

**ARIZONA BOARD OF REGENTS  
SPECIAL BOARD MEETING  
Arizona Board of Regents Office  
January 19, 2009**

The Arizona Board of Regents held a special meeting at the Arizona Board of Regents Central Office, 2020 N. Central, Suite 230, on January 19, 2009, at 9:30 a.m. Some members participated by telephone.

Present:     Regent Boice  
              Regent Bulla  
              Regent Calderón  
              Regent DeConcini  
              Regent DuVal  
              Regent Leonard  
              Regent Mariucci  
              Regent McLendon  
              Regent Martinez  
              Regent Meyer

Absent:     Superintendent Tom Horne  
              Governor Janet Napolitano

Also attending were Michael Crow, Christine Wilkinson, and Rich Stanley from Arizona State University; Robert Shelton, Jacqueline Mok, Karen Filippelli, Leslie Tolbert, Melissa Vito, Lisa Nelson, Paul Allvin, Steve McCarthy, Rick Kroc, William Crist, and Jim Florian from the University of Arizona; John Haeger, M J. McMahon, Mark Neumayr, and Laura Huennike from Northern Arizona University; Executive Director Joel Sideman, Board Counsel Nancy Tribbensee, Board Secretary Peggy Martin, Cathy McGonigle, Christine Thompson, Sandra Woodley and Stephanie Jacobson from the Central Office; and Ted Ferris, Jaime Molera, Michael Slugocki, President ASA and Erin Hertzog, UA.

Regent Boice called the meeting to order at 9:37 a.m.

Regent Boice stated that this meeting was called to talk about options and strategies related to the budget.

Christine Thompson discussed the Governor's Budget and the Appropriation Chairmen's Budget.

Jaime Molera stated that the Democrats are preparing to release their budget. The Board needs to ramp up the heat on how detrimental these budget cuts are.

Regent Mariucci asked for the anticipated completion date for the budget. Jaime Molera responded that February 15 was the likely date.

Regent Bulla stated that Governor Brewer was using different numbers for the deficit amounts – for FY 09 \$1.8 billion and for FY 10 \$4 billion.

The next item was university plans for responding to proposed budget cuts.

Sandy Woodley discussed the possible format of the response and described various scenarios.

President Crow stated that \$60 million of reductions have already been implemented at Arizona State University and additional reductions are in motion.

President Haeger stated that it is much the same at Northern Arizona University. \$20 million in cuts have already been implemented. He stated that as more cuts are implemented, they become more dramatic. People will need to be cut. There will be a fundamental change in the direction of the university. It is possible that the Skydome will need to be closed; various distance learning sites will need to be closed, the and Prescott and Yuma campuses will be dramatically impacted.

President Shelton stated that \$50 million in reductions have already been implemented. Personnel and academic programs will need to be cut. It is possible that colleges will need to be closed depending on the magnitude of the cut.

Regent Boice introduced Ted Ferris and stated that he would be assisting the Board with budget matters. Mr. Ferris told the Board about his strategy and plans.

Regent Boice then asked what number should be offered up, e.g., \$75 million or \$50 million. He also said the Board needed to determine the audiences for our message.

He asked what Board policies need to be changed to implement the needed actions regarding the cuts; what needs to be done with tuition and fees; will the Board be taking legal action; what campuses could and/or will be closed; should the Board be cutting enrollment; what is the implication on the research budget.

He further stated that he felt we first needed to devote time and energy to the FY 09 budget and once those numbers are settled on, then work on the FY 10 budget.

Regent DeConcini stated that he felt we should state that we are willing to take a \$50 million cut. He also stated that we should be able to tell the legislature what will specifically happen at each possible level of cut. The legislature needs to see the magnitude of what is going to happen. Regent Meyer said he agrees.

Regent Mariucci stated that we need to get the general information out regarding various possible cuts. But, we cannot look as though we are out of touch.

Regent Calderón stated that he felt legal action was not the way to go. The Board needs to have a dramatic message. People need to know at each specific level, what the specific results are going to be. This needs to be humanized. Regent Mariucci, Bulla and Duval agree.

The message needs to be as specific as possible; this is what has been done and this is what is going to happen. The tone is very important.

The Board will begin to make their case at the Board meeting and then make further presentations later.

The next order of business was the consideration of a declaration of financial emergency. President Crow stated that the issues are complicated and additional flexibility is needed. President Shelton and President Haeger stated they did not think it was necessary yet.

Regent Bulla suggested that the Board look at possibly suspending certain policies for a period of time in lieu of declaring an emergency. Legal counsel would look at this possibility and get back to the Board.

The final order of business was the public affairs strategies relating to budget constraints. The presidents were going to be on Horizon. Information was being sent to all Solutions members. The students are planning some protests.

There being no further business to come before this meeting, Regent Boice adjourned the meeting at 11:45 a.m.

SUBMITTED BY

Margaret L. Martin  
Secretary to the Board

APPROVED BY

Fred T. Boice  
President