSINESS**

### **Adoption of Board Meeting Calendar for FY 2009-2010 (Board Item #24)**

Regent Boice stated that the Board was being asked to adopt a meeting schedule for FY 2009-2010.

Upon motion by Regent Boice, seconded by Regent Calderón, the Board unanimously approved the meeting schedule for FY 2009-2010.

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

The Regents thanked the University of Arizona, President Shelton and all of the staff for their hospitality and for making this another exceptional and enjoyable meeting.

## **ADJOURNMENT**

The meeting adjourned at 12:00 noon.

SUBMITTED BY:

Margaret L. Martin  
Secretary to the Board

APPROVED BY:

Fred T. Boice  
President